

SHINRYO Report 2018

Corporate Profile and CSR Report
English Version



“Create a Freshening World”



SHINRYO

- Brand Promise -

We would like to provide a comfortable air quality appropriate for where we work, spend our time, and in the surrounding natural environment. We would like to create a rich and pleasant environment.

We, Shinryo Corporation strive to realize an even more comfortable and pleasant lifestyle by providing optimal air quality around the world.

As a means to this end, we strive to provide new value through flexible thinking by heightening the technology we have cultivated up until now even further while sincerely responding to the customers.

We will continue to strive to realize a “Freshening World” by pursuing to offer greater value.

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■ Editorial policy

The intent of this report is to enable all our stakeholders to deepen the understanding of Shinryo Corporation's CSR (corporate social responsibility) activities.

■ Target period

Centering on FY2017 (October 1, 2016 to September 30, 2017), including some periods before and after.

■ Scope of report

CSR activities of Shinryo Corporation and activities of Shinryo Group companies

■ Reference

- ISO26000
- GRI (Global Reporting Initiative) Sustainability Reporting Guidelines 4th Edition (G4)

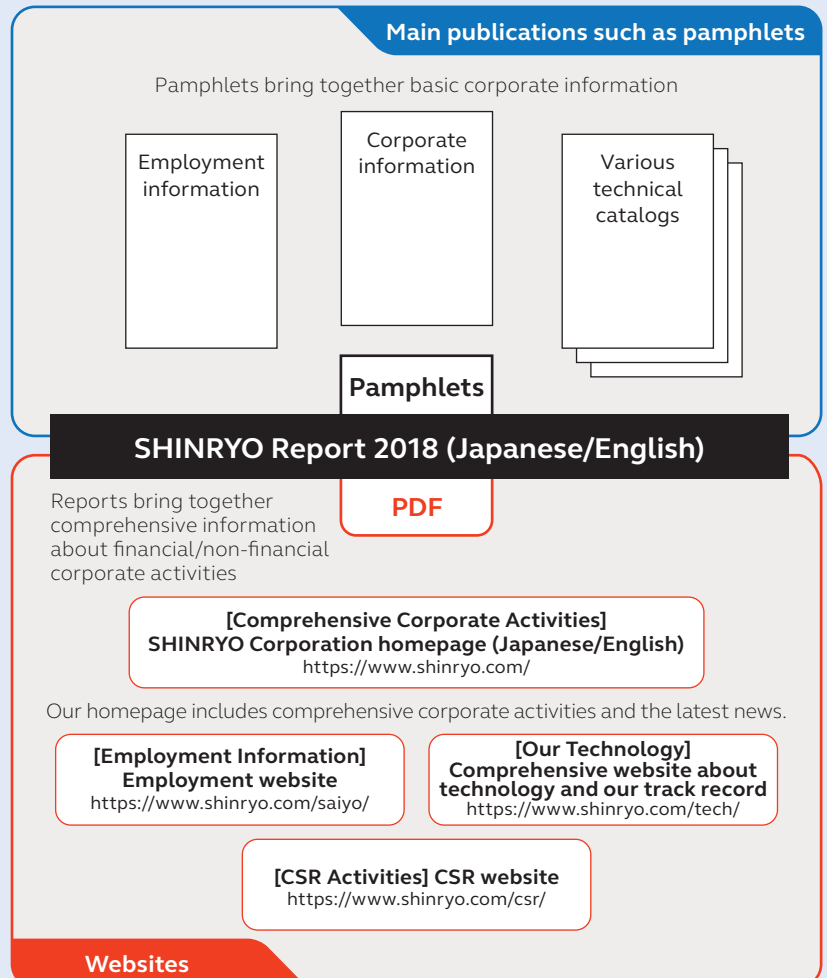
■ Publication date

Current Japanese Report: January, 2018
Next Japanese Report: January, 2019 (scheduled)

■ Division responsible for publication and contact point

CSR Promotion Division,
SHINRYO CORPORATION
TEL: +81-3-3357-2151 (Main)

Informational dissemination system



Growing with Sincerity, Passion and Creativity to Be the Company Society Wants



Takeshi Kagami

President, Representative Director

Paying Attention to International Challenges

In recent years, the impacts of international affairs are contributing to significant changes in Japan particularly in respect of globalization and the effects on the economy and social structures. As the state of affairs outside of Japan has an unpredictable influence on corporate activities, the relationship between the global societies and economies has increased the complexity of these activities.

In addition, recent international trends relating to global warming and climate change are indicating a more volatile situation. Achieving the reduction targets for greenhouse gas emissions as defined by the Paris

Agreement and responding to the effects of climate change has become an issue shared globally.

Shinryo Group, which has 89 bases in Japan and overseas, believes that understanding changes from a broad perspective and providing for the future is necessary to overcome international obstacles and achieve sustainable growth. We will grow as a corporate group, according to the desires of society, through contributing to the preservation of the global environment within our businesses as well as through the approach and success of our initiatives as a responsible enterprise.

Furthering a Medium Term Plan

The SHINRYO Report 2018 is a Corporate Report that includes a wealth of information that further develops and expands on the content and detail of our previous CSR reports. In addition to including information about activities in-line with the 13th Three Year Management Plan, this report also outlines a variety of corporate activities undertaken in accordance with the ISO26000 Guidelines, the United Nations Global Compact, and Sustainable Development Goals (SDGs).

Feature 1: “Corrosion Engineering for Piping to Save Resources” introduces our initiatives that aim to save resources by prolonging the life span of piping using robust corrosion protection. This Corrosion protection for piping is an initiative unique to Shinryo Corporation that leverages an enormous knowledge database obtained from more than 25 years of research related to metallic corrosion. This technology not only saves resources but also responds to the desires of our Customers to lighten the burden of repairs and maintenance of equipment.

Feature 2: “Business Activity Highlights” describes our construction track record from Cogeneration systems to Energy Management systems. Shinryo Corporation has the technology and the skill in the fields of supplying energy via systems with a lower level of greenhouse gas emissions and facilitating the efficient use of energy with total information systems. I believe these technologies will grow to be ever more important in the future.

In addition, CSR Activity Topics and Environmental Initiatives include applicable examples of BIM (Building Information Modeling) and CFD (Computation Fluid Dynamics) technology as technical tools that contribute to the reduction of the environmental load through measures such as resource saving and the reduction of greenhouse gas emissions. Today, digital engineering technology allows us to create fully formed images of equipment systems before construction. We aim to satisfy Customer requirements and reduce environmental load through the use of these technologies.

Raising Awareness About Safety and Fairness

The construction industry today is concerned about the increasing number of fatal accidents. The construction market is in full swing with a large volumes of work. Therefore, raising even more awareness about health and safety is an essential requirement during these busy times.

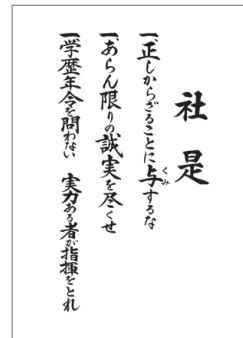
Mitsuaki Sunaga, chairman of the Health and Safety Council, shares his thoughts in the “Consumer Issues” section about the health and safety activities promoted jointly by Shinryo Corporation and its partner Companies.

We are also putting our strength into health and safety activities overseas. The people in charge of the Safety Supervision Department at our Headquarters conduct frequent initiatives to raise awareness and promote health and safety working toward an accident and disaster free workplace. Examples of such are the participating in joint safety patrols conducted overseas twice a year.

Led by Headquarters, Shinryo Corporation has also started compliance education at overseas bases to further influence and improve operating practices around the globe. We are implementing measures to share experience and raise awareness about the importance of legal compliance. All of us at Shinryo Corporation who perform our duties each and every day are fully aware of the statement in our company philosophy to ‘be fair and straightforward’.

Company Philosophy

- Be fair and straightforward
- Do your best with all your effort
- Have leadership, irrespective of education, age, or nationality.



Company Philosophy
(in Japanese)

This Company Philosophy clearly expresses the life philosophy and business philosophy of our founder Chairperson Masaru Kagami (deceased). Shinryo Corporation was established in order to embody this philosophy in the business world. These three principles serve as the roots of Shinryo Corporation and are the foundation for all thinking, decision-making and action of executives.

Work Style Reform: Refreshing Work Style Project

The work style reform of Shinryo Corporation practices is explained in Feature 3 and “Human Rights/Labor Practices”. The long working hours are a major problem in the construction industry. Describing work style reform as the most important management challenge now would not be an overstatement especially in terms of securing a workforce. I feel we need to undertake efforts to solve the challenges faced by an entire industry. Shinryo Corporation started the “Refreshing Work Style Project” as an activity to reform work styles as the first step in addressing these issues. The work style reform we envision results in a refreshing and open corporate

climate rich with creativity.

Our Employees are engaged in activities designed to review and reform their work processes and eliminate wastefulness in working toward the realization of this vision. We are also furthering the introduction of programs so that our Employees can choose to have an even more flexible work style.

The company is also putting effort into educational support activities for high school and college students who are entrusted as the next generation, and we will continually strive in human resource development with a long-term perspective.

To All of Our Stakeholders

We are actively disseminating information to help all of our stakeholders know Shinryo Corporation. We do not only want to share our technology and prices but also our approach and belief in the work, such as the serious and sincere nature of the SHINRYO brand, as we aim to continue to be a Company chosen by our Customers.

Shinryo Corporation, as a Global Company will deliver “refreshingness” to the world. Our corporate logo has been amended as of April 2017 with the purpose of establishing a desirable presence seen in these terms. The new logo shown on the cover of this report has three meanings. The first is the unwavering “sincerity” we have shown and will continue to show. The second is our

“passion” of being unafraid of change. The third is our “creativity” that enhances value for the future. Shinryo Corporation will continue working toward our goal of “Creating a Freshening World” with sincerity, hard work, adopting a spirit of challenge, and maintaining ceaseless creativity under this logo as our emblem.

Shinryo Corporation and Shinryo Group will promote our medium term plan and advance business activities to fulfill our social responsibilities. We will continue to work to reflect the feedback we receive from everyone in our businesses so as to better ourselves. I ask for your ongoing support and guidance in the future as well.



Kimio Senda

Executive Vice President
In general & in charge of
Compliance & Environment

Duty to Society as an Environmental Engineering Company

Greenhouse gases are without a doubt a factor accelerating global warming. This is a fact based on a wide range of information and data related to the modern global environment. Therefore, defining international targets to reduce the amount of greenhouse gases is especially necessary. The massive energy consumption of air conditioning systems, which is the primary business of Shinryo Corporation, has a large impact on people, society and the global environment. This means that we are directly involved with the Paris Agreement and Sustainable Development Goals (SDGs) international frameworks to fight against global warming. This engagement goes even deeper with “Goal 7: Affordable and Clean Energy” and “Goal 13: Climate Action.”

Today, air conditioning systems are indispensable when engineering environments for the lifestyle of people and for production of services. Providing an environment in line with Customer requirements whilst lowering the energy consumption even further relies upon the technology to do so. A good example of our activities to realize energy savings through optimal energy management systems is included in “Feature 2: Business Activity Highlights” of this report (→P. 19-22). These efforts are the initiatives that help ensure even a small contribution toward achieving the targets in the Paris Agreement. Shinryo Corporation has made a brand promise to create a sustainable world through global environmental preservation based on our management vision to “Create a Freshening World” (→P. 1). We need to put even more effort into our businesses, as well as research and development, to help in achieving the targets agreed upon worldwide. Our duty to society as an environmental engineering company is immense.

Contributing to Development of a Sustainable Society with Our Technology

Technological capabilities are the source of our strength. Our core business is to provide environments that are able to satisfy our Customers through these technological capabilities. Systems that take into account energy savings are designed to reduce the environmental load via rational construction technology. We value the ability to respond to the needs of our Customers with technology that addresses global warming and contributes to development of a sustainable society.

The construction market in Japan is shrinking but a wave of competitive ordering is expected after 2020. Shinryo Corporation needs to aim to improve productivity dramatically in addition to strengthening its technological capabilities to overcome the competition and continue to grow in the future with the recognition of all of our Stakeholders. We must contribute to the sustainable growth of society while also growing as Shinryo Corporation through even higher productivity as a Company.



Haruaki Kotani

Senior Managing Executive Officer
General Manager, Technical
Supervision Division



Yasunori Abe

Managing Executive Officer
General Manager, International
Management Division & Managing
Executive Officer in charge of
Corporate Planning & Group
Management

Unifying Shinryo Group Strengths for Global Growth

Shinryo Corporation, as an industry pioneer, has been expanding its business with ventures overseas. Currently, we have 65 bases in Japan and 24 bases overseas who are engaged in delivering the “Freshening World” being created by Shinryo Corporation to Customers worldwide.

Shinryo Corporation has a 62-year history of stepping up to challenges. The driving force is our undaunted spirit of challenge. As we face the growing issue of an aging society with a low birth rate, we have to continue to strive to expand and mature as a Company. Both Shinryo Corporation and the Shinryo Group have to continue to grow globally. I believe this growth will help contribute to development of a sustainable society as well as the happiness of Employees who work within the organization. We can do anything if we combine our strengths. We need to celebrate even gradual progress forward with our direction aligned, even if there are mistakes in our methods, whilst valuing the diversity of the individual. If every one of the 5,000 employees of Shinryo Group takes even one small step forward, these minor increments will result in one giant leap ahead.



Takeshi Egi

Managing Executive Officer
General Manager, Administrative
Division & Managing Executive
Officer in charge of CSR & Reforms
in the Way of Working

Growing as a Company Through Work Style Reform

The Work Style Reform: The “Refreshing Work Style Project” promoted by Shinryo Corporation embodies a vision for a refreshing and open corporate climate rich with creativity. We are aiming to mitigate long working hours, facilitate a work-life balance and engage more efficient operations to realize this vision. This reform can spark enthusiasm in Employees and succeed in building a workplace where people can enjoy and work long-term. The growth of individuals will connect then to the growth of society as a whole.

We are still only halfway through the work style reform that began in April 2016. Although a difficult challenge, I hope we can change how we think about the impossible to gradually move forward. The construction industry, as well as Japan, is currently working toward reform, and we will strive to solve these problems arising as a whole society (→P. 23-24).

Company that Responds to Customer Needs

In the Japanese construction market, the existing real estate stock is expanding while new construction stagnates as many of the buildings built during the bubble approach three decades ago remain standing. There are more variations of methods to use existing structures over the long term such as renewals, renovations, and conversions.

Customer needs are also shifting to support for “life-style” costs through, not only renovations, but also construction, operation, repairs and renewals. Shinryo Corporation is focusing its strengths in developing proposals to respond to those needs.

The “Create a Freshening World Management Vision” is a company philosophy and a long-held belief. The ideals contained in these words remain the same and show the direction of progress at Shinryo Corporation. “Feature 1: Corrosion Engineering for Piping to Save Resources” in this report introduces environmentally-friendly technology for saving resources meant to prolong the use of equipment. (→P. 17-18). This also contributes to the “Create a Freshening World” initiative.



Takeo Yamaguchi

Managing Executive Officer
General Manager, Marketing
Supervision Division

United Nations Global Compact and Sustainable Development Goals (SDGs)

The CSR activities of Shinryo Corporation look to the United Nations Global Compact and Sustainable Development Goals (SDGs). Shinryo Corporation is advancing CSR management and business activities that have adopted the ten principles in four areas (human rights, labor, the environment, and anti-corruption) in the United Nations Global Compact as well as the concepts in the 17 SDG targets (→P. 25-26).

These efforts demonstrate the will of Shinryo Corporation to grow as a company earning trust from the international society as it focuses its strengths into the provision of technology overseas.



Shinryo Corporation signs the UN Global Compact in September 2014



Sustainable Development Goals (SDGs)

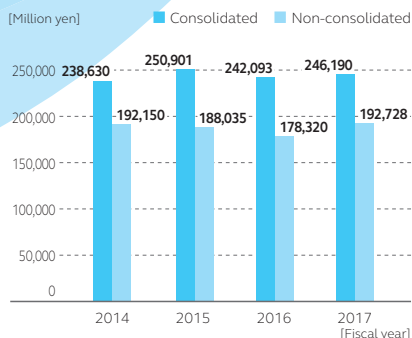
Corporate Information

Company Name SHINRYO CORPORATION
 Headquarters Address 2-4, Yotsuya, Shinjuku-ku, Tokyo
 Telephone +81-3-3357-2151 (Main)
 Date of Establishment February 23, 1956

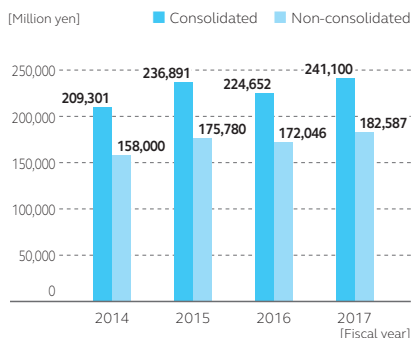
President, Representative Director Takeshi Kagami
 Number of Employees 2,133 people (non-consolidated)
 (As of the end of September, 2017) 5,104 people (including Group companies)
 Capital 3.5 billion yen

Business Performance Trends

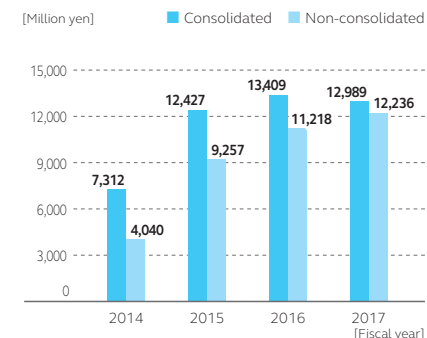
● Orders received



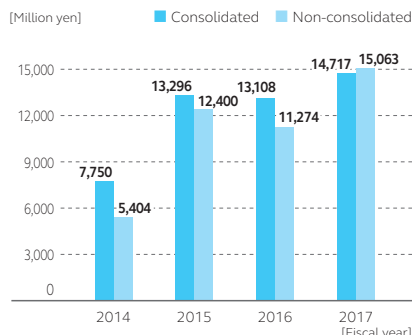
● Net sales



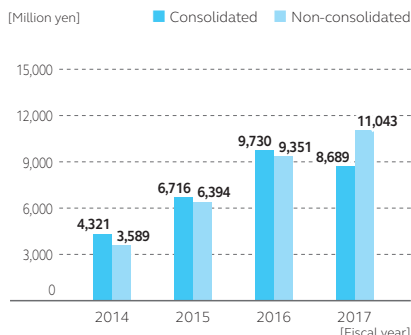
● Operating income



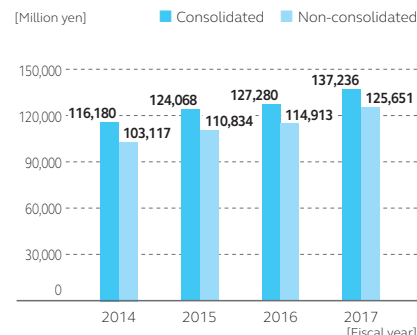
● Ordinary profit



● Current net profit



● Net assets



Construction Business License (Japan)

Licence number (Special 26) No. 3447 issued by Minister of Land, Infrastructure, Transport and Tourism
 Date of license March 11, 2015
 Licensed business Plumbing, Electrical, Machine and Equipment Installation, Building, Civil Engineering, Steel Structure, Interior Finishing, Water and Sewerage Facilities, Telecommunication, Scaffolding, Earthwork and Concrete, Sanitation Facilities

Licence number (Ordinary 26) No. 3447 issued by Minister of Land, Infrastructure, Transport and Tourism
 Date of license March 11, 2015
 Licensed business Fire Protection Facilities

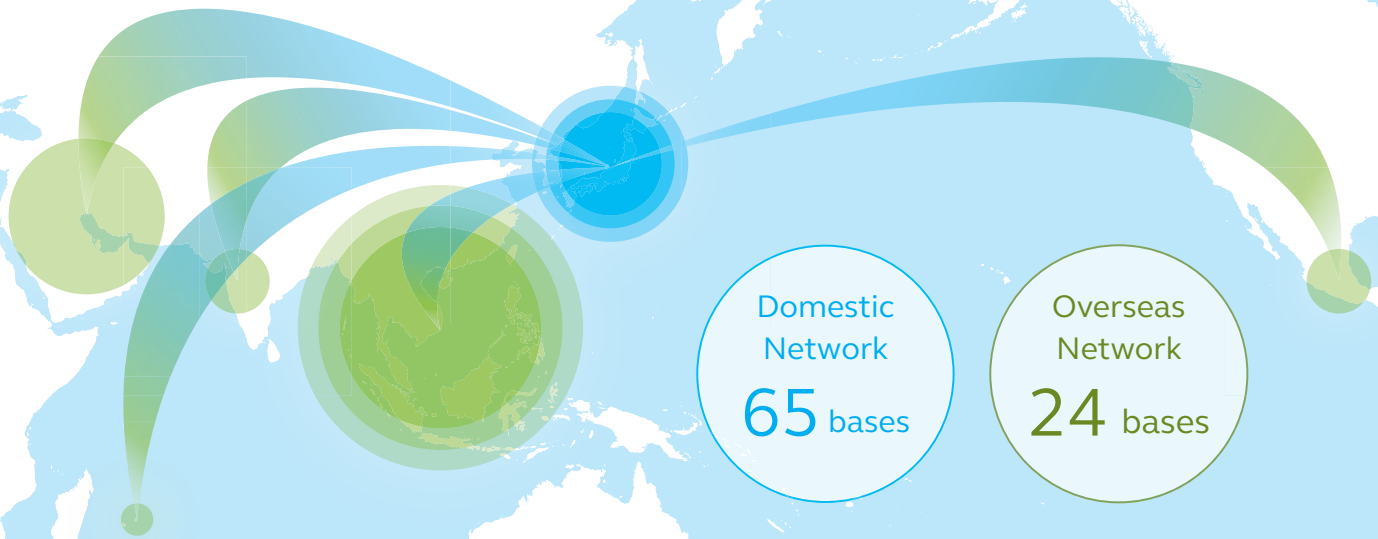
Main Registered Business (Japan)

Senior registered architect office
 Register number No.46232 issued by Governor of Tokyo
 Date of registry April 10, 2016

List of qualifiers (Japan)

Name of certification	Number of people
Professional Engineer Japan (Engineering Management).....	4
Professional Engineer Japan (Environmental Engineering)	50
Professional Engineer Japan (Mechanical Engineering).....	3
First-Class Plumbing Work Operation and Management Engineer	1,140
First-Class Electric Works Execution Manager	100
1st class Qualified Certified Electrician	37
3rd Class Electric Works Specialist	28
Class A Fire Defense Equipment Officer	354
Class B Fire Defense Equipment Officer	11
1st-class Kenchikushi (Architect)	37
First-Class Civil Engineering Works Execution Managing Engineer	4
First-Class Building Operation and Management Engineer	17
Qualified Person for Energy Management.....	114
Building Facilities Diagnostic Technician	106
Building Mechanical and Electrical Engineer	262
The First Level Instrumentation Engineer	394
Commissioning Professional Engineer.....	2

Shinryo Group Network



Corporate Profile

SHINRYO CORPORATION

Headquarters

Tokyo Metropolitan Area Division
Urban Environment Division
Air Conditioning Equipment Division
Nuclear Power Plant Division
Electric & Instrument Division
Hokkaido Branch
Tohoku Branch
Marunouchi Branch
Yokohama Branch

Hokuriku Branch
Nagoya Branch
Osaka Branch
Chugoku Branch
Shikoku Branch
Kyushu Branch
Hong Kong Regional Office
Singapore Regional Office
Research and Development Center

Kanto branch office / Gunma office / Tochigi office / Tsukuba office / Kawaguchi office / Nagano office / Kofu office / Chiba branch office / Niigata office / Osaka branch office / Nagoya office / Kobe office / Rokkasho Center / Tokai Center / Wakasa Center / Yokohama Center / Takahama Plant / Hakodate sub-branch office / Asahikawa sub-branch office / Aomori office / Iwate office / Akita office / Yamagata office / Fukushima office / Kanazawa office / Fukui office / Gifu office / Shizuoka office / Hamamatsu office / Numazu office / Keiji branch office / Shiga sub-branch office / Kobe branch office / Tenri sub-branch office / Wakayama sub-branch office / Sanin sub-branch office / Okayama office / Mizushima sub-branch office / Yamaguchi office / Matsuyama sub-branch office / Kumamoto office / Nagasaki sub-branch office / Kagoshima sub-branch office / Okinawa office /
HONG KONG Branch / MACAU Branch / DUBAI Branch / ABU DHABI Branch / MAURITIUS Branch / CAMBODIA Branch / KL ENGINEERING CENTER / SINGAPORE Branch / INDIA Liaison Office / MEXICO Liaison Office

Japanese Group Companies

Shinryo Technical Service Corporation
Shiroguchi Co., Ltd.
Daiei Denki Co., Ltd.
Shinryo Kogyo LTD.
Akita Castle Hotel Co., Ltd.
Global Staff Co., Ltd.
SYSPRO CORPORATION
LE PRO CORPORATION

Overseas Group Companies

SHINRYO (HONG KONG) LTD.
SHINRYO (HONG KONG) LTD. MACAU BRANCH
SHINRYO TECHNICAL SERVICES LTD.
TAIWAN SHINRYO CO., LTD.
SHINRYO (PHILIPPINES) CO., INC.
THAI SHINRYO LTD.
THAI SHINRYO LTD. MYANMAR BRANCH
SHINRYO (MALAYSIA) SDN. BHD.
SHINRYO SINGAPORE PTE, LTD.
PT.SHINRYO INDONESIA
SHINRYO VIETNAM CORPORATION
SHINRYO VIETNAM CORPORATION HANOI BRANCH

Business Fields

The features of business at Shinryo Corporation are the state-of-the-art construction technology and track record accumulated in Japan and overseas up until now.

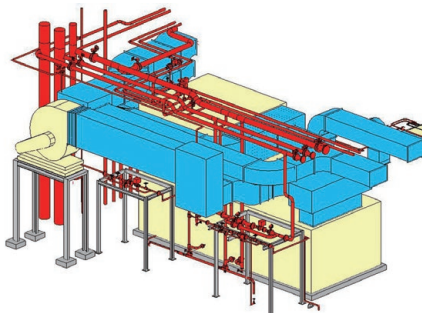
Our businesses create people-friendly and environmentally-friendly air conditioning, water-supply and drainage sanitation, electrical systems, and leading-edge production environments in addition to city-friendly and community-friendly district heating and cooling systems and comprehensive information systems that support energy savings.

Shinryo Corporation will earn the trust of customers and meet their expectations with technology, proven success and sincerity.



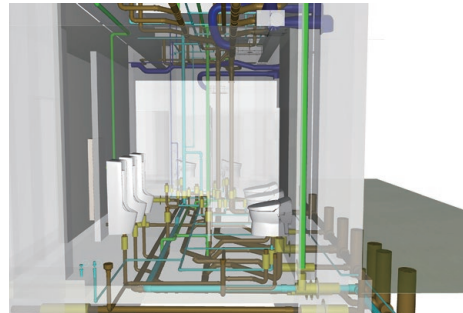
Main Systems Handled by Shinryo Corporation

● HVAC systems



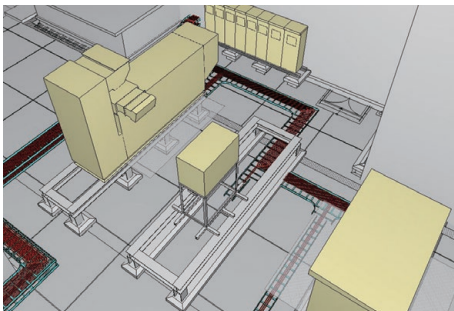
HVAC systems that responds to diversifying environmental control needs with trusted technology. In addition, we provide leading-edge technology in the clean room field.

● Plumbing sanitation



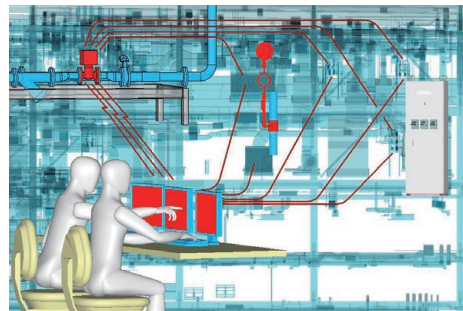
Plumbing sanitation systems are built considering the sanitation of the water supply indispensable to our daily lives and businesses.

● Electric systems



Electric systems propose energy-saving systems such as power reception and transformer systems as well as indoor wiring systems.

● Integrated information systems



The “sc-brain” integrated information systems realizes assured system management and energy savings through data management.

Business Items

Design and construction of various building services

Environmental control service work	Air conditioning and mechanical ventilation systems/industrial air conditioning and mechanical ventilation systems/clean room systems/dry room systems/bio-hazard facilities
Water-supply and drainage sanitation ...	Water supply and hot water supply systems/soil and waste drainage systems/gas supply systems/kitchen equipment systems
Firefighting service work	Automatic fire alarm systems/smoke purge and smoke extraction systems/evacuation guidance systems/indoor and outdoor fire hydrant system, sprinkler system and other types of fire extinguishing systems
Electric service work	Power reception and transformer systems/main and sub main power distribution systems/lighting and small power systems/extra low voltage systems/lightning protection systems/power generation systems
Cogeneration system.....	Power generation system/heat recovery system
Urban utility service work	District heating and cooling systems/energy supply systems
Automatic control service work	Automatic control systems/building management systems/industrial automation systems
Comprehensive information systems ...	Various control and management systems for utility plant facilities, industrial production facilities, building facilities and etc.
Power plant service work	Ventilation and air-conditioning systems for nuclear power and thermal power plants/special filtering systems/waste treatment systems
Environmental sanitation and hygiene service work	Potable, sewage and disposal water systems/greywater recycling systems/sewage treatment systems/industrial waste water treatment systems/waste treatment and dust collection systems
Industrial production service work	Pharmaceutical and food plant facilities/petroleum-related facilities/other plant facilities
Refrigeration service work	Freezing and refrigerating systems/ultra-low temperature and high accuracy temperature control systems
Special service work	Aquarium facilities/aquaculture facilities/pool facilities/weather simulation facilities/various environmental reliability testing systems

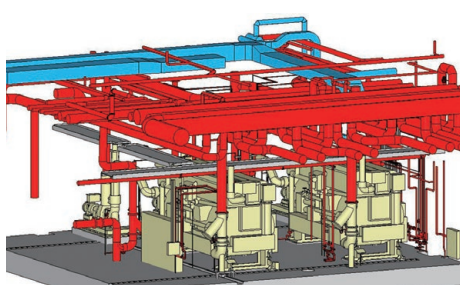
Design and construction of building

Clean rooms/plant buildings/interior finishing work/associated construction work for building services/general building facilities

Sales of air conditioning equipment

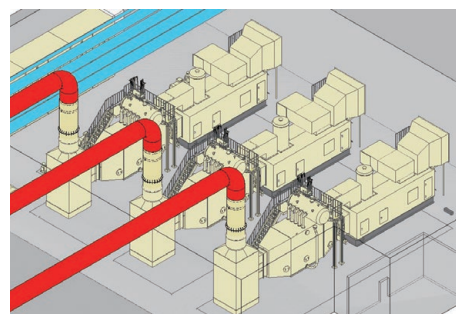
Air conditioner and other heating and cooling products/fans and blowers/sanitary ware/other products related to air conditioning and ventilation

● District heating and cooling systems



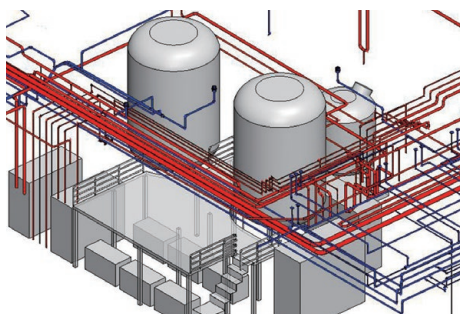
Shinryo Corporation shows the number one share in its construction track record of district heating and cooling systems. These systems realize an efficient and stable energy supply to the local community.

● Cogeneration systems



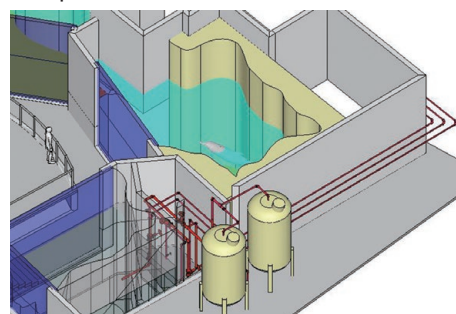
We provide cogeneration systems with superior energy savings through a deeply proven construction track record, designs and installation capabilities.

● Plant facilities



We design and install such as at pharmaceutical and food plant facilities. This provides a highly precise production environment based on GMP and validation.

● Aquarium facilities



The aquarium facilities we construct are perfect cultivation environments built on high-level knowledge about ocean life and marine product technology as well as a construction track record in the construction of aquariums throughout Japan.

Construction Track Record

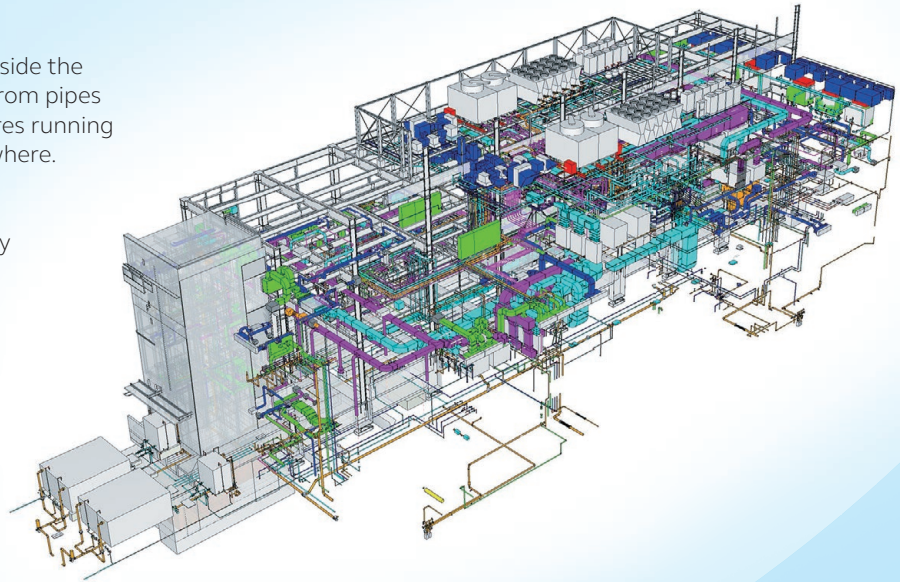
“Cities and Buildings Are Living Things”

If we take a glance beneath a city and inside the walls of a building, we will see systems from pipes and air conditioning ducts to electric wires running back and forth and up and down everywhere.

These systems provide the air, water, and electricity to be comfort with energy savings to each room in the building.

“Cities and Buildings Are Living Things”

Shinryo Corporation is tasked with designing and creating cities and buildings to breathe.



Domestic



Dai Nagoya Building
(Nagoya City, Aichi Prefecture)



Toranomon Hills
(Minato-ku, Tokyo)



THE LANDMARK TOWER
YOKOHAMA
(Yokohama City, Kanagawa Prefecture)



Tokyo Sky Tree® District DHC
(Sumida-ku, Tokyo)



Otemachi District, Marunouchi 1-chome District DHC
(Chiyoda-ku, Tokyo)



Minato Mirai 21 Central District DHC
(Yokohama City, Kanagawa Prefecture)



Palace Hotel Tokyo・Palace Building
(Chiyoda-ku, Tokyo)



FESTIVAL CITY
(Osaka City, Osaka)

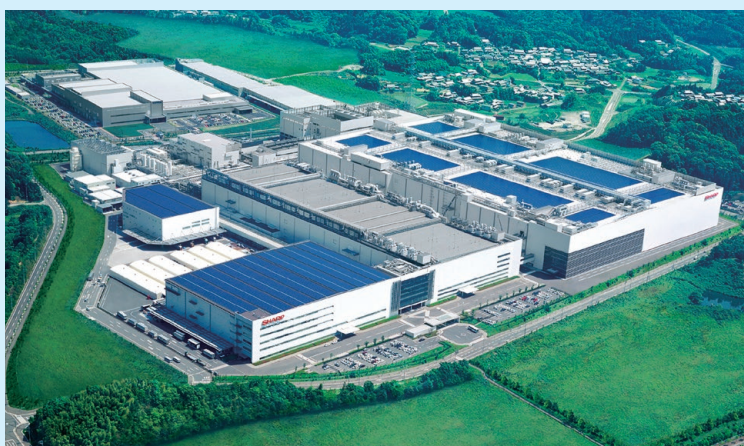
Domestic



Honda Motor Co., Ltd., Wako Building
(Wako City, Saitama Prefecture)



Yakult Central Institute for Microbiological
Research, Basic Research Building
(Kunitachi City, Tokyo)



Sharp Corporation Kameyama Factory
(Kameyama City, Mie Prefecture)



Kanto Glico Co., Ltd. Kitamoto Factory
(Kitamoto City, Saitama Prefecture)



Musashino Co., Ltd. Gunma Factory
(Takasaki City, Gunma Prefecture)



SENDAI UMINO-MORI AQUARIUM
(Sendai City, Miyagi Prefecture)
*Photograph of aquarium 「INOCHI KIRAMEKU UMI」



SAPPORO RACE COURSE
(Sapporo City, Hokkaido)



Hiroshima University Hospital Clinic Building
(Hiroshima City, Hiroshima Prefecture)



SUNTORY WORLD RESEARCH CENTER
(Soraku-gun, Kyoto)



Okinawa Institute of Science
and Technology Graduate University
(Kunigami District, Okinawa Prefecture)

Overseas



Marina Bay Sands Integrated Resort (Singapore)



Mediacorp Campus (Singapore)

Photo courtesy Mediacorp



Petronas Penapisan (Melaka) Sdn Bhd Cogeneration Plant (Malaysia)



Changi International Airport Terminal 3 (Singapore)
"Courtesy of Civil Aviation Authority of Singapore"



THAI KYOWA BIOTECHNOLOGIES CO., LTD. (Thailand)



The Mass Transit Railway Corporation (Hong Kong)

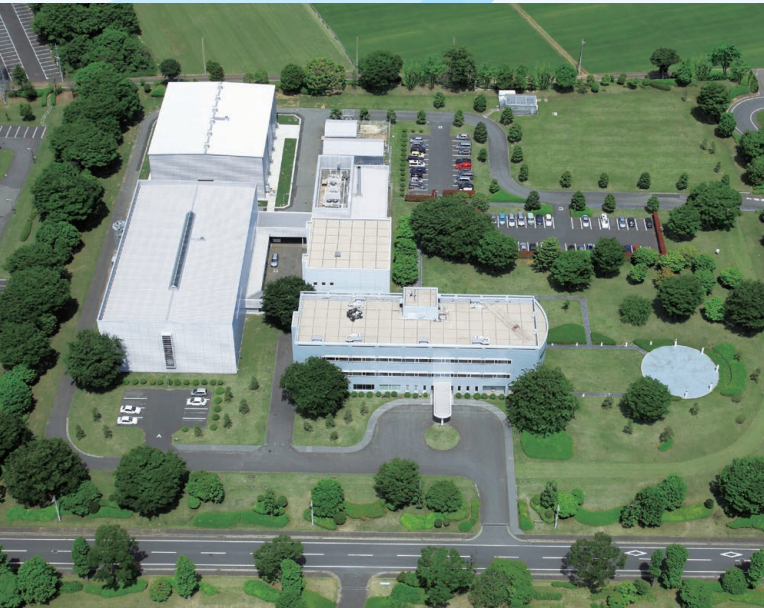


District Cooling Plant for the New Abu Dhabi International Airport Terminal (United Arab Emirates)

Corporate Profile

Initiatives at the Research and Development Center

Shinryo Corporation established the industry's first research center in Shinagawa-ku, Tokyo in 1970 before opening the largest facility in the industry, the Research and Development Center, in Tsukuba City, Ibaraki in 1990 with the aiming to Create a Freshening World.



Full view of the Research and Development Center

VOICE



Yasuhiko Sahara

General Manager, Research and Development Center, Technical Supervision Division

The Research and Development Center is involved in research and development that contributes to the preservation of the global environment with focus on air-conditioning technologies. Our research and development is in the fields of air, water, heat and sound as well as the region of our research is broad from environment control for people and industrial products to living things, energy management, production technologies, and digital engineering. We also are actively promoting collaborative research with research institutes such as universities because of the need for a vast range of expert knowledge.

As a Research and Development Base

The Research and Development Center has facilities from a main research building and large-scale experiment space to an acoustic experiment laboratory, environment simulation room and outdoor experiment site. The center offers gigantic spaces and systems for performing large-scale practical experiments as

well as analysis devices that support leading-edge technology and a high-performance HPC server able to perform highly precise simulations of phenomenon. All of this makes the research and development in the field of environments with focus on air-conditioning technology possible.



Large-scale Experiment Space



Environment Simulation Room

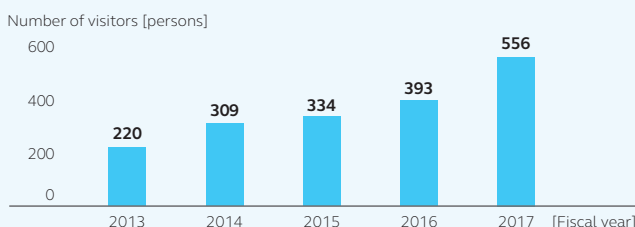


Acoustic Experiment Laboratory

Inspection for Research and Development

The Research and Development Center is also used as a showroom where all of our customers and students can actually see and experience research and development on demonstration machines, model systems and other equipment in addition to taking a tour guided by researchers of Shinryo Corporation technology as well as themes on research and development. Many customers and students have taken the tour at the Research and Development Center.

Shift in the number of visitors



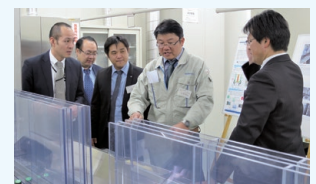
As a Base to Expand Technologies

The Research and Development Center holds training for engineers at Shinryo Group about the proprietary technologies it has worked to cultivate over many years in an effort to improve the quality of construction throughout the entire Group.

We also hold tours of the Research and Development Center to introduce Japanese air-conditioning systems and Shinryo Corporation technology to local overseas staff.



Technical training



Technological explanation to local overseas staff

Research Field & Main Research and Development

Environmental Control

We are advancing research into air conditioning systems that build optimal environments for people, industrial products and living things.



Formaldehyde removal system

This system realizes a safe work environment and higher workability by controlling the diffusion of formaldehyde.



Energy-saving dry air conditioning system: Arificus

Arificus realizes a low-dew point environment in a dry room with a minimal amount of energy.



Mass silkworm rearing system

Silkworms can be reared while saving space, saving energy, and gaining a high yield percentage through advanced environment control.

Energy Management

Research in technology related to energy such as energy savings, energy creation and energy storage is advancing.



Optimal control for heat source and air conditioning systems

This control realizes the optimal operation of heat source and air conditioning systems with the lowest energy consumption.



A multi-building energy management system

This system realizes centralized management of multiple buildings in a region by using open communication protocols.



Dynamic Ice Storage System: The Jiyu Sekkei

The Jiyu Sekkei proposes a dynamic ice storage system to effectively take advantage of limited space in a building.

Production Technology

Research into accurate measurement technology, corrosion diagnosis technology for construction equipment as well as measurement and control technology for noise and vibrations in equipment on construction sites.



Space scanning System

A space scanning system creates an accurate three-dimensional model by scanning the actual space with a laser. This system is advantageous in construction sites such as renovations.



Practical drone technology

Drones are in development to perform work such as monitoring and measurement by autonomously flying through building construction sites as well as existing buildings or facilities.

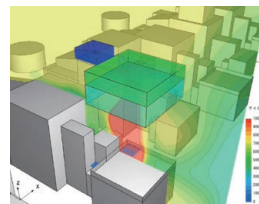


Corrosion prevention technology

Corrosion prevention technology is in development based on technology being built to inspect the factors of depreciation and decay caused by corrosion.

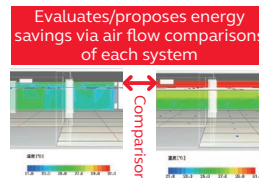
Digital Engineering

Research is underway for technology to run equipment optimally based on BIM and operational data, indoor environmental predictions through CFD.



Mistmeister

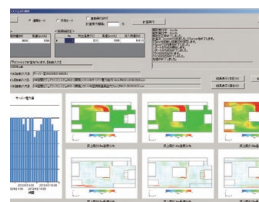
Mistmeister creates CFD models using the amount of oil mist occurring obtained through actual measurement to understand the current problem points and propose the best solutions.



Ceiling blowoff system Floor suction system

CFD for energy savings

Proposes air conditioning systems that satisfy temperature, humidity, cleanliness and other needs of arbitrary areas while using a minimum amount of energy.



Space Visualization System

The system visualizes the real-time temperature and air flow distribution of server rooms using CFD. This information is also available for investigating environmental improvements and energy savings.

1

Corrosion Engineering for Piping to Save Resources

Using piping for long-term and effectively saves resources of construction equipment. Feature 1 introduces corrosion mitigation technology to prolong the life of piping.

Saving Resources

The lifespan of a building is said to be approximately 60 years, but the piping deteriorates more quickly with a lifespan of generally 15 to 20 years. Therefore, the piping in a building needs to be replaced two or three times within the lifespan of the building.

There are many different types of pipes, but most are made of metal. The deterioration of piping progresses due to the corrosion of that metal. This corrosion can be significant over the first several years of use in some cases while there may be almost no corrosion after use for 30

years in other cases. We know the degree of corrosion progress depends largely on factors such as the type of metal and the usage environment.

This means prolonging the lifespan of the piping with proper maintenance management technology that does not allow the corrosion of piping. We believe resources of construction equipment can be saved by reducing these renovations. That is why Shinryo Corporation is in the pursuit of technology to prolong the life of this piping.

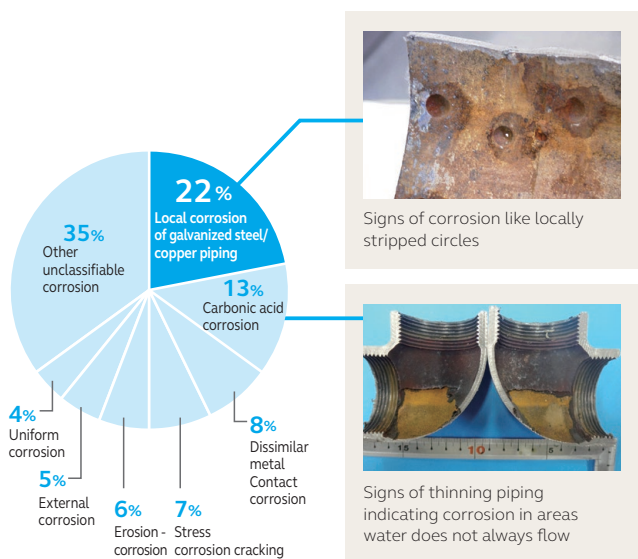
Various Signs of Corrosion

Corrosion of piping advances unnoticed hidden in the ceilings and below the floor. As corrosion becomes worse, equipment becomes damage from holes in pipes resulting in water leaks to clogged piping lines preventing the flow of liquids. Finding corrosion as soon as possible and eliminating the cause is important for prolonging the lifespan of piping.

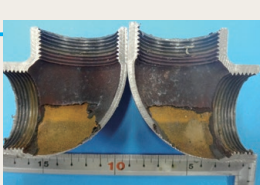
There are many types and signs of corrosion (see

diagram below). We have to investigate the state of corrosion in detail to clarify the causes to build improvement measures. However, mechanisms for many types of corrosions are still unknown. Local corrosion that occurs on galvanized steel pipes and copper piping is one type of this corrosion. Discovering the corrosion mechanisms is an important challenge to prevent corrosion.

Corrosion Forms which construction equipment piping (Findings of Shinryo Corporation)



Signs of corrosion like locally stripped circles



Signs of thinning piping indicating corrosion in areas water does not always flow

VOICE



Yasuki Matsukawa
 Manager, Research and Development Center,
 Technical Supervision Division

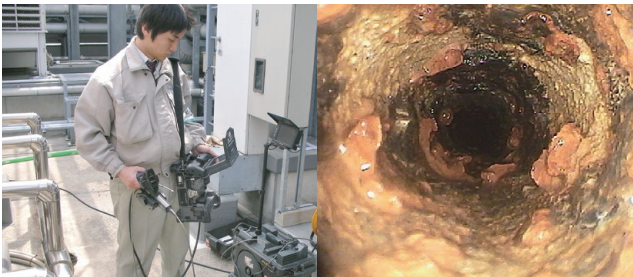
The corrosion happens due to a combination of the type of metal and operating environment. The signs of corrosion differ slightly according to even tiny differences in the quality of tap water and how equipment is used even with the same metal. I am confronted with phenomenon I've never seen before several times a year even after all my time involved in this research, and each time is a new discovery.

Corrosion research is very interesting and it is important work to realize a sustainable society. I will work even harder in my corrosion research to improve construction quality, prolong the life of equipment and contribute to energy savings.

Diagnosis Technology for Long Life Building

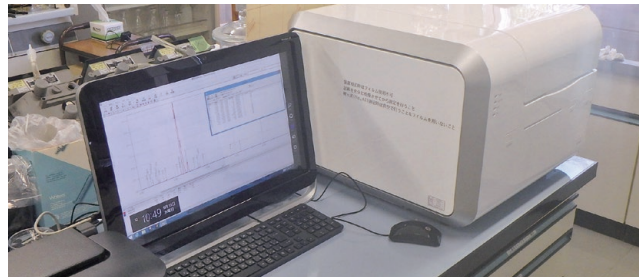
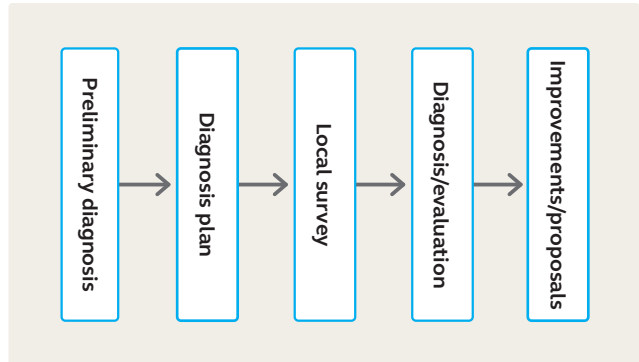
Local Inspection, Diagnosis and Evaluation

Shinryo Corporation is putting its strength into establishing corrosion diagnosis technology for long life building. According to more than 25 years of research can diagnose signs of corrosion while verifying those signs with past examples of corrosion. A corrosion diagnosis and engineering support system database storing survey examples and solution. Moreover, in addition to analyzing the signs of corrosion, we also survey the surrounding environment from the water quality to the temperature in the pipes. These comprehensive diagnostics clarify the causes of the corrosion.



Survey image of corrosion and interior piping by a video scope

Flow of diagnosis



Analysis of corrosion product by a fluorescence X-ray device

Improvements/proposals

● Improvements to maintenance methods

We propose the correct maintenance methods from results of corrosion diagnosis. For example, the cause of corrosion is eliminated through proposals such as measures to reduce the oxygen concentration using deoxidation devices in cases where the oxygen concentration in the water is high and corrosion advances quickly.

● Improvements through renovations

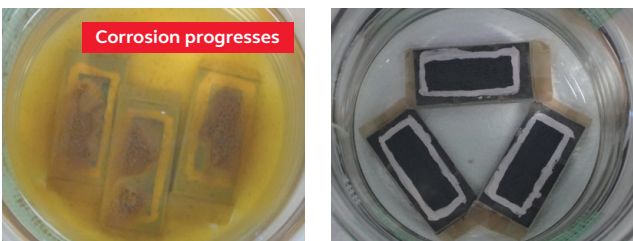
We propose designs and construction for renovation incorporating the proper measures to prevent corrosion in cases piping is significantly corroded. A corrosion diagnosis and countermeasure support system is leveraged to select a piping material suitable for the usage environment.

To Prevent Corrosion

Shinryo Corporation strives in research not only to address corroded piping but also non-corrosive water. Stopping corrosion is the most effective way to prolong the life of piping. As a result of refining our research to emphasize local corrosion which often appears in case studies, we developed technology to reduce the progress of corrosion. This technology transforms tap water into non-corrosive

water using anion exchange resin, which was developed with the cooperation of Yokohama National University Center for Creation of Symbiosis Society with Risk (Professor Atsumi Miyake, Institute of Advanced Science). Results of experiments with the non-corrosive water have shown a dramatic reduction in the speed of corrosion in carbon steel pipes.

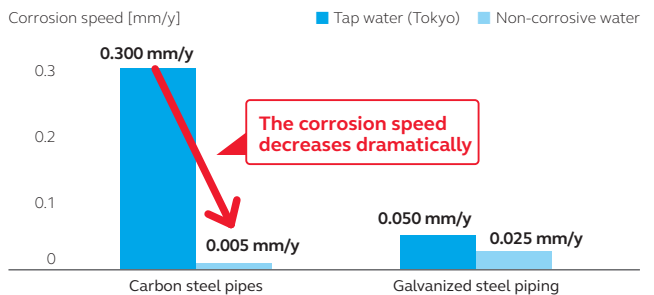
Comparison of corrosive reduction effects (Carbon steel pipes, room temperature, no agitation, 32-days' immersion)



Tap water (Tokyo)

Non-corrosive water

Comparison of corrosion speed



2

Business Activity Highlights

Shinryo Corporation would like to contribute to society through its business activities. Business Activity Highlights introduce our primary activities conducted recently.

Overseas Projects
(Informational
broadcasting facility)

Mediacorp Campus

Singapore

The Mediacorp Campus is a state-run broadcasting station as government-linked-company in Singapore. This campus was a national project planned by Mediacorp as a business celebrating the 50th anniversary since the founding of Singapore as a nation.

The full-fledged media building provides a broadcast studio for audio and visual production of radio and television and a theater that has 1,500 seats with a futuristic exterior resembling a spaceship.

Shinryo Corporation accepted work on the chilled water supply through a neighboring district cooling plant and was in charge of the air condition system installation of the facility. This was the first project in Singapore to have integrated management through BIM for all drawings, including architectural and building services drawings. We worked to improve the work productivity by performing smooth coordination from the planning stage of the project to data sharing using a shared server between users who works on the projects. The audio/visual studio needed high soundproof performance. We implemented every effort for such performance that included technical

partnerships from Japan to meet the indoor noise conditions unprecedented in Singapore for the highest NR15 possible. As a result, we succeeded in achieving the indoor noise conditions required in all of the 135 soundproof rooms.

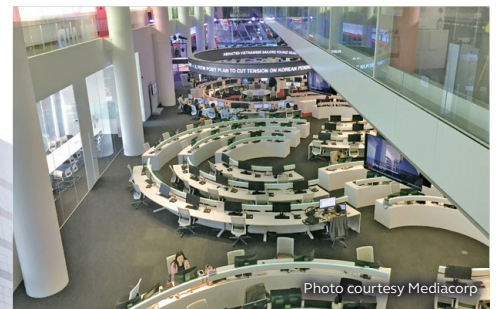
This building is expected to act as a base to reform the world's impression of Singapore as country strictly controlling information through news and open information broadcasting with high-transparency globally.

Shinryo Corporation has a business track record of more than 30 years in Singapore. We will continue to contribute to society through business activities closely related to the local community now and into the future.

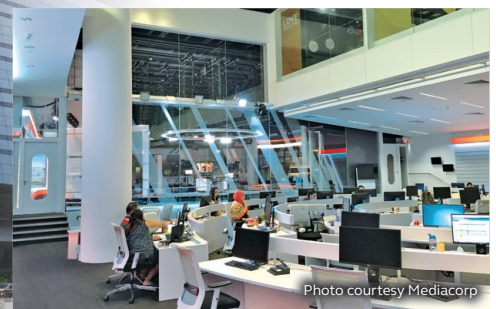
Building overview

Official name	Mediacorp Campus
Opened	March 2016
Total floor area	128,400 m ²
Building application	Total media broadcasting station, studio, theater and stores

Building exterior
Photo courtesy Mediacorp



Media floor



News production

Harmony with Nature
(Facility Complex)

Otemachi Park Building

Tokyo

The Otemachi Park Building was built to strengthen city functions in the international financial base of Otemachi as a facility complex in a commercial zone with an office floor that supports diverse work styles, the Ascott Marunouchi Tokyo that acts as Otemachi's first residential service apartment and Hotoria Square community square that has a richly green harmony with the nature of the Imperial Palace under the concept of a mature spot filled with style and passion.

Shinryo Corporation was in charge of the district heating and cooling systems, stores from the fifth floor basement to 8th floor, the offices and the air condition system construction of the service apartments on the 21st to 29th floor.

As a heat source system, a subplant of the district heating and cooling system on the fifth floor basement takes in cold and hot water as well as steam and supplies cold and hot water through a plate-type heat transfer device to reduce pressure of steam and supply hot water to the entire building. Fan coils are laid out for each room of the service apartments, and each can be controlled independently. Each office floor of roughly 3,405 m² has a large columnless special form that is air conditioned in each area with seven air conditioners.

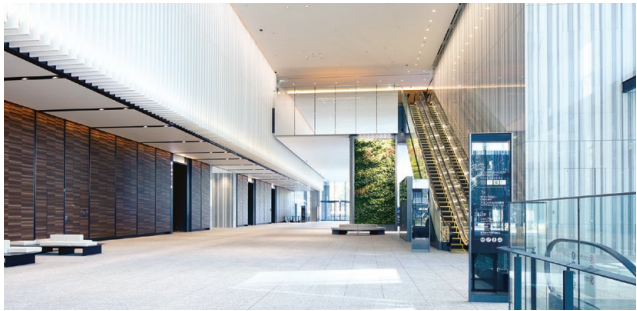
We actively worked to reduce the environmental load by adopting technology such as highly efficient equipment to earn an S-rank in the Comprehensive Assessment System for Built Environment Efficiency (CASBEE).

In addition, we spearheaded more efficient operations during construction using 3D-MAPS (three-dimensional measurement system) and WINSPEC (airflow volume measurement system) developed by Shinryo Corporation.

Shinryo Corporation is passing down this construction experience and technological capabilities to the future through involvement in construction of skyscrapers in Otemachi, Marunouchi, and the Yurakucho districts that surround Tokyo Station, which is the heart of business in Japan.

Building overview

Official name	Otemachi Park Building
Opened	February 2017
Total floor area	Approx. 151,700 m ²
Building application	Office, stores, service apartments, nursery center, etc.



Entrance hall

Building exterior



Feature

The energy center of Roppongi Hills is in Roppongi Hills, which opened in April 2003. This energy center is a plant entrusted with both specific power distribution operations to supply electricity to each building as well as heat supply operations to supply cooling and heating by effectively using waste heat from the electric power generation.

The power supply up to that point had been done through gas cogeneration using a gas turbine (GT) generator which uses city gas as fuel. However, we are aiming to save even more energy while sustaining the stable supply of electricity by updating this system to a gas engine (GE) generator, which is an even more highly efficient power generator.

Shinryo Corporation removed six existing GT 6,360 kW generators and installed five new GE 5,750 kW generators while also removing one existing 2,500RT absorption chiller and installing two new 468RT hot water driven absorption chillers that use waste heat from the GE.

We also adopted the “sc-brain” comprehensive information system developed by Shinryo Corporation for the central monitoring system on the heat supply side as well as renewed the air conditioning and mechanical ventilation system inside of the power generation plant.

We were able to complete the construction while maintaining a stable supply of electricity and heat by ensuring constant risk management during the installation.

Roppongi Hills area



Machine room

Building overview

Official name	Roppongi Hills Energy Center
Completion	September 2017
Building application	Power/heat distribution plant
Plant scale	Cooling: 17,436 RT; Heating: 79.6 t/h Power generation Regular use: 28,750 kW; Emergency use: 12,000 kW

This plant is a state-of-the-art and highly efficient district heating and cooling plant that supplies cold and hot water from the fifth floor basement of the Otemachi Park Building (→ P. 20). The plant is linked to the neighboring main plant and cold water piping to establish a cold water network built with a total of five plants, including three subplants already connected. This cold water network has

realized a spiral-up effect that increases energy efficiency of the entire district by strengthening energy systems throughout the entire Otemachi district to prioritize operation of the high-efficiency plant.

A system was also built to supply cold water to Otemachi Park Building and Otemon Tower - JX Building for emergencies as support for the BCP (Business Continuity Plan). Moreover, unused energy is also used (intercooler waste heat and greywater waste heat of the cogeneration system) to improve energy efficiency and reduce the environmental load.

Basement machine room



Roof cooling tower

Building overview

Official name	Otemachi Park Building Subplant
Supply start	February 2017
Building application	District heating and cooling plant
Primary heat source equipment	Cooling Turbo chillers: 1,200 RT × 2 units; 560 RT × 1 unit Intercooler turbo chillers: 800 RT × 2 units Single effect absorption chiller: 55 RT × 1 unit Heating Screw chiller: 1,350 kW × 1 unit Water source heat pump: 705 kW × 1 unit Heat recovery hot water boiler: 167 kW × 1 unit, etc. Cogeneration system/gas engine: 370 kW × 1 unit Thermal storage tank (Cooling: 3,900 RTh; Heating: 11,200 kWh)

Smart Town
(Energy Plant Facility)

minato AQUUS

Nagoya

minato AQUUS strives to realize a leading-edge smart town to become a model for comprehensive energy operations through environmentally-friendly and energy-saving initiatives with the concept to create a city connecting and nurturing people, the environment and the local community. This was the first to be recognized by Nagoya City as a business for low-carbon model district that aims to build a city with an even lower level of carbon.

The building applies a dispersion type power source emphasizing cogeneration systems, NAS batteries and

solar power to realize a model city with disaster response measures. In addition, facilitating the use of canal water creates a system that can continually supply electricity and heat to the area even in a disaster and also allows the supply of emergency power even to the Minato City Hall and Minato Disaster Prevention Center next door.

Shinryo Corporation is in charge of the heat supply construction of the energy supply facility, which is the heart of the new city development. We will build an energy system that leverages recyclable energy and unused energy. We are also realizing a highly efficient and low-carbon energy supply to commercial and sports facilities as well as multiple dwelling houses by integrating energy management of the entire area through a CEMS (Community Energy Management System) providing an electric, heat and information network.

Southern exterior



Extra-high transformer
(77 kV/6.6 kV 10 MVA)

Building overview

Official name	minato AQUUS
Supply start	April 2017
Building application	Power/heat distribution plant
Primary heat source equipment	Waste heat input cold and hot water machine: 800 RT × 2 units Steam absorption chiller: 560 RT × 1 unit Turbo chiller: 500 RT × 1 unit Canal water source heat pump: 500 RT × 1 unit Gas combustion once-through boiler: 2 t/h × 2 unit

Overseas Projects
(Power Generation Facility)

BANGPA-IN COGENERATION PHASE II SPP POWER PLANT PROJECT (BIC2)

Thailand

The Bangpa-in Cogeneration Power Plant was built in the Bang Pa-in Industrial Estate in Phra Nakhon Si Ayutthaya roughly 50 km away from the capital of Bangkok in Thailand.

This plant is the first power generation facility that includes SPP (Small Power Producers) in which the Thai government is moving toward their objective of reducing the import and use of petroleum. The SPP plan is also advancing initiatives to increase the efficient use of energy by leveraging by-products of conventional power sources and renewable energy.

Phase II, which is the same scale as Project No. 1, is under construction as a power plant facilitating the supply of 90 MW of electricity to EGAT (Electricity Generating Authority of Thailand) as well as 20 MW of electricity and 20 t/h of steam to the factories on the Bang Pa-in Industrial Estate premises. This project is reducing energy consumption by improving the power generation efficiency 38% with a gas turbine and the power plant as a whole 55%.

The cogeneration power plant not only provides a stable power supply to the Bang Pa-in Industrial Estate but also expands the power and distribution system in Thailand and contributes to the reduction of greenhouse gases through environmentally-friendly clean emissions and energy savings.

Building overview

Official name	BANGPA-IN COGENERATION PHASE II SPP POWER PLANT PROJECT (BIC2)
Supply start	June 2017
Building application	Power/heat distribution plant
Primary heat source equipment	Gas turbines: 47 MW × 2 units Heat recovery steam generators: High pressure 42 t/h × 1 unit; Low pressure 22 t/h × 1 unit Steam turbine: 22.5 MW Condenser × 1 unit



Bangpa-in Power Plant Phase II

Power plant in operation
(Left: Phase II construction;
Right: Phase I construction)



3

Work Style Reform at Shinryo Corporation Refreshing Work Style Project

Shinryo Corporation started the Refreshing Work Style Project and it is stepping up to the challenge of full work style reform to innovate the way people work according to the 13th Three Year Plan.

Reforming Long Working Hours and Heightening the Charm of Work

Work style reform began in April 2016 to formulate a vision, goal, and targets under the name Refreshing Work Style Project. The purpose of this reform is to execute more efficient operations, but we also aim to improve the charm of the construction industry by bettering labor practices in which long work hours have been normalized while also improving the competitiveness and corporate value as a company. In addition, the realization of work-life balance for employees helps cultivate a persevering corporate climate and strengthens the adaptability to change.

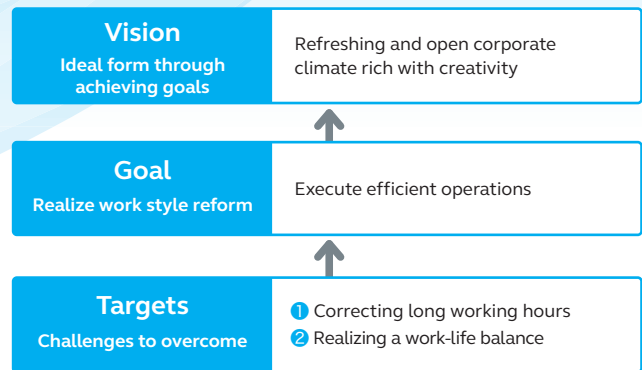
In March 2017, we held the Work Style Reform Kick Off Meeting to start activities to review work styles with a total of more than 100 members participating from the technology, design, and construction departments of the Tokyo Metropolitan Area Division and Urban Environment Division as well as the General Affairs Department.

Model teams from technology (on-site), design, sales and general affairs reviewed their work styles to discover and try their own ideas to make their operations more efficient and improve their productivity.

A total of more than 100 employees joined together in introducing PDCA for work style reform. Any ideas that prove effective will be rolled out company-wide for reforms as actions conceived and executed by employees through in-house expansion via the Public Relations Department and CSR Promotion Division.

On-site model teams were chosen from various construction sites such as general contractors, subcontractors, new construction, renovation, maintenance as well as building and repairs. Employees from partner companies who work at on-site offices are also striving together to reform their work styles as a unified team. We will organize and overcome the challenges of work styles on-site as a systems and construction business through this initiative.

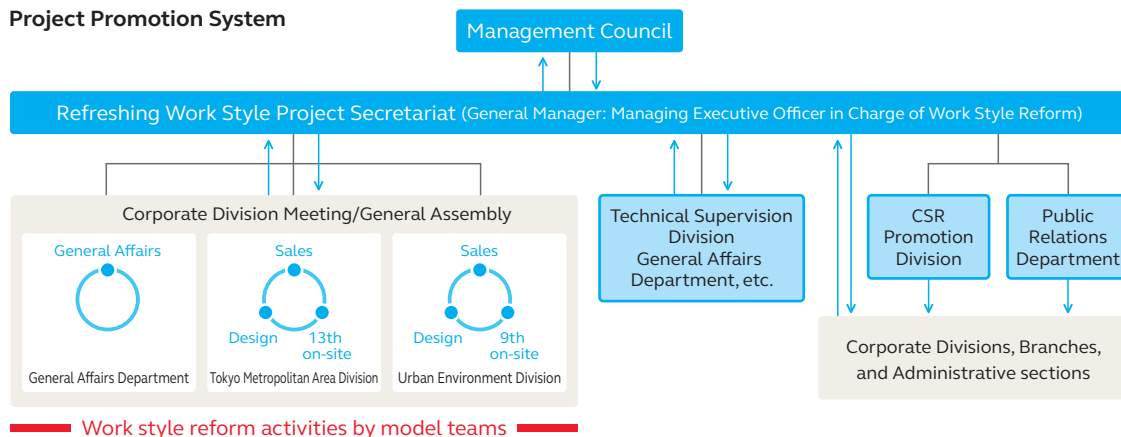
Vision, goal and targets of the Refreshing Work Style Project



Flow of activities

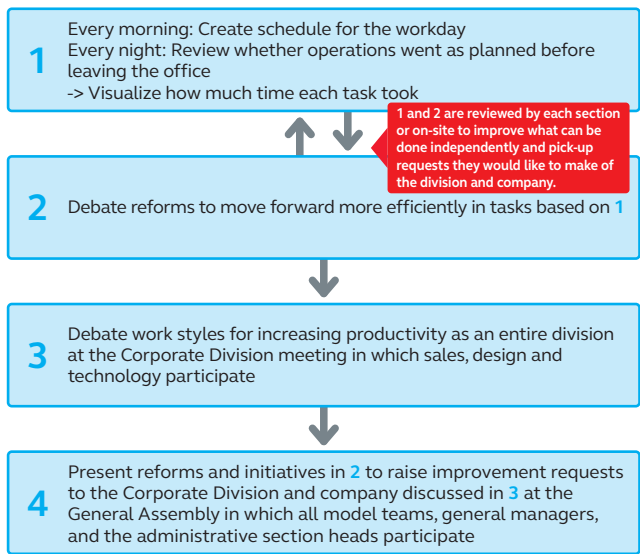
- April 2016**
 - Appointed an executive officer in charge of work style reform
 - Started no overtime days
- September 2016**
 - Held a lecture by Yoshie Komuro, President, Representative Director of Work Life Balance Co., Ltd., as education to raise awareness about work styles in employees who are general managers or above
- January 2017**
 - Introduced study sessions to start preparing for work style reform, choose model teams and raised awareness in those team members
- March 2017**
 - Kicked off the Refreshing Work Style Project
- June 2017**
 - Held a mid-term report briefing for the Refreshing Work Style Project
- July-August 2017**
 - Conducted manager training
- September 2017**
 - Held feedback sessions to listen to ideas from junior employees
- October 2017**
 - Held a final report briefing for the Refreshing Work Style Project
- From November 2017**
 - Began expanding project successes throughout Japan

Project Promotion System

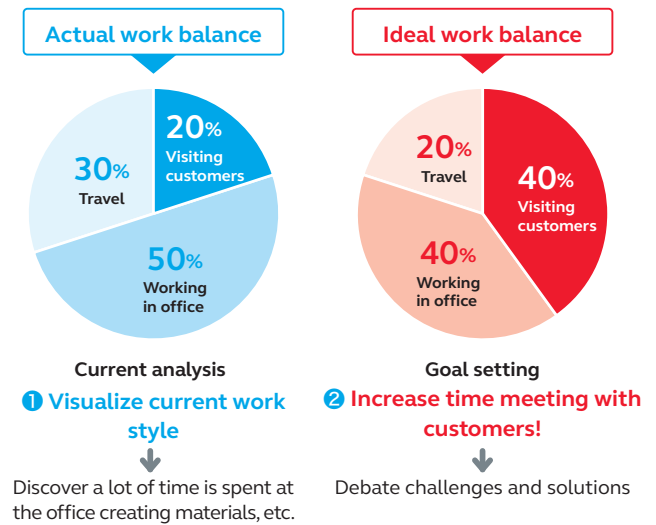


Employee Initiatives to Innovate Work Styles in the Refreshing Work Style Project

Flow of initiatives and work style reform activities by model teams



Example of ① visualization and ② goal setting by a person in charge of sales



Passionately debate more efficiency of work on-site



Work Style Reform Meeting (WSR Meeting)



No overtime days at the office and on-site (left) as well as Refreshing Work Style Project (right) posters



Changes, Successes and Challenges Up Until Now

March 2017

Challenge at the beginning of the Refreshing Work Style Project was the start-up

- Difference in enthusiasm between model team members
- Some even were forced to participate
- Mental block from a feeling of impossibility in reforming work

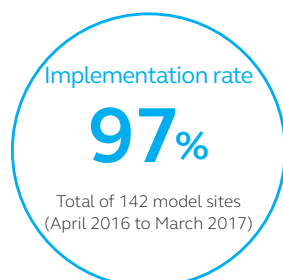


October 2017

Change at the final report briefing for the Refreshing Work Style Project

- People became aware of how to use time efficiently
- An atmosphere was built where breaks are easy to take
- The limitations of on-site time reduction and the difficulty of some reforms without site-wide and industry-wide efforts became clear
- The challenges faced by the entire company were clarified to allow requests to improve upon those challenges to be raised with the company to create even greater efficiency

No overtime days (on-site)



Overtime (companywide)



Rate of taking paid leave (companywide)



*Other initiatives on work style reform included on P. 39-40.

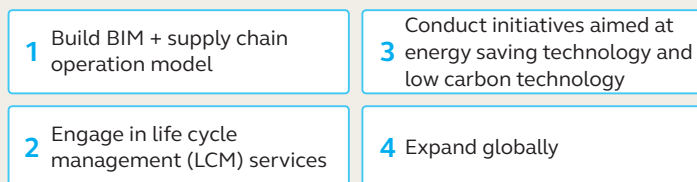
Process for Considering Priority Subjects



Overall FY2014 to FY2016 CSR Activities

FY2014 to FY2016 CSR activities moved forward in accordance with the Shinryo Corporation CSR Statement (see **P. 19** in the Shinryo Corporation CSR Report 2016) based on the 12th Three Year Management Plan, which is a business plan of the Shinryo Corporation. We achieved the targets set in four of our priority subjects. The 13th Three Year Management Plan as well as the CSR Priority Subjects (Materiality) will build on that success to expand the content of these efforts.

Priority subjects : Provision of new values to the society



We successfully achieved our targets in four priority subjects.

- 1. Built operational models through effective use of BIM data
- 2. Strengthened the LCM system through commissioning
- 3. Developed air quality improving technology and expanded the market
- 4. Promoted technological and human exchange with local companies as well as built a human resource platform.

Basic themes



We succeeded in almost all of our goals around these themes.

- 1. Implementation of a continuous review of internal control systems
- 2. Strengthening of compliance (Japan, overseas, and at Group companies)
- 3. Reorganization and strengthening of a BCP operation structure
- △ 4. Continuous operation of ISO14001 environmental management system
Low-carbon and decarbonization initiatives endeavored to visualize greenhouse gas emissions and promote even lower carbon and more decarbonization
- 5. Expansion of education distinct to each division
- 6. Start of logistical support for on-site operations
Start of no overtime days and work style reform
- 7. Implementation of training and education for women and foreign staff as well as introduction of support systems
- 8. Deployment of lecturers to schools and other institutions and implementation of activities such as community volunteers
- 9. Participation in the GCNJ* Environmental Management Conference

*GCNJ: Global Compact Network Japan

(Degree of achievement of initiatives through self-evaluation) ○: Initiatives implemented that produced results
△: Initiatives implemented that need even higher results x: Initiatives not executed

Vision, Statement & Management Plan

Shinryo Corporation is engaged in business activities which follow our Management Vision “Create a Freshening World” and it is contributing to the development of a sustainable society.

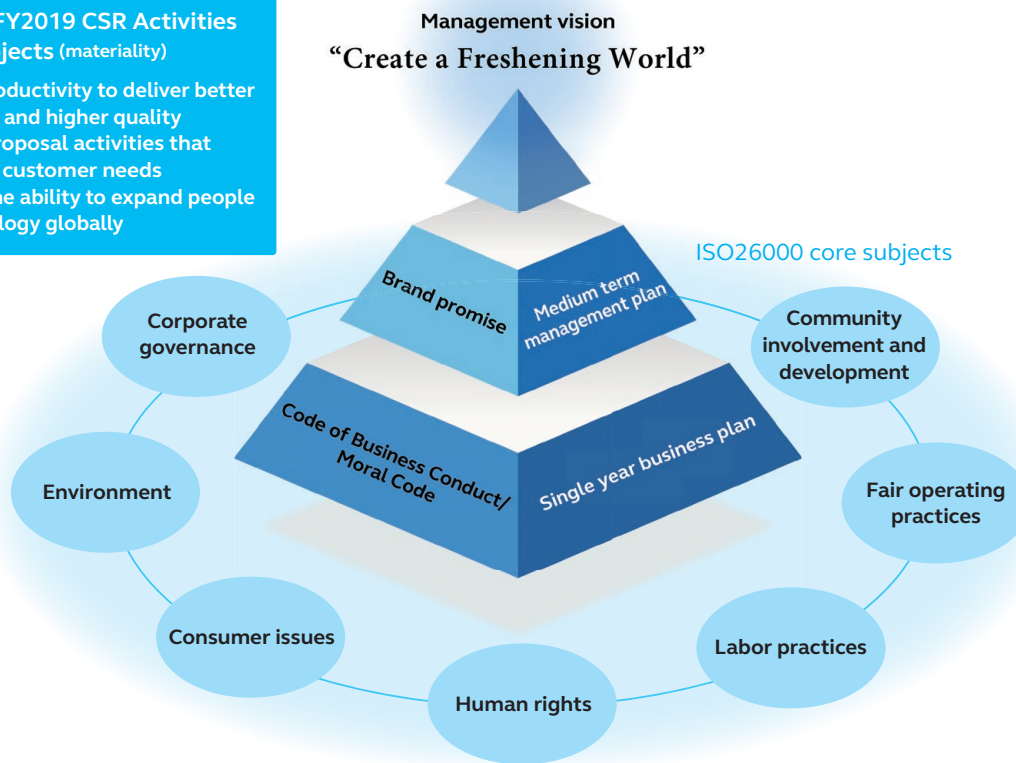
United Nations Sustainable Development Summit 2015 announced the Sustainable Development Goals (SDGs) that are shared globally in an effort to realize a sustainable

world by 2030.

The CSR activities of the Shinryo Corporation organize challenges faced by the Shinryo Corporation and society based on the core subjects of the ISO26000 while supporting the UN Global Compact and the Sustainable Development Goals (SDGs). Shinryo Corporation will further activities able to contribute to these goals (see P.27-28).

FY2017 to FY2019 CSR Activities Priority subjects (materiality)

- Improve productivity to deliver better technology and higher quality
- Promote proposal activities that respond to customer needs
- Heighten the ability to expand people and technology globally



Network Japan
WE SUPPORT

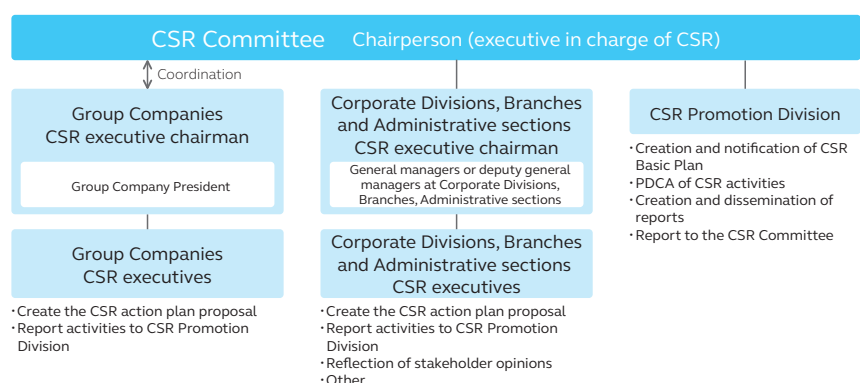
Shinryo Corporation declares support for the UN Global Compact (signed in September 2014)



17 Goals to transform our world

CSR Promotion System

We have put in place a CSR Committee with the executive in charge of CSR as the chairman to check the status of activities and determine activity policies in order to reflect the feedback we receive from all of our stakeholders and promote better CSR activities. We promote daily activities together with the CSR executives selected from each section and Group company with the CSR Promotion Division at the center.



Activity Results of Shinryo Group

The items in our efforts as CSR activities are categorized and organized into either the provision of new value to society through priority subjects (materiality) or basic subjects. In addition, we have added additional remarks about each of those activities, the ISO26000 core subjects, and the 17 targets to change the world in the Sustainable Development Goals (SDGs).

The concepts of the Shinryo Corporation for the process to consider priority subjects (materiality), the ISO26000, and Sustainable Development Goals (SDGs) have been systematically organized in the CSR Management section (→P. 25-26).

(Degree of achievement of initiatives through self-evaluation)

○: Initiatives implemented that produced results △: Initiatives implemented that need even higher results ×: Initiatives not executed

*FY2017 (October 1, 2016 - September 30, 2017)

Comparison with ISO26000 core subjects							Relevance to Sustainable Development Goals (SDGs)	Initiatives	
Corporate Governance	Human rights	Labor practices	Environment	Fair Operating Practices	Consumer issues	Community involvement and development		Priority subjects (materiality) Provision of new value to society [Shinryo Corporation initiative]	
	●	●	●		●		5 8 9 12 13	1	Improve productivity to deliver better technology and higher quality
			●		●		7 9 11 12 13	2	Promote proposal activities that respond to customer needs
●	●	●		●	●		8 9 16 17	3	Heighten the ability to expand people and technology globally
								Basic subjects [Shinryo Group initiative]	
●	●	●	●	●	●	●	16	1	Corporate governance
●				●	●		11 16	2	Strengthening of risk management
●	●	●	●	●	●		5 10 16	3	Compliance initiatives
			●		●	●	6 7 11 12 13 15	4	Initiatives on the environment
	●	●	●	●	●		3 9 11 12	5	Initiatives to improve quality
	●	●		●	●		4 8 9	6	Implementation of training and human resources development
	●	●		●			8 16	7	Work-life balance initiatives
	●	●		●			5 16	8	Initiatives in diversity
					●	●	4 11	9	Community involvement and development
●	●	●	●	●	●	●	17	10	Participation in the international agreed scheme

17 Goals to transform our world



FY2017 to FY2019 Initiatives	Achievements of FY2017 (Company names included for achievements by Group companies)	Degree of achievement	Reference page
<ul style="list-style-type: none"> • Create more efficient operations by promoting a shift to BIM data • Create more efficient operations by strengthening on-site logistical support systems • Reduce working hours through work style reform • Employ diverse human resources and promote participation 	<ul style="list-style-type: none"> • Promoted a shift to BIM data and held internal briefings • Strengthened on-site support from the perspectives of safety, information and technology • Promoted reform through the Refreshing Work Style Project • Promoted employment such as mid-career hiring 	○	23-24 39-42
<ul style="list-style-type: none"> • Promote one-stop services that leverage commissioning and other technologies • Promote proposal activities that respond to customer needs by leveraging technologies such as CFD and BIM 	<ul style="list-style-type: none"> • Proposed energy-saving technologies as well as energy management technologies • Internally expanded commissioning technology • Held technological briefings for sales persons • Produced and actively promoted various technical catalogs • Spearheaded improvements based on customer satisfaction surveys 	○	19-22
<ul style="list-style-type: none"> • Conduct education for human resources who are active overseas • Prepare and strengthen overseas business systems 	<ul style="list-style-type: none"> • Conduct human resource development through an overseas practical dispatch system • Strengthened collaboration systems between administrative sections in Japan and overseas 	○	41-42
<ul style="list-style-type: none"> • Continuously review internal control systems of Group companies 	<ul style="list-style-type: none"> • Strengthened internal control systems of Group companies • Spearheaded Group cooperation in the General Affairs and Accounting and Finance Department 	○	29
<ul style="list-style-type: none"> • Continuously improve BCP and conduct comprehensive drills • Fully strengthen operation management of informational security and promote awareness raising activities • Strengthen the ability to respond to risk 	<ul style="list-style-type: none"> • Introduced comprehensive BCP drills (2 times) • Implemented information security education and training (3 times) • Raised awareness about information security (16 times) • Strengthened the information security management system (Global Staff Co., Ltd./SYSPRO CORPORATION) 	○	30 45
<ul style="list-style-type: none"> • Continuously conduct compliance education (100% implementation rate) • Promote use of the consultation service "Helpline" • Introduce comprehensive compliance at local companies 	<ul style="list-style-type: none"> • Held the compliance liaison conference with Group companies • Introduced comprehensive compliance education at local companies 	○	31-32
<ul style="list-style-type: none"> • Contribute to reducing the environmental load by promoting one-stop services that leverage commissioning and other technologies (common priority subject) • Promote the ISO14001 environmental management system • Promote Environmental Renaissance Activities 	<ul style="list-style-type: none"> • Ran the ISO14001 environmental management system • Promoted proposals for renewable energy use (Shinryo Technical Service Corporation/Daiei Denki Co., Ltd.) • Held Environmental Renaissance Activities 36 times and donated to international NGOs • Participated in tree planting activities (PT. SHINRYO INDONESIA) 	△	17-18 33-36 45-46
<ul style="list-style-type: none"> • Provide better quality through continuous operation of the ISO9001 quality management system • Enhance the comprehensiveness of health and safety activities and technical training even at partner companies • Further implementation of CSR Procurement 	<ul style="list-style-type: none"> • Ran the ISO9001 quality management system • Held technical training 20 times through the Health and Safety Council at partner companies • Held technical briefings to improve technology (Shiroguchi Co., Ltd.) • Held safety forums (SHINRYO (MALAYSIA) SDN. BHD.) 	△	37-38 45-46
<ul style="list-style-type: none"> • Conduct education for human resources who are active overseas (common priority subject) • Strengthen execution of various education • Enhance technical training to respond to customer needs 	<ul style="list-style-type: none"> • Conducted human resource development through an overseas practical dispatch system • Implemented the PDCA cycle such as in company-wide education and training by department • Held study sessions about various technologies • Held the LE PRO Academy for technical training (LE PRO CORPORATION) 	○	41-42 45
<ul style="list-style-type: none"> • Reduce working hours through work style reform and improve effectiveness of various leave programs (common priority subject) • Promote physical and mental health management measures for employees 	<ul style="list-style-type: none"> • Promoted reform through the Work Style Refreshingness Project • Introduced a half-day leave acquisition system for paid leave and expanded administration of an accumulation system • Promoted employees to take paid leave through recommended leave days (Shinryo Kogyo LTD.) • Supported internal exchange by formulating club activity rules 	○	23-24 39-40 45
<ul style="list-style-type: none"> • Employ diverse human resources and promote participation (common priority subject) • Promote active participation of female employees • Promote active participation of senior employees with rich experience • Promote active participation of foreign employees 	<ul style="list-style-type: none"> • Promoted employment such as mid-career hiring and established training systems • Revised the rehiring system • Implemented the local overseas staff Japan invitation program 	○	39-42 45
<ul style="list-style-type: none"> • Promote volunteer activities such as volunteer clean-up activities • Promote lecture activities at universities and other institutions • Continuously provide support for culture and the arts 	<ul style="list-style-type: none"> • Conducted clean-up volunteer and other activities (24 times) • Conducted lecture activities at universities and other institutions (8 times) • Supported music organizations (24 times) • Promoted sports (Akita Castle Hotel Co., Ltd.) 	○	43-46
<ul style="list-style-type: none"> • Continuously participate in the United Nations Global Compact • Participate in the GCNJ conference 	<ul style="list-style-type: none"> • Continuously participated in the United Nations Global Compact • Participated in the GCNJ Environmental Management Conference 	○	6 25-26

Corporate Governance



We are building a corporate governance system and internal control system to execute rapid decision making while working to have highly-transparent management founded in all of our business activities in accordance with the Shinryo Corporation CSR Statement. In addition, we are striving to build a system that enable us to fulfill our corporate responsibility even during crisis by thoroughly implementing measures at all times.

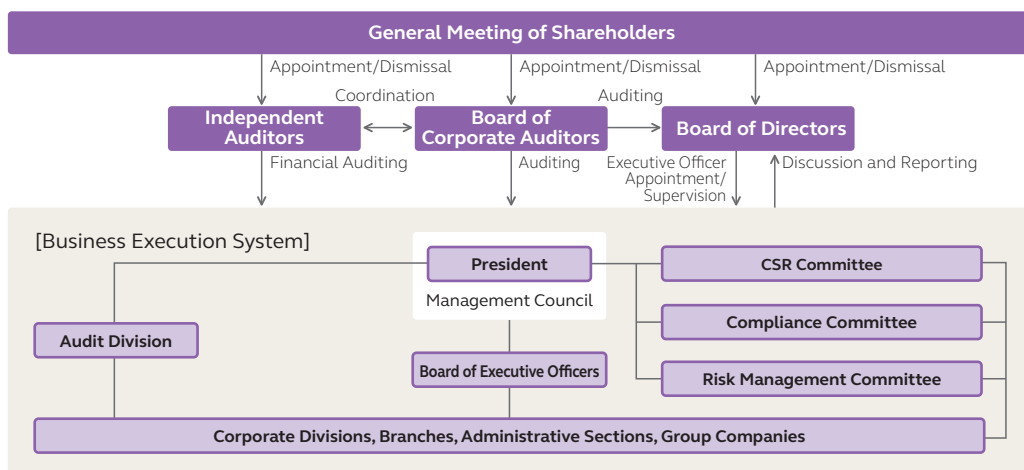
Corporate Governance System

The Board of Directors deliberates submitted agenda items based on agenda and reporting criteria stipulated by agenda items and by Board of Directors rules set forth in the Companies Act. The Management Council deliberates on important matters concerning company management, in addition to proposals submitted to the Board of Directors. The Executive Officers communicates reports on the status of work execution by executives and resolutions of the Management Council, and performs prior hearings on opinions concerning matters for deliberation by the Management Council. The Audit Division verifies

compliance and the efficacy and efficiency of systems, organizations, and work activities. In addition, it has performed audits of not only domestic and overseas workplaces but also of construction sites.

The Compliance Committee seeks to enforce and improve awareness of legal compliance in conjunction with corporate ethics in collaboration with Committee and supervisors in each division and Group company, while also conducting policy decision-making and corrective guidance with regard to consultations and information received through the Helpline consultation service.

Corporate Governance System



Internal Control

Since the construction of the internal control system is mandated by the Companies Act, Shinryo Corporation has performed reviews of the system as necessary, and works

to fully secure compliance and enhance consistency and efficiency in work execution.

Overview of Shinryo Corporation's basic policy on internal control system (excerpted from resolutions of the Board of Directors)

1. Systems to ensure that the execution of duties of executives and employees of the Group conforms to laws, regulations, and the Articles of Incorporation
2. Systems concerning the preservation and management of information pertaining to the execution of duties of directors
3. Rules and other systems concerning management of the risk of loss in the Group
4. Systems to ensure the efficient execution of duties of directors in the Group
5. Systems to ensure reasonable work in the Group composed of our company and Group companies
6. Matters concerning the employees in cases of auditors requesting the appointment of employees to assist the duties of auditors
7. Systems by which executives and employees of the Group or those that received the report to inform to auditors, and other systems concerning reporting to auditors
8. Systems to otherwise ensure the effective conduct of audits by auditors

Risk Management

Risk Management Committee

Shinryo Corporation is extracting vital risks such as technological and contractual risks in large-scale jobs which have the potential to greatly affect management and periodically holds Risk Management Committee meetings to debate measures to respond to these risks.

Preparation of Crisis Management Measure Regulations

Shinryo Corporation is preparing Crisis Management Measure Regulations that define the organization and response to resume and continue business as quickly as possible by minimizing the impact when risks such as disasters, accidents, and operational troubles occur. In August 2017, we revised our reporting methods and reviewed routes right after the company is impacted by risk.

Information Security Management System

Shinryo Corporation strives to appropriately manage the information of our customers and partners. We clarify internal rules for the growing complexity in informational security management in accordance with Management Rules of Corporate Information, while also building a PDCA cycle that regularly conducts and improves security audits for our primary business establishments and on-site offices. Furthermore, we are actively striving even in employee education and awareness raising activities.

Employee Education and Awareness Raising Activities

Description	Date
e-learning	February 2017
Targeted email attack response training	February/March 2017
Raising awareness about information security	Regularly (Total of 16 times)

Business Continuity Plan (BCP)

Shinryo Corporation has formulated a Business Continuity Plan (BCP) that defines the response methods and organization in the event of a disaster, and this plan is continually reviewed and strengthened to resume business activities as soon as possible even in the event of a large-scale disaster.

Business Continuity Plan (BCP) Basic Policies of Shinryo Corporation

1. Immediately provide support by prioritizing the safety of executives and employees.
2. Sustain ongoing operation of corporate functions by recovering company facilities as soon as possible.
3. Cooperate with the recovery of sites currently under construction or completed properties as support toward the business continuity activities of our customers.
4. Introduce support to recovering infrastructure and support for residence affected by the disaster as much as possible as a member of the local community.

● Introduction of Comprehensive BCP Drills

Shinryo Corporation introduced comprehensive BCP drills in September 2017 that assume a Tokyo metropolitan earthquake. In addition to conducting training for actions to ensure safety, safety reporting drills, and evacuation guidance training, we also verified the collection of information at the Disaster Prevention Office led by the President and procedures to provide instructions for response to each organization. Furthermore, we confirmed the procedure to request support for recovering equipment by assuming damage to customer installations with the participation of our partner companies.



Comprehensive BCP Drills

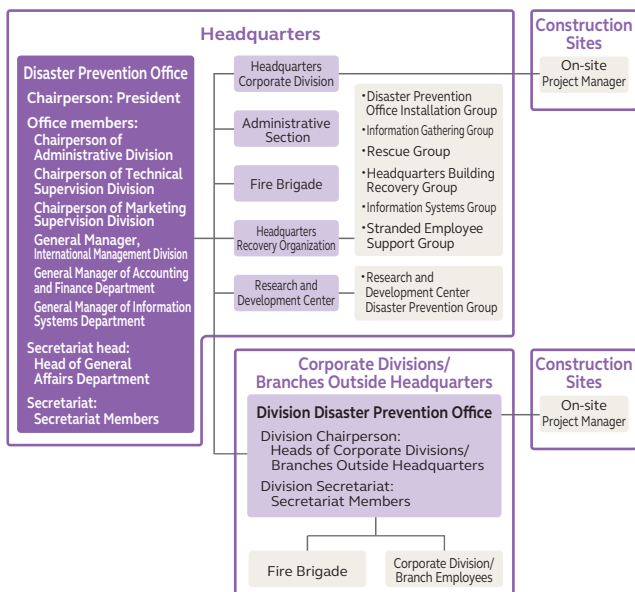
● Prepared Emergency Response

In addition to distributing disaster response bags to all of our employees, we put in place our response for business continuity that includes the preparation of a disaster stockpile, installation of emergency generators at our headquarters building, redundancy of communications lines (installation of IP phones to each company base and use of Internet connection), and implementation of cloud servers. In May 2017, we fully reviewed our disaster response bags distributed to all of our employees and our disaster stockpile at each base to allow executives and employees to spend up to three days at the office or on-site based on guidelines related to measures for the enormous number of evacuees and workers having difficulties getting home after a large-scale earthquake formulated by the Cabinet Office.



Disaster response bags (distributed to every employee)

Organizational Structure During Disasters



Fair Operating Practices



The aim of Shinryo Group is to realize sincere, fair, and appropriate management, and to fulfill the social responsibilities placed upon the Group's. As a company aiming to "Create a Freshening World", we will participate in corporate ethics and legal compliance and work so that we will gain the support of all of our stakeholders.

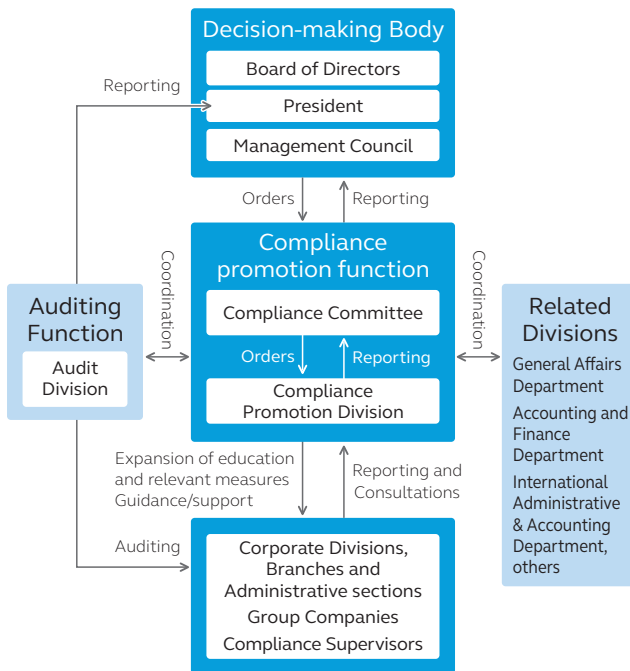
Comprehensive Compliance

Shinryo Group believes comprehensive compliance is the most important issue in management. All of our executives and employees of the Group will practice legal compliance, which is at the heart of the Company Philosophy to "Be fair and straightforward" in our actions.

Compliance Promotion System

We are building a Compliance Promotion System that encompasses our Group companies. We work to practice compliance unified as a Group with Shinryo Corporation Compliance Committee and Compliance Promotion Division at our core.

Compliance Promotion System diagram



Shinryo Group Code of Business Conduct

We, the executives and employees of Shinryo Group, have basic and common awareness of corporate ethics and compliance in accordance with Shinryo Group's company philosophy and this Code of Business Conduct and Standards of Conduct, and positively practice compliance in our daily business with a strong sense of belonging to the company.

Shinryo Group Code of Business Conduct

Code of Business Conduct 1	Pursue customer satisfaction by standing in customers' positions.
Code of Business Conduct 2	Pursue management efficiency for the sake of shareholders.
Code of Business Conduct 3	Create energetic and comfortable workplaces that staff can show their families how proud they are of their Company.
Code of Business Conduct 4	Together with our business partners, thoroughly comply with corporate ethics, laws, and regulations and conduct fair, transparent, and open.
Code of Business Conduct 5	Constantly pursue how we should be as a member of a healthy society.
Code of Business Conduct 6	As a global enterprise, contribute to the societal development of related countries.

Compliance Guidelines

Shinryo Group Compliance Guidelines are the basic principles all of the executives and employees of Shinryo Group must adhere to. These guidelines are founded in our Company Philosophy, Code of Business Conduct, and Standards of Conduct, and we have defined the Specific Compliance Items for the Code of Business Conduct and Standards of Conduct, which are our evaluation criteria in conducting our day-to-day business. In addition, Shinryo Corporation and all of the executives and employees of Group companies have taken the guideline education and have committed to compliance.



"Shinryo Group Compliance Guidelines"

● Explanations on Related Laws and Regulations booklet

Shinryo Corporation created the Explanations on Related Laws and Regulations as a separate booklet from the Shinryo Group Compliance Guidelines. These booklets are distributed to every manager of the Shinryo Corporation and people mostly in marketing positions at Group companies. This information is advantageous in education as a manual bringing together systematically organized laws such as the Antimonopoly Act and Construction Industry Law. In addition, we regularly implement informational updates following legal amendments and work to raise awareness about those amendments.

Establishment of the “Helpline” Consultation Service

We have a Helpline compliance consultation service installed with the objective of preventing legal violations or inappropriateness as well as quickly discovering and correcting signs of these issues. We are working to make it widely known by all persons participating in the work of Shinryo Corporation.

Implementation of Comprehensive Compliance

Shinryo Corporation continues to hold various compliance education. We implement a wide-range of education and development from education held by the Compliance Committee to curriculum unique to each department, and we work hard in business while all executives and employees always keep compliance in mind.

● Implementation of education for every manager throughout the Group

In October 2016, Compliance e-Learning training program was held for the Shinryo Corporation and Group companies in Japan. This training program was held for the purpose of confirming the level of understanding about compliance and taught compliance to all of our managers. e-Learning for local companies was also held even overseas between July and December 2017.

● Periodic Distribution of Shinryo Compliance News

Shinryo Compliance News is distributed periodically by email to all of our employees. Each issue provides a system to easily offer feedback and make inquiries about compliance through a questionnaire.

● Implementation of Antimonopoly Act training

We convened Antimonopoly Act Training in March 2017 for all of our employees in marketing positions, including those working overseas. We are deepening the penetration and understanding of comprehensive compliance to the Antimonopoly Act by continuing to hold this educational training every year.

Shinryo Group Compliance Liaison Conference

Shinryo Group Compliance Liaison Conference is held regularly through Group companies in Japan to share information as a way to unify awareness about compliance of the Group.



Shinryo Group Compliance Liaison Conference

Responding to Antisocial Forces

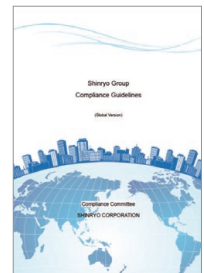
We will work to stay faithful to our Code of Business Conduct and Standards of Conduct stating our intention

Cooperation with Local Companies

● Formulation of Overseas Guidelines

We formulated the Compliance Guidelines (Global Version) for Japanese employees active globally as well as executives and employees of overseas local companies.

We are defining basic mandatory principles in-line with different cultures and customs everyone should adhere to based on compliance with each type of international rule which includes compliance to the laws and regulations in each country and region as well as human rights. In addition, all managers undergo education for these guidelines and vow to adhere to this compliance.



Compliance Guidelines (Global Version)

● Operation and Thorough Compliance to Guidelines for Anti-corruption Overseas

Shinryo Corporation formulated and began operations under the Guidelines for Anti-corruption Overseas in October 2016. These guidelines clarify compliance items and the compliance system related to government officials when conducting business overseas. These guidelines also include countermeasures tailored to the circumstances of each country and region in addition to basic principles as well as anti-corruption concepts common to each country. Furthermore, all of the Japanese employees who work at overseas bases as well as all of the managers from local companies have participated in training about these guidelines as of September 2017. These guidelines respond in a timely fashion to changes such as legal and political changes and will be continuously reviewed.

Shinryo Group Basic Principles on Anti-corruption Overseas

1. We will not pursue the acquisition, expansion or profit in business through bribery or any other inappropriate means.
2. We will comply with bribery and anti-corruption laws and regulations in each country and region while adhering to Article 18 of the Unfair Competition Prevention Act in Japan (prohibition of illicit profits to foreign public officials).
3. We will never give gifts with the intention of acquiring business or gaining favor even if such practices are customary in the country or region.

Prohibiting a Corrupt Supply of Profit

1. We will never supply any profit with dishonest intentions for anyone such as a foreign public official in the overseas business activities of the Shinryo Group.
2. We will respond as a company based on the organizational structure included in these guidelines in the event we receive a request to provide illicit profit to anyone such a foreign public official, and we will refuse these types of inappropriate requests.

Environmental Initiatives



Shinryo corporation minimizes its impact on the environment produced in the process of handling air, water, heat, and energy while it aims to create a comfortable environment with the mission to Create a Freshening World, which the company has had since its founding. We formulated the Basic Philosophy Toward the Environment and Environmental Policies in August 2000 and acquired the ISO14001 environmental management system certification in May 2001. In April 2017, we transitioned the ISO14001 certification to the 2015 standards and are working to appropriately respond to the environment through our business activities.

Environmental Management System ISO14001

Basic Philosophy

SHINRYO CORPORATION, as a company connected to the environment, has been practicing environmental preservation through building equipment, based on our mission of “Create a Freshening World”. We shall continue to take aggressive actions to reduce environmental impact through corporate activities, and contribute to the preservation of the global environment into the future.

Environmental Policy

As a company which provides building equipment, as well as contributing to society, SHINRYO CORPORATION shall conduct the following and widely disclose this to the general public, in order to harmonize with a rich-green global environment and contribute to the construction of a recycling oriented society.

1. We shall establish and manage an environmental management system, in order to promote environmental preservation activities.
2. We shall accurately ascertain the impact of our business activities on the environment, and implement continuous improvements of the environmental management system, striving for pollution prevention.
3. We shall comply with all laws, ordinances, and regulations related to the environmental aspect, and observe the requirements of environmental agreements we have agreed upon.
4. We shall establish environmental targets and objectives within the scope of our technical and economic capabilities, and shall periodically revise them through our environmental preservation activities.
5. We shall take action focusing on the following items, through our environmental preservation activities.
 - Promotion of activities for productivity improvements during construction, in order to minimize the emission of greenhouse gases.
 - Expansion of activities in consideration of the environment, in order to contribute to the minimization of greenhouse gas emissions at the time of use.
 - Promotion of the 3R*s of construction by-products, striving for environmental preservation during construction.
6. As well as widely disseminating the environmental policy to all personnel who are engaged in the business activities or our company, we shall promote improvements in the consciousness of all personnel concerning environmental preservation, through the implementation of environmental education and awareness activities.

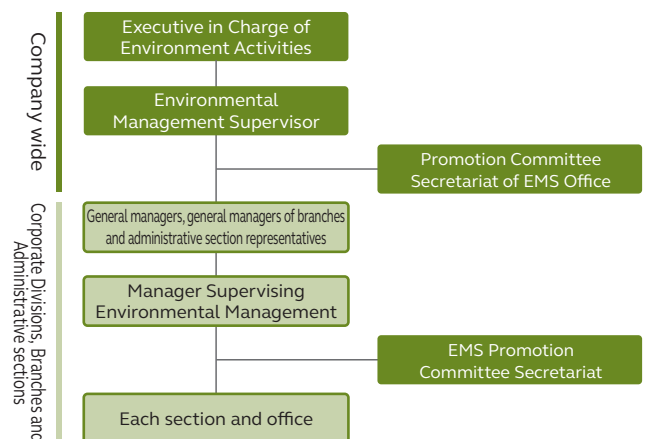
*Reduce, Reuse, and Recycle

Promotion System

Shinryo Corporation is building a system to promote a company-wide Environmental Management System (EMS) operated by the Environmental Management Supervisor in accordance with the environmental policies established by the executive in charge of environmental activities. In addition, a manager supervising environmental management appointed from the general managers, general branch managers, and administrative section representatives of each business department and management division are promoting EMS.

We have added the Research and Development Center to the scope of the EMS certification since April 2017. The Research and Development Center has been advancing research and development considering the global environment since its inception. Our new efforts in EMS in FY2017 will raise awareness about environmental contributes even further.

Environmental Management System



Initiatives to Reduce CO₂ Emissions and Save Resources

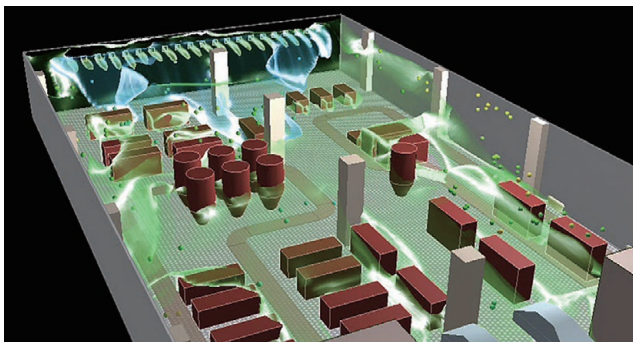
Initiatives to Reduce Our Environmental Load in Marketing and Design

Shinryo Corporation is actively making environmentally-friendly proposals such as the adoption of energy-saving systems and highly efficiency equipment to customers by leveraging airflow and energy simulation technologies. Furthermore, we support energy savings in customer equipment systems and promote reductions in CO₂ emissions by taking advantage of energy management technology.

● Examples of Initiatives

Energy Saving Proposals using CFD simulations

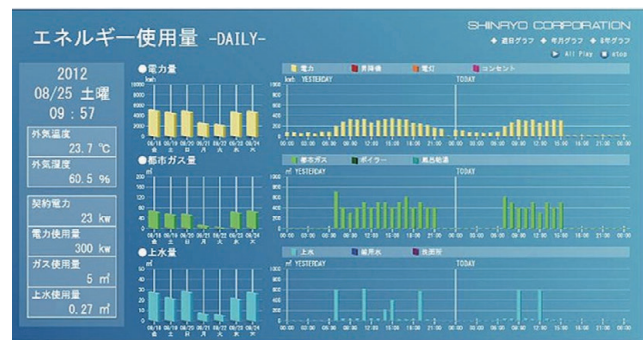
Shinryo Corporation uses CFD to propose air conditioning systems that realize the optimal temperature, humidity, cleanliness and other needs with a minimal amount of energy.



Visualization of an environment using CFD

Energy Management Proposals for Equipment Systems

We visualize the energy consumption of equipment systems to evaluate the performance of those systems. These evaluations allow us to propose optimal operation methods and further energy savings based on the current state of actual operation.



Visualization of energy consumption

Initiatives to Reduce Our Environmental Load in Construction

Shinryo Corporation heightens efficiency in installations and reduces CO₂ emissions by using space management that uses BIM as well as space scanning systems via 3D laser scanners on construction sites. In addition, we are actively working in the 3Rs for waste and promoting the reduction of the environmental load on-site.

● Examples of Initiatives

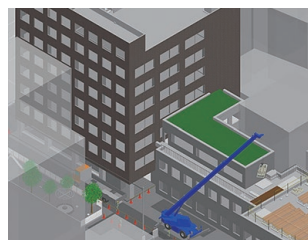
Space Management Using BIM

Integrating three-dimensional models for architecture, structures and equipment can let us check a completed image in advance and eliminate any rework after the installation.

For example, we can better the safety and efficiency by checking delivery and assembly procedures such as that for heat source equipment via animation to understand the danger points when bringing in this equipment.



Prior confirmation of completed image



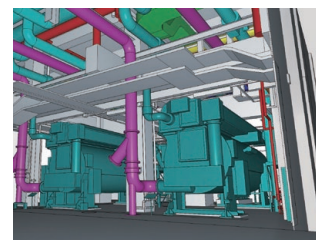
Simulation for arranging equipment

Space Scanning System

We are able to create authentic three-dimensional models of existing equipment in a short period of time by generating data for existing building installations as three-dimensional coordinates (point cloud data) using a 3D laser scanner.



Point cloud data measured using a 3D laser scanner



Three-dimensional model based on point cloud data

FY2017 Environmental Targets and Activity Results

Our activity results between October 2016 and September 2017 are outlined below.

Operation	Environmental target	Activity content	Item	Target value	Achievement
Design operations	Emission reduction of greenhouse gases through environmentally-friendly design	Reduction of CO ₂ emissions during operations through design proposals for new buildings and renovation properties	Rate of proposals for CO ₂ reductions	60%	63.9%
			CO ₂ reduction rate	30%	31.2%
Installation and manufacturing operations	Promotion of activities to improve productivity on-site	Reduction of CO ₂ emissions on-site (implementation of activities to improve productivity)	CO ₂ reduction rate	6.0%	5.0%
	Promotion of 3Rs on-site	Promote recycling of industrial waste	Recycling rate of industrial waste	80%	76.8%

Environmental Education

Shinryo Corporation is putting effort into environmental education to raise awareness about the preservation of the environment. This training starts with education to teach basic knowledge about the environment for new employees and reaches specialized education to comply with laws and regulations about industrial waste, fluorocarbons and asbestos pertaining to the content of our businesses in each department. Furthermore, we are conducting training related to internal auditing based on the 2015 version of the ISO14001 for internal auditors.

Main environmental education

Internal education	Description of environmental education
New employee training and education	Basic environmental knowledge
Mid-level technical employee training	On-site environmental management
Training by department	<ul style="list-style-type: none"> • Overview of EMS • Specific initiatives toward environmental goals
Specialized education	Training to comply with environmental laws and regulations such as industrial waste, fluorocarbons and asbestos.
Training on operation sites	Training about environmental targets and the duty for compliance at operation sites
Internal auditor training	Practical training about internal audits for the 2015 version of the ISO14001



Internal auditor training

Large-scale Commercial Building Certification for Excellent Emissions Businesses

Shinryo Corporation headquarters building has been certified as an FY2017 excellent emissions business for a large-scale commercial building by Shinjuku-ku.

Shinjuku-ku certifies buildings with superior activities to promote waste reduction and recycling in this system as an excellent emissions business in a large-scale commercial building with 3,000m² or more of total floor area.

Certification of the Shinryo Corporation headquarters acknowledges the effort of each and every one of our employees in continuing to engage in activities such as proper separation and recycling of waste as well as recycling of paper resources.



VOICE

Katsunori Sakai

Manager,
Technical Supervision
Department,
Technical Supervision Division



The future of environmental management is not only preserving the environment by improving operational processes but also requires us to avoid risks more and more such as violations of laws or environmental accidents. That's why the Shinryo Corporation is actively advancing environmental education to fully adhere to laws and regulations from the Waste Disposal Law as well as the Law Concerning the Discharge and Control of Fluorocarbons to the Ordinance on Prevention of Health Impairment Due to Asbestos.

Environmental education is more important than ever before. I think we will calmly and clearly accept the requirements from society to raise awareness in the company through environmental education.

Ecological Conservation Activities Enlightenment Program “the Environmental Renaissance Activities”

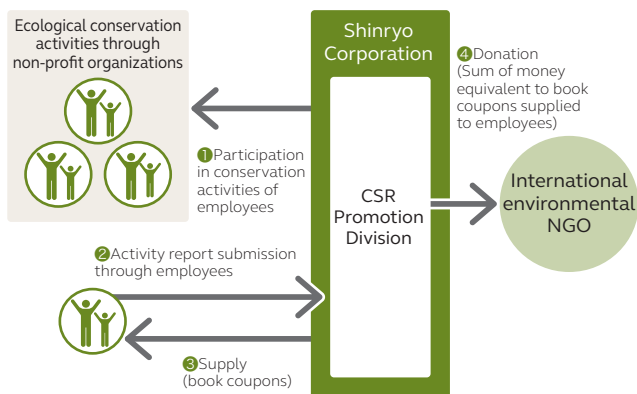
Shinryo Corporation is conducting the Environmental Renaissance Activities enlightenment program for the purpose of heightening employee awareness about the importance of ecological conservation.

This program aims to deepen understanding of ecological conservation and heighten motivation toward ongoing activities by supplying book coupons to employees engaged in activities related to ecological conservation and environmental education and subsidizing the purchase of environmental books. 36 different activities were held in FY2017 (1.7 times more than the previous year).

These activities have become a matching gift system to donate the equivalent book coupon costs that are supplied over one year to international environment NGOs. In December 2016, Conservation International Japan* (Managing Director: Yasushi Hibi), which works in biodiversity conservation activities, donated to 21 of these events in FY2016.

*Conservation International (CI) is an international environmental non-profit organization engaged in biodiversity conservation activities in more than 70 regions worldwide with the goal of realizing a sustainable society.

Environmental Renaissance Activities System



Introduction of Activity Reports

Shin-Yokohama Park Four Seasons of Life in Nature Observation (Shin-Yokohama Park)

Koki Sato, Design Department-2, Tokyo Metropolitan Area Division
Kazutada Muramatsu, General Affairs Department, Administrative Division

New employees Tetsuro Sera, Masato Tabata

This natural observation of life allowed participants to interact with nature while learning about the names and characteristics of new plants and insects. Everyone felt like an elementary school student as they caught insects.



Life in Nature Observation

Musashino Chihara Association Weeding Day (NPO: Seitai Koubou)

Koji Yamada, Manager, 2nd Design Department, Urban Environment Division

Participants removed goldenrod, which is a weed that comes from outside of Japan. On the day of the event, enough goldenrod was removed to fill two trailers. I think this contributed greatly to limiting the spread of the non-indigenous goldenrod. We also felt the importance of conservation in the rich biodiversity we saw while working from the honeybees that frequently stopped to suck nectar from flowers to the small praying mantes and longheaded locust.



Success of the goldenrod weeding

VOICE

Yukio Tateiwa

Deputy General Manager,
Nuclear Power Plant Division



I myself am working in activities to save butterflies that I am concerned will become extinct as the population has suddenly declined. This conservation is for the small nymphalid known as the melitaea scotosia that can only be seen in a small area of a ski resort in northern Hyogo prefecture as well as the swallowtail butterfly known as Japanese luehdorfia that can only be seen in the mountains in the south.

I have really felt the importance in protecting the environment these butterflies live to pass down to future generations in the more than twenty years I have been involved in these conservation activities. The environment nurturing many animals, planets and insects is the same safe and friendly environment where human beings live. I will continue to strive to protect the environment where these butterflies live in the future.



Explaining the biodiversity of butterflies



Local elementary school students holding signs about the conservation activities underway

Consumer Initiatives



Shinryo Corporation strives for customer satisfaction by pioneering the acquisition of the ISO9001 certification, which are common rules for quality management, and improving quality in processes to provide construction, manufacturing and services. In addition, safety and health management on-site is addressed in the Health and Safety Policy that we have had since our founding. This policy is the fundamental principle for conduct of all our employees, and we are working to ensure employees and workers at our partner companies work with safe equipment and in optimal working environments.

Improvements to Construction Quality

Quality Policy

Provide quality earning trust from our customers with all our effort.

Shinryo Corporation acquired the certification for the ISO9001 quality management system at corporate divisions and branches in Japan. We strive to practice quality assurance activities in systems and services to provide quality that satisfies our customers based on common company-wide policies.

The source of this quality is the ongoing improvements to our work processes. We strive to provide quality able to earn the trust of our customers through cooperation with each and every employee involved in each aspect of marketing, design and construction management to recognize problems and find solutions. Shinryo Corporation believes this is the basic approach to manufacturing.

Ongoing improvements to work processes



Health and Safety Initiatives

Health and Safety Policy

Safety First for our Prosperity

Shinryo Corporation has prioritized safety above all else based on the Health and Safety Policy unchanged since our founding. All employees have been working in health and safety activities to prevent labor accidents. We are working to improve the workplace environment and enhance technical training by honestly accepting issues faced by society such as a lack of skilled craftspersons, a growing number of elderly and a decreasing number of youth entering the workforce.

Employees and workers honing their sense of danger, identifying danger factors latent at construction sites and having the ability to build measures against those danger factors helps eradicate labor accidents.

VOICE



Mitsuaki Sunaga

Chairperson of Health and Safety Council
President, and CEO
SUNAGA CORPORATION

The Health and Safety Council at the headquarters prioritizes safety above all else and actively works to build a culture of safety based on policies to guarantee no accidents. A safety culture cannot be built by putting in place stronger rules and regulations after an accident happens.

I feel that my colleagues are my family. I think it is important to build a safety culture that naturally penetrates on-site by nurturing this culture in daily interacts and conversations.

Health and Safety Activities Overseas

Shinryo Corporation holds a Safety Forum (Health and Safety Council) once a year at each base overseas where employees related to health and safety from the presidents of local companies, technical and safety staff and partner companies participate to reaffirm the importance of health and safety activities as well as mutual cooperation.

Recently, we are implementing measures that include demonstrations for falling into a net from high places and the introduction of new safety supplies.

In addition, we are implementing joint safety patrols conducted twice a year by persons in charge of safety at local companies as well as people in charge of health and safety at the headquarters as an activity to prevent accidents.

Moreover, we share information, learn management methods from one another, and work to eradicate workplace accidents by introducing initiatives related to on-site safety patrols and health and safety activities on each site.



Safety Forum (Health and Safety Council) held at Singapore Regional Office



Briefing about safety awareness



Safety patrol

CSR Procurement Guidelines

Shinryo Corporation pursues CSR initiatives through cooperation and coordination with its business partners, especially partner companies. We have established Shinryo

CSR Procurement Guidelines and have asked over 500 companies to cooperate in complying with the guidelines.

Shinryo CSR Procurement Guidelines

1. Fair and sound corporate activities

We ask that companies engage in fair and sound business activities without unfair competition or actions that obstruct free competition.

2. Quality, safety, and business continuity

We ask that you comply with laws and regulations concerning management of hazardous substances and product safety, and strive to ensure the health and safety of product users and consumers. We also ask that you engage voluntarily in initiatives for business continuity planning.

3. Consideration of human rights, labor, and occupational health and safety

We ask that you respect basic human rights and pursue business activities that take the working environment and occupational health and safety into consideration.

4. Consideration of the environment

We ask that you steadily implement environment conservation including biodiversity, and environmental management to undertake business activities with the global environment taken into account.

5. Legal compliance

We ask that you comply with the laws and regulations of all nations and regions, as well as international treaties and social norms, and conduct business activities founded on corporate ethics.

6. Management of information

We ask that you enact measures against threats to computer networks, while also appropriately managing and protecting confidential information concerning business and personal information, to avoid leaks or improper / illegal use. Please also strive to prevent leaks of confidential information belonging to customers and third parties.

Human Rights / Labor Practices



Shinryo Corporation is furthering the introduction of programs to allow employees to choose a more flexible work style in addition to the Refreshing Work Style Project (→P. 23-24).

We respect human rights in Japan and the rest of the world. We engage in a variety of activities to “create energetic and comfortable workplaces that staff can show their families how proud they are of their company,” which is part of our Code of Business Conduct.

Initiatives to Further Work Style Reform

Work Style Reform Education for Managers

Shinryo Corporation held education to raise awareness about work styles for managers throughout Japan three times at our headquarters and Osaka as part of the Work Style Refreshingness Project from July through August 2017. The purpose of this education is to raise awareness about reforming work styles as well as to promote understanding about the importance of managers recognizing and managing the work conditions of subordinates.



Work Style Reform Education for Managers



In-house discussion about work style reform

Introduction of Programs to Support Flexible Work Styles

Overview of Programs to Support Flexible Work Styles

Programs	Overview
Transfer System to Accompany Spouse	This policy allows employees to transfer when an employed spouse has been transferred if they want to keep working at a Shinryo Corporation office and a place at that office is available.
Come-back System	This policy allows regular employees who have worked at the Shinryo Corporation for more than three years and resigned to (1) raise children, (2) care for family, or (3) transfer with a spouse to return to work within five years of their resignation as a general rule.
Half-day leave acquisition system for annual paid leave	This system allows employees to take annual paid leave in half day increments.
Expanded administration of an accumulation system	This expansion allows employees to carry over the number of days left in annual leave under the current rules to the next fiscal year to use the paid leave they have left the previous year and the year before that for non-work related injuries and illnesses as well as to care for children and other family members.
Leave acquisition promotion system	<ul style="list-style-type: none"> • Project leave policy: Employees in construction roles may take consecutive leave at appropriate times such as at the completion of on-site construction (up to five business days that may be taken incrementally). • Anniversary leave policy: All employees may take leave on days recommended by the company such as their birthday, birthdays of family members or school events (three working days per year).
Special leave program	Refresh leave policy: Employees may take designated consecutive leave as commemoration for 10, 20 and 30 years of work.

Promotion of Occupational System and Mid-career Hiring

● Start of Practices Such as Treatment by Occupations

These policies establish practices such as treatment of employees by occupations who can work while refining requirements by the type of role, position and location to promote diverse work styles.

● Introduction of Transfer System Between Occupations

Introduction of transfer system between general roles and occupations and formulation of requirements for easier use.

● Promotion of Mid-career Hiring

Shinryo Corporation has established an environment that accepts applications from human resources who have work experience at other companies and institutions.

Support of Club Activities

Shinryo Corporation established club activity regulations in June 2017. This support system promotes employees to refresh both mentally and physically through sports, culture and other activities. Clubs that satisfy the certification requirements and are approved are provided with grants for participation fees, transportation costs to competitions and other events as well as for the costs to purchase supplies.

Today, Shinryo Corporation has approved basketball, baseball, martial arts, tennis, running and soccer clubs.



Baseball club event

Work-life Balance and Diversity

Promotion of the Active Participation of Diverse Human Resources

Shinryo Corporation has established systems and policies to promote and support the active participation of diverse human resources. In addition, we are actively conducting activities to communicate the appeal of the construction as well as the science and technology industries through participation in events that promote the active participation of women.

Activities to promote active participation of diverse human resources

Purpose	Systems/Policies/Events
Promote the success of female employees (measures)	<ul style="list-style-type: none"> •Release of information and action plans based on the Law to Promote Women in the Workplace on the Ministry of Health, Labour and Welfare Positive Ryouritsu website •Publication of an Independent Conduct Plan for Female Employees Participation on the Keidanren Japan Business Federation website •Implementation of the Management Seminar for Female Employee Education internal education program •Implementation of the Career Design Seminar for Female Employees internal education program
Promote the success of female employees (events)	<ul style="list-style-type: none"> •Operation of a summer school that supports the Gender Equality Bureau Cabinet Office Science and Engineering Challenge (Rikochare) (→P. 43) •Participation in the Design the City Where I live construction industry experience for junior high and high school students held jointly by the Kensetsusushin Shimibun Corporation and College of Science and Technology, Nihon University •Implemented a class on occupations from the female perspective at Shinshu University (→P. 43)
Promote active participation of senior employees with rich experience	<ul style="list-style-type: none"> •Rehiring after retiring at 60: Up to age 65; Rehiring at Group companies: Up to age 70 •Preparation of occupational requirements for temporary hiring as well as revision of salary and bonus system •Holding of life plan seminars (50/59-years old)
Promote active participation of foreign nationals	<ul style="list-style-type: none"> •Local overseas staff Japan invitation program (→P. 42) •Practical technical training of engineers from the Philippines •Implementation of a variety of education for overseas branches and local overseas staff (compliance, safety and technical education)

Children Visiting Day 2017 and Dad & Mom Work Experience

Shinryo Corporation held Children Visiting Day 2017 at its headquarters in August 2017. The 2017 event is the seventh time the Children Visiting Day has been held with the participation of 100 children from three-years old to junior high school students and their families. The day let children experience marketing, design and construction work related to air conditioning systems around the theme to experience the work of the Shinryo Corporation. The marketing experience offered practical business practices such as how to exchange business cards while the design experience provided the challenge of creating simple piping drawings using CAD. In addition, the construction experience let participants assemble valves and pipes and test operation using beads based on the piping drawings they created themselves. There was also a commemorative

photo session where everyone could put on a uniform and helmet for pictures.

The children expressed how cool Dad is when he's at work and cheered their parents on in future endeavors.



Design experience



Technical experience

Physical and Mental Health

Shinryo Corporation is conducting initiatives to support physical and mental health for a vibrant every day.

Initiatives to support physical and mental health

Item	Policies/Events/Education
Promotion of health management	<ul style="list-style-type: none"> •Health Consultation Office through the headquarters clinic and industrial doctors (offered once a week) •24-hour health consultation service (telephone/email consultations) •Support for dental check-ups (provides free check-ups at the headquarters and 1,200 dental clinics contracted by Shinryo Corporation throughout Japan) •Full support for treatments to quit smoking (provides full support to employees who quit smoking for three or more months after starting treatment) •Participation of all employees in the Kankogyo Health Insurance Society Walking Campaign (goal of 10,000 steps per day)
Mental Health	<ul style="list-style-type: none"> •Implementation of stress-checks, creation of opportunities for employees who would like consultations and advice from doctors, and implementation of PDCA to improve the workplace environment •Health Consultation Office through the headquarters clinic and industrial mental health professionals (offered once a week) •Implementation of mental health education (33 newly appointed managers and 28 specialized education candidates took this program in FY2017)

Training and Development of Human Resources



At Shinryo Corporation, people are considered to be our most valuable asset since our establishment. The techniques, knowledge and experience that all our employees have are indeed our management resources. We have put in place a wide-range of education programs to bring out the highest level of skill from our employees and we are advancing the development of human resources so that executives and employees of any age can work with flexible creativity always with a strong challenging spirit.

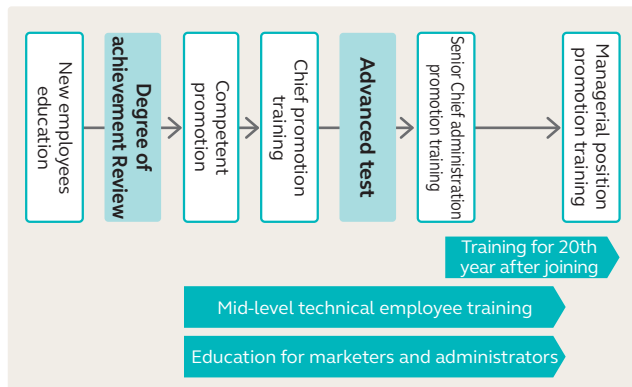
Various Education Programs

Development training system

● Company-wide training (required training)

We have established group and in-house experience training as required training based on position and tenure to recognize the roles of employees and improve their knowledge and skill level.

Group training by level and year



Mid-level technical employee training

We are conducting mid-level technical employee training for mid-level employees in technical positions. We are promoting stronger on-site capabilities by teaching the expertise of On-site Project Managers and practical methods of on-site budget management with technical managers as teachers.



Mid-level technical employee training for stronger on-site capabilities

● Company-wide training (elective training)

We implement training to take by selecting external seminars based on official responsibilities and positions for mid and higher level employees. This elective training offers a wide range of courses to improve basic individual skills such as presentation skills, training to strengthen negotiation skills, and leadership training. This further heightens the skills of employees and nurtures greater awareness.

● Training by department

We are planning and holding practical training by department with educational curriculum linked to our company-wide training. This training allows us to teach through a knowledge system.

Main Training by Department

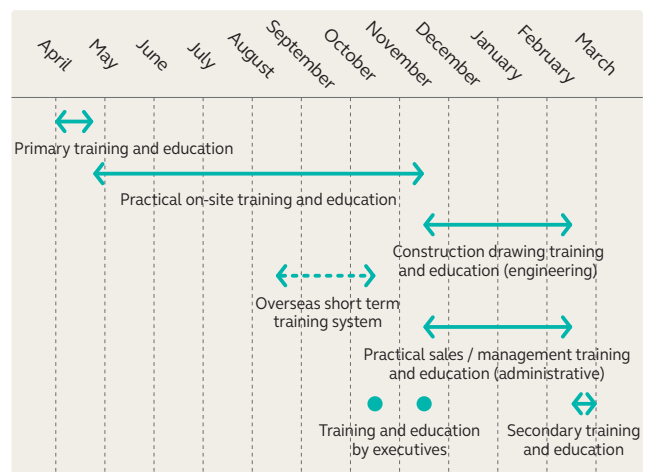
Position	Educational overview
Technical role	<ul style="list-style-type: none"> Participating in construction review meetings of site the employee is not in charge of Manufacturer new product study session Education to prevent recurrence of trouble through education materials with case studies of issues
Market role	Study session of industry trends and strategic management methods
Administrative role	Presentation session for business role by level
Common	Symposium beyond class and role for non-management employees

New Employee Training and Education

● Extensive training curriculum

Over the one-year of new employee training and education, we have established the perfect curriculum for each technical and administrative system to create an organization able to work with confidence right after assignment.

New employee training and education



● **Training Dormitory Kofu Dormitory**

The overall training and education at Kofu Dormitory for approximately one year is an ongoing tradition at Shinryo Corporation since its founding. Employees who enter the company in the same year are able to build bonds by living and learning together.



Kofu Dormitory



Communication space

● **New employees overseas short term training system**

This system is an initiative to deepen understanding about living and working overseas by providing an opportunity for new junior employees to travel to construction sites overseas and work on-site there for one week.



Idea Exchange Meeting at SHINRYO (HONG KONG) LTD.



On-site training at SHINRYO SINGAPORE PTE LTD.

Overseas Training System

Shinryo Corporation pioneered overseas business in the industry in 1972, opened branches and overseas local companies focusing on Asia / Middle East, and has expanded those businesses. In recent years, we are establishing various educational programs to train many human resources able to be actively participate globally.

● **Overseas practical dispatch system**

This system is for employees who have worked for the company between four and eight years that have first-hand experience in Japan. Every year, employees selected publicly experience overseas operations over one to three years. The youthful abilities targeted by the overseas business are trained through practical means.



Tokyo Metropolitan Area Division Engineer Akihisa Sawada (Deployed overseas to work at SHINRYO (PHILIPPINES) CO., INC.)

VOICE



Neo Yoshikawa

New employee (Participated in short-term training at SHINRYO HONG KONG)

Training in Hong Kong was my first step toward my dream of working overseas. In the on-site tour, I was overwhelmed by the large-scale of the site and I really felt my desire to speak about technical things in English grow. I also became even more interested in working abroad as I listened to people talk passionately about things such as the fun and motivation in working overseas at the idea exchange meeting with senior employees working in Hong Kong. I of course know I need to work hard to learn about the technology as well as the terminology.

Group-wide Training

Group-wide New Employee Training

Shinryo Group is holding new employee training through all Group companies in Japan. Shinryo Group has companies in a wide range of industries from human resource deployment and system development to hotels in addition to the construction industry. Participants conduct discussions around the theme of what can be done toward business expansion through cooperation that goes beyond the barriers of the business category to bring forth ideas freely and learn the importance of supporting one another as the Shinryo Group.



Group-wide New Employee Training

Local overseas staff Japan invitation program

We are holding training in Japan every year for managers at local companies as part of our initiatives for further globalization of the Shinryo Group. 19 managers participated from eight countries over the four days of training in July 2017. In addition to tours of the headquarters and Research and Development Center, these managers learned the knowledge as well as skills in decision-making and communication required of management in an exchange with Japanese management through group work. In this group training, these managers deepened their understanding of the necessity of an approach and communication in work that respects one another's culture and social customs.



Group work

Community Involvement and Development



Shinryo Corporation actively promotes and implements activities to demonstrate the importance of community and culture as a company that contributes to development of sustainable society. We believe that steadily accumulating small, close-at-hand activities is important in engaging with local communities.

Educational Support in This Generation to Succeed in the Next

Shinryo Corporation actively engages in educational opportunities for students to succeed in the next generation as a way to develop the construction industry and its technology.

Support for High School Student Work Experience

In January 2017, we brought in 11th grade living environment system work experience students from Fujisawa Koka High School in Kanagawa to our Yokohama Branch. In this three-day training course, students learned hands-on creation of design plans able to meet the requirements of customers and took a tour of the on-site roof cooling tower and sanitary systems. Students also toured a duct manufacturing plant of our partner company to understand how our work is accomplished through the cooperation of many people. We hope this young generation of students learning civil engineering were able to deepen their understanding and interest in the construction industry through this work experience.



Practical on-site training

Support for Female Students Interested in Science and Technology

We held a tour for female students who have interest in the science and technology field at the Research and Development Center in August 2017. A total of 22 female students from elementary to graduate schools participated. The Open Office was sponsored by the Science and Engineering Challenge (Rikochare) that is promoted by the Gender Equality Bureau Cabinet Office. The Open Office was planned to encourage students to choose science and technology work in the future. 2017 was the third year the Open Office was held. In addition to introducing the research facilities, we also explained state-of-the-art technologies while letting students try the operation first-hand. All of the participants expressed how they learned that air conditioning technology not only includes heating and cooling but also plays a much broader role as well as how the experience had clarified their image of work that takes advantage of expertise in science and technology.



Trying state-of-the-art technology at the Research and Development Center

Part-time Instructor Activities

● Occupations from the Female Perspective Class at Shinshu University

It was held a class on occupations from the female perspective for 180 male and female students in their second and third years in the Department of Electrical and Computer Engineering in the Engineering Department of Shinshu University in July 2017. This class provided a detailed explanation about what can be expected of the students in the workplace in the future, what they will need to learn when they first enter a company, and how their work and role will change with their tenure and experience. In addition, students learned about the balance of life events and work common to both male and female employees while promoting understanding about creating a career plan as soon as possible.



Class at Shinshu University

● System Engineers Class at Shibaura Institute of Technology

It was held a Special Lecture (6) System Engineers class for roughly 50 third-year students in the Civil Engineering department of the College of Engineering at the Shibaura Institute of Technology in July 2017. This class aimed to raise awareness about our work by explaining the latest technical information and the work attitude through people experienced in construction. Students were introduced to the importance of energy-saving technology in air conditioning to preserve the global environment as well as to the 42.5% reduction in energy consumption at the Shinryo Corporation headquarters.



Course at Shibaura Institute of Technology

Course track-record

Name of University	Classes taught
Shibaura Institute of Technology	Special Lecture (6) System Engineers
Tokyo University of Science	Advanced Ventilation Systems
Meijo University	Building Service Engineering 2
Shinshu University	Occupations from the Female Perspective
Osaka City University	Construction Equipment I
Tsukuba University of Technology	Specialized Courses in System Engineering Eco Environmental Systems
National Institute of Technology, Kurume College	Heating, Air-Conditioning / Sanitary Engineering

Plus Volunteer Activity to Engage with Local Communities

Shinryo Corporation is promoting the Plus Volunteer Activity as part of its CSR activities. The Plus Volunteer Activity aims to spread contribution activities to communities by adding (plus) clean-up and other volunteer activities to events such as gatherings with employees, families and partner companies held at each department.

Shinjuku Mission Uchimizu (Tokyo Metropolitan Area Division)

20 of our employees sprayed water in front of the headquarters in September 2017 while the heat from the summer still lingered. This activity is part of the Shinjuku Mission Uchimizu initiative held by Shinjuku-ku to cool down Shinjuku by sprinkling water on the streets. The water sprayed on the streets is not potable water but water from previous rainfall.



Shinjuku Mission Uchimizu

Volunteer Cleaning Activities Around the Takamatsu Warehouse (Air Conditioning Equipment Division)

We are conducting cleaning activities around the Shinryo Corporation machine warehouse in Takamatsu, Nerima-ku in Tokyo after our morning meeting every Wednesday. This activity started as a way to express our thanks to everyone in the local community in the residential area around our warehouse that cooperate with us each day. Everyone at our partner companies also take part in this initiative that has been going for nine years.



Volunteer cleaning activities around the Takamatsu warehouse

Clean-up Activities at the Moere Hanabi Fireworks Festival (Hokkaido Branch)

These clean-up activities were conducted in September 2017 after the Moere Hanabi fireworks festival held at Moerenuma Park in Sapporo City. Five employees and their family participate in the World's Most Fun Clean-up Effort held by the executive committee. The clean-up activities were done with the large number of volunteers while listening to music and remembering the beautiful fireworks launched the day before.



Clean-up activities at the Moere Hanabi fireworks festival

Roadside Clean-up Around Tokyo Station (Marunouchi Branch)

Shinryo Corporation is regularly participating in clean-up activities with the purpose of environmental beautification around Tokyo station held by the promotional committee for improving the living environment in the Otemachi-Marunouchi districts. We work together as a group with the ward and police department as a company with an office in the Otemachi-Marunouchi area.



Roadside clean-up around Tokyo station

Gathering and Clean-up Activity on the Nobi Coast (Yokohama Branch)

The Yokohama Branch held a gathering with 28 employee volunteers and their families along the Nobi coast of Yokosuka city during a day off in July 2017. All of these volunteers cleaned up around the coast after enjoying a barbecue, fishing and swimming in the ocean. Children and adults alike came together in uniforms and cleaned as they further enhanced their awareness of environmental conservation while generating a feeling of unity.



Nobi coast volunteer clean-up activity

Hiking and Clean-up Activity at Mount Kobo (Procurement Department)

The Procurement Department planned hiking and clean-up activities at Mount Kobo in Hadano City with 11 participants in September 2017. The volunteers hiked roughly 7.5 km from Hadano Station to the Tsurumaki hot spring while picking up garbage they found along the way for two hours and ten minutes. Furthermore, everyone who took part stopped by the local hot spring on the way home and deepened their friendship while enjoying the heat.



Hiking and clean-up activity at Mount Kobo

Support for culture and the arts

● List of music-related organizations for which Shinryo Corporation is registered as a supporting member

NHK Symphony Orchestra, Tokyo / Orchestra Ensemble Kanazawa / Osaka Symphony Orchestra / Osaka Philharmonic Orchestra / Kanagawa Philharmonic Orchestra / Kansai Philharmonic Orchestra / The Kyushu Symphony Orchestra / Sapporo Symphony Orchestra / New National Theatre, Tokyo / New Japan Philharmonic / Sendai Philharmonic Orchestra / Central Aichi Symphony Orchestra / Tokyo Symphony Orchestra / Tokyo Metropolitan Symphony Orchestra / Tokyo Nikikai Opera Foundation / Tokyo Philharmonic Orchestra / Nagoya Philharmonic Orchestra / The Japan Opera Foundation / Japan Century Symphony Orchestra / Japan Philharmonic Orchestra / Japan Performing Arts Foundation / Hiroshima Symphony Orchestra / Yomiuri Nippon Symphony Orchestra, Tokyo / La Folle Journee au Japon Music Festival 2017

CSR Activities of Group Companies

Shinryo Group is actively expanding CSR activities at each Group company in Japan and overseas. We are aiding in the growth of society in many forms from initiatives to solve social issues through our businesses to contributing to communities through volunteer and charity efforts.

Initiatives to Reduce Our Environmental Load

Shinryo Technical Service Promotion of Energy-Saving and Renewable Energy Proposals

Shinryo Technical Service is actively furthering proposals to customers that aim for more efficient use of energy as well as a reduction in energy consumption.

In renovations, the company is promoting proposals for systems that use renewable energy suited to the needs of our customers.



Solar hot water supply systems

Daiei Denki Promotion of a Total Photovoltaic Power Generation Systems Installation Business

Daiei Denki has been working in the installation of photovoltaic power generation systems since 2010, in which it has accumulated technology and know-how. The company started a business to provide comprehensive services from planning and formulation to the construction of photovoltaic power generators for each installation space since 2017.

Up until now, this business has contributed to reducing 4,500 tons of CO₂ emissions, which is equivalent to the amount of CO₂ absorbed by roughly 320,000 cedar trees.



Ideal place for photovoltaic power generation systems

Initiatives to Improve Quality

Shiroguchi Initiatives to Pass Down and Improve Technology

Shiroguchi holds technical briefings twice a year to pass down and improve technology by horizontally expanding examples of successes and failures on-site, new techniques, and other relevant information to employee throughout Japan. 135 of our employees and 31 employees from partner companies participated in the 31st Briefing held in May 2017.



Technical briefing

LE PRO Employee Skill-up Training

LE PRO regularly holds the LE PRO Academy for technical training about construction equipment to increase the skills of employees with the objective of providing high-quality BIM models. Furthermore, roughly ten employees are stepping up to the challenge in an in-house telecommunications class to gain the experience to acquire public certifications such as the building engineer certification from The Society of Heating, Air-Conditioning and Sanitary Engineers of Japan.



LE PRO Academy

Risk Management Initiatives

Global Staff Continuous Enhancement of Information Security Management Systems

Advanced information security systems required by the human resource service industry because a large amount of personal information is handled. Global Staff acquired the ISMS certification in 2013 after a review of its information security management, and it was re-certified again in August 2017 after a registration renewal review. The company strives to continually enhance its information security management systems to ensure trust and peace of mind.



ISMS certification certificate

SYSPRO Comprehensive PDCA Cycle to Strengthen Information Management

SYSPRO continually conducts internal audits based on information security regulations to strengthen informational management measures as customer information increases due to the standardization of BIM. In addition, the company strives for a comprehensive PDCA cycle such as modifications based on the auditing results, strengthening and review of regulations as well as employee education.



Audit of servers

Connections with local communities

Akita Castle Hotel Initiatives to Promote Sports

The Akita Castle Hotel cheers on AKITA NORTHERN BULLETS R.F.C. local rugby team as a bench banner sponsor. Tevita Tatafu is a doorman at the Akita Castle Hotel who greets the many guests each day with a smile.



Tevita Tatafu greeting guests at the door

Initiatives to Improve Labor Practices

Shinryo Kogyo Work-Life Balance Initiatives

Shinryo Kogyo recommends one-week in July every year for employees to take leave. The purpose of this leave is for employees to refresh at a time when the work is relatively light. The company is also displaying work-life balance promotion posters to raise employee awareness who work at the office.



Work-life balance promotion poster

Overseas Initiatives

SHINRYO HONG KONG Visiting a Nursing Home

SHINRYO HONG KONG participated in the volunteer nursing home visit program held by Open Door Community Services in the Lam Tin area in March 2017. The volunteers interacted with the residents through activities such as serving warm soup.



Volunteer activities at the nursing home

STS Hong Kong Participation as Volunteers Visiting Elderly at Home

STS Hong Kong participated in the 2016 Community Service volunteer program to visit elderly people at their homes held by The Hong Kong Air Conditioning and Refrigeration Association in October 2016. The volunteers help each elderly individual with difficult chores such as replacing the lighting in their homes to LED lights.



Participation in the 2016 Community Service

TAIWAN SHINRYO Participation in Clean-up Activity

Four employees from TAIWAN SHINRYO participated in the Clean-up Learning Session held by Taiwan Souji in April 2017. 2017 is the seventh time TAIWAN SHINRYO has participated in this activity. The year was a gigantic event with more than 800 participants who cleaned the Jiaoxi Elementary and Junior High School. The cleaning activity provided a sense of serenity.



Participants of the Clean-up Learning Session

SHINRYO PHILIPPINES Cooperation in a Blood Drive

This was the first year eight employees from SHINRYO PHILIPPINES participated in the blood drive conducted by the Calamba Medical Center in May 2017. The company plans to continue to work together with this blood drive based on the belief it is one way to contribute to the neighboring community.



Blood drive at the Calamba Medical Center

Thai Shinryo Support of Japanese University Student Internships

Thai Shinryo accepted university students from Japan through an internship. This internship showed these students the basic principles of working overseas from practical training to the difficulty of working in a place that speaks a foreign language as well as a work style that respects local cultures and customs. The students who participated shared the thoughts on the experience such as how much they gained to help them to work overseas in the future.



Support of Japanese university student internships

SHINRYO MALAYSIA Convening of Safety Forums

SHINRYO MALAYSIA convened a Safety Forum (Health and Safety Council) in July 2017. Partner companies also participated in the Safety Forum for discussion about how to better safety awareness in on-site operations and commemorate companies with excellent safety. In the future, the company will continue to strive to improve safety and raise awareness on-site with the cooperation of its partner companies.



Convening of the Safety Forums

SHINRYO VIETNAM Implementation of a Leadership Training

SHINRYO VIETNAM holds leadership training every week for management and On-site Project Managers. This training is held to promote awareness as leaders such as practical on-site operations and knowledge about technology in addition to understanding about compliance and management methods. They will continue to work to develop the human resources who are entrusted with the future of the company.



Implementation of a Leadership Training

SHINRYO SINGAPORE Cooperation in Company Visits for Field Trips

SHINRYO SINGAPORE provides opportunities for Japanese high school students to visit Japanese companies on foreign soil when traveling overseas for field trips. The company approved of activities to generate more interest about working overseas and accepted 20 students from Niigata Technical High School. The students were able to enjoy hearing a general overview of the company and the real charm of working globally.



Niigata Technical High School students visit SHINRYO SINGAPORE

SHINRYO INDONESIA Participation in Tree Planting Activities

SHINRYO INDONESIA participated in tree planting activities in AEON Mall Jakarta Garden City held by the AEON Environmental Foundation. The employees who participated said contributing to both environmental conservation and the local community through the tree planting activities had left quite an impression on them.



Tree planting in Jakarta



Shinryo Corporation integrated the brand under this logo in April 2017.

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