



SHIMIZU CORPORATE REPORT

2026

Today's Work, Tomorrow's Heritage



CORPORATE SLOGAN

Today's Work, Tomorrow's Heritage

The word “heritage” in the overseas version of the corporate slogan has the familiar ring of world heritage. It essentially means traditional principles, value, and quality.

We perform our work with integrity and a strong sense of responsibility.

We take pride in our work as contributing members of society, and as professionals, and we know that we must build works that will leave a tangible heritage to the next generation.

We have cultivated what Shimizu stands for throughout our history and will continue to create new history. This slogan expresses the message that we want people around the world to understand.

It is our resolute pledge to reflect that attitude in the performance of all processes, and in the individual conduct and actions of each and every employee.

CREDO

The Analects and the Abacus

MANAGEMENT PRINCIPLES

With devotion and
a spirit of innovation,
we work to create value that exceeds
expectations and contribute to
a sustainable tomorrow

Eiichi Shibusawa, called “the Father of Japanese Capitalism,” was invited to be the advisor to our company in 1887. We hold his work “The Analects and the Abacus,” which expresses his worldview of economics united with ethics, to be our timeless and unchanging business compass.

Shimizu Corporate Report 2026: Editorial Policy

The Shimizu Corporate Report is designed to help various stakeholders better understand the Shimizu Group by introducing our management principles and strategies, as well as our initiatives in sustainability management and corporate governance.

Reporting Organizations

- Corporate Headquarters, domestic and international business divisions, and group companies
- Numerical results reflect activities of the corporate headquarters, domestic branches and sales offices.

Reporting Timeframe

- Mainly fiscal year ended March 31, 2026 (April 2025 to March 2026), includes some activities from earlier and later time periods

Notes on Forward-Looking Statements

- Forward-looking statements are based on the Company's judgments and assumptions derived from currently available information and may differ from actual results due to changes in economic conditions, market environments, and other factors.

Guidelines for Reference

- International Integrated Reporting Framework, IFRS (International Financial Reporting Standards Foundation)
- Sustainability Reporting Standards, GRI (Global Reporting Initiative)
- Environmental Reporting Guidelines 2018, Ministry of the Environment
- Guidance for Collaborative Value Creation, Ministry of Economy, Trade and Industry
- TCFD/TNFD Recommendations "Climate and Nature-related Financial Disclosure"



Information Disclosure System

	Financial Information	Non-financial Information
Reports	Shimizu Corporate Report 2026 Annual securities reports (Japanese only)	
	Documents of General Meeting of Shareholders	Corporate Governance Report
WEB	Investor Relations	Sustainability

At a Glance

Founding

in **1804**

The Number of Consolidated Employees

22,278

(as of March 31, 2026)
* The number of non-consolidated employees is 11,434.

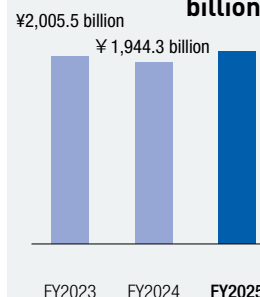
Number of Group Companies

167

(as of June 30, 2026)

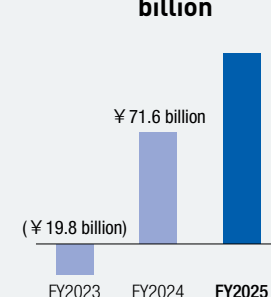
Consolidated Net Sales

¥2,057.8 billion



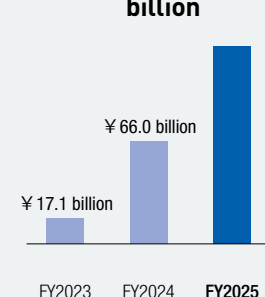
Consolidated Ordinary Income

¥122.3 billion



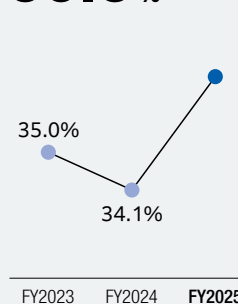
Consolidated Net Income*

¥126.6 billion



Equity Ratio

36.8 %



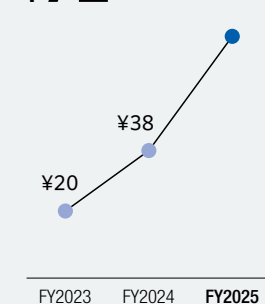
ROE

13.8 %



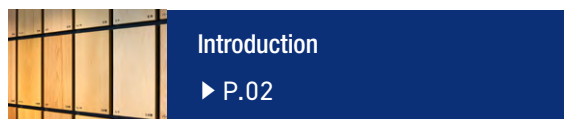
Dividend per Share

¥72



* "Net income attributable to shareholders of the corporation" on the consolidated statement of income

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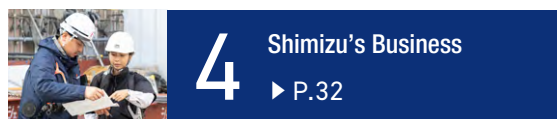
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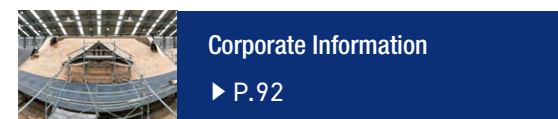
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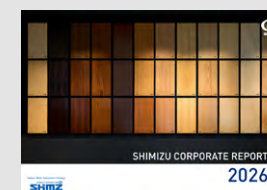
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About the front cover

This is a veneer lamination sample* installed on the second floor of the Tokyo Mokkoujou Arts & Crafts Furnishings building. The display, arranged in 12 columns and 3 rows, allows visitors to compare not only the differences between wood species but also the variations in color and texture resulting from different coating and finishing methods. By taking in the diverse wood species and finishes at a glance, visitors can experience the rich character and potential of wood—an exhibition unique to the Tokyo Mokkoujou Arts & Crafts Furnishings.

* The process of adhering thinly sliced wood to a substrate.



The Relationship Between the Mid-Term Business Plan (2024–2026), “Implementing Management that is Conscious of the Cost of Capital and Stock Price,” and this Report

 Initiatives to Achieve the Mid-Term
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Measures to Enhance Corporate Value	Details of Each measure	Key Content from Corporate Reports Related to Each Measure
Increase ROE Increase PBR Increase PER	Improve Profitability - Improve profitability of the Construction Business - Diversify revenues by developing new profit sources - Reduce fixed costs (SG&A expenses, interest expenses, etc.)	▶ P.35–46 Shimizu's Business Building Construction/Civil Engineering /Overseas Construction/Investment and Development (Real Estate Development) /Engineering/Green Energy Development /Frontier ▶ P.47–50 Shimizu's Business Group Management
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Message from the President/ Special Contents

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Message from the President

Elevating the Shimizu Brand for Long-Term Growth and Value Creation

Tatsuya Shimmura

President and Representative Director

Top Message

Our core principles, rooted in our founding spirit and the principles of The Analects and the Abacus, and the Shimizu brand we have accumulated over our long history, form the foundation of the Group's sustained competitive advantage over our peers. Guided by these immutable values passed down over 220 years, we aim to sustain company growth and increase corporate value over the long term through disciplined efforts to improve capital efficiency, strengthen corporate governance, and pursue growth-oriented investments.

Message from the President

Our Transformation to Date and Commitment to Execution

Since becoming President in April 2025, I have held fast to my personal motto, “calm in adversity and composed in success.” When challenges arise, assess the situation calmly. When things go well, remain composed and avoid becoming complacent. I believe one must hold fast to this mindset when executing a company's business, as it is crucial to steering the company through a turbulent business environment. The Shimizu Group has emerged from a period of adversity and is now turning its financial performance around. At such a juncture, we must take an objective look at the business environment, anticipate societal changes, and identify opportunities for creating value. We will accelerate diversifying our business and our global expansion, but must also respond flexibly to industry-wide challenges such as a diminishing labor pool, ageing population, rising labor, material and energy costs, as well as the rapid adoption of digital technology in construction (DX). We will address these challenges and advance into our next stage of growth.

I am pleased to say that our results in FY2025 marked a new record, with 2,057.8 billion yen in net sales (up 5.8% year on year), 118.6 billion yen in operating income (up 67.1% year on year), and 126.6 billion yen in net income attributable to shareholders of the corporation (up 91.8% year on year). The recent turnaround in results is the culmination of all officers and employees across the Shimizu Group working as one.

In achieving sustained growth, we must firmly establish this Group-wide momentum toward improving business performance as our true strength, rather than a temporary phenomenon. To that end, I will continue to visit as many sites as possible; by listening directly to our employees and communicating my own thoughts through a variety of opportunities and channels, I plan to drive company-wide reforms in both our business practices and mindsets.

At the core of our business foundation are our talent and organizational capabilities. To strengthen both, management has launched a new per-

sonnel system that emphasizes roles and responsibilities. This system is designed to foster an engaging workplace culture, encourage healthy competition, support learning and professional growth, and boost our organizational dynamism and productivity. We also implemented a stock grant of transfer-restricted shares to employees as an incentive towards a greater interest in our financial performance and stock price, and to push them in achieving sustained growth for the company. These two initiatives will take time to bear fruit, but I will drive the necessary reforms, unbound by precedent, through fresh and adaptable thinking to create an engaging workplace.

Realizing the Mid-Term Business Plan and Long-Term Vision

Our long-term vision, SHIMZ VISION 2030, envisions us to become a “Smart Innovation Company.” This commitment reflects our desire to continually grow by keeping our company relevant to clients and society at large no matter how times change. It also represents our determination to pool expertise across business lines to create new sources of revenue, while continuing to draw upon the capabilities of our core business of construction. The value that the Shimizu Group will provide as a Smart Innovation Company, is the realization of a resilient society, where everyone can feel safe and secure, an inclusive society, where everyone can live in comfort and health, and a sustainable society, where future generations inherit a well-cared for environment. To that end, we are transforming ourselves, embracing challenges, and co-creating with a diverse range of partners to deliver value that anticipates the future.

If our organization is to continue delivering diverse value, we must be sustainable ourselves. We must maintain a disciplined approach to business management, prioritizing future growth and sustainability rather than only pursuing short-term profits.

The details of how we will execute the long-term vision are set out in the current the Mid-Term Business Plan (2024–2026), which also serves

as a strategic milestone. The plan identifies creating a stronger business foundation as the number one priority. By boosting our talent and organizational capabilities and strengthening cross-functional collaboration, we will further evolve our sustainability management. In this increasingly volatile and uncertain business environment, we can only sustain growth if we continuously improve our business foundation and earning potential. With FY2026 being the third and final year of the plan, my focus this year will be not only on achieving our annual performance goals but also on accomplishing the tasks set out in the plan with the “Chouken-setsu” mindset, so we can prepare the ground for the next medium-term business plan.

In 2030 and beyond, Japan's construction market will be experiencing labor shortages - a legacy of the country's dwindling population - along with a shift in demand. These circumstances will prompt a gradual change for industry paradigms. The market will shift from its traditional scrap-and-build model to a more cyclical model focused on remodeling and renovating existing buildings. To navigate this turning point, we will extend our focus beyond construction services and leverage digital technology and our global network to deliver value. Our next long-term vision will set out in greater detail how we will address society's issues and what future we will help create. To help facilitate realizing such a vision, we will spend the years leading up to 2030 on transforming our earnings structure and establishing a solid foothold for further growth.



Inspection of the Jakarta MRT North-South Line Phase-2 CP202

Going back to Our Origins and the “Shimizu Brand”

Since assuming office, I have repeatedly emphasized the importance of going back to our origins. By “origins,” I mean our founding spirit and corporate credo, The Analects and the Abacus. These comprise the foundation for our company's heritage and culture, and must be

preserved into the future. While these origins cannot be fully conveyed in just a few words, I offer the following anecdote.

In 1876, the Great Powers had pressured the Tokugawa shogunate - then in its final years, known as the Bakumatsu - to provide “accommodation suitable to Westerners.” In response, they decided to build a hotel in Tsukiji catering exclusively to foreigners. One man, as soon as he heard the news, put himself forward for the job. That man was Kiskey Shimizu II, heir to Shimizu's founder. The shogunate, financially strapped, devised a scheme that was a precursor of private finance initiatives: the shogunate would provide the land for free, and in return, construction and operation of the facility would be private ventures. Kiskey Shimizu II took on the construction work along with the task of procuring finance and running the hotel. This was an entirely new experience for Kiskey Shimizu II, yet he remained undaunted and saw the task through to the end. This admirable feat illustrates Kiskey Shimizu II's enterprising spirit, a spirit that has endured in Shimizu through the centuries.

At every available opportunity, I remind our officers and employees about such anecdotes and the importance of going back to Shimizu's

origins. Employees increasingly identify with what our company aspires toward and are gaining a renewed appreciation of the value in the work they do. The other day, I attended a ceremony to mark the completion of a project in Shizuoka, delivered for a longstanding client. The client offered warm words, saying that Shimizu delivers above and beyond what was expected, not just for that particular project but in all past projects the client has ordered. By exercising sincere Monozukuri (craftsmanship), our people had created value that exceeded expectations, satisfying the client. This very spirit is the source of the Shimizu Group's competitiveness. It is this spirit that makes the Shimizu brand. The Shimizu brand is the epitome of the trust that employees have built up over the years by their honest sweat and sincere Monozukuri. We will keep going back to these cherished origins, and further hone the Shimizu brand, both in terms of technological excellence and innovative proposals, so that clients will always say that Shimizu is the one to trust.

Regular visits to frontline worksites and talking with employees

Left: Hokkoku Bank H project

Right: The construction site for a research facility in Tokyo



Message from the President

Commitment to Capital Efficiency and Corporate Governance

We are committed to giving all stakeholders a fair portion of the profits and other outcomes of our business operations. Doing so increases the Shimizu Group's corporate value over the medium and long term and helps sustain its business growth. To that end, we will implement a series of actions to improve return on equity (ROE), with a medium- to long-term benchmark of 10% or higher. In our core business of construction, measures such as a stricter pre-order screening in accepting contracts with a greater weight to profitability, production management based on order tracking and control, and increased front-loading to enable more accurate construction planning, are beginning to improve earnings. We will also make greater inroads into promising markets, including high-tech facilities such as semiconductor fabrication plants and datacenters. Through these efforts, we aim to shift our business structure toward higher profitability.

We also view improving capital efficiency as an important ongoing business challenge. When it comes to investing in our business operations, the Board of Directors and other governing bodies discuss the capital costs of the investments with a view to balancing financial soundness with capital efficiency and thus optimizing our business portfolio. Likewise, we will proceed with investing for growth - in talent, productivity, research and development, and M&A - while maintaining capital discipline.

In 2026, two M&A transactions were officially approved by the executive team and the Board of Directors following extensive deliberation and vetting. The first, enacted in March, brought AOMI Construction Co., Ltd. into our Group. Primarily engaged in marine and land-based civil engineering and ground improvement, AOMI Construction boasts technological excellence and a formidable track record in each area. The second transaction welcomed American Engineering Corporation (Okinawa). The company specializes in construction for US military

bases and in IT-related infrastructure projects such as datacenters for foreign-owned companies. These new unions were not short-term measures to increase the size of our organization. There was a clear strategic rationale to share expertise across organizational boundaries and create synergies that will increase the corporate value of the Shimizu Group and strengthen our prospects for sustained growth. We make rational, level-headed decisions as to how each acquisition contributes to our financial performance over the medium and long term, and whether it is consistent with the Shimizu DNA.

To ensure that we make the right investment decisions, we need an effective Board of Directors. To improve the quality of board discussions regarding the increasingly diverse and complex array of investment options, we are taking steps to make sure that directors are well briefed before the meeting and that they have ample opportunities to discuss the proposal. We have also introduced a stock compensation plan linked to medium-term performance. This plan encourages executives to help the company sustain its growth and improve its value over the medium and long term. The recipients are incentivized to improve corporate performance while sharing with shareholders the risk



and return associated with stock price fluctuation. We will continue to strengthen corporate governance as part of our efforts to improve the quality of investment decisions and maintain effective, impartial oversight.

Message to Stakeholders

Our progress forward is guided by our conviction to realize the spirit embodied in our corporate slogan, "Today's Work, Tomorrow's Heritage." Monozukuri is a joy rooted in human nature as well as a noble act towards building the future. We have a responsibility to communicate its appeal to the next generation and to society as a whole. This role is all the more important in this time of critical shortages in skilled workers. While improving working conditions, we will actively communicate how rewarding and meaningful a career in construction can be. We will also provide more opportunities for foreign talent and foster an inclusive workplace where a truly diverse team can excel. Through these efforts, we will lead the industry forward. While continuing to treasure our most precious assets - our long-cherished history, traditions, and trust - we will also adapt to the needs of the times, never resting on our laurels. We will walk forward in step with society and never stop challenging ourselves to forge a brighter, happier world for the future. I hope you will continue your support of the Shimizu Group's journey of sustainable growth and increase in corporate value, as well as our future that lies beyond them.

Special Contents 1

Passing on Technical Skills and Developing Talent

Conversation

Nobuyuki Yamamoto

General Master Carpenter in the Project
(to reconstruct Shuri Castle's main hall)
Chairman and Representative Director of
Shajiken Co., Ltd.

Tatsuya Shimmura

President and Representative
Director of Shimizu Corporation

As part of our efforts to sustain the Shimizu Group's business growth, we go back to our origins—being meticulous about quality, safety, cost, and process—in order to establish Shimizu as a brand of Monozukuri trusted by clients.

Here, Tatsuya Shimmura talks with Nobuyuki Yamamoto, a shrine architect and torch-bearer of traditional Japanese architectural techniques. As fellow travelers on the road of Monozukuri, Yamamoto and Shimmura discuss each other's foundational inspirations and other topics such as passing on expertise and nurturing talent.



A conversation held at the Former Shibusawa Residence within our Smart Innovation Ecosystem NOVARE

 Former Shibusawa Residence

Making a proud example of Reiwa architecture

Shimmura This year, our company celebrates its 222nd anniversary. Throughout those 222 years, our company has remained true to its founding principles, including the spirit of the household carpenter, and has always treasured the precepts Eiichi Shibusawa set forth in The Analects and the Abacus. By putting these principles into practice, Shimizu Corporation has delivered value that client trust and has forged its long history. That very trust is our brand and a precious value we must always treasure. I would highlight “an enterprising spirit” as a key word. Refusing to be content with the status quo, we must always keep challenging ourselves to innovate.

Yamamoto In our work, we use technology that has been handed down over more than a millennium, and the examples we refer to are buildings built by our distant forebears. Our forebears, influenced by trends on the continent and adopting the latest technology in each new time period, would produce what was the most modern architecture of their era and what remains today, in this Reiwa era (2019–), as traditional Japanese architecture. That being the case, then we would be letting our ancestors down if what we construct today were not the very best of Reiwa-era architecture. Today, we have much greater mechanical and technological prowess. In the Heisei-era (1989–2019) project to reconstruct Shuri Castle, the architects produced designs by hand. In the Reiwa-era

project to reconstruct the castle, they generally use computer-aided architectural design (CAD). They also scan the property with a laser to form 3D point cloud data. Such point cloud surveys serve as an invaluable tool for recording more in-depth data about extant important cultural properties and national treasures. It goes to show the value of adopting the latest technology in a way that maintains continuity with our architectural heritage.

Shimmura I have visited the site numerous times. The site team adopted the slogan of “showcasing the reconstruction work.” The work was very arduous, and the team performed the work in a stoic and methodical manner. It was an impressive display of artisans at work.

Special Contents 1: Passing on Technical Skills and Developing Talent



Yamamoto As the team was to be working under the gaze of members of the public and the press, I told them to make sure that everything they did on the project, including their attitude to the work, would be media-presentable and reflect well upon their integrity. Adopting the slogan “focus on the fundamentals and do what needs to be done,” the team put the principle into practice. Consequently, the team members improved not just their skill but also their safety awareness.

Shimmura Would you say such awareness can drive professional growth?

Yamamoto Yes. In terms of skill, it is not like you will suddenly gain mastery in a couple of years. But for young employees, it is vital to have the right attitude to work.

During this reconstruction project, known as the Reiwa (2019–) reconstruction, we had about 40 carpenters during the busiest period. About 40% of them were aged between 20 and 40. It was a valuable

experience for them to participate in a project of such a scale, and a great opportunity for nurturing the next generation of talent. It was a tragedy when Shuriyo Castle, after having been reconstructed in the Heisei era, burned down. However, it was also an opportunity—a great training opportunity for young carpenters in supporting the country's traditional Japanese architecture. With this mindset, the team is working to deliver an outcome that will surpass that of the Heisei reconstruction.

Discerning the client's needs to deliver a better outcome

Shimmura How would you describe the essence of traditional architecture and shrine carpentry?

Yamamoto Traditional architecture is all about constructing edifices that will endure for centuries. It is an undertaking that has historical depth, in that it preserves traditions of the past. In shrine carpentry, teamwork is an important aspect, as it is not something any one person could do on their own.

Shimmura I feel intrigued by your idea of depth with no culmination point. I suppose you find inspiration in potential and thrill of the unknown.

Yamamoto Yes. I am a sucker for a thrilling challenge. You begin the journey without knowing a thing. As you venture forward, you encounter more and more questions. You then investigate, research, and brush up your skill. I get such a thrill from doing so, and that is my source of inspiration. I have also learned that the outcome will depend to a large extent on whether you have listened to and understood what the building owner tells you about the building's history, its value, and what it means to them.

Shimmura Feeling the thrill is so important. I also agree that you must understand how the owner feels about their building. The outcome does indeed depend on whether you have understood the thinking of the building owner and designer, something that you cannot glean from the architectural designs alone.

Yamamoto Yes, it makes such a difference. Shinto shrines and Buddhist temples are a case in point. The building owner—the shrine priest or Buddhist priest—will often leave much unsaid, so it is all the more important to inquire into their thoughts and discover what the building really means to them.

Shimmura Yes. You have to be very thorough in your research during the early design and planning stage in order to minimize re-work later on. I suppose that relates to the concept of front-loading or quality by design. If you discern the client's needs and then pitch



Nobuyuki Yamamoto

Chairman and Representative Director of Shajiken Co., Ltd. Master Carpenter Certified Master Woodworker for Cultural Properties, Master Carpenter for Japanese Traditional Architecture

Nobuyuki Yamamoto managed projects pertaining to heritage sites in his hometown of Fukui, including the ruins of the Asakura clan's samurai residence and of Fukui Castle, as well as other sites such as the Goryokaku Tower in Hakodate and Yakushiji Temple in Nara. After Shajiken was incorporated in 2009, he finalized the designs for the reconstruction of the Fifth Kabuki Theater and was involved in the relocation of the Western-style building of the Former Shibusawa Residence under Shimizu Corporation's Smart Innovation Ecosystem NOVARE. During the Heisei-era reconstruction of Shuriyo Castle some 30 years ago, he participated as Deputy Master Carpenter. During the Reiwa-era reconstruction of the castle, he serves as General Master Carpenter.

Special Contents 1: Passing on Technical Skills and Developing Talent

a design grounded in your own experience, you will ultimately deliver a much better outcome.

Relating to others is key to talent development

Yamamoto When it comes to nurturing talent, I generally take a hands-off approach. I make it clear exactly what I expect employees to achieve, but I leave them to figure out how best to achieve the goal. Obviously, they will fail in some cases. When they do, it is my role to offer support and to apologize to the people concerned. I also trust employees to figure out how best to recover from a failure. That way, they have the space to learn to stand on their own two feet and walk by themselves.

Shimmura At the end of the day, companies and construction sites are made up of people. Handing down expertise and nurturing talent are the two core pillars of our company. However, specialized knowledge and skills are not the only things you need to transfer to the next generation of talent. You also need to pass down how to communicate effectively on the job, how to relate to people, and what mindset you require.

On the matter of communication, while it is important to express yourself clearly, it is also important to ask about or anticipate what other people need or what they are thinking. Communication is not one-way. You must place yourself in the other person's position and keep a listening ear.

Grounded in tradition, forging the future

Shimmura Since becoming President, I have promoted the slogan: "establishing the Shimizu brand by going back to the origins." Going back to the origins does not mean going back to the past. It is a future-oriented process in which we update our 220-year-old heritage by blending it with the technology of today. Our goal should be to retain the trust of clients by remaining as meticulous as ever about quality, safety, cost, process, and environment. My mission is

to ensure that the company continues to develop these brand values into the future.

Yamamoto Your company has a department dedicated to traditional architecture and is the only general contractor firm that owns a carpentry workshop, namely Tokyo Mokkoujou Arts & Crafts Furnishings (▶ P.61). These assets enable you to amass and pass down traditional architectural techniques and knowledge organizationally. I trust that your company will continue to wield this advantage. With such an environment, you have all the more reason to ensure that the values of traditional architecture are preserved for future generations. If I had one word of advice, I would say that you could adopt more of a can-do attitude about challenging projects. It is good in

some ways to have a very punctilious corporate culture. However, when a project seems technically unfeasible, rather than simply abandoning the idea out of hand, you could reframe the challenge in a positive way by considering what you could do if certain conditions were in place.

Shimmura I appreciate your comment and I agree with it. Our punctilious corporate culture is good in some ways, but I do agree that we need to be bolder in developing proposals that offer something extra. You have offered many valuable insights in this conversation. One thing that really resonates with me is your passion for a big challenge and for projects that are full of growth opportunities. Thank you for this insightful conversation.

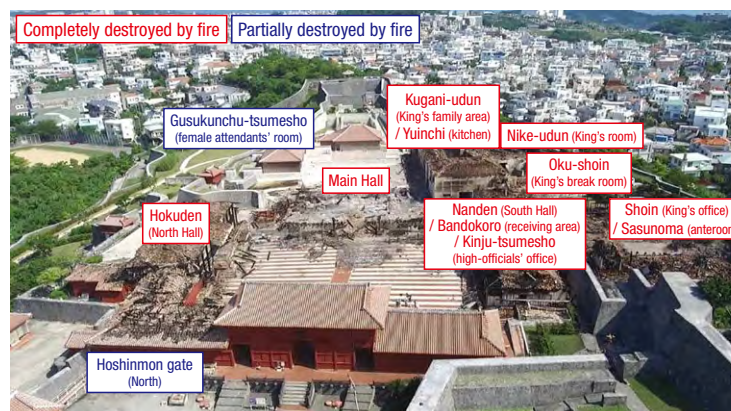


Adopting the technological innovations and preserving traditions Reconstruction of Shurijo Castle's Main Hall



Project Overview

Project name	: Shurijo Castle Main Hall Reconstruction Project
Location	: 3-1 Shuritonokura-cho, Naha City, Okinawa
Construction period	: October 2022 - September 2026
Client	: The Development Construction Department of the Cabinet Office's Okinawa General Bureau
Design and supervision	: Kuniken Ltd.
Contractor	: A special construction joint venture between Shimizu, Kokuba, and Daiyone
Structure and scale	: Main Hall: Wooden 3F Building area 637m ² , Total floor area 1,199m ²



The nine buildings damaged by fire before dawn on October 31, 2019. Shimizu is reconstructing the Main Hall (center). Photograph courtesy of National Okinawa Memorial Park Office, Okinawa General Bureau, Cabinet Office

[Click here for details](#)

[Business topics | Shurijo Castle Showcased Reconstruction Begins](#)

Participating in a Shurijo Castle Project for the Third Time in Our History

For the third time in our company's history, we are participating in a major project for Shurijo Castle. The first time was in the 1930s, when the castle underwent major repair work in what is known as the Showa (1926–1989) repairs. In that project, it was necessary to install a temporary protective roof that could withstand the typhoons that affect Okinawa, and our company undertook the task of installing the roof. During the Second World War, the castle was destroyed in the hostilities. In 1992, two decades after Okinawa was returned to Japan, the destroyed castle was reconstructed in what became known as the Heisei (1989–2019) reconstruction. However, the castle was destroyed again in October 2019, this time by a fire. It is now being reconstructed again, in what is known as the Reiwa (2019–) reconstruction. In this project, as in the Showa and Heisei projects, we channel both our traditional technology and cutting-edge technology.

VOICE

Showcasing Monozukuri to a wide audience

The construction industry can only achieve sustained development if quality standards are striven for and technology is handed down. To that end, the industry must nurture the talent to take on such tasks. In the current project to restore Shurijo Castle's main hall, we have showcased the reconstruction work, with the effect that many people have witnessed the united dedication displayed by our carpenters and other craftspeople, gaining insight into how wonderful and fulfilling Monozukuri can be. This showcasing policy has also sparked interest in the construction industry among young people, which will help in nurturing the next generation of talent.



Hiroyuki Kawakami

Kyushu Branch
Project Manager for Shurijo Castle
Main Hall Reconstruction Project

Timeline in the reconstruction of Shurijo Castle's main hall

2022	2023	2024	2025	2026
November: Work begins	February: Woodworking, temporary roof installation June: Foundation work begins Installation of foundation stones September: Ceremony to mark the erection of the first column December: Timber frame assembly completed  September: Work on columns and beams	January: Joinery work May: Roof-framing ceremony June: Exterior paintwork  June: Roof tiling	January: Installation of podium and stone balustrade Delivery of wood carvings, installation of fittings (interior) February–April: Painting and installation of wood carvings April: Painting of exterior sections May–October: Demolition of temporary roof and timber warehouse  June: Installation of dragon-head ornamentation	May: Interior paintwork completed July: Erection of dairiyuchu (dragon pillars) Exterior construction work September: Construction completed November: Upcoming completion ceremony

The Shurijo Castle reconstruction was not just about reconstructing a building. It was an opportunity to develop talent and carry forward technology into the future. Presented below are examples of our aspiration and initiatives in the reconstruction project.

Nurturing Talent and Carrying Forward Heritage

Showcasing the reconstruction work to make traditional technology relatable

In the reconstruction project, the client, park manager, and subcontractor worked together to form a plan for showcasing the reconstruction work so that as many members of the public as possible could have a closer view of the work. The plan included holding site tours for members of the public on days no work takes place, providing interactional areas and areas for viewing the traditional technology up close, and a media campaign to raise awareness about traditional construction techniques. By sparking interest in the construction industry and traditional technology, we contribute to the future development of the industry.



An area where visitors can see traditional technology in action up close (in the photo, a carpenter adds the finishing touches to a hand-hewn log structure)

Using the cutting-edge technology and craftsmanship to achieve a high standard of reconstruction

In this reconstruction project, we have been meticulous about the quality of the building's timber framing. Erection accuracy depends upon machining accuracy of joints and joinery. To maximize such machining accuracy, the team used 3D scans to obtain quantitative data and visual representations. They also generated 3D point cloud scans to show the erection accuracy that would be achieved when the pillars and other frame components are erected. With this information, the team identified the modifications necessary to increase the erection accuracy of the timber frame.



A Look at the 3D Scanning Process

Recruiting young carpenters who will carry forward traditional technology

We initially tried recruiting shrine/temple carpenters who had worked on the Heisei-era reconstruction, but barely any were still active. It then became apparent that we should recruit young carpenters who could carry forward traditional technology into the future.

First, we asked companies that construct shrines and temples to reach out to young shrine/temple carpenters from across Japan. The young carpenters would work alongside mid-career and veteran carpenters, facilitating the transmission of traditional technology.



An experienced carpenter passing on traditional techniques to younger carpenters.

A ceremony to pray for the building's endurance

The work commenced in November 2022. Eighteen months later, the carpentry work for the framework, roofing, and eaves was largely completed. In May 2024, a roof-framing ceremony was held in accordance with ancient rites. The ceremony, known as a *koshi-shiki*, has been performed by temple/shrine carpenters since the Heian period (794–1185). The event was attended by some 80 team members as well as by visitors, including local residents and members of the general public, who watched proceedings from a viewing space. The visitors and team members commemorated the erection of the framework and prayed for the remaining work to be completed safely and for the resulting edifice (the *Seiden*) to endure for many years.



The *tsuchiuchi-no-gi* ("mallet-striking rite") performed by the *furihei-yaku* ("the shaker of the paper streamers")

Active use of Okinawan carpenters and Okinawan materials

As well as recruiting plenty of young carpenters, we actively recruited Okinawan craftspeople with an eye on the future upkeep and maintenance needs of Shurijo Castle's structures.

We recruited as many Okinawan shrine/temple carpenters, tilers, and lacquerers as possible in the hope that, after the reconstruction of the main hall was completed, these Okinawans would go on to play a leading role in the reconstruction work for other structures destroyed by fire.

Okinawans made up almost the entirety of the tilers and lacquerers.

We also tried as much as possible to source the materials from within



Lacquering was performed by graduates from the Okinawa Prefectural University of Arts and the Okinawa Promotion Center of Arts and Crafts

Okinawa. A key material was the pigment used to lacquer the exterior surface of the building and give it its iconic vermilion color. According to ancient sources, the buildings of Shurijo Castle, renowned as the vermilion palace, were originally lacquered in a pigment known as *kushimagiri bengara*. During the Heisei reconstruction, the team were aware of this fact but did not know how the pigment was made, so they opted for a commercially available *bengara* (red ochre) pigment instead. By comparison, in the current project, we used a pigment that has a more earthy, mellow tone, truer to the historic color.



Lacquering with *kushimagiri bengara*. The lacquering of the building exterior involved as many as 27 processes in some cases.

Special Contents 2

Global Strategy Fostered by Collaboration

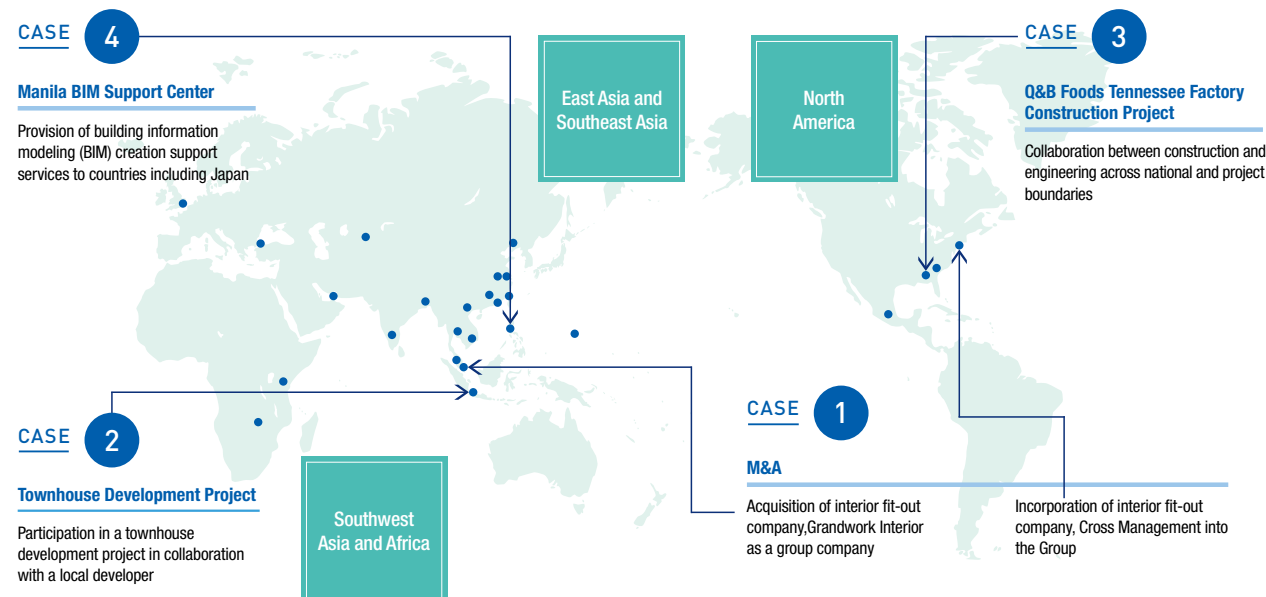


Parties involved in the townhouse development project (▶P.17 CASE 2)

Since we began our full-scale expansion overseas in the late 1970s, our footprints have expanded to 66 countries around the world. In addition to the Overseas Construction Business, we have been involved in a wide range of projects, including Investment and Development, as well as Engineering. Currently, we are conducting business rooted in each region, with a focus on Asia, North America, and Africa. As the business environment becomes increasingly complex, collaboration among group companies, partner firms, and across divisions is essential to creating new value. In this special feature, we introduce collaboration initiatives that break down organizational and corporate barriers to open up new possibilities.

Business Expansion Beyond Organizational and Corporate Boundaries

* The ● on the map indicate our overseas regional offices.



CASE 1 **M&A**

We are working to expand our business scope and client base in collaboration with interior fit-out companies in Singapore and the United States that have recently joined the Shimizu Group.



Fujita, Director, Global Business Headquarters (center), shaking hands with Grandwork Interior Pte Ltd.'s management team

CASE 2 **Collaboration with Local Partners**

In Indonesia, we have formed a strategic partnership with a major developer and are promoting urban development rooted in the local area.



Partnership signing ceremony

CASE 3 **CASE 4** **Internal Collaboration**

Through collaboration that transcends the boundaries of business units—such as our Engineering and Construction Business divisions—and regions—including Southeast Asia and Japan—we are working to advance our production systems and enhance our responsiveness.



Technical analysis using a BIM model

CASE

1

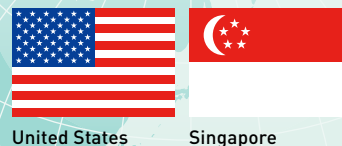
M&A

We have incorporated Interior fit-out companies in Singapore and the United States into our group. By leveraging the client bases of both companies, we will accelerate the expansion of the Shimizu Group's global business.

New Subsidiary



Shimizu Corporation



United States

Singapore

CASE

2

Townhouse Development Project

We have formed a strategic partnership with an Indonesian developer and are engaged in a townhouse development project.

Local Partners



Investment and Development



Indonesia

The Interior Market: Working with New Partners

As part of our global strategy for the Construction Business, alongside fostering operational independence at each regional office, we are focusing on accelerating external growth through M&A. As part of this effort, we have welcomed Grandwork Interior Pte Ltd. in Singapore (Grandwork, a subsidiary since November 2024) and Cross Management Corp. in New York State, U. S. (CMC, made a subsidiary in February 2025) as new members of our group.

Grandwork, which operates in Southeast Asia, possesses outstanding interior design expertise in the luxury sector, including high-end brand stores. Meanwhile, CMC, which specializes in renovation and interior finish work in North America, has built deep relationships of trust with financial institutions and developers, primarily in Manhattan.

What both companies have in common is their deep penetration into global markets and proven performance results in high-value-added markets. While we have previously expanded our overseas building construction business based on relationships of trust with Japanese clients, the participation of these two companies is rapidly expanding our reach to new clients as well.

Moving forward, in addition to Shimizu Corporation's global network and existing business areas, we will integrate



Grandwork designed the interior of the restaurant CE LA VI (Singapore) on the rooftop of Marina Bay Sands



Minamoto Kitchoan New York Fifth Avenue Building (USA), completed in collaboration with CMC

the business areas and client bases in which both companies excel. By establishing a system capable of handling high-end brand stores interior finish work and by providing high-quality solutions to various renovation needs, we aim to remain the partner of choice for our clients in the global market.

Building on a 20-Year Relationship of Trust—Participation in the “Podomoro Park” Development

Indonesia is experiencing remarkable economic growth. As the middle-income population continues to expand, demand for high-quality housing is increasing, particularly in urban areas. To address these market needs, we have established a strategic partnership with Agung Podomoro Land (APL), a leading Indonesian developer with extensive expertise in the local real estate market.

As the first project under this partnership, we have launched a townhouse development project. The project is located within “Podomoro Park Bandung”, a large-scale residential development being carried out by the APL Group in Bandung, the capital of West Java Province. Of the approximately 3,500 housing units planned across the 130-hectare development, our company will develop approximately 400 housing units targeting middle-income households and younger homebuyers on a 5-hectare parcel.

Our relationship with APL dates back more than 20 years to the “Pakubuwono Residence” construction project, in which we participated as a general contractor.



Renderings of proposed properties for sale

Building on the trust we have cultivated over many years, we are advancing community development rooted in the local area by combining our technical expertise and project execution capabilities with APL's deep understanding of the local market and proven development expertise. Through this project, we aim to further strengthen our partnership with APL, contribute to the enhancement of Indonesia's housing infrastructure, and support the sustainable growth of our global business operations.

CASE

3

Q&B Foods Tennessee Factory Construction Project

Through close collaboration between construction and engineering teams, we coordinated design, procurement, and construction to successfully deliver a food manufacturing plant project in the United States.



United States

Engineering Business



Construction Business

CASE

4

Manila BIM Support Center

We are bringing the expertise of our BIM specialist organizations, cultivated around the world, to Japan. We are building a global production system to accelerate the process of strengthening the group's overall competitiveness.



Philippines

Overseas Business



Japan Domestic Business

Transcending National and Business Boundaries

Shimizu North America (SNA) is a U.S.-based company specializing exclusively in the Construction Business, and the Engineering Headquarters operates its plant business primarily in Japan. The “Q&B Foods Tennessee Factory Construction Project” is a prime example of how combining the strengths of these two entities enabled us to meet our client's expectations. From the design phase onward, Japan and the U.S. worked together, leveraging their respective strengths to carry out the project.

SNA secured the contract for this project, while the Engineering Headquarters provided technical support for the process EPC (plant engineering) work. The BIM platform served as the backbone of this collaboration. By utilizing 3D models, we comprehensively coordinated the building, MEP services, production equipment, and process piping. By conducting repeated reviews between Japan and the U.S. via online meetings and cloud-based environments, we were able to visualize issues early in design phase and resolve them promptly.



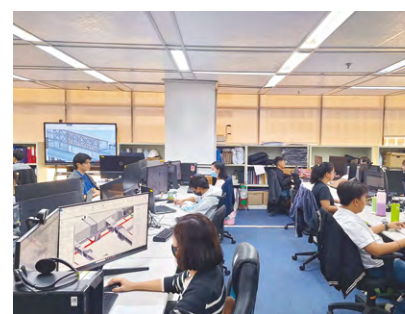
Project members

Despite challenges such as time differences, differing business practices, and the difficulty of applying technical expertise cultivated in Japan to U.S. standards, engineers from both Japan and the U.S. collaborated to advance process design work, construction management, inspections, and testing & commissioning, resulting in high-quality production facilities in the U.S.

The Optimal Solution for BIM Production that Balances Quality and Competitiveness

BIM is a methodology that integrates building information digitally and seamlessly connects the design, construction, and operation and maintenance processes. The use of BIM is widely established in Asia and other overseas markets. Our global operations have honed our technical expertise by adapting to the advanced BIM requirements demanded in such environments. In 2021, we established a BIM Support Center in Manila, which now provides robust support for BIM operations at our regional offices around the world.

In recent years, we have expanded the scope of the center's operations to include our domestic operations in Japan. Collaboration with Manila enables us to achieve a high-level balance between the quality standards we uphold and cost competitiveness, while also addressing the workforce shortage in Japan and supporting a sustainable production system. Furthermore, our system for consistently managing BIM data across the Group ensures that our clients' valuable design and construction information is handled more securely and appropriately.



BIM center office

Going forward, in addition to the construction sector, we will obtain and maintain the capabilities to address the M&E sector, where demand is expected to grow. Furthermore, with an eye toward research and development in digital transformation (DX) and ICT solutions, we will continue to meet the diversifying and increasingly sophisticated project needs with our global expertise.



2

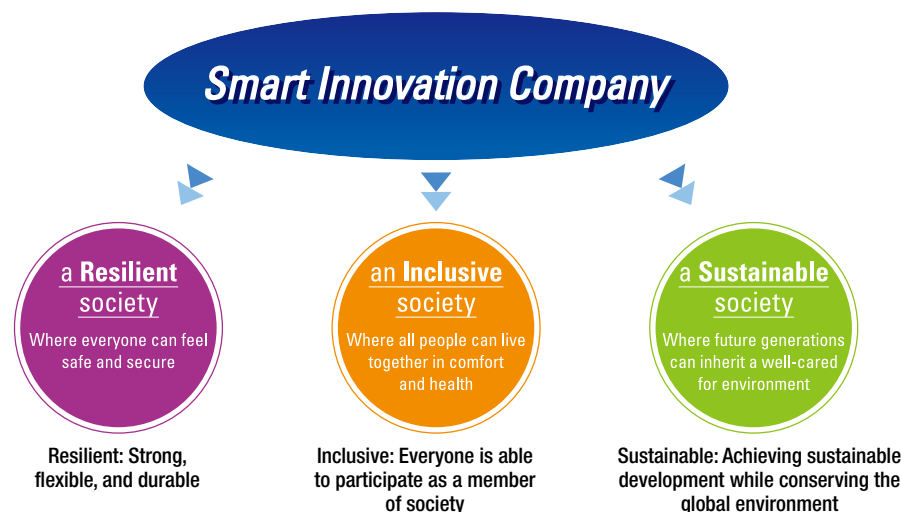
Value Creation

The Long-Term Vision “SHIMZ VISION 2030”	P.20
Value Creation Process	P.21
Materiality Issue	P.22
Initiatives to Achieve the Mid-Term Business Plan (2024–2026)	P.25

The Long-Term Vision “SHIMZ VISION 2030”

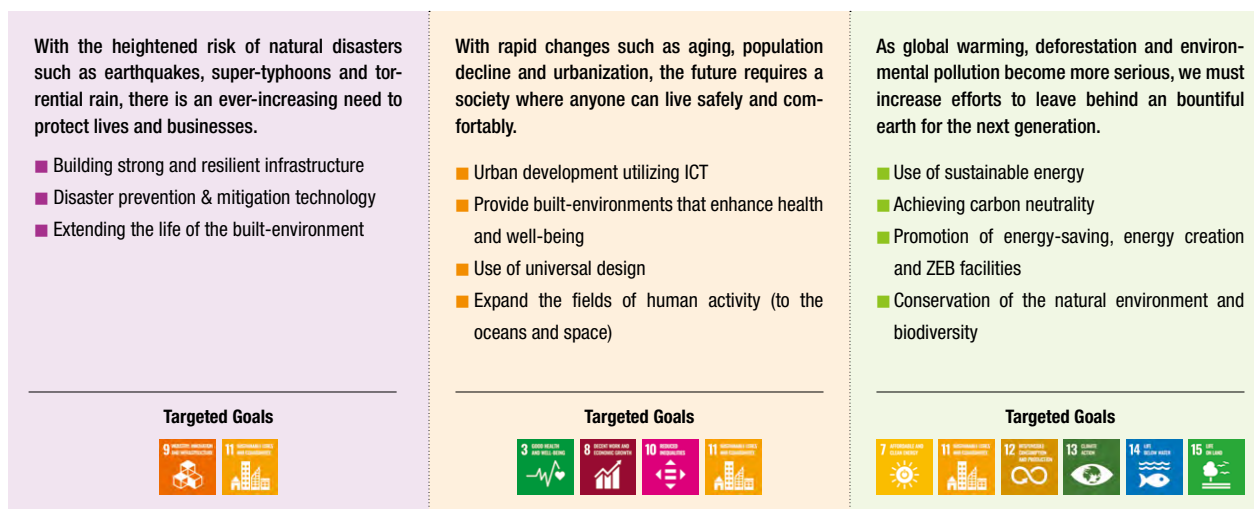
Shimizu Group's Strategy Towards 2030

The Shimizu Group will create new value and contribute to a safe, healthy and sustainable future for everyone by transforming and challenging ourselves beyond construction and co-creating with diverse partners.



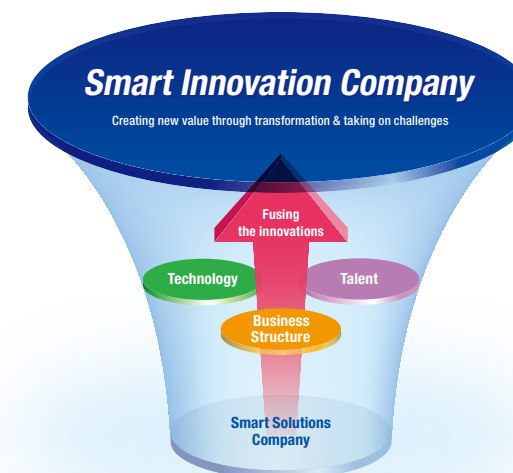
The Value Shimizu Group Provides

We will contribute to the 17 SDGs (Sustainable Development Goals) by providing value through innovation



Initiatives Toward Achieving Our Vision

The Shimizu Group aims to be a Smart Innovation Company that creates new value through the integration of three innovations.



Business Structure Innovation

Diversify business models, accelerate global expansion, improve group management capabilities

Technology Innovation

Develop advanced technology to respond to the mega-trends of the future
Accelerate construction process technology development to increase competitive edge

Talent Innovation

Promote working style reforms that will enable diverse talent to thrive
Build knowledge/expertise through co-creation with others

Value Creation Process

Credo
Management Principles

SHIMZ VISION 2030

OUTCOME

Medium- to long-term social value

For realizing a
sustainable
future society



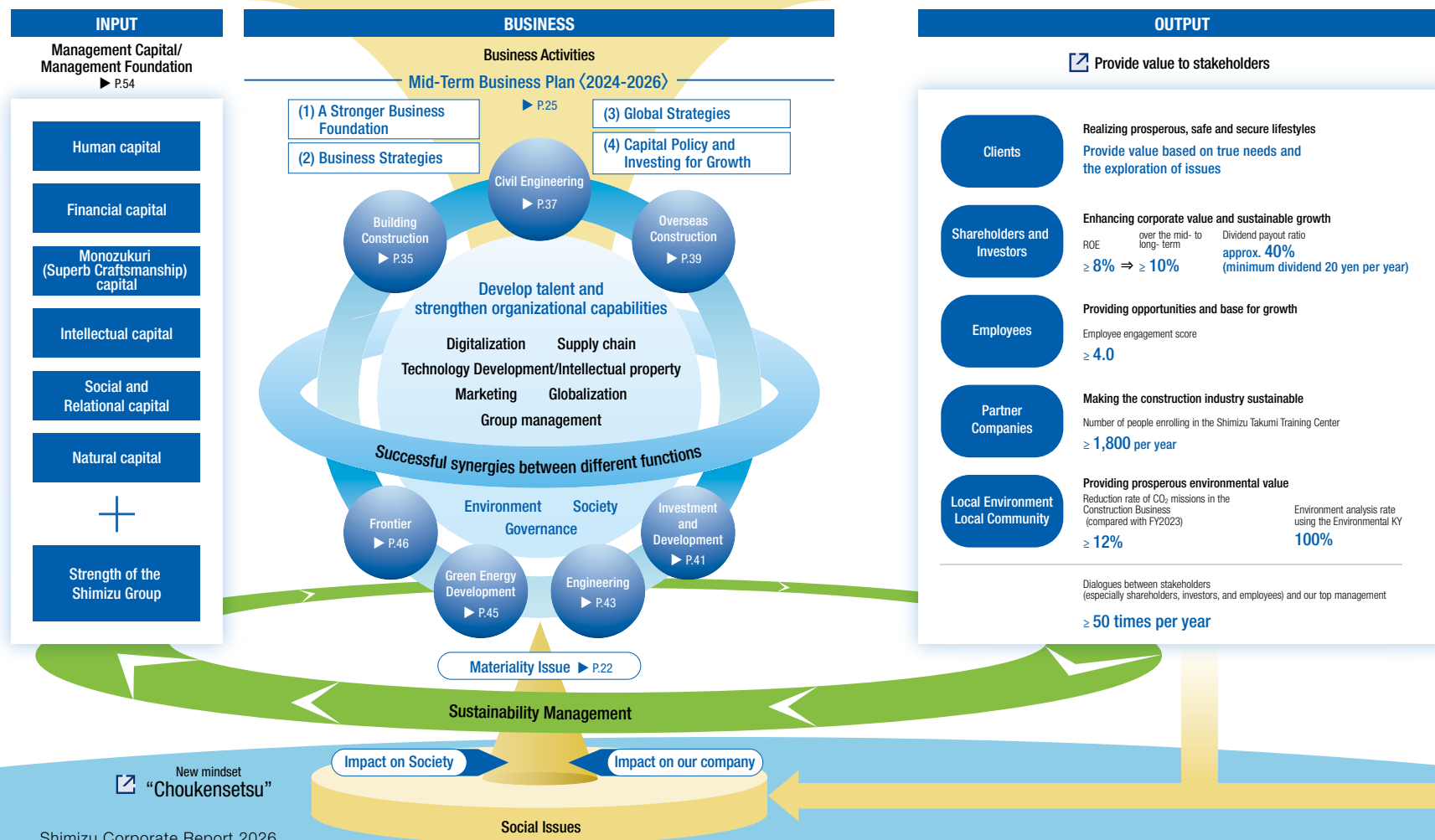
- Strong and resilient infrastructure
- Disaster prevention/mitigation technologies
- Extend the life of buildings and infrastructure



- ICT in urban development
- Provide built-environments that enhance health, and well-being
- Expand the fields of human activity to oceans and space



- Energy-saving, energy creation and ZEB (zero energy building)
- Renewable energy and carbon neutrality
- Conserve natural environment and biodiversity



Materiality Issue

Materiality Issue

Based on the materiality issue we identified in 2022 with the aim of realizing a sustainable future society, we are working to achieve our long-term vision, “SHIMZ VISION 2030,” and the Mid-Term Business Plan (2024–2026), as well as to enhance corporate value and contribute to the achievement of the sustainable development goals (SDGs).

To achieve our materiality objectives, we formulate key policies, indicators, and targets (KPIs), disclose our performance results, and conduct annual reviews to ensure alignment with social trends and our business strategy. In fiscal year 2024, we conducted a review to enhance alignment with the Mid-Term Business Plan (2024–2026), and in fiscal year 2025, following deliberation and approval by the Sustainability Committee, we added input-side cyclical use rate as a new KPI for resource circulation.

We are currently conducting a further review of materiality in response to disclosure requests based on SSBJ* and in conjunction with the formulation of the next Mid-Term Business Plan.

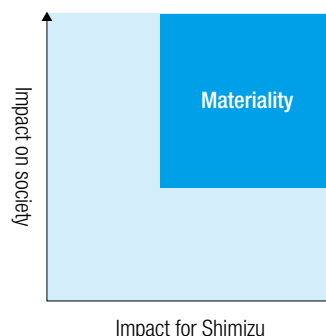
* Sustainability Standards Board of Japan: An organization that sets sustainability disclosure standards in Japan

The Process of Identifying and Reviewing Materiality

We conduct our materiality review using the following process.

STEP1	STEP2	STEP3	STEP4
Identify social issues	Assess importance and identify materiality	Consider main measures and indicators	Specify materiality
Identify and organize social issues in light of changes in social conditions and various international standards (such as the SDGs, GRI, UN Global Compact, SASB, and ISO 26000)	Identify risks and opportunities associated with each issue. Taking into account both internal and external perspectives, assess the impact on the company and society, and develop proposals.	We reviewed main measures and indicators based on the draft proposal and conducted interviews with relevant internal divisions and senior management.	After deliberation by the Sustainability Committee, we identified materiality issues and reported them to the Board of Directors.

[Click here for details](#)  **Materiality Issue**



	Category	Direction of Our Initiatives	Materiality
Activities that contribute to society through business	 1. Realizing a resilient society where everyone can feel safe and secure	As the risk of natural disasters such as earthquakes, typhoons, and heavy rains continues to rise, we will contribute to the realization of a safe, secure, and resilient society by constructing robust buildings and infrastructure.	- Building resilient social infrastructure - Increasing longevity of buildings and infrastructure
	 2. Realizing an inclusive society where all people can live together in comfort and health	We will respond to rapid social changes—such as an aging population, population decline, and urbanization—and contribute to the realization of an inclusive society where people can live healthy and comfortable lives through the creation of people-friendly facilities and communities.	- Building comfortable cities - Responding Well-being needs
	 3. Realizing a sustainable society where future generations can inherit a well-cared for environment	In light of the worsening problems of global warming, deforestation, and marine pollution, we will contribute to the realization of a sustainable society that respects the global environment through corporate activities aimed at reducing our environmental impact.	- Decarbonization - Resource recycling - Living in harmony with nature (Preserving biodiversity) - Preventing environmental pollution
The corporation's business and management activities	 4. Promoting a sincere approach to monozukuri (superb craftsmanship)	Even amid rapid environmental changes, such as advances in cutting-edge technology and the transition to a digital society, we will remain committed to and continue to put into practice the philosophy of “sincere Monozukuri (craftsmanship)” that we have cultivated since our founding.	- Enhancing productivity - Ensuring product quality - Strengthening supply chains - Occupational safety and health
	 5. Creating of new technologies and value that is ahead of the times	Building on the “Enterprising Spirit” that has guided us since our founding, we will promote open innovation through co-creation with a diverse range of partners and accelerate technological development aimed at realizing a sustainable society.	- Developing cutting-edge technology - Creating new business models
	 6. Developing human resources responsible for the next generation and pursuing of job satisfaction	As digitalization and globalization advance, we are committed to recruiting and developing talent with diverse personalities and values. We will foster flexible work arrangements and a rewarding workplace, and establish a corporate culture that promotes respect for human rights.	- Creating rewarding and attractive workplaces - Diversity, Equity & Inclusion - Nurture diverse talents willing to take on challenges and co-create - Respecting human rights
	 7. Building a business base on the foundation of “The Analects and the Abacus”	Guided by our credo of “the Analects and the Abacus,” all executive officers and employees act in accordance with high ethical standards and thoroughly implement compliance-oriented management to achieve sustainable growth and enhance our corporate value over the medium to long term.	- Risk management - Thorough legal and ethical compliance

Materiality Issue

List of Materiality Issue and Key Management Indicator / Key Metric (2025FY Actual)

*  Non-financial KPIs outlined in the Mid-Term Business Plan (2024–2026)

Category/Related SDGs		Materiality	Main Measure	Key Management Indicator/ Key Metric	2025FY Target (Target Year)	2025FY Actual	Reference Page
Activities that contribute to society through business	1. Realizing a resilient society where everyone can feel safe and secure 	Building resilient social infrastructure	Disaster prevention and mitigation response	Number of disaster prevention and mitigation projects undertaken	—	Building Construction: 8 Civil Engineering: 4	▶ P.35-38 ▶ P.59-61
				Status of disaster recovery (in case of when a large-scale)	—	(Building Construction) Response to earthquakes near the Tokara Islands, off the eastern coast of Aomori Prefecture, and in eastern Shimane Prefecture (Civil Engineering) Response to the emergency restoration of the Oketaki River revetment	
		Increasing longevity of buildings and infrastructure	Response to increase longevity of buildings and infrastructure	Number of orders received for renovation work	—	387	
				Number of orders received for infrastructure renovation work	—	2	
	2. Realizing an inclusive society where all people can live together in comfort and health 	Building comfortable cities	Providing comfortable spaces and services using digital technologies	Number of DX-Core introductions and project proposals	—	Total number of introductions: 39 Number of project proposals: 203	▶ P.35-36 ▶ P.43-44 ▶ P.65-66
		Responding Well-being needs	Provide built-environments that enhance health and Well-being	Number of projects contracted for WELL certification	7 or more projects (2025)	15	
	3. Realizing a sustainable society where future generations can inherit a well-cared for environment 	Decarbonization	CO ₂ emissions reduction in all business activities	Reduction in CO ₂ emissions from the construction business (vs. FY2023)	12% or more (2026)	13% (Provisional value prior to third-party assurance review)	▶ P.45 ▶ P.63 ▶ P.69-72
				Reduction in Scope 1 + Scope 2 CO ₂ emissions (vs. FY2023)	12% or more (2026) 61% or more (2035) 100% (2050)	3% (actual figure for FY2024; the actual figure for FY2025 is scheduled to be disclosed at the end of August)	
			Promotion of ZEB creation/conversion	Number of properties that obtain ZEB certification	—	7 (cumulative:68)	
			Renewable energy promotion/popularization	Scale of renewable energy generation facilities operated by Shimizu	300MW, cumulative (2030)	121.5 MW, cumulative (Single year results:38.89 MW)	
Percent of owned investment and development properties renewable energy has been introduced in				100% (2030)	77% introduced (Number of properties introduced: 10)		
Resource recycling		Pursuit of 4R activities (Reduce, Reuse, Recycle, Recover)	Final disposal rate of construction by-products	3.0% or less (2030)	2.8%		
			Input-side cyclical use rate	25% or more (2030) 50% or more (2050)	20%		
		Promotion/popularization of wooden architecture	Number of projects using wood and hybrid wooden construction	—	5 (cumulative:16)		
Living in harmony with nature (Preserving biodiversity)		Promotion of green infrastructure	Environment analysis rate using the Environmental KY	100% (2026)	Conducted app development and awareness-raising activities (implementation rate not tracked)		
Preventing environmental pollution		Strict environmental compliance	Number of serious environmental incidents	0 (2025)	0		
The corporation's business and management activities	4. Promoting a sincere approach to monozukuri (superb craftsmanship) 	Enhancing productivity	Production process reform in the construction business	Progress toward automation and labor savings in the construction business	—	(Building Construction) · Trial initiatives to reduce on-site staffing requirements by dividing and centralizing site operations and using digital tools · Trial deployment of work robots at construction sites, comprising two steelframe welding robots and one fireproofing spray robot (Civil Engineering) · Use of BIM/CIM for machine-controlled pavement milling to enable the automated operation of milling machines · Demonstration of embankment construction using the autonomous bulldozer "Smart Dozer," achieving an approximately 30% reduction in fuel consumption by selecting the optimal work operations	▶ P.14-15 ▶ P.18 ▶ P.59-61 ▶ P.67
		Ensuring product quality	Identifying Quality Needs by activating communication with clients	Company-wide rollout of client satisfaction surveys	—	Sharing customer satisfaction survey results with branches nationwide	
		Strengthening supply chains	Promoting CSR Procurement	CSR Procurement Guidelines initiatives indicators	4.0 (2026)	Follow-up on the results of the FY2024 questionnaire survey. As the survey is conducted every other year, no survey was carried out in FY2025.	
			Improving treatment of skilled jobsite workers and talent development	Number of people accepted into the Shimizu Takumi Training Center	1800 or more per year (2026)	2522	
		Occupational safety and health	Improvement in health & safety management and pursuit of activities to prevent occupational accidents	LTI (lost time injury) Frequency Rate	0.57 or less (2025)	0.53	

Materiality Issue

List of Materiality Issue and Key Management Indicator / Key Metric (2025FY Actual)

*  Non-financial KPIs outlined in the Mid-Term Business Plan (2024–2026)

Category/Related SDGs	Materiality	Main Measure	Key Management Indicator/ Key Metric	2025FY Target (Target Year)	2025FY Actual	Reference Pa	
The corporation's business and management activities	5. Creating of new technologies and value that is ahead of the times    	Developing cutting-edge technology	Pursuit of technological development aimed at a sustainable society where all people can feel safe and secure and live-in comfort	R&D expenses	23.0 billion yen (2025)	23.1 billion yen	▶P.62-64 ▶P.73-74
		Creating new business models	Galvanizing open innovation	Status of business alliances with other companies and other areas	—	(NOVARE) · Cross-company initiatives for business and technology innovation (33) · New technologies and businesses developed in collaboration with universities, research institutes, and other industries (10) · Investments and support activities via SHIMZ NEXT and co-creation with startups and VCs (66) · International partnership initiatives (22) · Co-creation tours (more than 300 companies) · Collaboration with local NPOs and municipalities (3 times) · Seminars and events (more than 33 times) (BIJ) · Joint research into AI-native wireless networks with the University of Tokyo, Kyocera, and other organizations · Signed a tripartite partnership agreement with Yoron Town and Kagoshima University (value creation, human resources development, business development, etc.) · Signed a business partnership agreement with Okinoshima Town in Shimane (for sustainable regional revitalization)	
	6. Developing human resources responsible for the next generation and pursuing of job satisfaction        	Creating rewarding and attractive workplaces	Change in awareness and behavior through dialogue and visualization of issues through surveys	Engagement score	4.0 or more (2026)	3.5	▶P.55-61 ▶P.65-66
		Diversity, Equity & Inclusion	Promoting Diversity	Percentage of women in management positions	6% or more (2026) 10% or more (2030)	5.7%	
				Percentage of employees with disabilities	2.7% or more (2026)	2.5%	
		Nurture diverse talents willing to take on challenges and co-create	Development of leaders who can work globally and take the lead in reform	Progress on strategies contributing to development of leaders	—	· Implemented leadership development programs tailored by age group · Implemented a company-sponsored study abroad program from FY2022	
			Professional education based on management strategies	Percentage of industry-qualified engineers	Maintain 80% or more (2026)	81.4%	
				Nurturing DX Specialists	120 specialists trained and assigned to all divisions (2026)	119 people, cumulative (Single year results: 72 people)	
		Respecting human rights	Conducting due diligence on human rights	Progress on human rights due diligence	—	· Survey of conditions at major partner companies with extensive experience in initiatives for accepting technical intern trainees · Traceability surveys of steel and glass, confirming that there was no identified risk of human rights violations in the supply chain	
	7. Building a business base on the foundation of "The Analects and the Abacus"  	Risk management	Thorough risk management	Number of serious legal violations	0 (2025)	0	▶P.85-88
				Number of serious information security incidents	0 (2025)	0	
Thorough legal and ethical compliance		Instillation of corporate ethics and strict compliance	Progress of practical project training based on The Analects and the Abacus	—	· Implemented corporate ethics training for executives (twice a year) · Implemented compliance training for all employees (including e-learning)		

Initiatives to Achieve the Mid-Term Business Plan <2024-2026>

The Shimizu Group's Mid-Term Business Plan <2024-2026>, formulated and announced in fiscal 2024, sets out "A Stronger Business Foundation for Continued Growth" as its basic policy, and aims to provide value that exceeds society's expectations and enhance corporate value over the medium to long term through the steady implementation of "Business Strategies" and "Global Strategies," and the active promotion of "Capital Policy and Investing for Growth."



1 A Stronger Business Foundation

Focusing on "talent and organizational capabilities," we will promote Sustainability Management and cross-functional collaboration in order to improve our capabilities of executing business strategies.

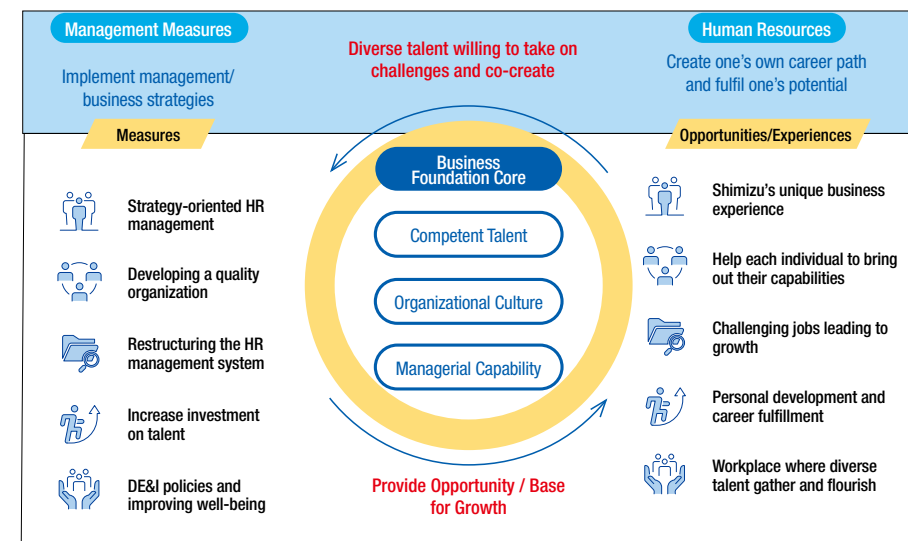
Progress and Future Direction

1-1 Talent Development and Organizational Capabilities Improvement

Supporting employee growth to nurture diverse talent willing to take on challenges and co-create

In building a Stronger Business Foundation, under the category of "Talent Development and Organizational Capabilities Improvement," we view "people" as the source of our competitiveness and are promoting the

"rebuilding of the human resource management structure" aimed at "securing and developing diverse talent willing to take on challenges and co-create." As one of these initiatives, in April 2026, we introduced a new personnel system, including the establishment of a compensation structure that places greater emphasis on roles and responsibilities, with the aim of enhancing employees' motivation to work, fostering a culture of healthy competition, promoting individual learning and growth, and driving organizational vitality and productivity improvement. Going forward, we will continue to promote each employee's motivation to work and proactive capability development, while building a relationship in which employees and the Company grow together through a healthy sense of constructive tension.



Human Capital ▶ P.55

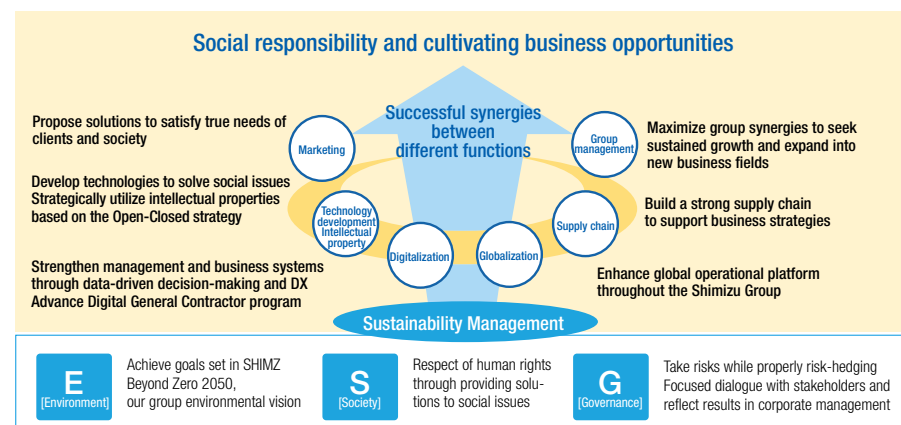
1-2 Improve Cross-functional Collaboration / Refine Sustainability Management

Increasing cross-functional collaboration to build a stronger business foundation, Sustainability Management - balancing socially responsibility and cultivating business opportunities

In "Improve Cross-Functional Collaboration / Refine Sustainability Management," we are actively promoting collaboration that goes beyond the boundaries of existing organizations and functions across the six functions (Marketing, Technology development and intellectual property, Digitalization, Globalization, Supply chain, and Group management) that we emphasize in the Mid-Term Business Plan. Specifically, we will strengthen our management and business promotion structure through the promotion of cross-functional

Initiatives to achieve the Mid-Term Business Plan (2024-2026)

DX strategies, and pursue M&A opportunities to further increase group synergies. We will continue to strive for flexible and agile crossfunctional collaboration and to practice our Sustainability Management that balances fulfilling of corporate social responsibility and the exploration of business opportunities.



Sustainability Management ▶ P.52

Non-financial KPI

Non-financial KPI	FY2025 Results	Targets for FY2026
Employee engagement score	3.5	≥ 4.0
Percentage of industry-qualified engineers	81.4%	Maintain 80% or more
Percentage of women in managerial positions	6.2%*1	≥ 6% (≥ 10% by 2030)
Percentage of employees with disabilities	2.5%	≥ 2.7%
Nurturing DX Specialists	119 (72 in FY2025)	120 specialists trained and assigned to all divisions
Reduction rate of CO ₂ emissions in the Construction Business (compared with FY2023)	13%*2	≥ 12%
Environment analysis rate using the Environmental KY*3	App Development (Scheduled for completion during the first half of FY 2026)	100%
Number of people enrolling in the Shimizu Takumi Training Center	2,522	≥ 1,800 per year
Dialogues between stakeholders (especially shareholders, investors, and employees) and our top management	127 times	≥ 50 times per year

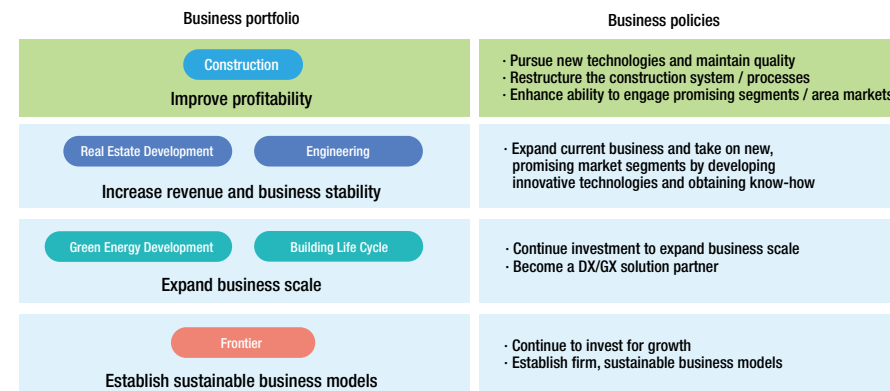
Financial KPI ▶ P.29

*1 As of April 1, 2026 *2 Tentative values before obtaining third-party guarantees

*3 A tool to visualize the natural environment surrounding construction site on the map and understand/assess it

2 Business Strategies

- Establishing business policies that provide strategic direction for each line of business
- Building up our business portfolio by expanding each business segment according to its business policy



Progress and Future Direction

Construction Improve profitability

In order to improve profitability, we continue to work toward transforming our business structure through stricter pre-order screening to ensure profitability-focused order decisions, management of order volume to secure construction capacity, production process reform through the promotion of frontloading to achieve accurate construction plans, and strengthening our ability to engage promising segments including advanced fields such as semiconductor-related facilities and data centers. The results of these efforts are steadily becoming apparent. We will further enhance the competitiveness of the construction business by ensuring the fundamentals of manufacturing, namely technology, quality, and safety, improving the accuracy of cost and schedule management, promoting technological development through the active use of ICT and AI to improve productivity and reduce costs, and executing M&A to contribute to improving the profitability and strengthening the construction structure of the entire Group.



Building Construction ▶ P.35



Civil Engineering ▶ P.37



Overseas Construction ▶ P.39

Initiatives to achieve the Mid-Term Business Plan (2024-2026)

Real Estate Development / Engineering

Increase revenue and business stability

In the real estate development business, we continue to develop our business to generate stable revenues, aiming to build an optimal portfolio by leveraging the technologies and comprehensive strengths of the Shimizu Group in order to respond flexibly to the changing business environment.

We will also work to improve capital efficiency and achieve further growth in the real estate development business through the expansion of our business areas by taking on new growth fields, the diversification of our asset portfolio (including value-up projects for acquired properties, cold storage warehouses, and luxury hotels), and the expansion of the real estate value chain through intra-Group collaboration, including fund-raising and reinvestment in new properties through the unlisted open-end private REIT "SHIMIZU PRIVATE REIT, Inc."

In the engineering business, we are focusing on expanding our business scale by concentrating on growth areas such as renewable energy, production facilities for advanced and strategic products in pharmaceuticals, food, and semiconductors, DX solutions, and environmental remediation.

In addition, utilizing "BLUE WIND," one of the world's largest self-propelled SEP vessels owned by the Company, has allowed us to accumulate a track record in large-scale wind turbine installation: offshore wind turbine construction projects off Nyuzen, Toyama Prefecture and at Ishikari Bay New Port in Hokkaido since fiscal 2023, and by chartering the vessel for three projects in Taiwan. Going forward, with an eye on domestic offshore wind projects, we will continue to work toward the optimal operation of the SEP vessel and aim to become a top runner in offshore wind EPC (engineering, procurement, and construction).



Real Estate Development ▶ P.41



Engineering ▶ P.43

Green Energy Development / Building Life Cycle

Expand business scale

In the green energy development business, we are working toward the steady growth of our renewable energy power generation business through the steady accumulation of renewable energy assets (solar, wind, hydropower, etc.) and the expansion of our battery energy storage business. We will continue to expand our provision of solutions tailored to our clients' needs, including the supply of "green electricity" generated at renewable energy power plants and the provision of "green electricity certificates" that certify the environmental value of green electricity.

In the building life cycle business, with an eye on the expansion of the renovation market in the construction market, we are actively driving forward efforts centered on the "Life Cycle Promotion Division" established in October 2024, with the aim of strengthening the integrated solution-providing capabilities of the entire Shimizu Group.



Green Energy Development ▶ P.45

Frontier

Establish sustainable business models

Through continued growth investment in the frontier business area, we continue to take on the challenge of establishing business models through the promotion of space transportation-related businesses including small rocket launches and satellite data utilization businesses in the space development business, as well as the promotion of research and development toward the establishment of floating body design and construction technologies (floating structures and mooring systems) in the ocean development business.



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Frontier ▶ P.46

3

Global Strategies

Support regional offices to become self-determining and enhance global operational platform

In Global Strategies, we have worked to enhance the independence of local subsidiaries' management, and have introduced an internal company system for directly managed overseas offices, treating each office as a company organization, in order to build a structure that enables rapid response to clients' needs on the ground. We will continue to promote sustainable and stable business operations rooted in each country and region where we operate, with the independence of office management as the pillar of our strategy. We are also accelerating alliances and M&A aimed at expanding our business areas and strengthening profitability. We will continue to create new markets and generate business opportunities that meet local needs.



Special Contents 2: Global Strategy Fostered by Collaboration ▶ P.16



3

Financial Strategy

Financial Strategy:

Message from the Director in Charge ————— P.29

Policies to Increase Corporate Value ————— P.30

IR/SR Activities ————— P.31

Financial Strategy | Message from the Director in Charge



Michiyo Yamaguchi

Managing Officer and Director
In charge of Finance & Accounting and Investor Relations

Sustaining the increase of corporate value through cash allocations balanced between growth investments and shareholder returns.

Financial Results and Forecasts

In FY2025, consolidated net sales reached 2,057.8 billion yen, 5.8% up year on year. This growth was partly a result of steady performance in our domestic construction operations as well as the inclusion of two overseas subsidiaries that we recently acquired. Operating income reached 118.6 billion yen, up 67.1% year on year, a result of better profitability in our domestic architectural construction and among our construction subsidiaries in Japan and overseas. Net income totaled 126.6 billion yen, up 91.8% year on year due in part to special gains, namely, 88.1 billion yen in gain on sale of investment securities. Return on equity was 13.8%. These results for FY2025 exceeded the performance targets for FY2026 set out in the Mid-Term Business Plan. We believe this reflects the steady progress of our efforts to improve profitability and other initiatives.

Our forecasts for FY2026 are as follows. Net sales will reach 2,310.0 billion yen. Operating income will reach 153.0 billion yen, up 28.9% year on year, as our domestic building construction is on track to yield much higher profits on completed work. We also expect significant growth in ordinary income and net income. Ordinary income will reach 183.5 billion yen, up 50.0% year on year, accounting for the gain on negative goodwill associated with Seiwa Building Co., Ltd., becoming an equity method affiliate. Net income will reach 165.5 billion yen, a 30.7% gain year on year.

Financial Results (Consolidated)

(Billion yen)			Mid-Term Business Plan (2024–2026)	
	FY2025 result	FY2026 forecast	FY2026 target	
Net Sales	2,057.8	2,310.0	1,890.0	
Construction Business	1,845.3	2,065.0	1,600.0	
Real Estate and Other	212.5	245.0	290.0	
Total Gross Profit	12.5% 258.0	13.2% 305.0	12.2% 230.0	
Construction Business	11.8% 218.6	13.1% 270.0	10.3% 165.0	
Real Estate and Other	18.6% 39.4	14.3% 35.0	22.4% 65.0	
Operating Income	118.6	153.0	100.0	
Ordinary Income	122.3	183.5	95.0	
Net Income	126.6	165.5	70.0	

To Further Increase Our Corporate Value

Public investment will remain brisk for the industry, with further construction programs for disaster preparedness, mitigation, and national resilience. There are also causes for concern: geopolitical uncertainties threaten to dampen private capital investment, construction costs continue to rise, and the labor pool grows ever smaller. In order to increase our corporate value over the medium and long term against this backdrop, we need to strike the right balance between returning profits to shareholders and reinvesting in projects to sustain our growth.

Regarding growth investments, we will actively pursue opportunities for future growth, including M&A, real-estate, talent investment, digital transformation(DX), and R&D projects, all while maintaining financial discipline. For directors and executive officers, we have introduced the medium-term performance-linked share-based compensation (▶P.83) to further incentivize eligible executives. The program is designed to strengthen management's commitment to improving performance while aligning the interests of executives with those of shareholders through the sharing of risks and rewards associated with share price fluctuations. Alongside these initiatives, we will maintain close dialogue with investors, shareholders, and other stakeholders through our IR/SR activities.

We aim to continue increasing corporate value through our initiatives, "improve profitability," "improve capital efficiency," "investing for growth," and "enhance shareholder return."

Financial KPI

	FY2025 result	Mid-Term Business Plan (2024–2026)	
		FY2026 target	Medium- to long-term target ^{*1}
ROE	13.8%	≥8%	≥10%
Equity ratio	36.8%	≥35%	≥40%
Debt-to-equity ratio (D/E ratio)	0.58X	Within 1.0	≤ Approx. 0.7X
Dividend payout ratio ^{*2}	38.6%	Approx. 40%	—

^{*1} Period of the next Mid-Term Business Plan

^{*2} The consolidated dividend payout ratio that excludes ¥5.9 billion of gain on negative goodwill is 40.5%

Policies to Increase Corporate Value

1 Improve Profitability

Under the Mid-Term Business Plan (2024–2026), we have set a target of 100 billion yen in consolidated operating income for fiscal year 2026, and we currently expect to exceed that target. In the construction business, we will continue to accurately identify attractive market opportunities and strengthen our ability to respond to them. At the same time, we will rigorously prioritize profitability in our project selection and bidding decisions, building on improvements in project profitability at the contract acquisition stage. Furthermore, we will continue to transform our construction processes to enhance quality, reduce costs, and improve project execution and progress management, thereby driving sustainable profitability improvements.

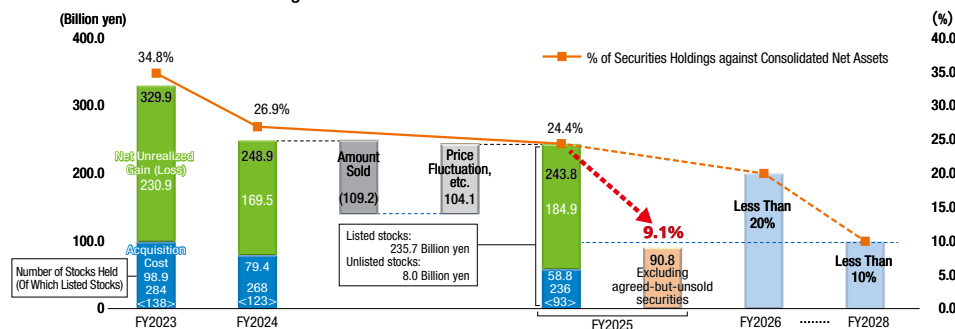
2 Improve Capital Efficiency

To achieve our target of reducing securities holdings (to 20% or less of consolidated net assets by the end of March 2026, and to 10% or less by the end of March 2027), we sold 39 stocks with a total value of 109.1 billion yen in fiscal year 2025. Partly due to rising stock prices, as of the end of March 2026, the ratio of the remaining securities holdings to consolidated net assets stood at 24.4%, representing only a slight decrease from the end of the previous fiscal year; however, if we exclude from the balance those stocks for which we have reached an agreement with counterparties regarding their sale, the ratio is 9.1%. Furthermore, given the increasing uncertainty in the business environment—including the situation in the Middle East—we have decided, after having consultations with our business partners, to carry out the sale of certain stocks over the fiscal years 2027–2028.

Disposal of Listed Stocks

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Scheduled sales (of which in FY 2026)
Number of Listed Stocks Sold	10	10	18	18	21	16	31	39	57 (46)
Amount Sold (Billion yen)	12.2	16.8	19.7	12.8	26.3	62.1	58.6	109.1	153.0 (64.6)

Balance of Securities Holdings



3 Investing for Growth

Regarding investing for growth, as of the end of March 2026, the performance results were 235.0 billion yen, compared to the target of 360.0 billion yen set in the Mid-Term Business Plan (2024–2026). Note that investments in M&A and other items not included in the separate category totaled 324.8 billion yen. Going forward, we will continue to increase operating cash flows through the steady advancement of our business operations, while also continuing to sell rental properties and reduce our securities holdings, and allocate the resulting cash to investments aimed at sustainable growth.

Mid-Term Business Plan (2024-2026)		(Billion Yen)
Description	Investment Amount (3 years)	Progress Total as of the end of March 2026
Human resources	40.0	33.2
Productivity improvement & R&D	85.0	69.4
Real estate development	200.0	113.0
Green energy development	30.0	16.9
New business & others	5.0	2.4
Total	360.0	235.0
Investment to further increase corporate value (M&A, etc.)	Not included	89.7

Investment to further increase corporate value (M&A, etc.) includes:
 • Tender offer to make The Nippon Road Co., Ltd. a wholly-owned subsidiary.
 • Acquisition of overseas high-end interior construction companies and Aomi Construction Co., Ltd., etc.

4 Enhance Shareholder Return

Our basic policy is to strengthen our financial position—the foundation of our long-term growth—and to provide stable dividends. We have set a minimum dividend of 20 yen per share and aim for shareholder returns based on a consolidated dividends payout ratio of 40%. For fiscal year 2025, the dividends per share increased by 34 yen from the previous fiscal year to 72 yen. Additionally, the total payout ratio, including the share buyback of 10 billion yen in treasury stock, was 46.5%. We will continue to implement proactive shareholder returns.

Dividend per Share (Yen)		
FY2024	FY2025	FY2026 Forecast
38	72	77
		End of the Term 38.5
		Midterm 38.5

	FY2024	FY2025	FY2026 Forecast
Consolidated Net Income per share (Yen)	94.80	186.68	243.72
Consolidated Dividend Payout Ratio (%)	40.1	38.6*1	31.6*2
Purchase of Treasury Stocks (Billion yen)	34.5	10.0	10.0
Total Payout Ratio (%)	92.0	46.5	37.6

*1 The consolidated dividend payout ratio, excluding the 5.9 billion yen negative goodwill gain, is 40.5%

*2 The consolidated dividend payout ratio, excluding the 35.5 billion yen equivalent to negative goodwill, is 40.2%

IR/SR Activities

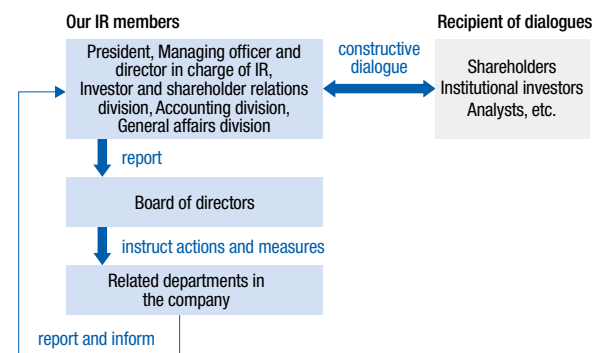
We believe that information disclosure and dialog with shareholders, institutional investors, and financial analysts is important to achieve sustained growth and increase corporate value of our group.

1 Policy and Structure of Initiatives

The president, executive officer in charge of IR, and other managements attend financial results briefings and meetings to promote constructive dialogue with shareholders and other stakeholders. In other efforts organized by the Company, executive officer in charge of IR and other managements are present to the extent as possible. The Board of Directors is informed of the opinions of shareholders and investors obtained through IR/SR activities as appropriate. And they instruct relevant internal departments to implement measures necessary for sustainable growth and mid- to long-term improvement of corporate value. Also, We conduct company facility tours, construction site tours, and various business presentations for shareholders, financial analysts and institutional investors to ensure that they have a clear understanding of our business strategy and management environment.

In addition, to promote strategic and proactive IR/SR activities, we established the “Investor and Shareholder Relations Department” within the Corporate Planning Division on April 1, 2026.

Organizational Chart



[Click here for details](#)

Investor Relations

2 Activities for FY2025

Target group	Activities	Counts	Our members (listed as ①~⑧ above)							
			①	②	③	④	⑤	⑥	⑦	⑧
Financial analysts, Institutional investors	Financial results briefings	4	○		○		○	○		
	Business briefing (facility tour)	2					○			
	IR small meeting	2	○		○		○	○		
	Individual meetings on financial results	172						○		
Institutional investors	Overseas IR roadshow	24	○				○	○		
	IR Individual meeting	37					○	○		
	Attendance at brokerage conference	3	○				○	○		
Institutional investors (voting officers)	SR Individual meeting	10					○		○	○
Financial analysts, ESG analysts, Institutional investors	Sustainability Management Briefing	1			○	○				○
ESG analysts, Institutional investors	ESG Individual engagement	3			○	○	○			○
Individual shareholders	Business briefing (facility tour)	1		○			○		○	

Our members (Job title as of FY2025)

① President and Representative Director ② Executive Vice President ③ Senior Managing Officer (In charge of Administrative Functions & Sustainability)
④ Managing Officer (Director, Environmental Strategy Office) ⑤ Executive Officer (In charge of Investor Relations) ⑥ Accounting Department
⑦ General Affairs Department ⑧ Sustainability Management Department

Main Q&A, requests, and dialogue topics

1) Construction business environment

- Trends in the construction market, outlook of medium- to long-term demand
- Strategies for receiving orders, future outlook for profitability at the time of order received
- Strategies for receiving orders of civil engineering and the period for improving profit margin
- Status of passing on increased construction costs to clients
- Current construction capacity
- The tight status of equipment subcontractors
- Status of overseas construction business
- Differentiation from competitors (Our Strengths)

2) Real estate, Engineering

- Status of real estate development business
- The impact of rising interest rates on real estate development business
- Status of offshore wind power generation business, operation of SEP vessels

3) Capital management policy, shareholder return

- Progress on investing for growth of our Mid-Term Business Plan (2024-2026)
- Status of reduction of securities holdings
- Capital management policy (purchase of treasury shares, investing for growth, M&A, etc.)

4) Others (Sustainability, Governance)

- Reasons for the current structure of the Nomination and Compensation Committee and its activities
- Succession plan (succession planning, process for selecting new president)
- Changes within the company following the change in the president
- Efforts to reduce total CO₂ emissions
- Status of promotion of female directors and managers
- Measures taken in response to the “Employee Engagement Scores” results

Topics



Presentation on business strategy for the Hokuriku Region at the Hokuriku Branch

In fiscal year 2025, we held business briefings for analysts and institutional investors regarding the Toyomi District Type 1 Urban Redevelopment Project and our projects in the Hokuriku region. Through site visits and presentations providing an overview of the projects, we helped participants gain a deeper understanding of the construction progress and our company's technical capabilities.

Dialog with Stakeholders

IR Activity Report (Business briefings, etc.)



4

Shimizu's Business

Major Construction Records	P.33
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Overseas Construction	P.39
Investment and Development (Real Estate Development)	P.41
Engineering	P.43
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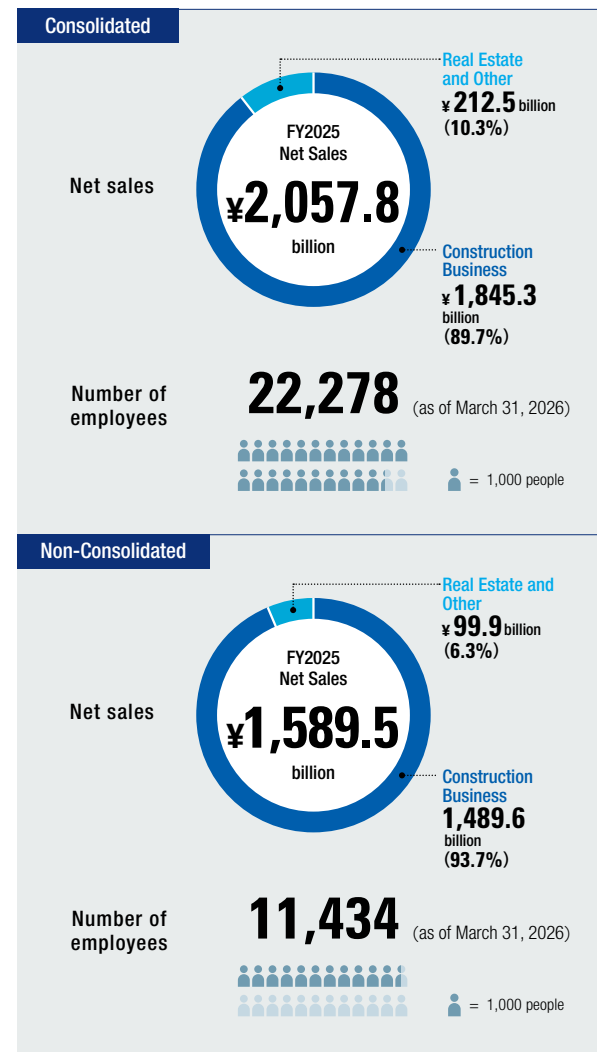
Major Construction Records (April 2025–May 2026)



- 1: IT tower TOKYO (Toshima Ward, Tokyo)
- 2: Tobu Nodashi Station (Shimizu Park - Umesato continuous grade separation project) (Noda City, Chiba Prefecture)
- 3: Binh Khanh Bridge (Vietnam)
- 4: S-LOGI Matsubara (Matsubara City, Osaka Prefecture) [Investment and Development Division]
- 5: Hai Long 2 (Taiwan) [Engineering Division]

Business Overview

To adapt flexibly to changes in the social environment and pursue dynamic business growth, we are actively implementing strategies tailored to the unique characteristics of our seven businesses in the two fields of Construction and Real Estate and Other. We continue to actively implement strategies tailored to the business environment and business characteristics of the moment in order to firmly meet the needs of our clients while fulfilling our social responsibility as a sustainable company.



Construction Business

Building Construction

▶ P.35

We are engaged in the planning, design, construction, operation, and maintenance of a wide range of buildings, including offices, factories, schools, and hospitals. As a company with its origins in temple and shrine carpentry, we have an extensive track record in temples, shrines, and traditional architectural construction. At the same time, we are pursuing the evolution of our monozukuri through the use of digital technology.

Civil Engineering

▶ P.37

We are engaged in the new development and renovation of social infrastructure—including tunnels, bridges, dams, urban civil engineering projects, and energy facilities. We are contributing to safe, secure, and abundant living for everyone, while also addressing the issues of aging infrastructure and carbon neutrality.

Overseas Construction

▶ P.39

Our full-scale overseas expansion began in the 1970s. We have a track record of construction in more than 60 countries. Currently, we have a presence in 24 cities around the world. We deliver unique value to client facilities and national basic infrastructure alike, leveraging the technical and proposal skills we have cultivated as a general construction company.

Real Estate and Other

Investment and Development (Real Estate Development)

▶ P.41

We are actively expanding our real estate development business both in Japan and overseas, focusing on a diverse portfolio that includes offices, logistics facilities, hotels, and residential properties. From land acquisition to facility development, and from operation to sale after completion, we carry out business activities that fully leverage Group synergies.

Engineering

▶ P.43

We are strategically focusing on the EPC business to expand and stabilize Group profits, leveraging the technology and expertise we have cultivated over the years across four core areas: Plant Engineering, ICT Solutions, Soil Remediation, and New Energy Engineering. We provide optimal solutions tailored to our clients' needs both in Japan and overseas.

Green Energy Development

▶ P.45

We develop renewable energy solutions such as solar, biomass, and wind power generation, along with battery storage and green electric power solutions through electric power retail business, to offer zero-carbon solutions that meet the diverse needs of our clients, while contributing to the achievement of a zero-carbon society and carbon neutrality.

Frontier

▶ P.46

We are working to commercialize projects in the fields of space and ocean development. In the space field, our goal is to offer comprehensive services covering both physical and virtual, from launching small rockets to building lunar infrastructure. Meanwhile, in the ocean field, we are developing new markets and business models by leveraging maritime spaces.

Improve profitability

Building Construction

With an unwavering dedication to monozukuri, we aim to deliver buildings that exceed client expectations and enhance the competitiveness of our Building Construction Business.

In the Building Construction Business, we aim to achieve sustainable growth by continuing to deliver genuine value, even in an uncertain market environment, through a deeper commitment to technology and quality, and by addressing the evolving and fundamental needs of both clients and society. To achieve this, we are continuously working to identify promising markets, enhance our responsiveness, secure projects with a strong focus on profitability, reform our production framework, and enhance our talent pool. By harnessing ICT and AI, we will drive our business forward in close coordination with our group companies and supply chain partners.

Contributing to the achievement of SDGs through business activities



Yoshito Tsutsumi

Representative Director
Executive Vice President and Executive Officer
Director, Building Construction Headquarters
In charge of Nuclear Business and Smart City
Executive Project Director, TOKIWAHASHI
PROJECT

► External Environment

- Growing need for disaster prevention and mitigation measures in response to natural disaster risks
- Government building construction investment remains robust, driven by the rebuilding of government offices and the development of defense-related facilities
- Private capital investment in building construction is also supported by redevelopment in major metropolitan areas, corporate capital expenditures, energy conservation renovations, and investments in factories and hotels
- On the other hand, close attention must be paid to the impact on private capital investment of rising material and energy prices and interest rates resulting from developments in the Middle East and other factors
- Further adoption of appropriate construction periods and the passing-on of labor expenses in line with revisions to industry laws
- Increasing supply constraints among specialized construction firms due to a concentration of large-scale projects and labor shortages
- Rising data traffic and the proliferation of generative AI are driving up demand for semiconductor factories and data centers

Risks

- Slowdown in private investment and rescheduling due to social and economic trends
- Lack of workforce succession due to a shortage of new hires, leading to a shortage of workers
- Rising construction costs due to fluctuations in the prices of construction materials and other factors
- Accidents and defects related to technology and quality
- Safety incidents, environmental impact issues, and problems related to laws and regulations

► Situation Analysis

Opportunities

- Expansion of green investment centered on ZEB, renewable energy adoption, and energy conservation renovations
- Growing demand for cutting-edge industrial facilities such as semiconductor factories and data centers
- Growing demand for existing buildings, including those undergoing renovation due to aging and equipment upgrades
- Continued demand for large-scale redevelopment projects in metropolitan areas and regional core cities
- Growing demand for disaster prevention and business continuity planning (BCP) facilities, as well as defense-related facilities

Strengths

- Delivering trust and satisfaction that meet client needs
- Comprehensive capabilities backed by a diverse range of talent and technology, combined with a sincere approach and a constant spirit of innovation
- Competitive advantage in securing orders through a nationwide sales network, proven performance results, and strong proposal capabilities
- Continuously evolving cutting-edge technological capabilities, including those for high-rise buildings, semiconductors, and data centers
- Project execution capabilities driven by intra-group collaboration and a robust supply chain

► Key Strategies

1 Accelerating the shift towards a highly profitable business structure

- Improving productivity to improve earning capacity and strengthening activities related to orders from the clients' perspective
- Securing quality and safety, the foundation of monozukuri, and improving the accuracy of cost and process management

2 Rebuilding a production system that allows the pursuit of the appeal of monozukuri

- Further improving site capabilities through the active use of digital technology and strategic allocation of talent
- Improving the ability to carry out projects that involve group companies and the supply chain
- Further cultivation of DE&I (Diversity, Equity & Inclusion)
- Promoting the closure of project sites and ensuring appropriate construction periods

3 Identifying promising markets and enhancing adaptability

- Apply our capabilities and technologies in taking on super large-scale projects
- Scaling the Building Life Cycle (BLC) Business
- Expansion of orders through proposals that leverage both traditional and cutting-edge technologies (environment, disaster prevention, wooden architecture, smart cities, nuclear power, semiconductors, data centers, defense, etc.)
- Building sales and order acceptance strategies in line with the local economy

Building Construction

T O P I C S

The Massive Steel Frame Supporting Japan's Tallest Super-High-Rise Building

At "Torch Tower" (approximately 385 meters tall)—a high-rise building set to become Japan's tallest upon completion—the steel framing for the "diagrid structure," characterized by massive diagonal steel columns that define the facade* of the lower sections, was completed in January 2026. This is a key component of the "shell-damped structure" structural design developed by Mitsubishi Jisho Design Inc., and its realization was made possible by our company's technical developments aimed at bringing the design to life. The diagrid framework, which extends continuously up to the 9th-floor level (52 meters high), has a total steel weight of approximately 11,000 metric tons, making it one of the largest building structures in Japan. Currently, the project is progressing steadily toward completion, not only through rigorous safety and quality control but also by boldly tackling challenges unique to super-tall high-rise buildings, such as optimizing the flow of people and materials. Through the creation of this new landmark, our company will cultivate cutting-edge expertise and apply it to the creation of next-generation cities.

* Exterior design as seen from the front of the building



Torch Tower under construction: Diagrid structure (Chiyoda Ward, Tokyo) as of August 2025

> VOICE <

Shimizu is mobilizing its full range of capabilities to advance the construction of Torch Tower

Torch Tower is a building that presents significant construction challenges. To achieve a height of 385 meters in earthquake-prone Japan, it employs a diagrid framework up to the 9th floor and an outer-braced structure* from the 9th to the 56th floor.

By pooling the strengths of various divisions—including design and production engineering—and leveraging Shimizu's comprehensive capabilities, we are moving the project forward while resolving numerous challenges. Regarding the diagrid framework—which was the greatest challenge—we conducted a mock-up prior to construction to identify the final remaining issues and establish clear countermeasures. Thanks to these efforts, the steel framing for the low-rise section was completed two weeks ahead of schedule, and we have received praise for Shimizu's technical expertise from the client and the architectural construction administrator.

We will continue to work together toward the scheduled completion in 2028.

* A structure that enhances seismic and wind resistance through bracing (diagonal members) installed around the perimeter of the building



Naoki Takehara

TOKIWABASHI PROJECT Office
Project Director

Design and Construction Techniques That Support High-Quality Spatial Value

"TOKYO DREAM PARK," led by TV Asahi Corporation and designed and constructed by our company, is a multi-purpose entertainment complex that offers a diverse range of experiential values, including a concert hall, theater, and art spaces.

The concert hall features high-performance audio equipment to deliver a premium sound experience, and incorporates the "Dynamic Live Floor" vibration-damping system to prevent floor vibrations—common during live events—from being transmitted to the building's foundation or the underlying ground.

Furthermore, we built a BIM-centered digital platform to simulate stage visibility from each seat in the theater, facilitating smooth consensus-building among stakeholders and streamlining the planning of temporary work, material transport, and construction procedures during the project.

Moving forward, we will continue to enhance the value of spaces through both design and construction by leveraging technological advancements, bringing to life architecture that inspires people.



Inside TOKYO DREAM PARK SGC HALL ARIAKE (Koto Ward, Tokyo)

Improve profitability

Civil Engineering

Contributing to the achievement of SDGs through business activities



In the Civil Engineering Business, we contribute to the realization of safe, secure, and abundant living for everyone through the development of social infrastructure such as roads, railways, and water and sewer systems.

We will address society's demands for disaster prevention and mitigation, as well as national resilience, in response to the increasing frequency and severity of natural disasters. At the same time, we will appropriately respond to the dynamic changes in the environment surrounding the Civil Engineering Business, including measures to manage aging infrastructure and initiatives to achieve carbon neutrality. We will build a stable revenue base and develop social infrastructure under a system of reliable quality control and safety management. We will strive to meet the construction needs of society and our clients and solve their problems by developing and implementing new technologies and expanding our business into new fields.



Takefumi Saito

Representative Director
Executive Vice President and Executive Officer
Director, Civil Engineering Headquarters
In charge of Safety and Environment

► External Environment

- Increase and intensification of natural disasters due to climate change
- Steady public investment, including disaster prevention and mitigation measures and The National Resilience Plan
- Continued need for flood control projects and measures to address aging infrastructure
- Consolidation of regulations on the upper limit on overtime work
- Development of technologies utilizing ICT and AI, and their adoption and implementation at construction sites

Risks

- Persistently high prices for construction materials and energy
- Rising labor expenses due to labor shortages
- Future shortage of a workforce in the construction industry
- Unstable international situation, geopolitical and security risks

► Situation Analysis

Opportunities

- Ongoing measures for disaster prevention, mitigation, and The National Resilience Plan
- Increasing societal demand for disaster prevention, mitigation, and disaster recovery and reconstruction projects
- Growing electricity demand and market expansion in the renewable energy sector
- Continued demand for large-scale and highly complex projects

Strengths

- Extensive track record in large-scale, high-difficulty construction projects
- High quality achieved through advanced construction technology and a reliable production system
- High productivity through ICT-enabled construction and management
- Contribution to the field of renewable energy, such as wind and hydroelectric power generation
- Strong collaboration with Group companies on large-scale expressway renewal and marine civil engineering projects

► Key Strategies

Initiatives to pursue technology, quality and profit improvement in the Civil Engineering Business and realization of a sustainable construction industry

1 Build a stable revenue base

- Enhance the capabilities of sales, design-build organizations
- Make order acceptance decisions based on business activities that emphasize profitability and stricter pre-order screening
- Ensure strict quality and safety management and enhance the precision of cost and process control

2 Build a production system that allows the pursuit of the appeal of monozukuri

- Boost the number of civil engineers and systematically develop talent to establish a reliable production system
- Improve site capabilities through strategic allocation of talent by specific job category and field
- Improve productivity through the promotion of technological development using ICT and AI, and their early implementation and establishment at sites
- Improve the ability to carry out projects that involve group companies and the supply chain
- Increase work efficiency by securing a reasonable construction period with eight plus days off every four weeks and utilizing ICT and AI

3 Strengthen the ability to address promising markets with the aim of improving profitability

- Contribute to national resilience through the construction of high-quality infrastructure
- Roll out development technologies and expand orders in the infrastructure renewal market
- Improve the technological competitiveness of facilities related to renewable energy

Civil Engineering

T O P I C S

Advancements in Mountain Tunnel Construction and Innovation in Production Systems Through the Use of ICT

Kajiwarra Tunnel Construction Project involves the construction of two new mountain tunnels (one in each direction) with a total length of approximately 1.3 km, as well as 16 bridge substructures, within the “Yawata-Kyotanabe JCT/IC to Takatsuki JCT/IC” section of the Shin-Meishin Expressway. In light of work style reforms and the need to utilize diverse talent, we are promoting various initiatives aimed at improving productivity and advancing construction management technologies. Specifically, for mountain tunnel construction, we have developed a “Tunnel Excavation Laser Guidance System” that safely and efficiently verifies tunnel excavation progress and the finished cross-section, as well as evaluates the condition of the excavation face. We have also introduced a “Ventilation Control System” that is highly effective in reducing CO₂ emissions. Furthermore, we are taking on the challenge of establishing a new project site production system that involves collaboration with foreign workers. We will continue to contribute to the advancement of mountain tunnel construction technology and the improvement of productivity.



Kajiwarra Tunnel Construction Project
Construction is underway on the Shin-Meishin Expressway, Japan's new major artery (Takatsuki City, Osaka Prefecture)

VOICE

Paving the way for the future with the “OVER THE WALL” spirit

This project is not only a tunnel construction project but also involves the construction of bridge substructures adjacent to the Meishin Expressway—one of Japan's major arteries—making it a large-scale and highly challenging endeavor. However, guided by our project site slogan, “OVER THE WALL,” our young and mid-career employees are taking the lead in overcoming every “obstacle.” We will continue to promote technological development utilizing ICT and take on challenges to pioneer the future of the construction industry.



Sho Yamamoto

Project Manager,
Shin-Meishin Kajiwarra Tunnel
Construction Project Management Office,
Kansai Branch

[Click here for details](#)

[Business Topics | The New Era of Tunnels: Next-Generation Tunnel Construction System: Shimizu Smart Tunnel](#)

Large-scale dam improvement projects to enhance flood control capacity while maintaining the operation of existing dams

In response to the extensive damage caused by the heavy rains of July 2018, the Ministry of Land, Infrastructure, Transport and Tourism planned improvement works to enhance the flood control capacity of the Nomura Dam by drilling a hole in the dam structure and adding one additional discharge facility. For this project, a “floating upstream temporary bulkhead*¹”—the third of its kind in Japan—was adopted. By assembling and installing the upstream temporary bulkhead—fabricated from approximately 600 metric tons of steel—while it was floating on the water's surface, the project minimized the need for diving operations, thereby improving safety and reducing the workforce required. Additionally, the advanced surveying technology known as the “Cyberline System” was applied to dam body drilling*² for the first time in Japan, enabling high-precision construction. Once completed, the structure will be capable of preventing flooding even from events on the scale of the torrential rains that occurred in July 2018. To provide the local community with greater safety and peace of mind, we are dedicating our full technical expertise to the project, aiming for completion in fiscal year 2027.

*1 Floating temporary water-stopping equipment

*2 Construction work to drill holes necessary for installing discharge facilities on the dam body



Nomura Dam Facility Improvement Project: Construction using a floating upstream temporary bulkhead (Seiyo City, Ehime Prefecture)

[Click here for details](#)

[Business Topics | The Frontlines of Dam Construction: The Era of Comprehensive Dam Construction \(New Construction and Redevelopment\)](#)

Improve profitability

Overseas Construction

Contributing to the achievement of SDGs through business activities



By pooling the group's comprehensive strengths, we provide swift and precise solutions to meet the needs of our global clients and address the challenges faced by local communities

We have been involved in a wide variety of projects around the world. Currently, we are expanding our operations primarily in Asia, North America, and Africa. While we are working to establish a structure that enables each regional office to conduct business autonomously, we also pool the group's collective technical expertise to tackle highly complex projects. Furthermore, we are striving to expand our business scope by leveraging our investment and development operations, engineering services, and the synergy with our new subsidiaries to offer in-depth proposals. We will continue to address regional challenges and meet the expectations of our clients and society.



Hitoshi Fujita
Senior Managing Officer
Director, Global Business
Headquarters

► External Environment

- In Southeast Asia and India, the business environment remains generally robust
- In North America, corporate investment activity has remained resilient
- The infrastructure sector, including ODA, is seeing solid demand, particularly in emerging economies
- Investment in Environmental Efficiency building construction and infrastructure is expanding
- Active capital investment in growth sectors such as data centers and the semiconductor industry
- Advances in AI and digital transformation (DX) are driving the digitization and sophistication of the construction process—from design through construction to operation and maintenance—and accelerating the transformation toward improved productivity and reduced labor requirements.

► Situation Analysis

Risks

- Construction periods that are delayed and profitability that deteriorates due to international political situations and regional disputes
- Fluctuations in capital investment trends due to rapid environmental changes in growth markets
- Overheating or cooling of construction demand in various countries due to shifts in economic policies of major nations
- Southeast Asian countries' graduation from Japanese ODA

Opportunities

- Expansion of investment in data centers and semiconductors driven by the advancement of the AI society
- Rising demand for infrastructure renewal in target countries
- Opportunities to enter related markets through M&A and alliances

Strengths

- A proven track record and trust built up in many countries
- Diverse proposal capabilities based on technical capabilities, design-build expertise, and others
- Abundant global talent to support each country and region
- Proactive initiatives for WELL certification and ZEB
- Building information modeling expertise cultivated through projects around the world

► Key Strategies

1 Sustainable and stable business development appropriate for each country and region

- Business activities based on local needs, with a careful evaluation of risks and profitability
- Enhancing efforts on ODA projects through stronger collaboration with both internal and external partners
- Accelerating external growth while ensuring the sustainability and growth of overseas subsidiary operations

2 Diversify revenue sources by harnessing the Group's collective strength

- Pursue synergy with process EPC/renewable energy/environmental remediation and other businesses
- Strengthen collaboration with Real Estate Investment and Development Business

3 Enhancing business platform by making each regional office self-determining

- Empower regional offices based on the structure of each office
- The governance structure appropriate for each region, business and organization
- Innovate headquarters functions to support the network of empowered regional offices

Overseas Construction

T O P I C S

A Harmony of Vision and Technology Indonesia's Premier Theater Project

In Jakarta, a city teeming with diverse cultures, construction is underway on a theater complex featuring a 1,200-seat main hall and a 250-seat small hall. This project began with the client's passionate desire —having supported Indonesian culture and the arts for many years —to “create their own theater with the country's finest acoustic performance and world-class stage systems.” By utilizing building information modeling (BIM) from the design phase, we validated audience sightlines and the integration of stage equipment in a three-dimensional virtual environment.

Through rapid consensus-building among stakeholders, we are creating a space that balances functionality with an immersive experience. Furthermore, using a 4D construction plan based on the building information modeling (BIM) model, we are visualizing complex construction procedures —such as the erection of steel trusses —to improve construction precision and safety.

Currently, exterior and landscaping work is underway, while the interior and theater areas are in the finishing stages. A hub for the dissemination and preservation of Indonesian culture and the arts will soon be established.



The exterior is largely complete, and finishing work is underway

VOICE

Taking on the Challenge of Creating an Indonesian Cultural Hub

We have been involved in this project from the planning stage to realize a theater and performance space that will serve as an Indonesian cultural hub. Creating a space that reflects history and culture, meeting complex technical requirements, and coordinating with a wide range of stakeholders —we are tackling each of these challenges head-on as a united team, steadily advancing the construction work. We will continue to do our utmost to complete a facility that contributes to the preservation of culture and the development of the local community.



Amelia Hartanti
RuBIK Theater Project
Planning Manager

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Connecting Water and Roads to Pave the Way for Nepal's Future

Revitalizing Infrastructure Through Technology

The “Biratnagar Water Supply Improvement Project”—our first civil engineering project in Nepal in nearly 30 years—is entering its final phase, with completion scheduled for 2026. In Biratnagar, the country's third-largest city, aging infrastructure poses a challenge in meeting the rapid surge in water demand driven by economic growth. To address this issue, the project encompasses the construction of a new pump station, the renovation of existing facilities, and the development of a 70 km pipeline network. Upon completion, the population served is expected to grow from approximately 52,000 to about 93,000, significantly improving public health and quality of life through a stable supply of safe water. Beyond providing technical support to the local water utility, we have also focused on engaging with the local community, including hosting the “Shimizu Open Academy (▶P.98)” to inspire local elementary students with the excitement of Monozukuri (craftsmanship). Additionally, we have begun an emergency rehabilitation project for the heavy-rain-damaged Sindhuli Road, a vital trunk route connecting the Eastern Terai region near the Indian border with Kathmandu and serving as a key logistics artery. We remain dedicated to applying our technology and expertise to support the well-being of the local communities and the lives of people in the region.



Biratnagar water supply improvement project (Nepal)

[Click here for details](#)

[News Release | Emergency Rehabilitation Project for Nepal's Sindhuli Road Awarded](#)

Increase revenue and business stability

Investment and Development (Real Estate Development)

Contributing to the achievement of SDGs through business activities



To respond flexibly to the changing business environment, we will advance a real estate development business that generates stable revenue through both leasing and sales. We aim to build an optimal portfolio by leveraging the technology and collective strength of the Shimizu Group.

Aiming to establish a real estate value chain and expand our stock business through group collaboration, Shimizu Real Estate Asset Management Corporation (SRA) has been actively managing private REITs and private funds, and its asset portfolio is becoming increasingly diversified. We will continue to prioritize sustainability management in our business planning while also pursuing new growth fields and reforming our business promotion structure to expand our businesses and enhance our earnings power.



Kounari Yotsumoto

Executive Officer
Director, Investment and Development Div.

► External Environment

- Continued strong inbound demand driven by the weak yen, coupled with uncertainty stemming from rising geopolitical and security risks
- Rising expected returns among investors (such as REITs) due to the sustained rise in long-term interest rates
- Rising office rents driven by persistent inflation, along with continued demand from high-net-worth individuals and inbound investors

Risks

- A sharp rise in development costs, such as building construction costs
- The occurrence of unforeseen events due to geopolitical tensions, market volatility, and other factors
- Damage to tenants or third parties resulting from properties owned by the company
- Administrative sanctions against the REIT it operates, etc.

► Situation Analysis

Opportunities

- Expanding the scope of our initiatives and business approaches by leveraging our company's comprehensive capabilities
- Efficient use of funds and expansion of revenue scale through strengthened collaboration within the Group's real estate segment
- Improving productivity through the use of digital transformation (DX) and further integrating sustainability management into our business operations

Strengths

- Extensive domestic and international sales network built over the course of more than 220 years
- Collective strength of a general contractor (building construction, civil engineering, engineering, green energy, building life cycle, promoting redevelopment, group companies)
- Cutting-edge technologies in the DX, Smart City, environmental, and BCP fields
- Ownership of investment advisory firms that contribute to the expansion of recurring revenue model businesses in real estate

► Key Strategies

1 Maintaining Our Growth Track and Taking on New Challenges

- Expanding the business model through diversification of initiatives and business approaches, and strengthening project development
- Efficient use of funds and expansion of revenue scale through strengthened collaboration within the real estate segment
- Further Strengthening of Value-Add Investments in Existing Buildings

2 Making Overseas Operations Self-Sustaining and Evolving the Global Operational Platform

- Restructuring of the Global Business Organization
- Shift toward local collaboration and short-cycle development projects
- Portfolio Restructuring

3 Strategic Project Generation

- Promoting both medium- to long-term projects and short-term, high-turnover operations
- Generating projects with a focus on the portfolio, including initiatives in growth sectors

Investment and Development (Real Estate Development)

T O P I C S

Completion and Start of Operations for “S-LOGI Matsubara,” a Logistics Facility Developed In-House

Our in-house developed logistics facility, “S-LOGI Matsubara,” was completed in May 2026 in Matsubara City, Osaka Prefecture, and has begun operations. This four-story, multi-tenant logistics facility will have plates of approximately 23,000m² per floor and features a double rampway, allowing large vehicles to directly access each floor. The facility will also provide amenities in the shared spaces, including an unmanned convenience store and a cafeteria, ensuring a comfortable working environment for employees. In terms of sustainability, the facility has earned the highest ZEB (Net Zero Energy Building) certification. Furthermore, the facility will be powered entirely by green electricity sourced from renewable energy. This includes the full electricity generated by solar panels installed by our Green Energy Headquarters, as well as green power from solar, biomass, and other renewable sources supplied by our wholly owned subsidiary, Smart Eco Energy Co., Ltd., which is engaged in the Retail Electricity Business.



Exterior Photos of S-LOGI Matsubara

> VOICE <

By getting involved from the project's inception, we made the Kansai region's first “S-LOGI” a reality

This project began in 2018 when our company was selected as a partner to explore the feasibility of a land readjustment project, and we have worked on it in close collaboration with our civil engineering and building construction divisions. By participating from the early stages and having repeated consultations with landowners regarding land sales and adjustments to the site layout, we were able to realize the first “S-LOGI” project in the Kansai region. Leveraging our comprehensive capabilities—including not only civil engineering and building construction but also our Engineering Headquarters and Green Energy Headquarters—the project has received high praise from tenants and was fully leased upon completion.



Wataru Kawano
Investment and
Development Div.
Project Development Dept. 1

Participation in the “NOVEL Arlington” Rental Housing Development Project in Arlington County, Virginia, U.S.

MITSUBISHI ESTATE CO., LTD. and our company have joined the “NOVEL Arlington” rental housing construction business in Arlington County, Virginia, through our respective U.S. subsidiaries. This construction business involves the construction of one 8-story rental apartment building and four 4-story multiple dwelling houses (townhouse complexes), for a total of 530 units. The project will offer a diverse range of unit types—including studios, one- to three-bedroom units, and townhomes—to accommodate a wide variety of household compositions. In addition, approximately 1,850 square meters of indoor and outdoor common facilities will be provided, with a club room, lounge, and pool located on the top floor. The development will be packed with amenities designed to enrich daily life—including barbecue grills and a pizza oven in the courtyard, a dog run with a spa, a fitness center, a coworking space, and a golf simulator—to offer occupants a comfortable and convenient lifestyle while contributing to the further development of Arlington County.



NOVEL Arlington
Rendering of the Completed Project

Schedule Completion:2028

Increase revenue and business stability

Engineering

Contributing to the achievement of SDGs through business activities



We support the creation of a zero-carbon society and the development of safe, secure, and healthy living environments through engineering. This includes GX using renewable energy facilities and digital transformation (DX) through the shift to smart buildings and towns.

In our Engineering Business, we aim to strengthen our competitiveness and stabilize our earnings through engineering capabilities that accurately address the increasingly sophisticated, complex, and diverse needs of society across our four core fields: "Plant Engineering," "ICT Solutions," "Soil Remediation," and "New Energy Engineering." Furthermore, by closely monitoring new markets emerging from emerging social challenges and continuously pursuing opportunities in promising growth areas, we are committed to further expanding our earnings and creating value that exceeds the expectations of society and our clients.



Yutaka Shimizu

Managing Officer
Director, Engineering Headquarters

► External Environment

► Situation Analysis

► Key Strategies

	Risks	Opportunities	Strengths
Engineering Client needs that continue to evolve in response to changing times and social conditions	Loss-making opportunities due to a failure to understand changes in the business environment or recognize client needs	Engineering Sales by Engineers Starting in the Early Stages of a Project	Engineering capabilities to address client challenges and technological development across a wide range of fields
Plant Engineering Field An increase in large-scale projects in the manufacturing sector related to AI and semiconductors, along with the growing sophistication, complexity, and diversity of client needs	Securing talent in response to the increase in large-scale projects	Strengthening our project execution capabilities through alliances with specialized companies	Turnkey orders for highly automated pharmaceutical factories, food factories, and semiconductor factories
ICT Solutions Field DX from a wide range of industries driven by environmental concerns, labor-saving initiatives, and geopolitical risks	Pressure on client budgets due to soaring construction costs and sluggish investment in digital transformation	The ability to provide technical proposals that demonstrate a clear return on investment, tailored to client needs and budgets	Providing customized solutions to meet client needs
Soil Remediation Field Development of legal regulations concerning new pollutants and society's expectations for remediation technologies	Competition to enter new environmental businesses related to new pollutants	Establishing a competitive advantage through technology demonstration tests in the U.S., where market formation is already underway	Proprietary remediation technologies for soil and ground-water contamination caused by new contaminants
New Energy Engineering Field The outlook for the offshore wind power market remains uncertain due to risks such as soaring equipment and material costs and the international political situation.	The domestic offshore wind power market is experiencing a shaky start	Expanding sales channels through partnerships with overseas companies	Extensive expertise in large-scale offshore wind projects using self-propelled SEP vessels

1 Accurate understanding of growth markets and strategic initiatives to expand business scale

- Expanding our competitive edge in winning orders and delivering value that exceeds expectations through engineering from the early stages of projects
- Expanding sales channels and generating new business opportunities by leveraging synergies through strategic external alliances based on market trends

2 Stabilization of earnings through business activities that are conscious of the appropriate business volume and portfolio

- Strengthening the sales and execution system through external collaboration with companies in different industries, venture companies, and others
- Strengthening the organization and developing talent in a way that is not affected by social conditions such as workforce mobility and price escalation

3 Expanding revenue by taking on challenges in promising growth areas

- Strategic business expansion that leverages our competitive advantages in various fields, including plant engineering, DX, soil remediation, and new energy engineering
- Global strategy for our process EPC business, SEP chartering business, and PFAS remediation business

Engineering

T O P I C S

Plant Engineering Field

Contributing to the enhancement of pharmaceutical production capacity and a stable supply

The Takaoka Plant of KYORIN Pharmaceutical Group Facilities Co., Ltd. is a pharmaceutical factory with the capacity to produce approximately 2 billion solid oral dosage forms annually, with room for future expansion. To facilitate future production increases, the manufacturing processes were designed with a focus on ease of reconfiguration. At the same time, to prevent cross-contamination—which is essential in pharmaceutical manufacturing—the basic design concept was to install only one piece of manufacturing equipment in each workroom. Another key feature is the adoption of labor- and energy-saving equipment in each manufacturing process. From the initial design phase, we have worked closely with our clients to implement a comprehensive plan with an eye toward business growth, and even after the plant began operations, we have continued to expand our facilities in a systematic manner. In addition to manufacturing generic drugs, we are able to flexibly respond to requests from the Ministry of Health, Labour and Welfare to increase production of certain pharmaceuticals, thereby contributing to a stable supply of medicines. We will continue to meet society's needs for a stable supply of medicines while maintaining a high level of quality and reliability.



Packaging Line, Takaoka Plant, KYORIN Pharmaceutical Group Facilities Co., Ltd.
(Takaoka City, Toyama Prefecture)

> VOICE <

Realizing early production starts through comprehensive expertise in building construction, facilities, and engineering

Our division was responsible for the entire range of facilities involved in pharmaceutical manufacturing, from automated warehouses and production equipment to the implementation of a manufacturing execution system and wastewater treatment. By leveraging the strengths of our full turnkey approach—which integrates architecture, facilities, and engineering—we were able to meet the client's request for an early start to production. The client recognized our contribution to strengthening their pharmaceutical production capacity and ensuring a stable supply.



Tatsuya Fujiwara
Project Manager,
Engineering Headquarters,
Plant Engineering Div.,
Construction Dept.

[Click here for details](#)



ICT Solutions Field

Supporting Next-Generation Learning with State-of-the-Art Information Technology

Matsuyama University has installed the immersive learning support system “VR-Commons” in the new building for its Faculty of Informatics, which is a new department of the university. Matsuyama University is committed to fostering talent capable of solving social issues through digital technology and is focusing its efforts on creating a learning environment equipped with a variety of cutting-edge facilities. The newly installed system features four large LED screens arranged in a space measuring 5.5 m wide × 2.5 m high × 2.5 m deep. It creates a three-dimensional virtual learning space by projecting video content onto all four surfaces—left, right, front, and floor—to simulate a three-dimensional environment. Compared to conventional projection-based systems, this system eliminates shadows cast by people and projects crisp, clear images, enabling the creation of a highly immersive VR space. By providing an advanced learning environment that leverages digital content, this system has contributed to the university's goal of fostering talent.



Matsuyama University, Faculty of Informatics, Building 10,
Immersive Studio

> VOICE <

Building High-Quality VR Environments with Millimeter-Level Precision

Since “VR-Commons,” which features large LED display screens, is one of the flagship installations in the new school building, we took the utmost care during construction. At the joints where the four LED display screens meet, we performed on-site adjustments down to the millimeter to ensure seismic clearance while maintaining the seamless appearance of the video display. As a result, the client praised us for creating a highly immersive VR space.



Yusuke Imase
Engineering Headquarters,
ICT Solution Div., System
Integration Dept.

Expand business scale

Green Energy Development



Repowering of the Existing Power Generation Facilities at the Nagano Prefecture Suwa Fujimi MS Solar Power Plant (Suwa City, Nagano Prefecture)

Contributing to the achievement of SDGs through business activities



By providing green energy, we will lead the way toward a carbon-neutral future while enhancing our clients' corporate value and satisfaction.



Hiroyuki Takai
Director,
Green Energy Headquarters

T O P I C S

Renewable Energy Power Generation and Battery Storage Business

We are advancing the development and operation of renewable energy power plants—including solar, biomass, and wind—across the country, while also promoting the improvement of power generation efficiency and the effective utilization of existing facilities through repowering*.

In addition, we will utilize on-site and grid-connected storage batteries to optimize the use of renewable energy and contribute to the stabilization of the power system.

* Initiatives to replace or upgrade some of the aging equipment with the latest models in order to restore and improve medium- to long-term profitability and power generation efficiency

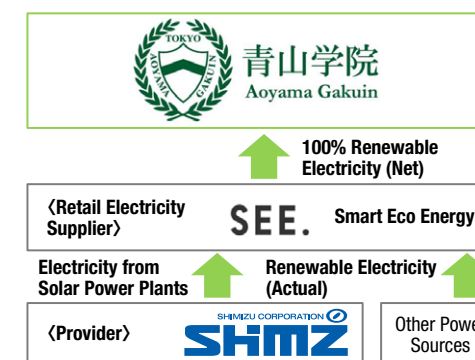


Kagoshima Isa Solar Power Plant and Energy Storage Facility (Isa City, Kagoshima Prefecture)
Top: Solar Power Plant / Bottom: Battery Storage System

Providing Green Electric Power Solutions

SEE., our wholly owned subsidiary, provides environmental value in the form of “green power” derived from renewable energy sources such as solar and biomass, as well as “Renewable Energy Certificates.”

Most recently, we signed a contract with Aoyama Gakuin University. Going forward, we will continue to provide decarbonization solutions tailored to regional characteristics and our clients' diverse needs, including office buildings, school campuses, factories, and commercial facilities spanning multiple locations.



Aoyama Gakuin University to switch all campuses to renewable energy

Establish sustainable business models

Frontier



Small Rocket "Kairos Rocket No. 3"

A Vision of a Floating City Centered on "GREEN FLOAT II"

Contributing to the achievement of SDGs through business activities



We aim to contribute to the sustainable development of the Earth and humanity through continued growth investment in frontier domains and the establishment of viable business models.



Katsuyoshi Yuhara

Executive Officer
Director, Emerging Frontiers Div.
In charge of Business Innovation Unit

T O P I C S

Space Program: Manufacturing Innovation in Space Transportation Through Metal 3D Additive Manufacturing

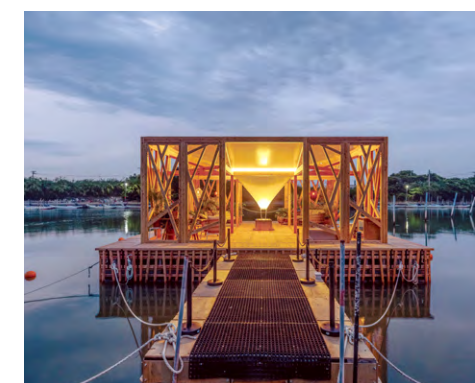
In addition to utilizing satellite data and selling lunar soil simulants, we are developing manufacturing technology for large liquid propellant tanks for rockets using metal 3D printing, with funding from the Space Strategy Fund. We aim to establish a foundation for the rapid, low-cost mass production of large tank components and expand this technology into the domestic space transportation industry and architectural exterior materials. We also continue to be involved in the operation of private launch sites, such as Spaceport Kii.



Manufacturing a large tank with a diameter of 1.5 meters using a metal 3D additive manufacturing system

Ocean Program: Activities for the Realization of GREEN FLOAT

In response to social challenges such as rising sea levels and land scarcity, we have proposed concepts such as "Float City," a city floating on the ocean, and "Green City," a city that harnesses the ocean's resources. To bring these visions to fruition, we are working to create new markets through our proprietary floating technology and to develop foundation and mooring systems for floating offshore wind power generation. As a pioneer in marine urban development, we will create new marine value in harmony with the environment and contribute to the sustainable development of the Earth and humanity.



Demonstration facility using floating blocks (Marine Forest)

Group Management

Contributing to the achievement of SDGs through business activities



We intend to build a Group management structure that is both flexible and fast-moving.

The Shimizu Group has 130 subsidiaries, including overseas entities, and 37 affiliated companies*. These companies operate various businesses, such as construction, real estate development, engineering, and green energy development.

While keeping the possibility of capital alliances and M&A in mind, we aim to strengthen our core management foundations—our talent and organizational capabilities—and maximize synergies across the Group. Furthermore, by fostering a sense of unity throughout the Group based on smooth communication, we will work to enhance the Group's overall capabilities and achieve sustainable growth.

* As of June 30, 2026



Takao Haneda

Executive Vice President and
Executive Officer
In charge of Group Companies

► Key Strategies

Realizing group-wide management that maximizes group synergies while promoting the creation of new business areas and the strengthening of existing businesses through the utilization of external resources

1 Strengthening Competitiveness and Profitability by Advancing the Shimizu Group's Growth Strategy

- Improving consolidated profitability through autonomous management and the optimization of group synergies
- Promoting M&A that leads to the expansion of business scale and scope
- Ensuring the quality of services provided by each company, which is the foundation of competitiveness and profitability

2 A Stronger Business Foundation to Support Steady Business Expansion Across Each Business Segment

- Promoting HR support measures, such as recruitment and training, tailored to the needs of each Group company
- Promoting solutions to group-wide challenges related to digital transformation (DX), productivity improvement, and information security
- Deepening intra-Group collaboration and information sharing to enhance Group solutions

3 Strengthening Group governance and reforming the corporate culture to embody both "the Analects and the Abacus" and "the Enterprising Spirit"

[Click here for details](#)

 [Group Companies](#)

► Initiatives to Maximize Group Synergies

We are working as a unified group to foster talent, conduct recruitment activities, and enhance employee engagement.

1. Talent Development and Career Support

- **Group-wide Training:** Comprehensive skill development across the entire Group through tiered training for employees ranging from new hires to executive management, as well as functional training on Monozukuri (craftsmanship) and safety
- **Training for Young Engineers:** Enhancing technical skills through courses that leverage the expertise of each Group company, and strengthening collaboration through networking among young engineers. Additionally, we support career development for Group employees through a training secondment program, various e-learning courses, and the provision of construction-related technical videos

2. Promotion of Recruitment Activities

- **Joint Group Seminars:** Regularly holding joint company information seminars in collaboration with universities and vocational schools nationwide to showcase the appeal of the Shimizu Group to a wide range of students
- **Internships via NOVARE:** Providing students with a concrete vision of what it's like to work at the Shimizu Group through hands-on internships at NOVARE
- **Recruitment Events for Students with Disabilities:** As part of our DE&I initiatives, we host recruitment events specifically for students with disabilities to secure diverse talent

3. Enhancing Engagement and Job Satisfaction

- **Improving Engagement:** Conducting engagement surveys at Group companies and developing and implementing measures to improve scores; strengthening initiatives to enhance employee motivation and the quality of management
- **Group Company Employee Award:** Commending Group company employees who have contributed to improving the Shimizu Group's results, solving challenges, ensuring quality, and strengthening technical capabilities
- **Operation of the Group Employee Shareholding Association:** Supporting medium- to long-term asset accumulation through an Employee Shareholding Association for Group employees

Group Management

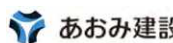
M&A and Alliances

M&A Strategy and Approach

With the aim of achieving the goals set forth in “SHIMZ VISION 2030” and the “Mid-Term Business Plan (2024-2026),” we view M&A as one of the key means of realizing growth and are committed to actively utilizing it. Provided that such transactions contribute to achieving our goals and realizing growth, we are pursuing M&A opportunities, primarily targeting companies that will strengthen the competitiveness of our existing businesses or expand into new business areas.

In advancing M&A, we consider it essential that the target company's business strategy and direction align with ours and that synergies—in terms of technology, client base, and know-how—can be expected with the Shimizu Group. Focusing primarily on companies that are highly compatible with the businesses of existing Group companies, we will evaluate and make decisions on a project-by-project basis from a comprehensive perspective, aiming for sustainable growth while maintaining a sense of unity within the Group.

Recent M&A Track Record

THE NIPPON ROAD CO., LTD. 	March 2022 Became a consolidated subsidiary October 2025 Became a wholly owned subsidiary	Road construction and paving; manufacturing and sales of asphalt mixtures. In recent years, the company has also been focusing on environmentally friendly recycling technologies and the construction of sports facilities.
MARUHIKO WATANABE CONSTRUCTION, Inc. 	May 2023 Became a consolidated subsidiary	A building construction and civil engineering company based in Hokkaido. Located in Sapporo, Hokkaido, the company contributes to the region through urban development and infrastructure projects in Hokkaido.
Grandwork Interior Pte Ltd 	November 2024 Became a wholly owned subsidiary	Founded in Singapore in 1996, this interior construction company is one of the leading firms in Southeast Asia in the high-end retail interior construction.
Cross Management Corp. 	January 2025 Became a consolidated subsidiary	Founded in Manhattan, New York, in 2003, Cross Management Corporation specializes in alteration and interior fit-out projects.
Aomi Construction Co., Ltd. 	March 2026 Became a consolidated subsidiary June 2026 Became a wholly owned subsidiary	Engaged primarily in marine and land civil engineering, and ground improvement businesses. A marine construction company with particular expertise in marine civil engineering and harbor facility construction.
American Engineering Corporation 	August 2026 Became a consolidated subsidiary September 2026 Became a wholly owned subsidiary	A construction company specializing in U.S. military base projects. Headquartered in the United States, the company is based in Okinawa, Japan, carrying out construction projects for U.S. military bases and data centers throughout Japan.

Capital Alliance

Seiwa Building Co., Ltd. 	June 2026 Capital Alliance (Equity-method affiliate)	Real estate leasing and management business. Operates in central Tokyo and Osaka, engaging in building development, residential real estate, and solution-based services that promote the effective utilization of real estate.
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Initiatives to Foster Collaboration and Synergy with Newly Joined Group Companies

For companies newly joining the Shimizu Group, we aim to enhance each company's corporate value and maximize the value we provide to our clients through group-wide collaboration and cooperation, while leveraging each company's unique characteristics and strengths.

To ensure smooth communication with each company, we will establish a multi-layered cooperative framework spanning from the front lines of operations to executive management. Building on this foundation, we will promote the sharing of technical and business know-how as well as the flexible utilization of talent. Furthermore, by deepening collaboration and information sharing within the Group and implementing policies and initiatives that lead to increased orders, cost reductions, and enhanced technical capabilities, we will strive to maximize synergies with our new Group companies.

comment

Aomi Construction Co., Ltd.

Our company is primarily engaged in marine and land civil engineering, and ground improvement. Since our founding, we have been a marine construction company with particular expertise in marine civil engineering and harbor facility construction. We own sand compaction vessels (marine ground improvement vessels) and floating docks (caisson fabrication barges), and have built a strong track record in the development of ports, airports, and coastal areas throughout Japan. Our group consists of three companies, including our subsidiaries (Shinko Techno Co., Ltd. and INOUE KOGYO CO., LTD.), and we joined the Shimizu Group in March 2026. Moving forward, to drive the growth of the Shimizu Group's marine construction business, we aim to further enhance our technical capabilities in civil engineering and the offshore wind power sector—where market expansion is anticipated—by fostering collaboration and cooperation with other Group companies to maximize synergies.



Tomoyuki Kawabe

Aomi Construction Co., Ltd.
President, Representative Director

Group Management

T O P I C S (Value Creation Through Group Collaboration)

Through strong collaboration between Shimizu Corporation and its Group companies, the Shimizu Group generates synergies across a wide range of fields, maximizing the value we provide to our clients. We will continue to further strengthen this collaboration and meet our clients' expectations by fully leveraging each company's expertise and strengths.

Integrated Group Initiatives in Real Estate Development

■ Shimizu Comprehensive Development Corporation × PD SYSTEM CORPORATION × Nihon Kensetsu Co. Ltd. × MARUHIKO WATANABE CONSTRUCTION, INC. ■

Shimizu Comprehensive Development Corporation's Real Estate Development business is achieving steady results through integrated operations that bring together the expertise of all group companies.



VIEQU HOUSE FUKASAWA (Setagaya Ward, Tokyo)

By establishing a system that handles everything from planning to design and construction entirely within the group, we have successfully balanced the pursuit of higher quality with improved operational efficiency, earning high acclaim from the market. This strong collaboration is symbolized by Shimizu Comprehensive Development Corporation's condominium projects, "VIEQU BRIGHT AKABANE" and "VIEQU HOUSE FUKASAWA." At "VIEQU HOUSE FUKASAWA," the design is handled by PD SYSTEM CORPORATION, while construction is carried out by Nihon

Kensetsu Co. Ltd. and MARUHIKO WATANABE CONSTRUCTION, INC. Through this structure, design and construction teams collaborate closely from the design phase onward, rigorously pursuing quality to provide high-end residences that offer both peace of mind and elegance.

▶ PD SYSTEM CORPORATION, person in charge of design

This project aimed to create high-quality living spaces tailored to the individuality of residents through close collaboration among group companies. From the initial stages, companies with diverse areas of expertise held repeated meetings to thoroughly share development plans, design intentions, and construction feasibility. By deepening their understanding of each other's operations and working together across organizational boundaries, we achieved both a commitment to quality and efficient project execution. Through this collaborative framework that harnesses the group's collective strength, we are creating value befitting our top-tier brand.



Yusuke Nakano
Leader

▶ Person in charge of Nihon Kensetsu Co. Ltd.

We share many commonalities with our group company, MARUHIKO WATANABE CONSTRUCTION, INC.—including construction specifications—which allows our construction operations to run smoothly. While there are changes and upgrades inherent to low-rise luxury condominium projects, both the developer and the design firm are group companies. This enables us to engage in open and candid discussions as we strive to achieve the highest quality as the Shimizu Group.



Takuji Kinoshita
Project Director

Creating Group Synergies in Design and Construction Projects

■ PD SYSTEM CORPORATION × Nihon Kensetsu Co. Ltd. × Daiichi Setsubi Engineering Corporation ■

For the first project under Nippon Steel Kowa Real Estate Co., Ltd.'s new office brand "COLOR·US," we established an "All Shimizu Group" structure—comprising PD SYSTEM CORPORATION (design), Nihon Kensetsu Co. Ltd. (construction), and Daiichi Setsubi Engineering Corporation (M&E and plumbing work)—and submitted a proposal to the employer. By utilizing the existing underground structural frame as a retaining wall and minimizing the scope of demolition, we achieved significant cost reductions while lowering the environmental impact. In a competitive tender process requiring proposals, our proposal—which harnessed the group's collective strength—was highly evaluated, enabling us to win contracts over competing firms. Throughout the design and construction process, we contributed to creating value that would serve as a symbol of the client's new brand.

As a concrete example of group collaboration, during the planning phase, Nihon Kensetsu Co. Ltd. proposed reusing the existing foundation, laying the groundwork for cost reductions. Furthermore, through close collaboration between PD SYSTEM CORPORATION and Nihon Kensetsu Co. Ltd.'s Estimation Dept., the team responded to price escalation caused by market fluctuations by conducting a seamless, end-to-end process—from identifying VE/CD proposal items to creating drawings and estimates—within a limited timeframe, which ultimately led to orders being received. During the construction phase, we leveraged our in-house design and construction capabilities to ensure thorough information sharing via cloud-based tools and meticulous coordination. By collaborating across Group company boundaries—including flexible responses such as prior exterior work in confined spaces and planning for future tenant renovations—we successfully met the construction period while ensuring reliable quality.



COLOR·US AKIHABARA
(Chiyoda Ward, Tokyo)

Joint Development of a Mobile Tower Crane

■ SHIMIZU CORPORATION × SC Machinery Corp. ■

In onshore wind power generation, plans are underway to increase the size of wind turbines to enhance power generation efficiency. To enable the construction of these large wind turbines, Shimizu Corporation, IHI Transport Machinery Co., Ltd. (the company's name at the time of development), and SC Machinery Corp. jointly developed Japan's largest mobile tower crane, the "S-Movable Towercrane (SMTC)," and applied it to the construction project at the Ashikawa Wind Farm. Going forward, we will continue to collaborate to win orders not only for the construction of new large wind turbines but also for retrofitting and upgrading existing turbines to larger sizes.



Bird's eye view of the SMTC construction work in action

Group Management

T O P I C S (Value Creation Through Group Collaboration)

Creating Synergies Through Technology Development and Talent Exchange

Since THE NIPPON ROAD CO., LTD. joined the Group in March 2022 and MARUHIKO WATANABE CONSTRUCTION, INC. in May 2023, collaboration with our company has been progressing in various areas—not only in the construction sector but also in technology development and talent exchange.

SHIMIZU CORPORATION × THE NIPPON ROAD CO., LTD.

We are accelerating our collaboration with THE NIPPON ROAD CO., LTD. through joint Work on civil engineering and building construction projects and by expanding the direct orders for private-sector contracts. At JV construction sites, we are also promoting the use of ICT, such as through demonstrations of 3D data flows. In terms of technological development, we are continuously working on innovative technologies—including “Biochar Ascon,” “PET Ascon,” and the AI monitoring system “Kawasemi”—that contribute to reducing environmental impact, solving social issues, and ensuring safe construction at project sites.

PET Ascon

The “PET Ascon” series consists of environmentally friendly asphalt mixtures that achieve high durability through additives made from waste PET. These mixtures contribute to extending the service life of roads and reducing waste. Furthermore, by combining THE NIPPON ROAD CO., LTD.'s expertise with Shimizu Corporation's global network, the companies are conducting demand surveys and demonstration tests in regions such as Africa. Starting with Kenya, we are packaging our recycling technology with highly durable pavement to build a sustainable business model aimed at solving local infrastructure challenges.



A meeting with a local company

SHIMIZU CORPORATION × MARUHIKO WATANABE CONSTRUCTION, INC.

Starting with “THE VILLAGE SAPPORO,” we have been actively promoting Joint Work and talent exchanges with MARUHIKO WATANABE CONSTRUCTION, INC. Through secondments to wind power construction projects, we are sharing our expertise and know-how to help MARUHIKO WATANABE CONSTRUCTION create new business opportunities and strengthen its technical foundation.

Collaboration on Wind Power Projects

With the goal of acquiring construction know-how for wind power projects and strengthening collaboration, Maruhiko Watanabe Construction began seconding talent to Shimizu Corporation. Through these secondments, they are accumulating management methods for large-scale projects as well as advanced technologies and insights, and we are currently conducting the construction of the “Eurus Soya Misaki Wind Farm” as a joint venture. These collaborations are generating significant group synergies, including the expansion of MARUHIKO WATANABE CONSTRUCTION, INC.'s business scope and the enhancement of its technical capabilities.



Eurus Soya Misaki Wind Farm
(Wakkanai City, Hokkaido)

Group Companies and Net Sales

Net sales in FY2025 (Millions of yen)

Major Domestic Group Companies	Operations Related to Construction	THE NIPPON ROAD CO., LTD. Group	Road construction and paving work	168,349
		SHIMIZU BLC Co., Ltd.	Building renewal and management business	77,825
		FaB-Tec Japan Corporation	Steel frame and bridge fabrication contract work	34,281
		SC Machinery Corp.	Construction machinery rentals	37,893
		MILX Corporation	Sales and lease of construction equipment and materials and insurance brokerage business	30,821
		MARUHIKO WATANABE CONSTRUCTION, Inc.	Building construction contract work	26,999
		Aomi Construction Co., Ltd.	Marine civil engineering works * The company's sales are not consolidated in our FY2025 closing of accounts.	
		Daiichi Setsubi Engineering Corporation	Building services construction contracting	14,717
		Nihon Kensetsu Co. Ltd.	Building construction contract work	14,855
		SC PRE-CON CORP.	Manufacture, sale, and construction of precast concrete products	9,301
	Operations Related to Real Estate	PD SYSTEM CORPORATION	Building design and management	5,926
		FIELD FOUR DESIGN OFFICE Co., Ltd.	Interior and landscaping design and supervision work	429
		Shimizu Comprehensive Development Corporation	Real estate development business, building management business, and lease brokerage business	25,087
	Operations Related to Services	Shimizu Real Estate Asset Management Corporation	Investment management	447
		MINATO JISHO CORPORATION	Real estate sales business and real estate leasing business	497
		Total Office Partner, Inc.	Management of Shimizu Corporation's office buildings, public relations and advertising, clerical work, and personnel dispatch business	9,126
		Ohsaki Research Institute, Inc.	Research, development, contracting, and consulting for analysis methods required to design nuclear structures and other special structures	517

Net sales in FY2025 (Millions of yen)

Major Overseas Group Companies	Operations Related to Construction	Shimizu North America LLC	Building construction contract work (Canada, U.S., Mexico)	17,138
		Shimizu Vietnam Co., Ltd.	Building construction contract work (Vietnam)	5,677
		Shimizu Corporation (China) Ltd.	Building construction contract work (China)	8,926
		Thai Shimizu Co., Ltd.	Building construction contract work (Thailand)	14,341
		PT Shimizu Bangun Cipta Kontraktor	Building construction contract work (Indonesia)	17,265
		Shimizu Corporation India Pvt. Ltd.	Building construction contract work (India)	5,349
		Shimizu Philippine Contractors, Inc.	Building construction contract work (Philippines)	4,466
		Shimizu Hong Kong Company Ltd.	Building construction contract work (Hong Kong)	152
		Grandwork Interior Pte Ltd	Interior fit-out work (Southeast Asia)	12,601
	Operations Related to Real Estate	Cross Management Corp.	Renovation and interior fit-out work (U.S.)	17,070
		Shimizu Realty Development (U.S.A.), Inc.	Real estate development business, real estate investment business (U.S.)	7,912
	Operations Related to Engineering	Shimizu Investment (Asia) Pte. Ltd.	Real estate development business, real estate investment business (Southeast Asia)	31
		Perigon International Inc.	Manufacturing facility engineering services (U.S.)	882



5

Management Foundations

Sustainability Management: Message from the Director
in Charge ————— P.52

Sustainability Promotion Structure ————— P.53

Management Capital ————— P.54

Human Capital ————— P.55

Monozukuri (Superb Craftsmanship) Capital ——— P.59

Intellectual Capital ————— P.62

Social and Relational Capital ————— P.67

Natural Capital ————— P.69

Smart Innovation Ecosystem NOVARE ————— P.73

Sustainability Management: | Message from the Director in Charge



Mitsuo Morii

Senior Managing Officer and Director
In charge of Sustainability

The Analects and the Abacus inspires us towards a sustainability management - balancing the pursuit of growth with addressing socioenvironmental issues.

We will continue to work with stakeholders to co-create value for a more sustainable future.

Sustainability Management Based on the Principles of The Analects and the Abacus

At the very core of our company is the ethos expressed in our corporate credo, namely the precepts that Eiichi Shibusawa recorded in The Analects and the Abacus. It states that a company should commit to ethical practices that create positive social impact, and that doing so will ultimately deliver honest profit enabling the company to further grow; this ethos is the essence of our sustainability management. In order to continue creating positive social impact, the company disseminates the principles of The Analects and the Abacus throughout our organization, and incorporates them into our core strategies and business practices to increase the value of our organization into the future. Our commitment is to pass on this management philosophy to the next generation, ensuring that our organization will always balance the pursuit of growth with a contribution toward a safe, healthy, and sustainable future for all.

Sustainability Management for Society Today

Our company contends with an increasingly complex array of issues and is expected to play an increasing role in addressing them. They include climate action, protecting biodiversity, supporting recycling, nurturing and empowering talent, managing a responsible supply chain, and forging effective governance structures. While these represent expectations from society, we feel they are also a source of value creation and opportunities for developing new businesses and competitive advantages.

To balance social responsibility with the cultivation of business opportunities, our current Mid-Term Business Plan〈2024–2026〉specifies certain key organizational functions and commits us to increasing their collaboration to bolster our corporate infrastructure. Under this plan, we have developed a number of initiatives. Examples include considering the entire lifecycle of buildings to make our proposals support the carbon transition, developing the SUSMICS series of green materials made from bio-char (▶p.63), opening patents to help the construction industry raise its technological level, implementing green infrastructure, monitoring and managing nature-related risks, building an inclusive and empowering workplace, and engaging in constructive dialogue with stakeholders. Each

initiative is delivering results, raising the level of our sustainability management. We will continue to work closely with our partners across the Shimizu Group and with all stakeholders on initiatives that transcend the conventional boundaries of a construction business in pursuit of value creation for tomorrow's needs.

“Assertive” Sustainability Management: Co-creating the Future

We believe in “assertive” sustainability management - an approach to sustainability that creates new value. This requires an organizational culture and talent base that promotes innovation, as well as an ecosystem for co-creation with stakeholders.

In 2023, we launched an ecosystem for innovation and talent development called Smart Innovation Ecosystem NOVARE, where our employees work with a diverse range of partners on co-creation initiatives, and serves to expedite the adoption and scaling of new businesses and technologies to tackle society's issues. We will continue to use NOVARE as a platform for piloting and scaling sustainability management initiatives that balances engagement in socioenvironmental challenges with economic value.

Building social infrastructure that supports people's lives and passing them on to future generations: this mission that we have continuously performed over our 222-year history will remain unchanged into the future.

We will utilize our six “capitals” (human capital, Monozukuri (superb craftsmanship) capital, intellectual capital, social and relational capital, natural capital, and financial capital) in ways that collaborate and create value, all to realize a sustainable society.

We will also maintain close dialogue with our shareholders, investors, and other stakeholders as part of our commitment to responsibly managing the company with a long-term aim of remaining a trusted organization for generations to come.

Sustainability Promotion Structure

Policy and Commitment

Our credo is “the Analects and the Abacus,” and our management principles are: “With devotion and a spirit of innovation, we work to create value that exceeds expectations and contribute to a sustainable tomorrow.” Guided by these principles, we conduct business activities with a strong focus on the sustainability of not only our company but also society and the environment.

In the Mid-Term Business Plan (2024–2026), to ensure the sustainability of the planet and society, we are enhancing cross-functional collaboration among various functions within the Group and promoting sustainability management that balances the fulfillment of our corporate social responsibility with the pursuit of business opportunities.



From the Mid-Term Business Plan (2024–2026): A Stronger Business Foundation, 1–2 Improve Cross-functional Collaboration / Refine Sustainability Management

Sustainability Promotion Structure

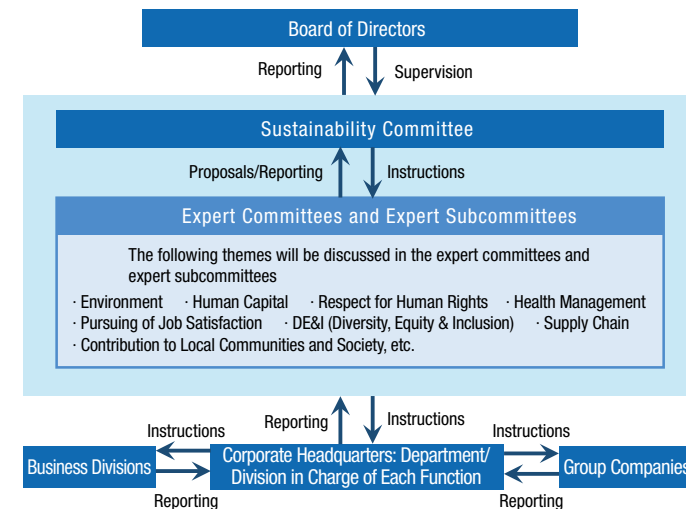
We have established a “Sustainability Committee” to engage in deliberation and decision-making regarding our Group’s sustainability policies, priority measures, and information disclosure.

This committee is chaired by the President, with the Executive Officer in charge of Sustainability serving as Vice Chairperson, and consists of relevant Executive Officers. The committee meets approximately four times a year. Important matters on the agenda are reported to the Board of Directors, thereby establishing a governance structure overseen by the Board.

We have established specialized committees and special subcommittees as subsidiary bodies of the Sustainability Committee.

Each specialized committee and Special Subcommittee examines sustainability-related topics and makes proposals and reports to the Sustainability Committee. We have also established a system to issue instructions to relevant departments/divisions regarding matters discussed and decided by the Sustainability Committee and to monitor the status of their implementation.

Sustainability Promotion Structure



Main matters deliberated and reported during Fiscal 2025

In fiscal year 2025, we focused our deliberations on the environment, the supply chain, human capital, and disclosure. The Sustainability Committee met four times and reported to the Board of Directors three times.

- Formulation of a roadmap toward achieving the Group Environmental Vision “SHIMZ Beyond Zero 2050”
- Setting of new quantitative targets toward achieving a resource-recycling society
- Traceability survey of procured materials (structural steel, reinforcing bars, and glass)
- Results of engagement survey and improvement measures
- Initiatives for this fiscal year based on the Health Management Promotion Plan
- Response to mandatory sustainability disclosure requirements

[Click here for details](#)

[Sustainability Management](#)

Management Capital

The source of our sustainable value creation lies in our six forms of capital. By interconnecting, evolving, and leveraging these forms of capital, we aim to become a “Smart Innovation Company” that fuses innovation in three areas—business structure, technology, and talent—to create new value.

Based on maintaining a sound financial position—as reflected in financial KPIs such as the equity ratio and debt to equity ratio (D/E ratio)—we aim to further enhance corporate value by pursuing “Improve Profitability,” “Improve Capital Efficiency,” “Investing for Growth,” and “Enhance Shareholder Return.”

Financial Capital ▶P.28 Financial Strategy

Under our Group Environmental Vision, “SHIMZ Beyond Zero 2050,” we are expanding our initiatives aimed at decarbonization, material circulation, and a society that coexistence with nature. We aim not only to achieve zero environmental impact from our own operations but also to actively provide environmental value to our clients and society, thereby creating a positive impact.

Natural Capital ▶P.69

The key to sustainable growth lies in our people. With “the growth of our talent and organizational capabilities” as our basic policy, we view our employees’ skills, knowledge, and experience as the source of our growth potential. In addition to implementing Personnel Systems and creating an environment that fosters growth, we are focused on securing and developing highly specialized talent not only among engineers in the construction sector but also across a wide range of fields.

Human Capital ▶P.55

Since our founding, we have built trust by putting our customers first and responding to their needs with integrity. In addressing social challenges such as securing a workforce and passing down technical expertise, we contribute to the development of a sustainable social infrastructure through our strong network of partners, including our affiliate organization, the “Kaneikikai.”

Social and Relational Capital ▶P.67

Our reputation is built on a commitment to “sincere Monozukuri” that has been a cornerstone of our company since its founding, as well as our unwavering dedication to quality and safety. By leveraging our sales offices throughout Japan and our overseas network, we have established a rapid delivery system that closely supports our clients. Furthermore, we aim to expand our business scope by strengthening collaboration with our group companies.

Monozukuri (Superb Craftsmanship) Capital ▶P.59

Centered around our Institute of Technology—established in 1944 as the industry’s first research organization—we work in close collaboration with our various business divisions, including building construction, civil engineering, and engineering, to create new value through technological development that embodies “Shimizu: The Technology Leader.” Furthermore, under our Mid-Term DX strategy, we are promoting the use of data and AI and are working to acquire and accumulate a broad range of intellectual property.

Intellectual Capital ▶P.62

Human Capital

A Stronger Business Foundation Through the Growth of “Talent and Organizational Capabilities”

Policy and Commitment

New Human Resources Policy

The growth of each and every employee is essential for sustainable growth. In April 2026, we adopted a new concept: “a relationship in which the company and its employees grow together amid a healthy sense of mutual accountability.”

We are establishing personnel systems and support structures that encourage employees to take the initiative in their learning and growth, and we aim to build a partnership in which the company and employees meet each other's expectations. By deepening this relationship, we will secure the talent essential for business continuity and achieve the organization's sustainable growth.



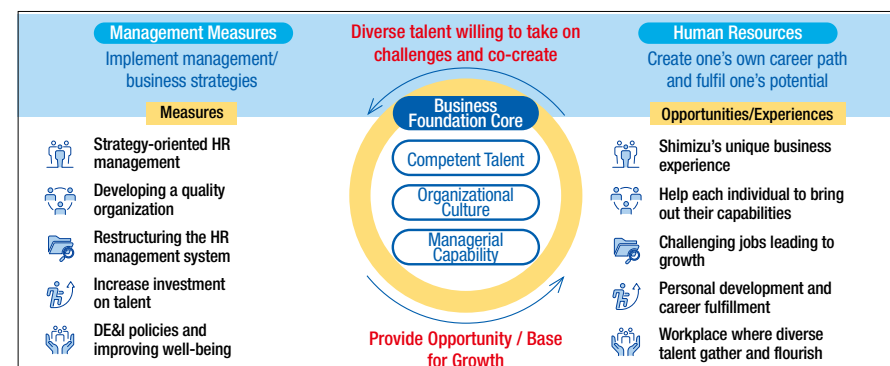
A Stronger Business Foundation Under the Mid-Term Business Plan (2024–2026)

Based on the belief that “people” are the source of our competitiveness, we have positioned “the growth of our talent and organizational capabilities” at the core of our efforts to strengthen our business foundation—a basic policy of the Mid-Term Business Plan. Through various policies designed to realize our management and business strategies, as well as by establishing systems that boost employee motivation and support their growth, we will secure and develop a diverse workforce that embraces challenges and co-creates.

In addition, to strengthen the alignment between management and business strategies and talent management, we are promoting the development and utilization of talent data. By compiling employees' experiences and competencies* into a database and comparing them with the organizational talent profile, we aim to facilitate strategic decision-making based on objective data—from recruitment to placement and development. By placing the right people in the right roles, we maximize the capabilities of the entire organization and strive to secure talent that serves as a source of our competitive advantage.

* Words and actions demonstrated in the process of achieving goals

Fostering “Diverse talent willing to take on challenges and co-create” by creating systems that support their growth.



From Mid-Term Business Plan (2024-2026) A Stronger Business Foundation 1-1 Talent Development and Organizational Capabilities Improvement

Management System

We have established a system in which the Sustainability Committee (Chairperson: President) and the HR Development Committee (Chairperson: Executive Officer in Charge of Innovation) engage in deliberation on key strategies and policies and monitor key initiatives. In addition, we have established specialized committees and special subcommittees as subordinate bodies to these committees, creating a framework to address human capital-related themes—such as a rewarding workplace, Health Management, and DE&I—on a case-by-case basis.

Human Capital

Human Resource Development

Policy and Commitment

With “systematic development” and “support for proactive career development” as our two pillars, we are committed to talent development based on these two core principles. In addition to company-led talent development policies, we are working to establish a development framework that emphasizes the “proactive growth” and “challenges” of each individual employee.

1 Systematic Development

With the goals of “fostering the mindset necessary to strengthen our business, acquiring knowledge and skills, and improving capabilities,” “developing talent to lead transformation,” and “strengthening management capabilities,” we conduct cross-functional, tier-based training as well as functional and specialized training aimed at enhancing expertise.

2 Support for Proactive Career Development

We are expanding our selection-based and In-house open recruitment training programs with the goals of “cultivating individual career awareness,” “providing growth opportunities for self-realization through diverse career paths,” and “highlighting each individual’s abilities and promoting personal growth.”

Initiatives

In-House Open Recruitment Business Skills Training

To support employees’ proactive learning, we introduced an open application system for sending employees to external business schools starting in fiscal year 2023. In fiscal year 2024, we launched an online “video learning service” that allows employees to choose from a wide variety of courses, thereby expanding opportunities to acquire knowledge and skills relevant to their work. Furthermore, participation in training programs also helps build a network of learners.

Elective Training Programs

Starting in fiscal year 2026, we will launch “Elective Training” as a new initiative. The program consists of on-demand and in-person components, each of which is systematically linked to specific competencies. By creating an environment where each employee can identify their challenges based on their own competencies and select the most appropriate learning opportunities, we will foster proactive growth and drive results.

[Click here for details](#)

 **Human Resource Development**

Securing Talent

Initiatives

Recruitment Activities

By combining various recruitment categories and methods, we are working to secure the diverse talent necessary for business continuity. In terms of recruitment categories, in addition to new graduate and mid-career hires, we have established frameworks such as “semi-career hiring,” which targets young talent with no prior experience in the job role but who demonstrate future potential, and “Special Appointment Positions,” which recruit individuals expected to deliver outstanding results in specific fields. Furthermore, in terms of recruitment methods, we utilize various channels—such as year-round recruitment, referral recruitment, and alumni recruitment—to reach a wide range of talent, including those with specialized expertise and diverse backgrounds.

Support for Balancing Work and Personal Life

We aim to create a workplace environment where employees can continue to thrive as their life stages change. To help employees balance child-rearing and their careers, we promote the use of “Child-Rearing and Career Counseling Sessions” and “Paternity Leave,” while also fostering understanding throughout the workplace and providing financial support through initiatives such as hosting “Baby Care Seminars” and offering a subsidy program for babysitting services. Furthermore, to ensure that employees experiencing life events such as pregnancy, childbirth, and child-rearing can continue to develop their careers over the medium to long term, we have created a “Handbook for Balancing Career and Childcare” for both employees and their supervisors.

Regarding the balance between work and nursing care for family members, in addition to establishing systems such as caregiver leave and reduced-hour work schedules, we are working to create an environment where employees can continue working with peace of mind by setting up contact points for nursing care issues and holding seminars on balancing work and nursing care.

[Click here for details](#)

 **Work-Life Balance**



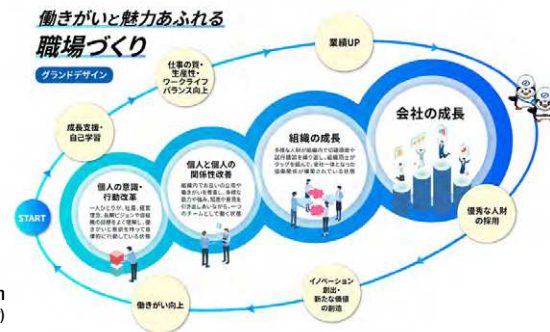
Handbook for Balancing Career and Childcare

Human Capital

Creating Rewarding and Attractive Workplaces

Policy and Commitment

We define a rewarding and attractive workplace as “one in which everyone who works at the company is physically and mentally healthy and can fully demonstrate their individual characteristics.” We are committed to creating corporate value by enhancing job satisfaction and strengthening collaboration both within the workplace and across organizational units.



[Click here for an enlarged view](#)

 **Grand Design**
(Japanese only)

Initiatives

Through one-on-one meetings between managers and subordinates, we foster changes in individual mindset and behavior. We also strive to strengthen relationships through “dialogue sessions” focused on workplace challenges and our vision for the future. In the Mid-Term Business Plan, we have established an “employee engagement score”—a KPI focused on individual job satisfaction and strengthened collaboration within the workplace and across departments—which we measure quantitatively using an external survey tool. The survey for fiscal year 2025 revealed that organizations where employees are satisfied with their one-on-one meetings have higher employee engagement scores compared to other organizations. We will continue to further promote policies that prioritize “dialogue” and work toward the continuous improvement of employee engagement.

1-on-1 meetings		
Satisfaction	Number of Organizations (by Group and project site)	Engagement score
Very satisfied	25	3.9
Satisfied	508	3.6
Not implemented	194	3.4
Dissatisfied	153	3.3
Very dissatisfied	3	3.2

Employee Engagement Score Status

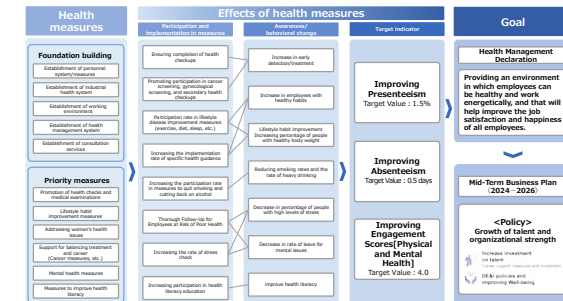
[Click here for details](#)

 **Creating Rewarding and Attractive Workplaces**

Health Management

Policy and Commitment

Maintaining and promoting the physical and mental health of our employees is essential for them to perform at their best. Based on our “Health Management Declaration,” we have established a company-wide promotion framework centered around a specialized corporate committee.



[Click here for an enlarged view](#)

 **Health Management Strategy Map**

Initiatives

We have assigned occupational health staff (health nurses and psychologists) to Corporate Headquarters and all branch offices, and we implement mental health initiatives such as pulse surveys and on-site interviews at each project site. In addition, we are continuously working on initiatives related to sleep, diet, and exercise to improve lifestyle habits, as well as addressing health issues specific to women.

[Click here for details](#)

 **Health Management**

Revision of the Personnel System

Effective April 1, 2026, we revised our personnel system and implemented a new wage system that emphasizes roles and responsibilities. By ensuring that roles, responsibilities, and performance evaluation results are reflected in compensation in a timely manner and to a greater extent, we aim to further enhance employee motivation, foster an organizational culture of mutual growth and improvement, and promote employees' comprehensive learning and development.

Human Capital

Diversity, Equity & Inclusion (DE&I)

Policy and Commitment

We promote diversity so that each employee can make the most of their unique individuality and fully demonstrate their abilities. By respecting diversity—not only in terms of race, religion, nationality, age, gender, gender identity, sexual orientation, and disability, but also in terms of expertise, values, and career paths—we aim to foster a culture where everyone can thrive and fully utilize their abilities, while further encouraging free thinking and new challenges.

[Click here for details](#)

 [Shimizu Corporation Declaration on Diversity & Inclusion](#)

Initiatives

Shin Diversity 2.0

Since fiscal year 2022, under the theme of “Closing the Gender Gap,” we have been advancing our “Shin Diversity” initiative primarily to promote the appointment of women to management positions. Regarding the non-financial KPI set forth in the Mid-Term Business Plan—“a percentage of women in management positions of 6.0% or more (by fiscal year 2026)” —our performance results for fiscal year 2025 were 6.2%*, thereby meeting our target.

Starting in fiscal year 2025, we have updated our theme to “Balancing Job Satisfaction and Life Fulfillment.” Top management, including the Chairman and female executive officers, has visited 14 divisions nationwide to create opportunities to engage with the values of diverse talent through group work and role-playing exercises.

* As of April 1, 2026



Chairman Inoue listens to the participants' discussion



Activities of Shin Diversity 2.0

[Click here for details](#)

 [Promotion of Diversity, Equity & Inclusion \(DE&I\)](#)

Employment and Active Advancement of People with Disabilities

Our company aims to create an environment where employees with disabilities can thrive in their work, and since fiscal year 2018, we have held the “Challenge Forum” annually to promote the active participation of employees with disabilities and foster a better understanding of disabilities among our workforce. At the fiscal year 2025 Challenge Forum, themed around the Deaflympics—which were held in Japan for the first time—we welcomed Mr. Naoto Yamada, head of the administrative office of the Sports Committee of the All Japan Federation of the Deaf, a public interest incorporated foundation. He gave a lecture on the history of the Deaflympics and Deaf sports, and we also invited Deaflympians currently active at our company to share their thoughts on the Games. Many executive officers and employees also visited the Deaflympics venue to cheer on the athletes.

We also held a site tour of the Shin-Meishin Hirakata Tunnel project management office for employees with disabilities. Twenty-four participants from across the country attended; they were divided into three groups based on their specific disabilities and toured the shield machine, as well as the elevator installed in the office for employees who use wheelchairs.

Regarding the non-financial KPI set forth in the Mid-Term Business Plan—“Percentage of employees with disabilities of 2.7% or more (FY 2026)” —the performance results for FY 2025 were 2.5%.



Site tour of the New Meishin Hirakata Tunnel project management office



Construction site office lift for wheelchair users

Promoting Understanding of the LGBTQ+ Community

To deepen understanding of the LGBTQ+ community, expand the circle of “ALLIES” who support them, and create a workplace environment where everyone can shine as their true selves, we have created original merchandise that declares our status as ALLIES. In fiscal year 2025, we received the Gold Certification—the highest rating—for the second consecutive year under the PRIDE Index, which recognizes companies implementing LGBTQ+ initiatives.

Monozukuri (Superb Craftsmanship) Capital

Quality

Policy and Commitment

For our company, which is in the Monozukuri business, quality is the cornerstone of our operations. Guided by our quality slogan—"Crafting with Dedication and Pride: Building 'Shimizu Quality' Together"—we value each individual's passion for Monozukuri and work systematically to ensure quality through effective communication and teamwork with our partner companies.

Management System

Quality Management System

We have established and operate a Quality Management System (QMS) to ensure quality in accordance with our business fields, such as building construction and civil engineering.

The QMS defines the matters we must implement at every stage of a project—from sales, planning, and design through construction and maintenance—but across all business fields and stages, "accurately understanding and fulfilling our clients' requirements" remains a key priority. By operating the QMS appropriately, we strive to enhance client satisfaction and further improve our systems.

Initiatives

"QC (Quality Control) Day" Event

As part of our initiatives during Quality Month every November, we hold a company-wide "QC Day." The purpose of this event is to ensure we steadfastly uphold "quality"—the cornerstone of our business—by "passing on" the lessons learned from past defects and taking a fresh look at the current state of our quality control. We aim to use this event to raise each employee's awareness of quality and to invigorate our company-wide quality control efforts.

[Click here for details](#)

 **Quality and Customer Satisfaction**



Scenes from the "QC Day" Event

Building Construction Business Preventive Quality Management through Branch Quality Management Department Inspections

The Quality Control Departments at each branch conduct site visits to projects currently under construction (construction sites) to provide guidance on technical risks and other matters from an objective perspective and to coordinate responses with relevant departments. Furthermore, the Building Construction Headquarters monitors the activities of each branch and works to continuously improve quality control activities across the entire building construction business by identifying challenges and sharing information.



A Scene from a Project Site Audit Conducted by the Building Construction Headquarters

Civil Engineering Business A "sincere and humble" mindset toward Monozukuri (craftsmanship) and the practice of "taking ownership"

Civil engineering projects encompass many types of work, including dams, tunnels, bridges, and shields. In the Civil Engineering Business, we cultivate strong engineers with high technical skills, sound judgment, and broad knowledge through a variety of educational programs. Experienced engineers leverage the latest technologies to carry out their work.

Moreover, in civil engineering projects, we are committed to enhancing the construction process quality through organizational efforts, including the implementation and follow-up of quality management systems at each site by the construction departments, and technical support for quality issues and technical discussions by specialized departments. Furthermore, to avoid repeating the same mistakes, we are working on defect prevention by taking a "personalized" approach.

Through these initiatives, we are dedicated to delivering high-quality structures that exceed our clients' expectations. Management System

Engineering Business Strengthening the Quality Foundation Through the Accumulation and Deepening of Technology and Expertise

In order to manage projects end-to-end—from planning and design through construction and maintenance—we are strengthening the foundation of our quality control activities by accumulating and deepening our technical expertise and know-how based on our performance results and experience.

We value the principle of not repeating past mistakes, actively practice risk communication by sharing our awareness of issues, challenges, and the facts surrounding failures to drive problem-solving, and top management itself is committed to fostering an organizational culture with a high level of psychological safety regarding the disclosure of negative information, such as risks and failures.

Monozukuri (Superb Craftsmanship) Capital

Health & Safety

Policy and Commitment

Our company upholds “the principle of respect for human life and human beings” as our fundamental management principles, and we make the protection of our employees’ lives and health our top priority in all corporate activities. Based on our Basic Health and Safety Policy, we will promote the creation of a safe and comfortable workplace environment and the establishment of a safety culture, and we are committed to further raising the standard of our “safety culture” throughout the entire organization.

Company-wide Health and Safety Plan for Fiscal 2026

Goals: “Zero” Fatal/Serious Accidents, Public Accidents, Fires, and Utility Line Damage Accidents

- Key Measures:**
1. Eliminate fall and drop-related accidents
 2. Eliminate construction machinery and crane-related accidents
 3. Eliminate collapse-related accidents
 4. Eliminate public accidents, infrastructure damage, and fire incidents
 5. Prevention of heat stroke incidents

Management System

Our company has appointed the Executive Vice President and Representative Director as the Officer in Charge of Safety and Environment, establishing a system to oversee company-wide occupational health and safety. On the operational level, the General Manager of the Safety & Environment Division is responsible for planning and implementing policies, and reports and deliberations are conducted through the “Safety & Environment Committee.” This committee deliberates on important matters, such as the formulation of the company-wide Health and Safety Plan and measures to prevent the recurrence of major disasters and accidents, thereby enhancing the effectiveness of safety management.

Construction Occupational Health and Safety Management System

Our company strictly adheres to a “preventive safety management” approach that accurately identifies potential hazards and risks. At every project site, we identify hazardous operations during project commencement meetings and conduct detailed risk assessments before construction begins, ensuring that reliable risk mitigation measures are implemented. Furthermore, based on the Occupational Health and Safety Management System (COHSMS) we introduced in 2001, we are committed to continuously improving our health and safety standards by effectively implementing the PDCA cycle.

[Click here for details](#)

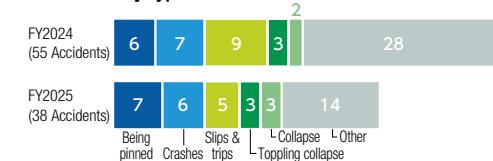
 **Initiatives in Health & Safety**

Initiatives

Accident Situation

In fiscal year 2025, two fatal accidents occurred both domestically and internationally. Both were incidents involving heavy machines; we take the gravity of these incidents very seriously and are committed to implementing thorough recurrence prevention measures company-wide. Meanwhile, regarding accidents over 4 days lost time injury, our performance results showed a frequency rate of 0.53 compared to our KPI target of 0.57. We also saw a significant reduction in fall accidents, which have been a priority measure in our safety policies.

Breakdown by Type of Accident



Holding of the “Health and Safety Promotion Conference”

On June 17, we held the “Health and Safety Promotion Conference” at the Bunkyo Civic Grand Hall. During the conference, we earnestly reflected on the accidents that occurred last fiscal year and shared a steadfast commitment across the entire Group to achieving zero fatal accidents. The President once again emphasized the importance of all employees taking personal responsibility for “protecting their own lives and health, as well as those of their colleagues.”



Health and Safety Promotion Conference

President’s Safety Patrol

In conjunction with “National Safety Week” and “National Occupational Health Week,” our company conducts on-site safety patrols led by the president. In addition to checking on construction progress and safety measures, the president directly urges workers to adhere to work procedures and basic rules, and to thoroughly implement heat stroke prevention measures. Through dialogue with project site personnel, the president directly conveys our management principles of respect for life and respect for people, thereby striving to enhance safety awareness company-wide.



President’s Safety Patrol

Monozukuri (Superb Craftsmanship) Capital

NOVARE Academy

Facility Overview

NOVARE Academy is one of the facilities located within our innovation hub, “Smart Innovation Ecosystem NOVARE” (▶P.73). Through practical, experience-based training, it cultivates talent to support the construction industry while also working to improve technical capabilities and quality. As such, it serves as a “strategic training hub” that supports the establishment of our sustainable competitive advantage.

Initiatives

Conducting hands-on training using the industry's largest life-size mock-up

Using the industry's largest full-scale mock-up—a realistic reproduction of a project site—we provide hands-on training based on the principles of “see, touch, and try.” This experiential education, which moves beyond traditional classroom instruction, accelerates trainees' skill acquisition and yields results that directly impact profitability, such as stabilizing construction quality on-site and reducing rework.

In addition to our own employees, approximately 5,300 people annually—including overseas national staff and employees from Group companies—participate in these programs. The facility serves as a hub for sharing and instilling our company's quality standards and values across our global operations. Furthermore, participant surveys indicate improved engagement, demonstrating that this facility contributes to boosting employee morale and fostering a sense of belonging among all employees, including those at Group companies. Furthermore, the facility accommodates student tours, helping to foster an understanding of the construction industry and thereby contributing to the discovery of future talent who will lead the sector. These initiatives lead to the growth of trainees, the enhancement of organizational capabilities, and the discovery of future talent, serving as the driving force behind our corporate value.



Reinforcement inspection training using mockups



Safety training center to hone employees' KY (safety precaution) skills

[Click here for details](#)

 **NOVARE Academy (Japanese only)**

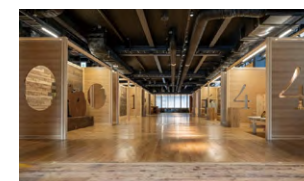
TOPICS

The Complete Reconstruction Project for Tokyo Mokokujou Arts & Crafts Furnishings Is Complete

Since its establishment in 1884 as a timber cutting and joinery workshop, Tokyo Mokokujou Arts & Crafts Furnishings has been responsible for preserving and advancing our company's woodworking techniques, having worked on numerous structures, including historic buildings. It serves as the core hub of our woodworking technology, carrying on the traditional craftsmanship of our master artisans while also pursuing technological innovation. To further develop this role, we completed a full-scale renovation in February 2026. The new facility consists of a “Woodworking Factory” and a “Visitor Center.” The Factory Building houses processing machinery incorporating advanced technology, while the Visitor Center showcases the appeal of wood through a museum and wood education programs (Mokui-ku). Moving forward, we will continue to preserve traditional techniques and, as a “showcase of wood culture, technique, and allures,” contribute to the creation of new value and the development of a sustainable society.



Woodworking factory



The museum in the visitor center

Message from the General Manager of Tokyo Mokokujou Arts & Crafts Furnishings

Exploring the Potential of Wood Under the Theme of “Tradition and Innovation”

Tokyo Mokokujou Arts & Crafts Furnishings is a hub that, grounded in “tradition”—the passing down of woodworking techniques cultivated over the years to the next generation—takes on the challenge of “innovation” by exploring new possibilities inherent in wood through the development of woodworking technologies. While we aim for efficient Monozukuri by utilizing state-of-the-art equipment, we also practice “craftsmanship focused on quality,” ensuring that the final finishing touches are performed by master craftsmen who know wood inside and out. Moving forward, we will continue to meet our clients' expectations under the theme of “Tradition and Innovation.”



Yukiya Kiyota

General Manager, Tokyo Mokokujou Arts & Crafts Furnishings

[Click here for details](#)

 **Tokyo Mokokujou Arts & Crafts Furnishings**

Intellectual Capital

Technology Development

Policy and Commitment



Shuji Kakegawa

Managing Officer
Director, Institute of Technology

Since establishing the Institute of Technology in 1944—the industry's first research organization—we have pursued value creation that stays ahead of the times under the motto “Shimizu: The Technology Leader.” Intellectual capital is a fundamental component of our business and management foundations that is indispensable to realizing our vision of a “Smart Innovation Company,” and we are advancing technological development to help create a safe, secure, and sustainable society. We will resolve the labor shortage by revolutionizing productivity at project sites through the use of AI and robotics, while also building resilient buildings and infrastructure to create a resilient society. At the same time, we will drive market development in new growth areas such as carbon neutrality and space. Furthermore, we conduct technology development aligned with our business strategy through

a company-wide, cross-functional approach, and by rapidly applying cutting-edge R&D results to our actual business operations, we contribute to solving societal challenges.

Management System

With the Institute of Technology at its core, we are advancing technological development through close collaboration with various business departments, including Building Construction, Civil Engineering, and Engineering. Our development infrastructure now consists of two bases—the Institute of Technology in Etchujima, Koto Ward, and the “NOVARE Lab,” which opened in 2023—significantly strengthening our research and development capabilities. Six centers conducting research across multiple disciplines are located at both sites, carrying out research and development to address a wide range of challenges.

We accelerate the societal implementation of our technologies by quickly delivering development results to project sites and repeatedly verifying and refining them there. At NOVARE Lab, in addition to large-scale experimental spaces, we utilize a space integrated with the NOVARE Hub—a platform for co-creation of innovation—to foster innovation by fusing internal and external expertise. Through the demonstration and dissemination of our technologies, we will continue to create new technologies and value to realize a sustainable future society where people can truly experience a sense of prosperity.

Initiatives

Construction Process Reform — Building Construction Sector —

We are promoting the practical application of AI robots (physical AI) at project sites with the aim of addressing labor shortages and improving productivity and safety through initiatives such as site patrols by humanoid robots and painting work performed by robotic arms. At the same time, we are strengthening the foundation for optimizing construction management through digital twin technologies such as “VRSnapi” to visualize construction procedures, as well as AI-powered automated crack detection. Our Spray-based 3D concrete printing system automatically fabricates complex components with high speed and precision, accelerating the full automation of concrete construction. We will continue to pursue labor savings, productivity improvements, and high-quality manufacturing across the entire project site through the integration of AI, robotics, and digital technologies.



A humanoid robot that successfully completed a construction site demonstration of autonomous site patrols



A twisted wall created using a Spray-based 3D concrete printing system

Construction Process Reform — Civil Engineering Sector —

The AI-equipped autonomous bulldozer “Smart Dozer®” successfully performed unmanned leveling on a project commissioned by the Ministry of Land, Infrastructure, Transport and Tourism, while the “Shimizu Smart Tunnel”—which integrates robotic construction with AI-based safety management—achieved a 40% reduction in manpower at an actual mountain tunnel project site. Furthermore, we are accelerating the implementation of technologies that augment human capabilities, such as automated excavation and loading by hydraulic excavators. We will continue to promote the widespread adoption of “labor-saving and unmanned construction,” in which multiple construction machines operate in coordination to improve productivity by leveraging AI to assess the project site environment in real time.

* Smart Dozer is a registered trademark of Shimizu Corporation in Japan.



Smart Dozer® for autonomous construction

[Click here for details](#)



News Release |
Development of a Spray-based 3D Printing System for Constructing Large Curved Components



Business Topics |
Next-Generation Tunnel Construction System: Shimizu Smart Tunnel

Intellectual Capital

Initiatives

Decarbonization and Environmental Considerations — Development of New Construction Materials —

“SUSMICS-C,” a biochar concrete that achieves carbon negativity, utilizes plant-derived biochar to sequester CO₂. Its strengths lie in its ease of production—it can be manufactured at standard ready-mix concrete plants—and its high quality. In addition to “SUSMICS-C,” which was adopted for a project commissioned by the Ministry of Land, Infrastructure, Transport and Tourism, there is “SUSMICS-Cs” for structural use (first applied at our Tokyo Mokkoujou Arts & Crafts Furnishings), and “SUSMICS-Ca”—a low-ammonia specification designed for semiconductors and works of art (scheduled for use at the Izumi Art Museum, opening in 2029)—we are advancing technological development and social implementation to meet a diverse range of needs.

We have applied “DAC Coat”—a coating that converts existing concrete structures into CO₂ sinks—to the exterior walls of the Shinagawa Ward Third Government Building for the first time. Through verification monitoring at this site, we are working to achieve widespread adoption and general applicability.



Gate and Wall Constructed Using SUSMICS-Cs
(Our Tokyo Mokkoujou Arts & Crafts Furnishings)

Decarbonization and Environmental Considerations — Development of New Structural Construction Methods —

“Shimizu Hy-wood,” a wood-based hybrid technology that optimally combines wood, steel, and concrete to achieve both design excellence and cost-effectiveness, has been adopted in projects such as the Dai-ichi Life Kyobashi Kino Terrace, which boasts the largest volume of wood used in Japan. The “Slim Fire-Resistant Wood” fire-resistant wooden columns and beams have achieved both improved productivity—by halving the number of work steps—and a cost reduction of approximately 20% through the transition from wet-process to semi-dry construction methods. We will continue to expand the adoption of wood-based structures in medium- to large-scale buildings.

Furthermore, during the reconstruction of a super-tall building, we applied the innovative new underground construction method “Re-GENUS BASE” for the first time in the southern section of the Uchisaiwaicho 1-chome block. This method eliminates the need for conventional processes such as backfilling and temporary piles, instead utilizing the existing foundation to construct the new structural frame. Having demonstrated significant results—including a 13-month reduction in construction time and a reduction of approximately 9,000 metric tons in CO₂ output—we will actively promote this method going forward to secure a competitive edge in winning orders for the reconstruction of super-tall buildings.



Construction progress at Re-GENUS BASE

[Click here for details](#)

 **Sustainable Construction Using Biochar**

Technological Development for Offshore Wind Power

In the field of floating offshore wind power generation, we are collaborating with Dublin Offshore Technology of Ireland (▶P.74) to develop a load relief device (LRD) that will cut the cost of the mooring system—which accounts for just over 20% of construction costs—in half. Through mass-production design and the establishment of a supply chain, we aim to become a market leader in the Asia-Pacific region.

Building Next-Generation Infrastructure in Outer Space

In addition to developing technology for manufacturing rocket fuel tanks using WAAM (metal additive manufacturing) technology through a co-creation effort with JAXA, we have begun joint discussions with ispace toward the construction of a lunar data center. Building on the space construction technology we have cultivated, we will establish a first-mover advantage in infrastructure development within the future lunar economy.

Development of Cutting-Edge AI Applications

We are driving digital transformation (DX) in construction management by integrating video search and summarization (VSS) technology with generative AI (RAG). We have digitized traditional visual management at the project site and safety management, and have built a system that not only detects hazardous behaviors from camera footage but also instantly and automatically generates context-specific safety measures and instructions based on historical project site records. This technology, which enhances both safety and productivity, was recognized as the only case study from the construction industry presented at “NVIDIA AI DAYS TOKYO 2025.” Looking ahead, we plan to actively promote its implementation in society, with an eye toward expanding into the logistics, manufacturing, and disaster prevention sectors.

We are also participating in the AI Suitcase Consortium and are jointly developing the “AI Suitcase,” which supports the independent mobility of visually impaired individuals. A key feature of this technology is that it enables users to navigate safely and independently through complex, crowded environments—a task that was previously difficult—by leveraging AI for advanced situational awareness and obstacle avoidance. We have confirmed its effectiveness through field trials at the Expo 2025 Osaka, Kansai, Japan, and we will accelerate its societal implementation based on the data we have accumulated.



AI Suitcase

Intellectual Capital

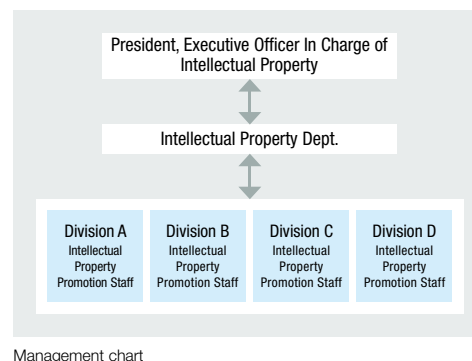
Intellectual Property

Policy and Commitment

The construction industry is built on a foundation of technologies developed to meet a wide variety of client needs. It operates in an extremely competitive environment where a broad range of specialized technologies are integrated in sophisticated and complex ways. In this context, differentiating ourselves through technical expertise is essential to achieving sustainable growth and ensuring that clients continue to choose us. We view intellectual property not merely as a collection of rights, but as a “strategic asset” for building competitive advantage, and we are promoting an intellectual property strategy closely aligned with our technology strategy.

Management System

By making the Intellectual Property Dept. a unit under direct operations of the president—thereby creating a structure that can directly reflect management’s intentions—we are promoting swift, company-wide intellectual property activities. We have assigned “Intellectual Property Promotion Staff” to each division within the company to serve as liaisons with the Intellectual Property Dept., thereby establishing a system in which not only engineers but all employees are mindful of the efficient and strategic creation and utilization of intellectual property.



Initiatives

Acquiring Intellectual Property to Build a Competitive Advantage

We pool the company’s collective strengths to co-create technologies, designs, and brands that contribute to enhancing our current and future corporate value, and we file applications for and secure intellectual property rights for them. Focusing on core technologies in our priority areas of technology strategy, we ensure thorough protection through intellectual property rights and differentiate ourselves from competitors to build a sustainable competitive advantage.

Patent Rights	2,463
Design Rights	58
Trademark Rights	553

Status of Intellectual Property Rights
(As of the end of March 2026)

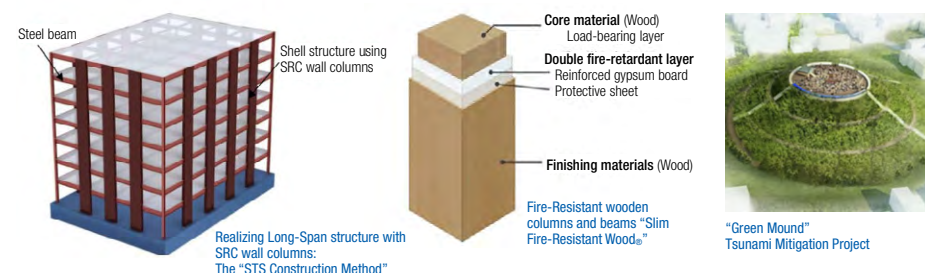
Open Licensing of Technology

In August 2025, as a first-of-its-kind initiative in the construction industry, we opened up access to over 200 of our construction-related patented technologies to external parties. We have systematically made these patented technologies public on our corporate website and established a system that makes them easily accessible to many construction-related companies—including our industry peers—by setting low, fixed annual licensing fees. The purpose of this initiative is not to increase revenue through licensing, but to promote the mutual use of patented technologies.

In the construction industry, inefficient duplicate investment—where “each company independently develops similar technologies” as part of its strategy to compete for orders received—has been a major challenge. Through this initiative, we aim to curb duplicate investment by promoting the mutual use of technologies within the industry. By concentrating limited development resources, we will accelerate the development of advanced and innovative technologies, thereby improving productivity and raising the overall technological standard across the entire industry. Furthermore, it will contribute to solving structural challenges facing the construction industry, such as a shortage of workforce and an aging workforce.

This initiative is a symbolic measure in the strategic utilization of intellectual property under our “Open-Close Strategy.” In March 2026, we carried out our second round of patent release, bringing the cumulative total of released patent technologies to over 400. We plan to continue gradually expanding the scope of patents subject to release, with the ultimate goal of making approximately half of our held patents available. By widely contributing our technologies back to society, we aim to establish a new model of “co-creation and competition” within the construction industry.

Examples of Open Licensing of Technology



* Slim Fire-Resistant Wood is a registered trademark of Shimizu Corporation in Japan.

Intellectual Capital

Mid-Term DX Strategy (2024-2026)

Overview of the Mid-Term DX Strategy (2024-2026)

We have formulated our Mid-Term DX Strategy (2024–2026) to realize our vision of becoming a “Smart Innovation Company” that delivers new value to society through innovation in business structure, technology, and talent. This strategy aims to create value by maximizing the company's comprehensive strengths and enhances cross-functional collaboration through digital transformation (DX). As strategic goals, we have set “Work Process Revamp” to unify data flows across the organization and “Management with the Maximum Use of Data” by integrating operational data with market data. To achieve these goals, we are advancing initiatives based on three priority measures: “Establish Cross-Organizational DX Driver,” “Nurture/Hire Requisite Talent,” and “Build a Resilient Foundation.”



[Click here for details](#)

[Mid-Term DX Strategy \(2024 - 2026\)](#)

We view AI not merely as a tool, but as a core element for reforming our corporate culture and management foundations, and we are advancing its use in a multifaceted manner—from improving work efficiency to creating new businesses. Going forward, we aim to significantly boost productivity by accelerating the field-driven adoption of generative AI and deepening automation through AI agents powered by our data integration platform. Furthermore, with the goal of strengthening our business competitiveness and enhancing client value, we will continue to focus on creating new business models centered on AI.



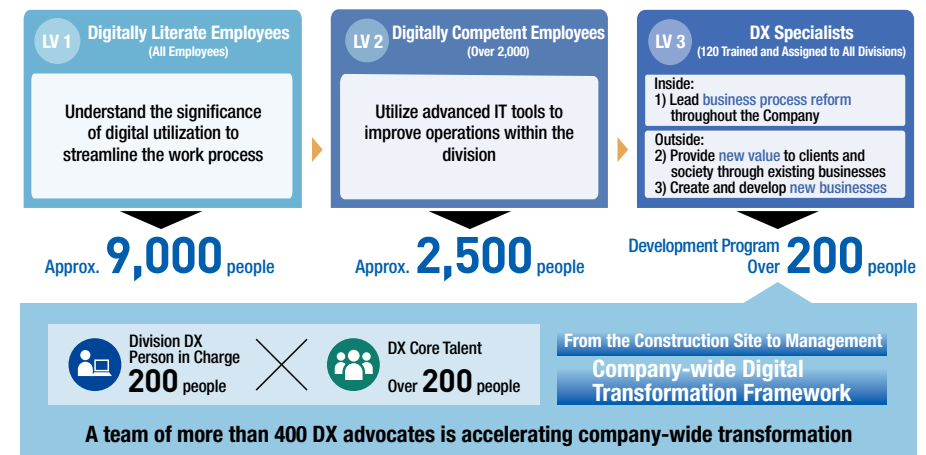
Our company has recently been selected as a “DX Company to Watch 2026” by the Ministry of Economy, Trade and Industry and the Incorporated Administrative Agency for Information Technology, Japan. This marks the second consecutive year we have been selected as a DX Company to Watch.

Initiatives

Nurturing DX Talent

Shimizu Digital Academy

In a rapidly changing environment, we are systematically developing DX talent capable of continuously innovating business processes and business models to meet the diverse needs of our clients and society. In April 2024, we launched the “Shimizu Digital Academy” and rolled out a training program to nurture DX Specialists responsible for planning and driving DX initiatives, starting with efforts to improve digital literacy across the entire organization.



Spreading a Digital Transformation Mindset Across the Global Organization

Organized by Global Business Headquarters, the “DX1 Grand Prix” was held to discover employees with hidden DX talent among our more than 3,900 employees. In its inaugural year in 2026, 232 employees from 52 teams across 18 countries participated. Six teams that advanced through the document and video screening rounds delivered presentations in the finals, with the Malaysian team emerging as the inaugural champion. Innovative ideas originating from project sites continue to emerge one after another, and a culture of mutual appreciation for taking on challenges is steadily taking root.



Scene from the announcement of the overseas teams for the DX1 Grand Prix

Intellectual Capital

Initiatives

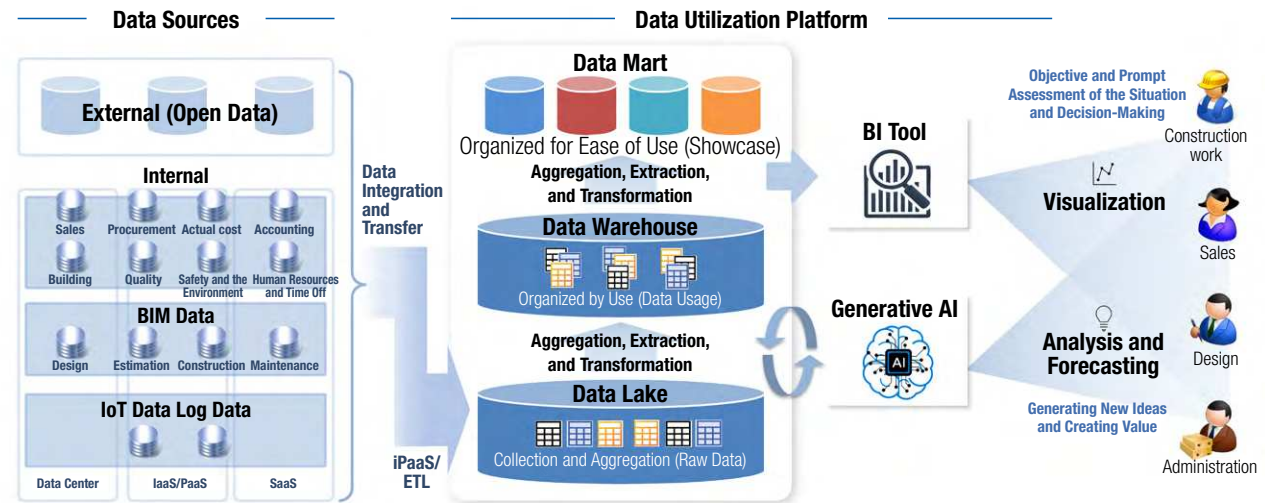
Data and AI Utilization

Transforming Project Sites and Management with Data and AI

We aim to go beyond mere work efficiency to realize “Management with the Maximum Use of Data” and transform both the front lines and executive management.

To achieve this, we have established an organization specializing in data utilization and are advancing on two fronts: building the necessary infrastructure and developing talent. We have thoroughly standardized data management—a prerequisite for AI utilization—and built a data utilization platform that enables the cross-functional use of data scattered throughout the company.

In addition, to improve employees' data utilization skills, we have held numerous hands-on training sessions. As a result, over the past three years, the number of users of BI tools for data analysis has increased approximately 5.5-fold, and the number of users of generative AI has increased 8.5-fold. Many employees now routinely use AI in their daily work to support their tasks by leveraging information from internal rules, operational manuals, and relevant laws and regulations, leading to a steady improvement in productivity.



Overview Diagram of the Data Utilization Platform

Fostering an AI-Driven Corporate Culture

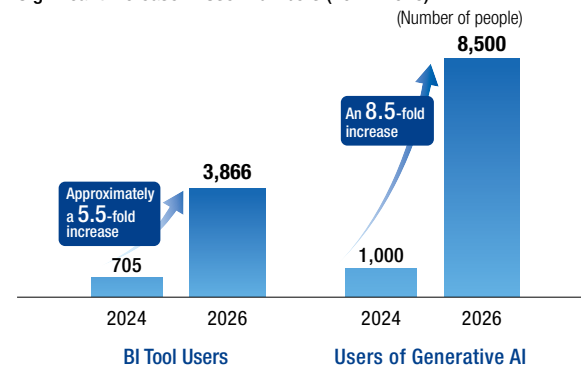
As the company-wide adoption of generative AI progresses, we held an internal roundtable discussion bringing together AI advocates. Numerous examples were shared of employees—from junior staff to senior executives—actively utilizing AI to independently solve workplace challenges. We are fostering an environment where AI feels accessible, facilitating the sharing of knowledge across organizational boundaries and helping an “AI-driven corporate culture” take root throughout the company.

Furthermore, we place great importance on governance based on the “Shimizu Group Basic AI Policy (▶P.68).” By establishing a framework for appropriate and responsible AI use to address the ethical risks associated with technology, we aim to become a leading company in sound AI utilization, built on a foundation of public trust.



Smart Control Center (Digital Twin) for centralized management of construction site data

Significant Increase in User Numbers (2024–2026)



Social and Relational Capital

Supply Chain

Policy and Commitment

To build a sustainable supply chain with our partner companies—who are valued partners of the Shimizu Group—we have established the “Shimizu Group CSR Basic Procurement Policy,” which outlines the fundamental stance our Group should adopt. In addition, we have established the “Shimizu Group CSR Procurement Guidelines” to encourage our partner companies to implement initiatives in line with our basic procurement policy regarding compliance with laws and regulations, respect for human rights, environmental consideration, and quality assurance. We also ask our partner companies to encourage

their business partners and affiliated companies to adopt initiatives based on these guidelines.

Shimizu Group CSR Basic Procurement Policy

1. Compliance with laws, regulations, and company rules, and respect for social norms
2. Fair, equitable, and good-faith transactions
3. Building good partnerships with suppliers
4. Respect for human rights
5. Consideration for the environment
6. Quality and delivery assurance
7. Promoting health and safety
8. Pursuing reasonable costs
9. Ensuring information security
10. Contributions to society
11. Disaster response

Management System

We have established the Sustainability Committee (chaired by the President), which deliberates on and determines policies and priority measures related to supply chain management and sustainable procurement, as well as disclosure of supply chain-related information. For particularly important matters, we have established a governance structure in which reports are made to the Board of Directors for oversight.

Shimizu has also established specialized committees and subcommittees as subordinate bodies of the Sustainability Committee to examine supply chain-related issues and submit their findings to the Committee. In addition, we have put in place a structure under which matters deliberated on and determined by the Committee are communicated as instructions to the relevant functional divisions and departments, or under which reports are received from them.

[Click here for details](#)  Supply Chain

Initiatives

Questionnaire Survey on Status of Initiatives Related to Shimizu Group CSR Procurement Guidelines

We conduct surveys every two years to ensure that the Shimizu Group CSR Procurement Guidelines are fully understood by our partner companies. We compile and analyze the survey results and implement various initiatives in collaboration with our partner companies to promote compliance with these guidelines.

[Click here for details](#)  Results of Questionnaire Survey on Status of Initiatives Related to Shimizu Group CSR Procurement Guidelines

Shimizu Rengo Kanekikai, a Nationwide Association of Subcontractors and Suppliers

The Kanekikai was established as the Kaneki (ㇿ) Koshokai in 1889. Shimizu has overcome numerous obstacles through its close bond with the Kanekikai, and have progressed to where we are today with the Kanekikai as an important partner. We will continue to work in tandem with the Kanekikai to pass on technologies, ensure safety, solve many challenges, and contribute to improving the appeal of the construction industry.



Company coat imprinted with the Kanekikai crest

TAKUMI TRAINING CENTER

With the aim of developing and securing skilled workers, we operate the “Takumi Training Center” educational facility in collaboration with Kanekikai. In addition to orientation for new hires, this facility offers a variety of curricula tailored to participants’ work experience and skill levels.



Exterior view of TAKUMI TRAINING CENTER (Funabashi-shi, Chiba Prefecture)

Partner Companies Committed to Decarbonization

We are currently actively promoting alliances with companies working toward decarbonization. On our corporate website, we highlight the initiatives of our partner companies that are working toward decarbonization.

Social and Relational Capital

Human Rights Initiatives

Policy and Commitment

The Shimizu Group works to establish a corporate culture that respects human rights. We do this to ensure that each and every officer and employee respects diversity, unique character, and individuality, and does not discriminate on the basis of ethnicity, religion, nationality, age, sex, gender identity, sexual orientation, or disability. Furthermore, our officers and employees do not engage in harassment that damages the dignity of any individual, and do not tolerate such acts by others. We also respect the freedom of association and the right to engage in collective bargaining, and prohibit child labor and forced labor in any form.

[Click here for details](#)  [Shimizu Group Human Rights Policy](#)

Management System

We have established the Company-wide Human Rights Education Promotion Committee under the Sustainability Committee to formulate and implement annual policies and specific company-wide measures in line with the Shimizu Group Basic Human Rights Policy.

Decisions made by the Company-wide Human Rights Education Promotion Committee are implemented under the supervision of Division Human Rights Education Promotion Committees by employees specifically tasked with human rights promotion at each division.

Initiatives

Due Diligence on Human Rights

From a business sustainability standpoint, we continuously conduct human rights due diligence to identify, prevent, and mitigate adverse human rights impacts in our core construction business.

We conduct traceability surveys to confirm whether any human rights violations are present in the supply chain. We conducted surveys on granite and formwork plywood in fiscal year 2024, and on steel and glass in fiscal year 2025.

Shimizu Group Basic AI Policy

As the adoption of generative AI services and the use of AI at construction sites continue to expand, we have formulated the Shimizu Group Basic AI Policy to serve as a guideline for maximizing the use of AI while taking into account risks such as infringement of rights and information leakage.

[Click here for details](#)  [Human Rights Initiatives](#)  [Shimizu Group Basic AI Policy](#)

Community Partnerships

Policy and Commitment

To coexist with society, we not only build and maintain positive relationships with local communities but also actively promote social contribution activities. Overseas, we not only comply with international rules and local laws but also respect the culture and customs of each country and strive to contribute to local development. Furthermore, in the event of natural disasters such as major earthquakes, we carry out disaster response activities promptly and in an organized manner to fulfill our corporate social mission and role and contribute to society.

Initiatives

Promoting Regional Healthcare Collaboration in Kumamoto Prefecture

In August 2025, our company, Kumamoto Prefecture, and Kumamoto University Hospital entered into a comprehensive partnership agreement regarding disaster medicine. This agreement aims to jointly promote regional medical collaboration, in which medical institutions work together to provide medical relief during disasters. We will leverage our experience—including the development of “Hub360,” an in-hospital information-sharing platform that supports rapid decision-making regarding the admission of emergency patients, as well as the formulation and effective implementation of timelines to maintain medical care systems and ensure the continuity of medical operations during disasters—to enhance regional healthcare resilience.

Participating in the Hie Jinja “Sanno Festival” ~ Together with the Local Community ~

In June 2026, the “Sanno Festival” at Hie Jinja (Shrine)—considered one of Japan’s Three Great Festivals—was held. As a member of the parishioners’ community and a special patron of the shrine, our company participated in the “Shinkōsai” procession and the mikoshi parade organized by the Federation of Parishioners’ Neighborhood Associations. A total of 111 employees from our company and group companies joined local residents in bringing the festival to life. We will continue to work together with the local community to promote activities that help preserve Japan’s traditional culture and contribute to the development of our local Kyobashi neighborhood.



Participants carrying the mikoshi in a procession

Natural Capital

Environmental Management

Policy and Commitment

SHIMZ Beyond Zero 2050

The Shimizu Group has formulated our environmental vision under the title of SHIMZ Beyond Zero 2050. We have defined the sustainable society we are aiming for in that vision as a zero-carbon society, a material circulation society and symbiotic society. We have stated that we are aiming to proactively provide positive environmental value to our clients and society in addition to eliminating the negative impact from our activities by 2050 (Beyond Zero).



[Click here for details](#)

[SHIMZ Beyond Zero 2050](#)

Management System

Basic policies and measures related to environmental issues are deliberated by the Sustainability Committee (Chair: President). The Committee is composed of the officer responsible for sustainability as Vice Chair, the officer responsible for safety and environment, and officers responsible for each business division. It deliberates on the identification and evaluation of climate-related risks and opportunities and monitors progress toward CO₂ emission reduction targets. The results of these deliberations are reported to the Board of Directors, which exercises oversight. Key decisions regarding environmental issues are communicated to business divisions, including branches, and group companies through the Environmental Management Meeting and the Group Company Environmental Management Meeting. Through this structure, the Shimizu Group has established an environmental governance system that also encompasses major suppliers.

[Click here for details](#)

[Environmental Management](#)

Strategy

In October 2025, we established a roadmap toward achieving our group environmental vision, SHIMZ Beyond Zero 2050. To realize this vision, we have set environmental KPIs through 2050, including interim targets for 2030 and 2040, across three key areas: decarbonization, material circulation, and coexistence with nature. We are advancing a range of measures to achieve these targets.

Road Map (Decarbonization)

*The base year is FY2023. Scope 3 represents the combined total of Category 1 and Category 11.

		2026	2030	2040	2050
Target KPI*	Scope 1 + 2	-12%	-37%	-71%	-100%
	Scope 3		-22%	-56%	-100%
Zero	Scope 1+2	Workplace Improve energy productivity through the use of ICT and other means Introduce biodiesel fuel Introduce of renewable energy-derived electricity			
		Expand the use of robotic construction and automated operation of heavy machinery Utilize various subsidy programs Promote electrification of heavy machinery Utilize subsidy programs and consider incentives for adoption			
		Domestic (non-consolidated) 100% Domestic consolidated 100% Global consolidated 100%			
	Company offices and vehicles	Expand the use of renewable electricity and carbon-neutral gas Make newly developed buildings ZEB in principle Introduce EV and FCV vehicles Implement ZEB renovations for existing owned buildings			
Beyond	Scope 3	Construction materials Develop low-carbon construction materials and promote wider adoption Expand the use of environmentally conscious concrete, electric-furnace steel, etc.			
		ZEB Develop ZEB-related technologies / promote ZEB proposals and wider adoption Average for new construction achieves ZEB Ready in 2027 Activities contributing to gradual improvement of ZEB			
		LCA LCCO ₂ reduction Promote proposals Establish internal system for calculating LCCO ₂ Expand LCCO ₂ reduction measures			
	Reduction contribution	Renewable energy business Promote renewable power generation projects 2030 power generation capacity Total: 300 MW Diversify generation types			
		Construct renewable energy facilities Contribute to the expansion of renewable power generation facilities Onshore wind and bottom-fixed offshore wind Floating offshore wind Next generation green energy			

[Click here for details](#)

[Road Map \(Resource Circulation\)](#)

[Road Map \(Coexistence with Nature\)](#)

Furthermore, we view the impact of climate change and natural hazards on our business as a critical business challenge. We began disclosing information in accordance with the TCFD recommendations in 2020 and the TNFD recommendations in 2024, and we update this information annually for each set of guidelines.

[Click here for details](#)

[Climate-related Financial Disclosures based on The Task force on Climate-related Financial Disclosures \(TCFD\) Recommendation](#)

[Nature-related Financial Disclosures based on the Taskforce on Nature-related Financial Disclosures \(TNFD\) Recommendations](#)

Natural Capital

Decarbonization

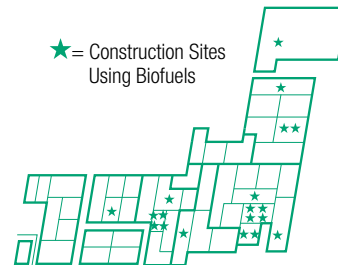
Policy and Commitment

The Shimizu Group has established greenhouse gas emissions reduction targets aligned with the 1.5°C level to achieve carbon neutrality by 2050. Based on these targets, we will not only reduce Scope 1 and Scope 2 emissions but will also actively work to reduce Scope 3 emissions throughout the supply chain.

Initiatives

Expanding the Adoption at Construction Sites for Biofuels

As an initiative to reduce CO₂ emissions at construction sites, we are promoting the on-site adoption of biofuels. Until now, adoption had been limited to construction sites in the Tokyo metropolitan area, where subsidy programs were underway; however, the use of biofuels is now expanding to construction sites across the country.



SUSMICS-C Environmentally Friendly Concrete

To achieve carbon neutrality, we have developed “SUSMICS-C,” an environmentally friendly concrete blended with biochar produced by carbonizing woody biomass. As an example of this technology's application, we poured 100 cubic meters of this concrete into the structural frame of an aggregate washing plant—a temporary structure located on the site of the “Toga Dam Main Structure Construction (Phase 1)” project (Nanto City, Toyama Prefecture), commissioned by the Ministry of Land, Infrastructure, Transport and Tourism's Hokuriku Regional Development Bureau.

Received SBT Certification (Net-Zero Targets) / Recognized as a CDP Climate Change “A” Score Company

In November 2025, we received SBT certification (Net-Zero Targets) for our goal of achieving net-zero greenhouse gas emissions across our entire value chain by fiscal year 2050. We have also been recognized as an A-rated company—the highest rating—in the CDP 2025 Climate Change assessment.



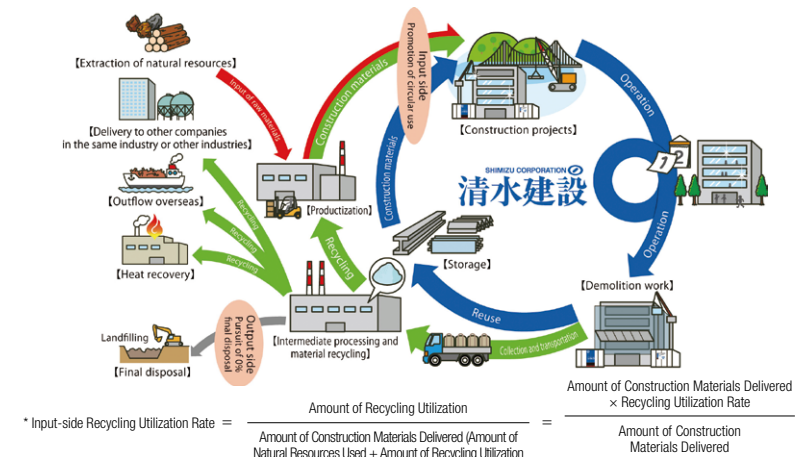
[Click here for details](#)

[Decarbonization](#)

Material Circulation

Policy and Commitment

To date, we have worked to conserve resources and reduce and recycle construction by-products by promoting 4R initiatives in our construction business activities. In our Resource Circulation Roadmap, in addition to the “end-of-life” target of achieving a 0% final disposal rate for construction by-products by 2050, we have established the “Input-side Recycling Utilization Rate*” as a new management target, conducting target setting for specific goals of at least 25% by 2030 and at least 50% by 2050.



Initiatives

Use of Electric-Furnace Steel in the Steel Frame of Dai-ichi Life Kyobashi Kino Terrace

As part of our material circulation efforts, we are promoting the recycling use of wood in steel frames. Dai-ichi Life Kyobashi Kino Terrace is a rental office building featuring a hybrid wood-frame structure characterized by a design that combines an open, airy exterior that conveys the warmth of wood with a spacious, comfortable interior free of columns. To balance architectural design with environmental performance, we used electric furnace steel—a recycled material typically employed for secondary materials such as rebar—in 70 percent of the main steel structural members. As a result, we succeeded in reducing CO₂ emissions by 17.5 percent compared to using only conventional blast furnace steel. Combining the use of the hybrid wood-frame structure with the CO₂ sequestration provided by the wood, we achieved a CO₂ reduction of approximately 37.5% compared to a steel frame construction office building of the same size.

[Click here for details](#)

[Material Circulation](#)

Natural Capital

Coexistence with Nature

Policy and Commitment

We recognize biodiversity as a key issue in environmental management and are proactively working to conserve biodiversity and promote coexistence across all our business areas, while conducting necessary reviews and striving for improvement.

In line with the international goal of “Achieving Nature-Positive by 2030,” we will reverse the loss of biodiversity caused by our offices and facilities by 2030. Furthermore, we aim to eliminate all negative impacts on ecosystems resulting from our business activities by 2050.

Initiatives

A “Rain Garden” Was Built on the Premises of the Kumamoto Regional Office

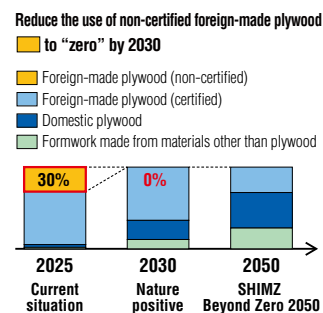
Currently, in Kumamoto Prefecture, the concentration of semiconductor-related companies has led to concerns about a sharp increase in water usage and future groundwater depletion; in addition, measures to address increasingly severe flooding are an urgent priority. To help address these challenges, we have installed a “rain garden” at our existing Kumamoto Regional Office facility. We are refining green infrastructure technologies that not only promote a society that coexists harmoniously with nature but also enable adaptation to climate change, and we will expand our business opportunities by introducing “rain gardens” in future renovation projects.



Team members posing for a commemorative photo in front of the completed rain garden

Toward Zero Use of Non-Certified Foreign Plywood by 2030

Based on the TNFD recommendations, we are analyzing our business's dependence on and impact on natural capital to identify material issues. In the upstream portion of the value chain, we view the use of wood as a key issue and have set a goal of reducing the use of “non-certified foreign-sourced plywood” for concrete formwork at our construction sites to “zero” by 2030. We are advancing these efforts in collaboration with various stakeholders, including our partner companies.



[Click here for details](#)

[Coexistence with Nature \(Biodiversity\)](#)

TOPICS

Exhibiting at GREEN×EXPO 2027

Our company will be exhibiting at “GREEN×EXPO 2027,” which will be held in Yokohama from March 19 to September 26, 2027. Our exhibit area is “Kids Village,” where children—the future of our world—can have fun while learning about nature and the world. At “Shimizu Forest Town,” which we will establish there, we will provide a space for children to learn about the global environment together through hands-on experiences that involve seeing, touching, and creating. Additionally, this facility will reuse timber that was used in “The Grand Ring” at Expo 2025 Osaka, Kansai, Japan. “Grand Ring” By putting material circulation into practice, we will pass on our vision for a sustainable future to the next generation.



Exhibition Image

[Click here for details](#)

[GREEN×EXPO 2027 \(Japanese only\)](#)

Message from the Director in Charge

What We Want to Convey Through GREEN×EXPO 2027

The construction industry is built upon the irreplaceable foundation of nature. It is our vital mission not only to minimize the environmental impact of our business activities on nature but also to actively conserve and restore it. We constantly consider harmony with nature and carry out our business while grappling with the question of how we can leave a better environment for future generations.

“Shimizu Forest Town” is a facility that embodies these sentiments. Here, children can connect with nature, experience renewable energy firsthand, and try their hand at Monozukuri (craftsmanship). We hope that the time children spend here will serve as a valuable opportunity for them to reflect on the future of our global environment. We look forward to seeing many smiling faces here.



Mika Kaneko

Senior Managing Officer,
Director, Environmental Strategy Office,
Director, GREEN×EXPO 2027 Project

Natural Capital

Environmental Pollution Prevention and Water Resources

Policy and Commitment

(1) Environmental Pollution Prevention Regarding the prevention of environmental contamination in construction projects, we will thoroughly implement the following measures: ① Treatment of construction wastewater, ② Proper treatment of hazardous substances such as asbestos and PCBs, and ③ Soil contamination countermeasures—including pre-construction review and assessment, strict adherence to procedures during construction, and proper record-keeping and storage.

(2) Water Resources We regard water as an essential resource for a sustainable society and are undertaking company-wide efforts to use water resources effectively and to reduce and avoid the impacts of water use. In our business activities, we are advancing water resource conservation from three perspectives: offices, job sites, and R&D.

- Office activities: Reduce waste, use recycled water
- Construction sites: Use the technology we possess to improve efficiency, reuse water, and manage wastewater discharge
- R&D: Research water reuse and treatment technology

Initiatives

Operation of an Environmental Management System Based on ISO 14001

In accordance with ISO 14001, we have established and operate a system to identify environmental risks and opportunities in our business activities and to continuously implement the PDCA cycle. We conduct a Top Management Review to assess the needs and expectations of internal and external stakeholders, analyze social trends, and review our internal performance results. We also prepare an Audit Report for Top Management based on information obtained through audits. The comments and instructions received from these reviews are disseminated company-wide as Top Management Directives, and we are actively engaged in environmental initiatives.

R&D Related to Water Resource Conservation including PFAS

Per- and polyfluoroalkyl substances (PFAS) are used in various products, such as coatings and foam extinguishing agents. In recent years, however, their persistence and accumulation in the environment and living organisms have been recognized as a problem, and regulations are being tightened in Japan and abroad.

We have been engaged in R&D on purification technology for PFAS-contaminated water since 2021. A field test conducted in Okinawa Prefecture to purify PFAS-contaminated water confirmed the usefulness of the technology when contaminated water with a concentration of 634 nanograms (ng) per liter was purified to a concentration of less than 1 ng per liter.

[Click here for details](#)

 [Environmental Pollution Prevention and Water Resources](#)

Forest Resources

Policy and Commitment

For the construction industry, forest resources are not simply a source of materials but are important resources that affect sustainability across environmental, social, and economic dimensions. Through the advancement of timber construction and wood-based building technologies and the promotion of forest-related businesses, Shimizu works to create a circular use of forest resources, a key social issue, through four steps: nurturing forests (forest conservation and management), protecting forests (revitalizing forestry and creating new industries), connecting forests (regional development and energy utilization), and using wood (advancing timber construction and wood-based building technologies and actively utilizing timber).

Initiatives

Agreement Signed with the Ministry of Agriculture, Forestry and Fisheries to Promote the Use of Wood in Buildings

In March 2025, our company signed an “Agreement on Promoting the Use of Wood in Buildings” with the Ministry of Agriculture, Forestry and Fisheries. Centered on our wood-based Building Construction technology, “Shimizu Hy-wood,” we will not only promote technological development aimed at wood-frame construction and the increased use of wood but also focus our efforts on expanding the “Shimizu Meguri no Mori” project, which plays a role in sustainable, circular wood utilization.



Deputy Minister Yamashita and President Shinmura sign the agreement

Primal Shinagawa-Oimachi Adopts a Wood-Frame Hybrid Structure

Commissioned by Dai-ichi Life Insurance Co., Ltd., “Primal Shinagawa-Oimachi” is an environmentally conscious building that employs a hybrid wood-frame structure (reinforced concrete construction + wood), reducing CO₂ output by approximately 7% compared to conventional reinforced concrete construction. While contributing to the forest cycle through the recycling use of wood, the project utilizes technologies such as “Hy-wood Slabs” to create a healthy and warm living space surrounded by natural wood. By balancing the environmental performance sought by clients with the well-being of residents, the project has created new value for wood-based multiple dwelling houses in urban areas.



Creating a cozy wooden space

[Click here for details](#)

 [Forest Resources](#)

Innovation

Smart Innovation Ecosystem

NOVARE



Katsuyoshi Yuhara

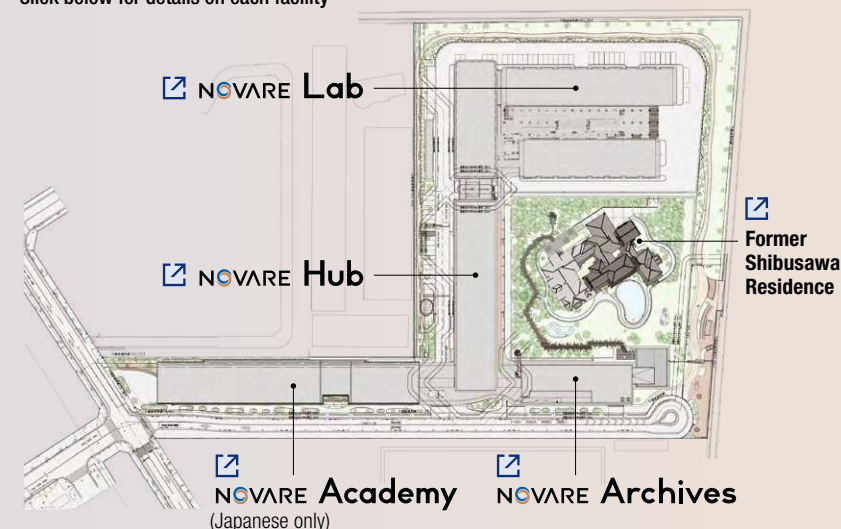
Executive Officer,
Executive Conductor, NOVARE

NOVARE is a co-creation platform designed to accelerate Shimizu's transformation into a Smart Innovation Company.

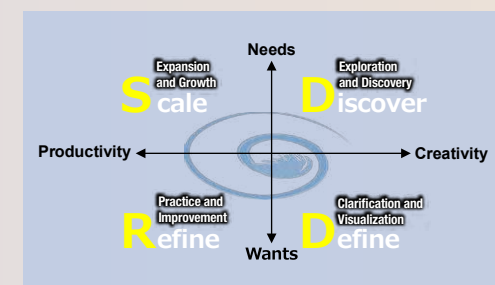
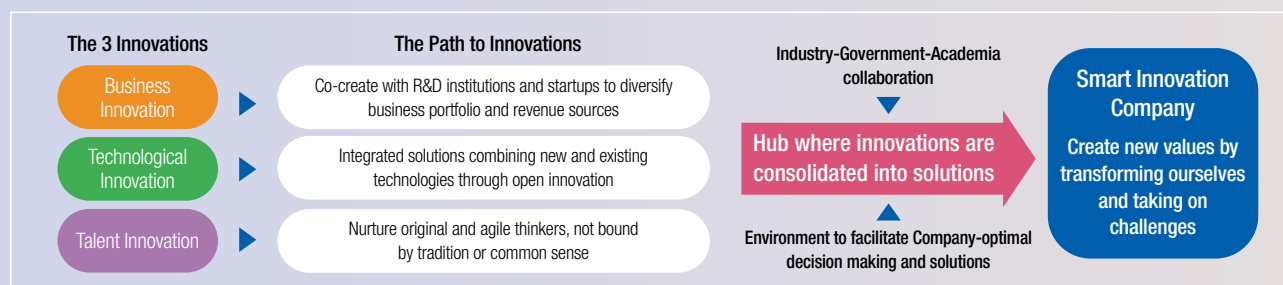
Three years since its establishment, NOVARE has organically connected its five locations (facilities) while fostering internal talent through its Corporate Venturing (CV) system and talent development programs, and promoting collaboration with external partners through business co-creation programs and Corporate Venture Capital (CVC). Furthermore, through ongoing dialogue with a diverse range of domestic and international partners, we have steadily achieved results such as the creation of new businesses and technologies, as well as the growth of our talent. We believe that the fusion of diverse knowledge, technologies, experiences, and aspirations—both within and outside the company—is the very source of new value creation. This cycle—in which strengths cultivated internally merge with external insights, and the resulting outcomes are reinvested both inside and outside the company—is the driving force behind sustainable value creation. Through co-creation with diverse stakeholders—including various internal divisions, as well as clients, partner companies, universities and research institutions, startups, and local communities—we continue to tackle social challenges and create new business opportunities.

Our vision of “Choukensetsu” is a challenge to create new value by addressing the fundamental needs of society and our clients, building on the technology and trust we have cultivated over the years. NOVARE aims to create not merely a gathering place for people and knowledge, but a co-creation ecosystem where diverse stakeholders—both inside and outside the company—are organically connected, allowing new value to be continuously generated. By transcending boundaries and eventually eliminating them altogether, we foster a cycle in which diverse knowledge and aspirations converge. NOVARE will continue to serve as the starting point for a co-creation ecosystem that generates both social and corporate value.

Click below for details on each facility



Value Transformation Process



The DDRS Process for driving innovation

Innovation and Co-creation: The Fusion of Internal and External Knowledge Drives Innovation

An Environment that Nurtures Internal Knowledge: “CV & NOVARE Boot Camp”

We are further driving innovation in our business structure through our “Corporate Venturing (CV) Program,” an entrepreneur support initiative launched in fiscal year 2023, and “NOVARE Boot Camp,” an innovation talent development program launched in fiscal year 2025.

[Click here for details](#)  **Taking on the Challenge with NOVARE: A Look at the Front Lines of Innovation Talent Development!** (Japanese only)

Innovations in the Spotlight

A First in Japan! Establishment of a Chemical Recycling Technology for Used Wind Turbine Blades

In May 2026, with the aim of promoting decarbonization and material circulation, and with the cooperation of industrial waste disposal company Otaki Shoten, we established Japan's first chemical recycling technology for wind turbine blades used in wind power generation. This process involves crushing waste blades and recycling them as carbon additives for use in the steelmaking industry, offering the advantage of a lower environmental impact compared to landfill disposal. This innovation was born from the passion and collaboration of two employees.



Wind turbine blades



Coal additives

[Click here for details](#)  **The Challenge of Recycling Used Wind Turbine Blades** (Japanese only)
[Click here to see our other initiatives](#)  **Shimizu Corporation “Smart Innovation Ecosystem NOVARE”** (Japanese only)

TOPICS

Fostering Collaboration Starting with the “Idea Owner’s Pitch”

— A Co-creation Ecosystem that Begins with a Theme-Based Pitch Event —

“Idea Owners’ Pitch” is a pitch event designed to support idea owners in their endeavors. Starting in fiscal year 2026, it has evolved into a place where people connect through shared themes,” serving as a starting point for co-creation by connecting people both inside and outside the company through the sharing and refinement of ideas.



Power Gained from External Knowledge: “SHIMZ NEXT & CVC”

Through our business co-creation program, “SHIMZ NEXT,” we are engaging in open innovation alongside a diverse range of partners. Furthermore, with the aim of strengthening our existing businesses and exploring new business areas, we launched a corporate venture capital (CVC) fund with a budget of 10 billion yen in October 2020, through which we are investing in startups and venture capital firms both in Japan and overseas.

[Click here for details](#)  **SHIMZ NEXT**

Recent Investee Companies

Dublin Offshore Technology (December 2025)

• Signing of a Memorandum of Understanding on Strategic Collaboration

An Irish marine technology startup. The company has developed and secured intellectual property rights for a groundbreaking Load Reduction Device that reduces construction costs and improves construction efficiency for floating offshore wind farms.



Load-relief device being developed by Dublin Offshore Technology

MESH AG (February 2026)

• A startup spun out of the Swiss Federal Institute of Technology

This system utilizes robotic arm control technology and “physical AI” to automate the entire process—from rebar cutting and assembly to welding. Starting with the replacement of rebar placement work—which has traditionally relied on manual labor—with robots, the system aims to transform the construction supply chain, including rebar cutting, transportation, and construction.



MESH AG's Workspace: Where automation technology meets human ingenuity



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Governance

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Q&A with the Chairman of the Board of Directors and Outside Directors

As part of our efforts to sustain the company's business growth and build its overall value, we commit to rigorous corporate governance. At the core of our corporate governance system is the Board of Directors. Below is a conversation between Kazuyuki Inoue (Chairman of the Board of Directors and Representative Director) and outside directors about the board's current performance and future prospects.



Yoshio Kometani
Director

Junichi Kawada
Director

Mayumi Tamura
Director

Kazuyuki Inoue
Chairman of the Board of Directors

Yumiko Jozuka
Director

[Click here for details](#)



Profiles of Outside Directors

Management Team

Q2 What are your thoughts on integrating cost-of-capital considerations?

The board devotes its time to discussing a growth strategy that will increase corporate value. The business divisions develop policies aligned with the strategy while formulating plans for better profitability. The board monitors the company's progress in its Mid-Term Business Plan and voices opinions as necessary. It is important to consider cost of capital in discussing how to make effective use of held corporate assets and to strategically optimize capital allocation, but also, how to lower the cost of capital through better corporate governance, stronger risk management, and greater transparency in IR communications.

Mayumi Tamura

Q1 What is your impression of the company's Board of Directors?

The meeting agenda is well planned out by the executive team. It is high in quality, and clear on the key issues and risks. Much of this is due to the company's robust decision-making process, which is grounded in the credo, The Analects and the Abacus. Even as an outside director, I feel comfortable in expressing concerns or offering suggestions. There is just the right amount of healthy tension but also an atmosphere of trust. I believe that the board can become even more effective with more in-depth strategic discussions for sustaining the company's growth and building its overall value.

Junichi Kawada

The board has an atmosphere where every board member can earnestly consider and exchange ideas about how the company can sustain its growth and maximize profits over the medium and long term. Every year, board discussions go into more frequent and greater depths on the Mid-Term Business Plan and strategies for each business area. In the event of a dispute or an accident, outside directors, along with members of the Audit & Supervisory Board, exercise our supervisory function, playing an active role in discerning the facts of the case and making sure that the necessary action is being taken. Because this is a year for formulating the next Mid-Term Business Plan, which will begin next year, I expect the board to devote more time to discussing the future of Shimizu. I would add that the board's staff team is very conscientious in responding to our feedback.

Yumiko Jozuka

Cost-of-capital consideration in management is becoming an increasing priority; we see its trend in the reduction of securities holdings and higher shareholder returns. On the other hand, to retain the trust of markets, a company must demonstrate its ability to generate stable profit growth in its core business, but it must also clarify its policy on capital allocation, including how it balances growth-related investments with dividends and how it puts its cash and assets to effective use. I would like the board to have further discussions on which sectors will drive the company's growth and how its various initiatives fit into the overarching strategic picture.

Yoshio Kometani

Q&A with the Chairman of the Board of Directors and Outside Directors

Q3 What are your thoughts on the process for investment decisions?

When it comes to investment decisions, our role as outside directors is not just to rein in executives' proposals, but also to support executives in taking calculated risks. It is therefore essential for management to fully disclose what the purpose of the investment is, what the risks are, how the risks will be managed, and expected returns, so that the board can have a transparent and impartial discussion. With M&A and investments for growth, it is all the more important to subject the proposal to scrutiny from an outsider's perspective that is uninfluenced by company norms. Such a perspective helps the management make decisions that will ultimately increase corporate value over the medium and long term.

Junichi Kawada

The management is more likely to make the right decision about an investment proposal if it clarifies how the proposal fits into the company's overall growth strategy and what the expected return is, and if it analyzes the risks and prepares measures to manage them. Given that the board considers such matters from a variety of viewpoints, I feel that the board's monitoring function is working. The business unit proposing the investment and the board's staff brief outside directors beforehand, enabling us to read up on the proposal ahead of the meeting. I will continue to identify risks from my perspective as an outside director in order to help the executive team take calculated risks.

Mayumi Tamura

Q4 How well is the company doing in disseminating The Analects and the Abacus?

As well as adopting The Analects and the Abacus as its corporate credo, the company disseminates its content to employees through a booklet, internal newsletters, the corporate website, training sessions, and other means. Whenever I attend Shin Diversity Activity or visit a workplace, I have open conversations with the employees there, including with junior workers. From these conversations, I get the impression that employees are proud to be working for Shimizu and that the mindset described in The Analects and the Abacus has permeated considerably. That said, incidents and issues are apt to arise, so the company should keep working to disseminate the mindset into every corner of the organization.

Yumiko Jozuka

For a company with a history as long as Shimizu, the principles set out in The Analects and the Abacus serve as a vital foundation that employees can return to. The idea of contributing to the social infrastructure of the future definitely resonates with employees, as you can see from their attitudes. However, the wording of the text itself may feel a little distant to younger employees. While continuing to disseminate the content through media such as the booklet and internal newsletters, the company should also hold conversations with employees about the content, associating these ideas with daily work as well as the concept of profit, until they have internalized it.

Yoshio Kometani

Message from the Chairman of the Board of Directors

Increasing corporate value over the medium and long term

As Chairman of the Board of Directors, I always try to create an environment in which members feel free to share ideas and voice their concerns. The outside directors actively offer constructive ideas from varied perspectives. With the new board, which includes four newly appointed directors, I will keep working to ensure that we have rigorous discussions, with everyone on the same level and able to perform to the best of their ability.

To further elevate the quality of corporate management, the management team and the Board of Directors must understand their respective duties and roles and commit to the common goal of growth. Drawing on the valuable insights shared by our outside directors today, we will continue to pursue management that is agile, efficient, and transparent, while striving to achieve the sustainable growth of the Shimizu Group and enhance corporate value.



Kazuyuki Inoue
Chairman

Governance

Initiatives to Improve Governance

Based on our Credo, The Analects and the Abacus, we strive to fulfill social responsibilities through our business activities, thereby earning a greater degree of trust from our shareholders and investors, and all other stakeholders, including clients, employees, and local communities. We also aim to manage the company in an expeditious, efficient, transparent, and lawful manner to achieve sustainable growth and increase corporate value over the medium to long term. To achieve this, we have established a structure that enables the Board of Directors and Audit & Supervisory Board Members to appropriately supervise and audit the performance of duties, based on separation of the management strategy decision-making function from the execution of duties function. Concurrently, our basic policy on corporate governance is for our directors, executive officers, audit & supervisory board members, and employees to practice compliance management based on high ethical standards.

Main Changes in Corporate Governance

December 2018	Establishment of Nomination & Compensation Committee Established the Nomination & Compensation Committee comprised mainly of Non-executive Directors, including Outside Directors, to ensure fairness and transparency in decisions on the selection, dismissal, evaluation, and compensation of Directors and Executive Officers (committee chair is Non-executive Director)
June 2019	Further Increase Number of Outside Directors Increased the number of Outside Directors from two to three and the number of female Directors from one to two
June 2019	Change in Director Term The term of office of Directors was shortened from two years to one year to clarify the management responsibility of Directors during the fiscal year, to build a management structure for quickly addressing changes in the business environment, and to further enhance corporate governance.
April 2020	Partial Revision of Executive Officer System Strengthened the business execution function by clarifying business execution responsibilities Strengthened the management supervision function by increasing the percentage of Non-executive Directors
February 2021	Change to Composition of Nomination & Compensation Committee Reduced the number of internal members by one and changed the composition to a majority of Outside Directors (three of the five members are Outside Directors)
February 2021	Introduction of Third-Party Evaluation of Effectiveness of Board of Directors Analysis by a third party (attorney) was added to self-assessments (based on discussions between all Directors and all Audit & Supervisory Board Members) starting in 2020
June 2021	Further Increase in Number of Outside Directors Number of Outside Directors increased from three to four, making Outside Directors account for more than one-third of the Board of Directors (Nomination & Compensation Committee now consists of six members, including four Outside Directors)
April 2025	Change in the Method of Calculating Performance-Linked Compensation Method of calculating earnings coefficient used in calculations of performance-linked compensation clarified to strengthen management incentives (Evaluation values for non-financial KPIs under Mid-Term Business Plan now reasonably incorporated in addition to measuring achievement of targets such as ordinary income and order profitability)
June 2026	Implementation of a Performance-Linked Share-Based Compensation Plan This system was introduced with the aim of enhancing the motivation of Directors and other executives to improve business results, sharing the risks and returns associated with stock price fluctuations with shareholders, and strengthening the sense of responsibility among Directors and other executives to contribute to sustainable growth and the enhancement of corporate value over the medium to long term.

Overview of the Corporate Governance Structure

We have adopted the structure of a company with an Audit & Supervisory Board. We have chosen this system based on the belief that we have established a system to supervise and oversee management from an objective and neutral perspective. This was achieved by limiting the number of directors and introducing an executive officer system to clearly separate the management strategy decision-making and oversight functions from the business execution function, by taking steps to encourage energetic debate at the Board of Directors, and by electing outside directors, other non-executive directors, and outside Audit & Supervisory Board members who maintain a high degree of independence. The concrete structure and implementation status are detailed below.

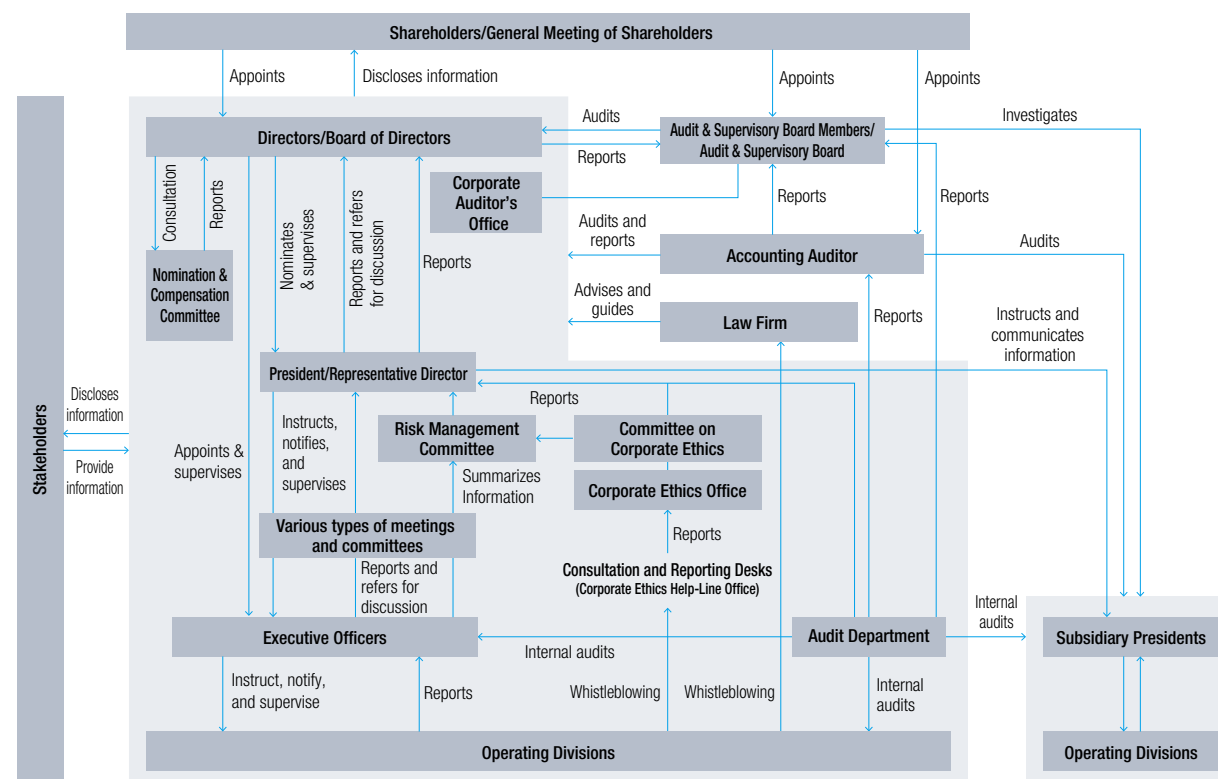
- One-third or more of the Board of Directors elected are outside directors to strengthen management supervision function, and to promote more energetic debate by the Board of Directors.
- Outside directors and other non-executive directors and outside Audit & Supervisory Board members use their extensive experience and sophisticated insight based on their individual career histories to oversee and supervise management and provide necessary advice as appropriate.
- We established a structure mainly consisting of the head office administrative departments to provide timely information and other materials to assist outside directors and other non-executive directors in performing their management supervisory duties (including tours of offices, job sites, etc.).
- The relevant divisions provide guidance on the Company in general, description of its businesses, and other relevant information to new outside directors and outside Audit & Supervisory Board members.
- Audit & Supervisory Board members audit all duties performed by directors from a fair and impartial perspective.
- The Audit & Supervisory Board Members Office was established as the dedicated organization to support Audit & Supervisory Board members. This office secures the necessary support staff to enable more effective audits by Audit & Supervisory Board members.
- Audit & Supervisory Board members improve the effectiveness of management supervision by attending important meetings and obtaining sufficient information from officers and employees without delay.

Governance

- When a Board of Directors meeting is held, the Board of Directors administrative office and other divisions provide explanations in advance to the outside directors, non-executive directors, and Audit & Supervisory Board members.
- Outside directors and other non-executive directors regularly exchange opinions with the chairman and president. They also exchange opinions with outside Audit & Supervisory Board members.

- Regular Outside Officers Meetings are held for outside directors and outside Audit & Supervisory Board members, and regular Outside Directors and Audit & Supervisory Board Members Meetings are held for outside directors and all Audit & Supervisory Board members to facilitate the exchange of opinions.

Corporate Governance Structure of Shimizu Corporation (Including Overview of Internal Control System)



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

■ Board of Directors

In principle, the Board of Directors meets once a month and, as necessary, to decide matters stipulated by laws and regulations, the Articles of Incorporation, and the Board of Directors Regulations, as well as other important matters, and to supervise the execution of operations. The Articles of Incorporation specifies 12 as the maximum number of directors. These directors consist of executive directors who are highly knowledgeable in each area of our business and non-executive directors, some of whom are outside directors with extensive expertise and experience in their respective specialties. The Chairman and Representative Director serves as the chair of the Board of Directors.

(Main Agenda Items)

Election of directors; organizational reform; establishment, revision or repeal of company regulations; formulation and supervision of management policies and strategies; monitoring of progress and growth strategies of each business; risk management; sustainability matters such as climate change and human resources development; feedback on dialogue with investors; reduction of securities holdings; and revision of the standards for referral to the Board of Directors.

■ Audit & Supervisory Board

The Audit & Supervisory Board meets once a month as a rule, and additionally as necessary. It makes decisions on audit policy, audit plans, auditing methods, and other important audit matters, and deliberates on necessary matters concerning audits. The Articles of Incorporation sets the number of Audit & Supervisory Board members at a maximum of five, including three outside Audit & Supervisory Board members. The chair of the Audit & Supervisory Board is an Audit & Supervisory Board member chosen through discussion by the Audit & Supervisory Board.

Governance

■ Nomination & Compensation Committee

We have established a Nomination & Compensation Committee to ensure fairness and transparency in the selection and dismissal of directors, Audit & Supervisory Board members and executive officers, as well as evaluation and compensation of directors and executive officers. The scope of responsibilities of the Committee is defined in the Rules of the Nomination and Compensation Committee and other related regulations. The members of this committee consist of five non-executive directors (four outside directors and one internal director) and one executive director. The committee is chaired by a non-executive director elected every year from among the members.

(Main Agenda Items)

Formulation of personnel proposals for directors/executive officers and individual evaluations; total amount of bonuses for directors/executive officers and individual bonuses; individual monthly compensation for the following fiscal year; succession plans; organizational Composition; verification and review of related rules and regulations, etc.

■ Risk Management Committee

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

■ Committee on Corporate Ethics

We have established the Committee on Corporate Ethics to decide company-wide measures for thoroughly promoting corporate ethics and compliance, implement and follow up on those measures, centralize information on serious misconduct cases, and review and direct preventive measures and recurrence prevention measures. The President and Representative Director serves as the chair of the committee. One full-time Audit & Su-

pervisory Board member and one outside expert (an attorney) also attend committee meetings.

■ Executive Officers Council

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

Evaluating the Effectiveness of the Board of Directors

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

A summary of the evaluation method and results for fiscal 2025 are provided below:

■ Evaluation Method

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

Period covered	April 2025 to March 2026
Dates performed	Board of Directors meetings on March 6 and March 27, 2026
Main items evaluated	Board of Directors composition/operations, management strategy/management supervision function, corporate ethics/risk management, response to sustainability issues, process of determining nomination/compensation, human resources development, communication between outside directors and management, dialogue with shareholders/investors, etc.

■ Summary of Evaluation Results

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

Status of response to issues indicated in the last evaluation of effectiveness in FY2024 (covering April 2024 to March 2025)

The Board of Directors has made consistent efforts to resolve issues and make improvements as follows. The Board of Directors will continue to strive for further improvement.

1. Hold in-depth discussions on business portfolio optimization to enhance corporate value
 - Hold more in-depth discussions on growth strategies for each line of business considering the cost of capital at the Board of Directors meetings, and clearly define roles of each line of business in a company-wide scheme to enhance corporate value.
 - At the Board of Directors meetings discussions were held on growth strategies and key challenges for each business, including those conducted during off-site meetings. At the "Dialogue Session on the Mid-Term Business Plan" held for all employees, the senior management explained the roles and expectations for each business, and the feedback received from employees was shared with the Board of Directors.
2. Further improve internal control and risk management systems to realize teachings of our Credo, the Analects and the Abacus, in our operation
 - Establishment of a more rapid reporting system for high-risk cases, and systematization of reporting on the progress and completion of responses.
 - The reporting structure for incidents such as disasters explicitly includes reporting lines to non-executive directors and the Board of Audit & Supervisory Board members. With regard to follow-up progress reports, ensure they are conducted thoroughly by utilizing opportunities such as advance briefings to the Board of Directors.

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3. Enhance the communication between our senior management and outside directors/outside Audit & Supervisory Board members
- Provide more opportunities for our senior management and outside directors/outside Audit & Supervisory Board members to talk to each other in person outside the Board of Directors' Meeting.
- Opinion exchange meetings were held between non-executive directors/outside Audit & Supervisory Board members and division heads or branch executives, utilizing time after the Board of Directors meetings or opportunities during construction site visits.



A scene of an exchange of views between outside executive officers and business divisions

Major issues identified in the effectiveness evaluation

1. Enhance discussions on embedding cost-of-capital awareness and build an appropriate business portfolio.
 - Enforce capital discipline in investment decisions across all lines of business based on discussions regarding the cost of capital, and deepen our deliberations to achieve an optimal business portfolio from a company-wide perspective.
2. Further enhance the efficiency and effectiveness of the Board of Directors to facilitate high-level, strategic discussions.
 - Enrich the information provided prior to Board of Directors meetings to improve the quality of deliberations on increasingly diverse and complex matters, thereby expanding the scope of strategic discussions.

3. Enhance discussions and visualize the progress of succession planning.
 - Report to the Board of Directors as appropriate regarding development plans for key management personnel and initiatives to enhance the experience of potential successors.

Future initiatives

Based on the results of the evaluation of the effectiveness of the Board of Directors, we aim to enhance the effectiveness of the Board of Directors and further expand and reinforce corporate governance through the PDCA cycle to improve on issues.

Election of Outside Directors and Outside Audit & Supervisory Board Members

Appointed outside Directors (As of June 26, 2026)

Name	Independent Officer	Important Concurrent Positions	Reasons for Appointment	Meeting Attendance During FY2025
Junichi Kawada	○	—	Junichi Kawada possesses abundant experience and a high level of knowledge through his many years in corporate management as a corporate executive of a listed company, particularly in the areas of compliance and corporate governance in corporate group management, and uses these attributes to supervise the Company's management from an objective and neutral position. Therefore, the Company determines that he is qualified as an outside director.	Board of Directors meetings: 18/18 (100%)
Mayumi Tamura	○	Outside Director of LIXIL Corporation	Mayumi Tamura possesses abundant management experience and a high level of knowledge on financial/accounting matters, having served as CFO at multiple global companies for many years, and uses these attributes to supervise the Company's management from an objective and neutral position. Therefore, the Company determines that she is qualified as an outside director.	Board of Directors meetings: 17/18 (94.4%)
Yumiko Jozuka	○	Outside Director of Tokyu Fudosan Holdings Corporation Chairman of Japan Institute for Women's Empowerment & Diversity Management Outside Director of Sojitz Corporation	Yumiko Jozuka has accumulated experience and knowledge through many years of involvement in health, labor, and welfare administration and, in particular, has extensive experience and insight in areas such as diversity, empowerment of women, working style reform and human resource development, and uses these attributes to supervise the management of the Company from an objective and neutral position. Therefore, the Company determines that she is qualified as an outside director.	Board of Directors meetings: 18/18 (100%)
Yoshio Kometani	○	Outside Director (External) of Nifco Inc. Outside Director of POLA ORBIS HOLDINGS INC.	Yoshio Kometani has been involved in corporate management for many years as a director of a listed company and possesses extensive experience and deep insight in fields such as machinery and infrastructure, as well as ICT and digital technologies. The Company determines that, by leveraging these attributes, he is capable of supervising our management from an objective and neutral standpoint.	—

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Appointed Outside Audit & Supervisory Board Members (As of June 26, 2026)

Name	Independent Officer	Important Concurrent Positions	Reasons for Appointment	Meeting Attendance During FY2025
Kaoru Ishikawa	○	Director of Kawamura Gakuen Director of The Society for Promotion of Japanese Diplomacy Outside Director of SMK Corporation Director of Mitsubishi UFJ Foundation	Kaoru Ishikawa has played a leading role in the field of diplomacy for many years, and has abundant experience and knowledge as a diplomat and expertise on international relations and sustainability field, and uses these attributes to supervise the Company's management from an objective and neutral position and from a global perspective. Therefore, the Company determines that he is qualified as an outside audit & supervisory board member.	Board of Directors meetings: 17/18 (94.4%) Audit & Supervisory Board: 14/14 (100%)
Toshie Ikenaga	○	Outside Director of ALSOK CO., LTD. Director of National Hospital Organization	Through many years of involvement in government administration, Toshie Ikenaga has been active in many fields, including analysis of economic conditions and policy issues, running a local government organization as Vice-Governor of Shiga Prefecture, and promoting diversity, and she has academic knowledge and wide-ranging experience and insight into economics and management, and uses these attributes to supervise the Company's management from an objective and neutral position. Therefore, the Company determines that she is qualified as an outside audit & supervisory board member.	Board of Directors meetings: 18/18 (100%) Audit & Supervisory Board: 14/14 (100%)
Ko Shikata	○	Professor of Faculty of Law, Chuo University	Ko Shikata has contributed to maintaining and improving a safe and secure society, including cybersecurity, through his many years of involvement in police administration. He has also worked in policy research and education and support as a university professor, has academic knowledge and broad experience and knowledge of the legal and policy field, and uses these attributes to supervise the Company's management from an objective and neutral position. Therefore, the Company determines that he is qualified as an outside audit & supervisory board member.	Board of Directors meetings: 17/18 (94.4%) Audit & Supervisory Board: 14/14 (100%)

[Click here for details](#)

 **Criteria for Assessing Independence of Outside Directors and Outside Audit & Supervisory Board Members**

Support Structure for Outside Directors and Outside Audit & Supervisory Board Members

We have established a system to provide information to facilitate supervision of management by outside directors and other non-executive directors in performing their duties. The administration departments in the head office play the main role in providing this information in a timely manner. The Corporate Auditor's Office was established as a dedicated organization to support Audit & Supervisory Board members. A sufficient number of staff members have been secured to assist outside Audit & Supervisory Board members. When a Board of Directors meeting is held, materials are distributed in advance and the Board of Directors administrative office and other divisions provide explanations in advance to the outside directors and the outside Audit & Supervisory Board members.



Inspection of the Asuwagawa Dam (Fukui Prefecture), Currently Under Construction

Officer Compensation

Policy on Determining Officer Compensation

The compensation of each director, which consisted of fixed-amount monthly salary as basic compensation, and bonus as performance-linked compensation, and compensation for purchasing the Company's shares. From fiscal 2026 the previously provided compensation for purchasing the Company's shares is abolished, and a performance-linked share-based compensation plan (the "Plan") has been newly introduced, wherein the Company's shares are delivered as compensation. Thereby, the compensation for directors shall consist of "fixed-amount monthly salary," "bonus as short-term performance-linked compensation," and "medium-term performance-linked share-based compensation" under the Plan. The compensation shall be decided through deliberations by the Nomination and Compensation Committee, which is made up of a majority of outside directors and is chaired by a non-executive director, and which was established to evaluate the performance of directors and decide on their compensation in a fair and transparent manner, based on a resolution passed at the Board of Directors.

Non-executive directors including outside directors and audit & supervisory board members are paid only fixed-amount monthly salary for the purpose of enhancing the supervisory functions of management.

The Company, at the Board of Directors' Meeting held on February 24, 2021, established the Regulations on Director Compensation, that set forth the policy for determining the compensation for each director. Subsequently, at the Board of Directors Meeting held on June 26, 2026, the revision of the relevant regulations in conjunction with the introduction of the Plan was resolved. Its outline is as follows.

■ Policy on Fixed-amount Monthly Salary as Basic Compensation

Of the compensation, etc. for directors of the Company, the fixed-amount monthly salary as basic compensation is a maximum total of 90 million yen a month (including a maximum of 10 million yen for outside directors) based on a resolution passed at the 117th Annual General Meeting of Shareholders held on June 27, 2019. As of the closing of the 117th Annual General Meeting of Shareholders, the number of directors was 12

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(including 3 outside directors).

Compensation for Audit & Supervisory Board members is a maximum total of 13 million yen a month pursuant to a resolution passed at the 89th Annual General Meeting of Shareholders held on June 27, 1991, and is decided through discussions at the Audit & Supervisory Board. As of the closing of the 89th Annual General Meeting of Shareholders, the number of Audit & Supervisory Board members was 4.

■ Policy on Bonus as Short-term Performance-linked Compensation

Of the compensation, etc. for directors of the Company, bonus as short-term performance-linked compensation for executive directors is a maximum total of 500 million yen a year based on a resolution at the 118th Annual General Meeting of Shareholders held on June 26, 2020, and the Nomination and Compensation Committee deliberates on whether or not a bonus shall be paid and on what amount shall be paid. The bonus amount is calculated according to the following method based on consolidated net income, the final results of the Group's business activities for a business year. As of the closing of the 118th Annual General Meeting of Shareholders, the number of executive directors was 7. The "earnings coefficient" used to calculate the bonus amount has been updated at the Board of Directors' Meeting held on January 31, 2025, considering a proposal for deliberation presented by the Nomination and Compensation Committee to make it more clearly defined and provide management more incentives. The new coefficient is applied from the fiscal year starting on April 1, 2025.

(Method of calculating individual performance-based compensation [bonuses])

Consolidated performance*¹ x Performance coefficient*² x Positional index*³ x Individual evaluation coefficient*⁴ = Individual bonus

*1. Consolidated net income for the current fiscal year (Net income attributable to shareholders of the Company)

*2. The Nomination and Compensation Committee determines the earnings coefficient using ordinary income which represents the result of basic business development of the Company and an achievement rate against the targets set for the fiscal year of awards profitability of the construction business, a leading indicator of the business results for coming fiscal years, as main evaluation items. Other items are selected from non-financial KPIs from the Mid-Term Business Plan and added by the Nomination and Compensation Committee based on priority in terms of enhancing mid-to-long term corporate value and objectivity of evaluation. The Nomination and Compensation Committee then considers whether or not there is any material violation of laws and decides the earnings coefficient based on the evaluation value derived by weighted average of each item.

*3. An index determined for each Director's position

*4. The Nomination and Compensation Committee determines individual evaluation indices based on the results of evaluations of the level of achievement of targets set for each director based on interviews with Executive Directors at the beginning and end of the fiscal year. (Evaluation indices range from 65% to 135%)

The multifaceted evaluations cover the short-term performance of each director in addition to their level of contribution to achieving the targets of the Mid-Term Business Plan, their efforts to strengthen the management base, their contributions to sustainability, and their performance as directorships.

Notably, only the non-executive directors of the Nomination and Compensation Committee Members make decisions regarding executive director evaluations.

■ Policy on Medium-term Performance-linked Share-based Compensation

Of the compensation, etc. for directors of the Company, the medium-term performance-linked share-based compensation for executive directors is with the purpose to increase directors' motivation to improve financial results, and to heighten awareness among directors of their contribution to the Company's sustained growth and medium- to long-term corporate value by ensuring that they share the risk and reward associated with changes in the stock price with those of shareholders. For the Plan, we have adopted a framework called the director's compensation Board Incentive Plan (BIP) trust. The Plan is designed to deliver the Company's shares (or, in some cases, an amount of cash equivalent to the proceeds from the sale of such shares; "Company Shares, etc.") to executive directors through the trust, based on their positions, the degree of achievement of performance targets, and others during the fiscal years covered by the Mid-Term Business Plan.

The number of Company Shares, etc. delivered to directors is determined by the number of "share delivery points." Share delivery points are accumulated based on standard points granted annually in June. After the target period of the Mid-Term Business Plan ends, this accumulated value is multiplied by a performance coefficient, which is determined by the Nomination and Compensation Committee, within a range of 70% to 130% based on the achievement of performance targets. For indicators regarding degree of achievement of performance targets, etc., ROE and evaluation items selected by the Nomination and Compensation Committee from financial and non-financial KPIs, etc. listed in the Mid-Term Business Plan are adopted, taking into account the priority for enhancing medium- to long-term corporate value, the objectivity of measurement, and the correlation with performance evaluations used for short-term performance-linked compensation.

According to the resolution of the 124th Annual General Meeting of Shareholders held on June 26, 2026, the upper limit on the number of points to be granted to directors during the target period of the Mid-Term Business Plan is 200,000 points multiplied by the number of years in the target period.

In principle, the directors who satisfy the beneficiary requirements shall

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receive the delivery of the number of Company's Shares, etc. calculated based on the above upon the resignation, and the Company shares based on share delivery points shall continue to be held for a certain period after resignation.

■ Matters concerning Delegation of Decisions on Compensation, etc.

We have established a Nomination & Compensation Committee which consists of a majority of outside directors and is chaired by a non-executive director, to ensure fair and transparent evaluation and compensation of directors and officers through deliberation by the committee based on the resolution of the Board of Directors.

The Nomination & Compensation Committee reviewed compensation for last fiscal year and discussed the base monthly salary and the amount to be paid as bonuses for each director according to the evaluation of the performance of each director, based on the Rules on Officer Compensation. The committee determined the compensation to be in line with policy determined by the Board of Directors.

■ Director and Audit & Supervisory Board Member Compensation

Officer Category	Total Compensation (¥millions)	Total Compensation by Compensation Type (¥ millions)			Number of Eligible Officers
		Monthly Salary (12 months)	Bonus		
			Of Which, Compensation for Acquiring Company Shares		
Directors (excluding Outside Directors)	937	578	358	71	8
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	70	70	—	—	3
Outside Officers	108	108	—	—	7

* FY2025

Securities Holdings

Policies Related to Securities Holdings

When there is a necessity from the viewpoint of business development, the Corporation holds shares of clients and business partners to “strengthen and maintain relationships.” Holding of major securities is determined by the Board of Directors, taking comprehensive consideration of benefits to the Corporation, acquisition cost, risk of share price changes and other factors.

The Board of Directors examines the necessity of securities holdings for individual stocks each year, taking into consideration its economic rationality, including cost, risk, and sales benefits, and for shares that have decreased in significance of shareholding, we divest them while confirming relationships with business partners. Furthermore, even in cases where the significance of holding and economic rationality are recognized, we are proceeding with negotiations for sale while taking into account relationships with business partners and market conditions, in order to achieve the target for reducing securities holdings.

Status of Divestment of Securities Holdings

The Corporation has been conducting negotiations with business partners toward achieving the targets for reducing securities holdings set at the Board of Directors meeting held on November 12, 2024 (to 20% or less of consolidated net assets by the end of March 2026, and to 10% or less by the end of March 2027). Due in part to rising share prices, the ratio of securities holdings balance to consolidated net assets as of March 31, 2026 was 24.4%, a slight decrease from the end of the previous fiscal year. However, excluding the shares for which agreement on sale has been reached with business partners, the ratio would be 9.1%.

►P.30 Policies to Increase Corporate Value

[2] Improve Capital Efficiency

Criteria for Exercising Voting Rights Pertaining to Securities Holdings

We exercise voting rights on securities holdings after comprehensively examining the contents of proposals, referring to the Policy on securities holdings above, and judging whether to vote for or against each proposal from the perspective of whether the corporate value of the Company and business partners may increase.

Policy in Case the Cross-shareholder has Expressed their Intention to Sell the Shares

In case the cross-shareholder has expressed their intention to sell the Company's shares, we will not act to prevent the sale by, for example, suggesting that we will reduce transactions with the company concerned.

Governance

Establishment and Operation Status of Internal Control System

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

An overview of the operational status of internal control systems in fiscal 2025 is provided below.

Compliance System	1. We provide ongoing education and training to officers and employees to ensure strict compliance. 2. We have established three whistleblowing hotlines, the Corporate Ethics Help-Line Office, the Harassment Contact Point, and the External Contact Point, based on the internal whistleblowing system and familiarized employees with them. The operating status is reported to the Corporate Ethics Committee, the Risk Management Committee, the Audit & Supervisory Board, and the Board of Directors. 3. The Corporate Ethics Committee meets twice a year. It rolls out measures aimed at strict compliance with corporate ethics and laws and regulations to the entire company and follows up on implementation.
Risk Management System	1. The Risk Management Committee meets twice a year. It identifies and analyzes risks that would have a serious impact on the corporate group, which consists of Shimizu and its subsidiaries, and determines the key items of risk management. It follows up on implementation and reports to the Board of Directors. 2. To confirm communication lines and the initial response to large earthquakes, we hold regular earthquake disaster drills (twice a year) and ask business partners and local residents and others to participate. 3. For overseas safety risks, we collect information on hazards based on the Outline of Countermeasures for Overseas Emergency. As necessary, we also strengthen the security structure, issue warnings to relevant people, and limit overseas travel. 4. To firmly establish information security measures and make sure that everyone understands them, we provide ongoing education and training to officers and employees, share information with relevant divisions, and respond swiftly when a problem occurs.
Systems to Ensure Proper Operation of the Shimizu Group	1. Shimizu holds two meetings a year to share information between the President of Shimizu and the presidents of group subsidiaries. We manage important items related to operational execution at subsidiaries through the Subsidiary Management Regulations. 2. The Audit Department performs internal audits of subsidiaries based on the audit plan. Proper operational execution by subsidiaries is also monitored by dispatching auditors and other means.
System for Ensuring Effectiveness of Audits by Auditors	1. The Audit & Supervisory Board Members Office is an organization dedicated to assisting the Audit & Supervisory Board. It is staffed with three full-time employees. 2. An Audit & Supervisory Board member designated by the Audit & Supervisory Board attends important meetings such as the Chief Executives' Meeting, the Division Directors' Meeting, Risk Management Committee meetings, and Corporate Ethics Committee meetings.

Risk Management

The Shimizu Group works to ensure continuous and stable development of our business by mitigating risks and minimizing potential losses. We achieve this by identifying various risks we face in operations or other business activities, and appropriately managing them. In the Mid-Term Business Plan (2024-2026), we have set "refine sustainability management" as one of our goals, and we are seeking to "take risks while properly risk-hedging."

Risk refers to all factors that hinder us from achieving our business objectives when managing the business of the Shimizu Group from the following perspectives.

- Factors that may cause direct or indirect economic loss to the Shimizu Group
- Those that may disrupt or suspend the continuation of the Shimizu Group's business
- Those that may harm the Shimizu Group's reputation and damage its brand image

[Click here for details](#)



Corporate Governance Report (last updated on June 26, 2026)



Basic Policy on Establishing a System of Internal Controls (Japanese only) (last updated on March 9, 2021)

Governance

Taking a PDCA Cycle Approach to Risk Management

■ Risk Management Structure and Risk Management Process

The Shimizu Group annually executes the below risk management process based on the Risk Management Regulations under the leadership of the Risk Management Committee chaired by the President and strives to further improve and strengthen its risk management structure. In addition, recognizing that the relevant risks and issues are wide-ranging, fluid, and volatile, we add new potential risks to our list as necessary and review our risk management structure, response policies, and others. This risk management structure has been established based on the ISO 31000 framework.

• Establishing the risk management plan (Plan)

a. Assessing the risks and creating a risk map:

We evaluate the potential impact on the business and likelihood of each identified risk materializing, to create a risk map and update it.

b. Identifying “major risks”:

Based on the risk map, we identify the risks which pose a very substantial impact on the business and operations of the Shimizu Group as “major risks.”

c. Selecting the “key items of risk management”:

From the identified “major risks,” we select the items which require daily monitoring and control as the “key items of risk management” for the Company, and incorporate them in the operation plan of each division.

• Implementing risk mitigation measures (Do)

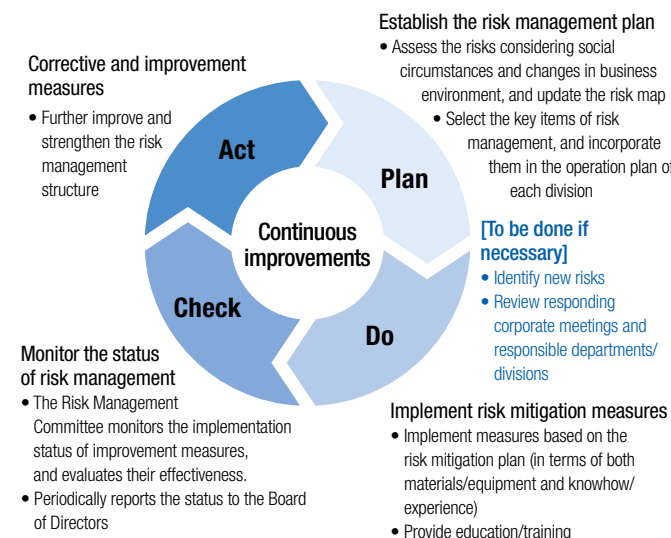
When a certain risk actually occurs and develops into an incident, we report it to the departments/divisions that are responsible for the risk, respond immediately and appropriately, convene the relevant corporate meetings/committees if necessary, and deliberate on and decide response measures and recurrence preventive measures.

• Monitoring the status of risk management/Taking corrective and improvement measures (Check/Act)

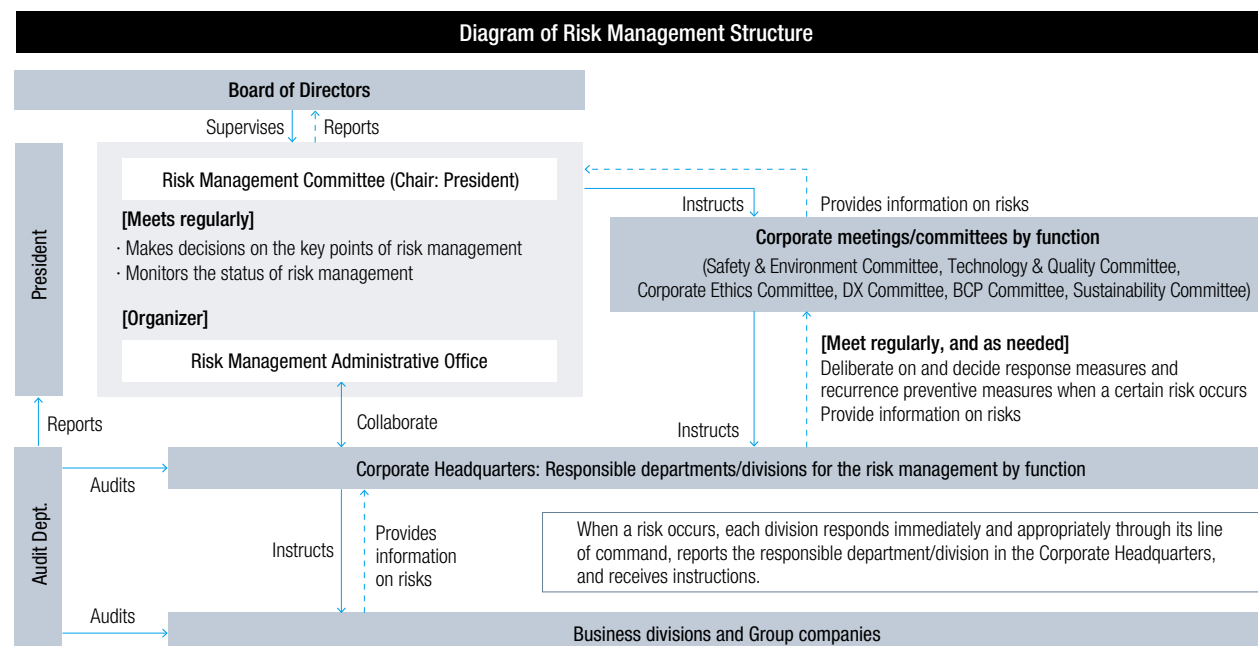
The Risk Management Committee regularly (twice a year) monitors the status of our risk management with regard to the “key items of risk management” and other risks relevant to various functions of the divisions in the Corporate Headquarters, business divisions, and group companies. The Committee gives instructions on corrective and improvement measures if needed, it strives to respond to newly identified risks, and periodically (twice a year) reports the status of our risk mitigation measures to the Board of Directors.

[Click here for details](#)

-  **Annual Securities Report-124th Fiscal Period (Japanese only)**
-  **Risk Management**



Risk Management Structure (According to the Risk Management Regulations)



Governance

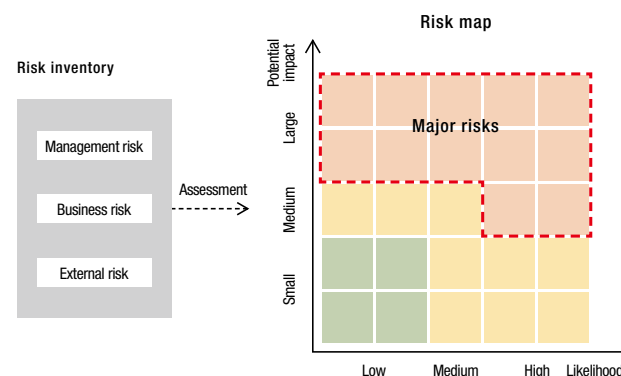
■ Evaluate the Potential Impact and Likelihood of Occurrence of Each Identified Risk

The Shimizu Group creates and updates the “risk map” with one axis showing the “potential impact on the business” and the other axis showing the “likelihood of occurrence,” based on the risk assessment done by the relevant departments/divisions.

The “potential impact on the business” is assessed from the viewpoints of harm to humans, property damage, reputational damage, monetary loss, and liabilities. The level of impact on our business and operations in case a certain risk materializes and develops into an incident, is comprehensively evaluated from quantitative and qualitative perspectives.

For the “likelihood of occurrence,” the likelihood of a certain risk actually occurring and developing into an incident is evaluated in these categories: an incident which may occur annually, an incident which may occur once in several years, an incident which may occur once in a decade, and an incident we have never experienced before.

When we evaluate various risks, we refer to the past incidents and seek to assess them considering the worst-case scenario for the Company.



Evaluate potential impact on the management from the following perspectives

Harm to humans:	Death, sickness, disability, injury, etc.
Property damage:	Damage to company buildings, facilities, materials/equipment, etc.
Reputational damage:	Damage to corporate values due to certain incidents, accidents, or reputational damage
Monetary loss:	Monetary loss due to certain incidents, accidents, lost opportunity, penalties, etc.
Liabilities:	Liabilities for incidents or accidents involving third parties

Group Governance

Other Special Circumstances which May Have a Material Impact on Corporate Governance

(1) Approach to Group Management and Policies

The Shimizu Group has established the Mid-Term Business Plan (2024-2026) with the basic concept of “A Stronger Business Foundation for Sustained Growth” to increase our corporate value and achieve the SDGs. Following this Plan with a new mindset of “Choukensetsu,” we will create an environment where every member of our team can take on challenges to realize their dreams and provide value exceeding the expectations of clients and society. We continue to work to build a flexible and speedy group management structure and strengthen governance with respect to group management.

We have a stake in Property Data Bank, Inc. (equity ratio: 27.27%), a listed affiliate. We will periodically review the rationality of maintaining listing of listed Group companies, and appropriately disclose the rationality of our decision and the governance structure of listed Group companies from the perspective of maximizing the corporate value of the Group.

Regarding THE NIPPON ROAD CO., LTD., a former listed subsidiary (the “Subsidiary”), we executed a series of transactions aimed at making the Subsidiary a wholly owned subsidiary. Consequently, it was delisted on October 10, 2025, and became our wholly owned subsidiary on October 15, 2025. Therefore, as of the filing date of

this report, we have no listed subsidiaries.

(2) Meaning of having a listed affiliate and a policy on securing the effectiveness of the governance structure

As of March 31, 2026, we have a stake in Property Data Bank, Inc. (equity ratio: 27.27%, the “Affiliate”).

The Affiliate was listed on the Mothers section of the Tokyo Stock Exchange (currently, Tokyo Stock Exchange Growth) on June 27, 2018, to enhance its neutrality, independence, and social credibility, and it continues to be listed on the stock exchange. The Affiliate was established in October 2000 through our Corporate Venturing System. It provides the “@property” service which supports the operation and management of real estate and facilities mainly in Japan. We position it as an operation related to services in our Group.

The executive structure of the Affiliate is determined based on its voluntary judgment. However, only when we dispatch executives, the decision is made after prior consultation with or reporting to us.

With regard to the nomination of management personnel, it is important to nominate candidates from the viewpoint of whether they contribute to enhancing the corporate value of the Affiliate. We believe it is necessary for us to collaborate with the Affiliate while ensuring that they select candidates from an independent standpoint, in order to enhance the effectiveness of their governance.

Currently, two executive directors from the Company have been appointed, and one outside director has been dispatched from the Company to serve at the Affiliate. However, the terms and conditions of transactions, such as those regarding the cloud services between the Affiliate and us, are the same as those for other users. In addition, the proportion of sales and purchases from us and our subsidiaries in the Affiliate is insignificant. We intend to keep the equity in the Affiliate to maintain its status as our affiliate.

Governance

Compliance

Code of Corporate Ethics and Conduct

We have adopted The Analects and the Abacus, which contains the teachings of Eiichi Shibusawa, as our corporate credo. We base our business activities on the conviction that our company's business will always prosper if we pursue ethics and economic gain simultaneously, or in other words, if we do good work that delights the community and our clients and is grounded in a strong sense of ethics. In this era of strong demand for corporate social responsibility, we have established the Code of Corporate Ethics and Conduct to ensure that all officers and employees thoroughly understand The Analects and the Abacus and demonstrate it in their daily actions. We are committed to enforcing corporate ethics, including compliance with laws and regulations. The Code sets out principles such as compliance with laws and regulations, fair bidding, the establishment of transparent relationships with political and administrative bodies, the eradication of antisocial conduct, and greater transparency in corporate accounting in order to prevent all forms of corruption, including coercion, bribery, money laundering, and obstruction of justice. It is also reviewed regularly in light of social conditions.

Proper Management of Personal Information

In addition to establishing the Privacy Policy, we have appointed a Corporate Personal Information Protection Administrator to promote appropriate measures for the proper management of personal information, including individual numbers (the "My Number" system).

Anti-Bribery Regulations

In addition to explicitly prohibiting bribery in our Code of Corporate Ethics, we have established a system to ensure strict compliance and have enacted these Anti-Bribery Regulations with the aim of preventing, before they occur, acts of bribery by officers and employees, as well as the provision of improper benefits to public officials and others. Under these regulations, the Company prohibits officers and employees

from engaging in bribery, both domestically and internationally, as well as from providing improper benefits to public officials or similar parties, whether directly or indirectly, or from ordering such actions in the course of their duties.

Furthermore, these regulations stipulate points of caution regarding business activities overseas. When using intermediaries or consultants overseas, we are required to confirm that there is no risk of such intermediaries engaging in bribery or providing improper benefits to public officials, and to enter into contracts with them that include clauses regarding legal compliance and the prevention of bribery.

To ensure that all officers and employees are fully aware of these regulations, the Company conducts ongoing and regular education and training programs. Furthermore, internal audits are conducted to verify that these regulations are being properly implemented.

In fiscal year 2025, there were no incidents involving bribery or the provision of improper benefits to public officials, etc., for which the Company faced legal action or was subject to fines or penalties.

Management System

Establishment of Internal Corporate Structure

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

Internal Whistleblowing System

The Shimizu Group has established an internal whistleblowing system allowing officers and employees of Shimizu, subsidiaries, and subcontractors to consult about or report various compliance issues that may arise within the Group, anonymously or otherwise. This encompasses actions by officers and employees of the Group that may violate the Code of Corporate Ethics and Conduct (such as harassment and other human rights violations, accounting fraud, bribery, and other corrupt practices).

Under this system, a Corporate Ethics Help-line Office, a Harassment Consultation Desk, and an External Consultation Desk staffed by outside attorneys have been established as Consultation and Reporting Desks (Compliance Hotlines). For reports received through the internal whistleblowing hotline, Shimizu investigates the facts and, based on the results of the investigation, takes corrective measures and other actions as necessary. We also ensure that users of the hotline are never subjected to any disadvantageous treatment and, in principle, inform them of the investigation results and other relevant matters.

Stakeholders outside of the Shimizu Group may consult with us via the contact information on our website.

[Click here for details](#)

 **Code of Corporate Ethics and Conduct**

 **Tax Policy**

Directors (As of June 26, 2026)



Kazuyuki Inoue
Chairman of the Board
and Representative Director



Tatsuya Shimmura
President and Representative Director
President and Executive Officer



Yoshito Tsutsumi
Representative Director
Executive Vice President and
Executive Officer
Director, Building Construction
Headquarters
In charge of Nuclear Business
and Smart City
Executive Project Director,
TOKIWABASHI PROJECT



Takefumi Saito
Representative Director
Executive Vice President and
Executive Officer
Director, Civil Engineering
Headquarters
In charge of Safety and
Environment



Mitsuo Morii
Senior Managing Officer and Director
In charge of Engineering Business
In charge of Green Energy Business
In charge of Sustainability
In charge of Information Management
In charge of Innovation



Michiho Yamaguchi
Managing Officer and Director
In charge of Finance & Accounting
and Investor Relations
Deputy Director,
Corporate Ethics Office

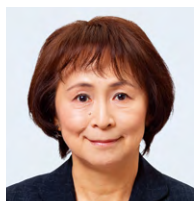


Noriaki Shimizu *¹
Director

Outside Directors (As of June 26, 2026)



Junichi Kawada *²
Director



Mayumi Tamura *²
Director



Yumiko Jozuka *²
Director



Yoshio Kometani *²
Director

Audit & Supervisory Board Members (as of June 26, 2026)



Hiroshi Kobayashi
Audit & Supervisory Board
Member (standing)



Tomohiko Hirayama
Audit & Supervisory Board
Member (standing)



Kaoru Ishikawa *³
Audit & Supervisory Board
Member (part time)



Toshie Ikenaga *³
Audit & Supervisory Board
Member (part time)



Ko Shikata *³
Audit & Supervisory Board
Member (part time)

*¹ Director Noriaki Shimizu is a Non-Executive Director.

*² Directors Junichi Kawada, Mayumi Tamura, Yumiko Jozuka and Yoshio Kometani are outside directors.

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

[Click here for details](#)

Management Team

Director Skills Matrix

The Corporation identified skills (knowledge, experience, and abilities) necessary to respond quickly to changes in the business environment and to achieve sustainable growth and medium- to long-term improvement in corporate value as below. The Corporation aims to maintain the appropriate size and diversity of the Board of Directors and also to optimize the Board of Directors as a whole and maximize its functions by organically combining skills of each director.

Name	Common skills	Expertise (skills particularly expected, four items at maximum)							
	Corporate Credo "The Analects and the Abacus" & Sustainability 	Corporate Management 	Human Resource Development & DE&I 	Global Experience 	DX (Digital Transformation) 	Production & Technology 	Sales & Marketing 	Finance & Accounting 	Legal Affairs & Risk Management 
Kazuyuki Inoue	●	●	●			●	●		
Tatsuya Shimmura	●	●		●		●	●		
Yoshito Tsutsumi	●	●				●	●		●
Takefumi Saito	●				●	●	●		
Mitsuo Morii	●			●	●	●			●
Michiho Yamaguchi	●			●				●	●
Noriaki Shimizu	●				●	●	●		
Junichi Kawada	●	●	●				●		●
Mayumi Tamura	●		●	●				●	
Yumiko Jozuka	●		●	●					●
Yoshio Kometani	●	●		●	●			●	

* The Corporation's Credo "The Analects and the Abacus" and "Sustainability" are both philosophies that underlie sustainability management, and we consider these qualities as requirements for directors (common skills).

* Expertise presents a maximum of four skills particularly expected of skills possessed by each of the director, with ● marks, and does not represent all the knowledge and expertise possessed by each of the director.

* Each of these skill categories has been determined by the Board of Directors after deliberation by the Nomination and Compensation Committee.

The definition of each skill is as follows:

Skills		Definition
Common skills	Corporate Credo "The Analects and the Abacus" & Sustainability	● Abilities to formulate policies for sustainability management that fulfills both corporate social responsibility and the pursuit of business opportunities and to supervise business execution, pursuant to the spirit of the Corporation's Credo "The Analects and the Abacus," which should be engraved in mind
	Corporate Management	● Experience of representative director or executive director at a listed company
Expertise	Human Resource Development & DE&I	● Experience in human resource operations, such as human resource development and the formulation of human resource strategies, or in the promotion of measures related to human resources and DE&I
	Global Experience	● Expertise in international situations or overseas working experience
	DX (Digital Transformation)	● Experience in DX promotion in the business areas, such as building construction, civil engineering, and engineering ● Experience in the promotion of management and business with data-driven and DX approaches
	Production & Technology	● Expertise in production and technologies based on construction site work experience ● Expertise in the development of production technologies
	Sales & Marketing	● Experience in the formulation and implementation of sales and marketing strategies that utilize knowledge and connections based on experience in sales activities
	Finance & Accounting	● Expertise in finance and accounting, or experience of CFO at other companies
	Legal Affairs & Risk Management	● Expertise in laws, or experience in risk management operations

Executive Officers (As of June 26, 2026)

President

Tatsuya Shimmura

Executive Vice Presidents

Yoshito Tsutsumi Director, Building Construction Headquarters,
In charge of Nuclear Business, and Smart City,
Executive Project Director, TOKIWABASHI
PROJECT

Takao Haneda Director, Corporate Ethics Office,
In charge of General Affairs,
Legal Affairs, Risk Management and
Group Companies

Takefumi Saito Director, Civil Engineering Headquarters,
In charge of Safety and Environment

Senior Managing Officers

Kouichi Yamashita In charge of Construction Business for West
Japan Area

Kojiro Shimizu Director, Tokyo Branch

Mitsuo Morii In charge of Engineering Business,
In charge of Green Energy Business,
In charge of Sustainability,
In charge of Engineering Business,
In charge of Innovation

Hideo Yokoyama Director, Business Development &
Marketing Headquarters

Hitoshi Fujita Director, Global Business Headquarters,
General Manager, Innovation Office, Global
Business Headquarters

Tomoaki Harada Director, Construction Technology Div.,
Building Construction Headquarters,
In charge of Procurement, Building
Construction Headquarters,
Technology, Quality and Intellectual
Property

Hiroyuki Fujimoto Director, Design Div., Building Construction
Headquarters

Mika Kaneko Director, Environmental Strategy Office,
In charge of Human Resources,
In charge of DE&I,
Director, GREEN×EXPO 2027 Project

Managing Officers

Akinobu Sakao Director, Kansai Branch

Toshiyuki Nakahara Director, Business Development &
Marketing Div. - Civil Engineering,
Business Development & Marketing
Headquarters

Kazuya Osako Director, Tokyo Civil Engineering Branch

Naruki Ohashi Director, Nagoya Branch

Shuji Kakegawa Director, Institute of Technology

Takuya Ito In charge of International Liaison,
In charge of Sales & Marketing,
Business Development & Marketing
Headquarters,
Deputy Director, Global Business
Headquarters

Michiho Yamaguchi In charge of Finance & Accounting and
Investor Relations
Deputy Director, Corporate Ethics Office

Yutaka Shimizu Director, Engineering Headquarters

Naoki Iwagaki Director, Kanto Branch

Shunsuke Oka Director, Business Development &
Marketing Div. - Building Construction,
Business Development & Marketing
Headquarters

Executive Officers

Kazuyuki Oki Director, International Div., Global Business
Headquarters

Hideyuki Tominaga Director, Yokohama Branch
Deputy Director, GREEN×EXPO
2027 Project

Junichiro Kakuno Director, Hokuriku Branch

Osamu Nakagawa Senior Project Director of
Nihonbashi 1-Chome Central
District Project, Tokyo Branch

Katsuyoshi Yuhara Executive Conductor, NOVARE,
Director, Emerging Frontiers Div.
In charge of Business Innovation Unit

Yasuhiro Takenaka Director, Tohoku Branch

Osamu Shibato Director, Hiroshima Branch

Takayuki Himono Director, Chiba Branch

Eiichi Shinma Deputy Director, Design Div., Building
Construction Headquarters

Mohi U.Ahmed Vice Executive Conductor, NOVARE

Nobuyoshi Kikuchi Director, Corporate Planning Div.

Kentaro Nakagawa Deputy Director, Design Div.,
Building Construction Headquarters,
In charge of Structure

Kazumi Sato Vice Executive Conductor, NOVARE

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

Kazu Miyata Director, Civil Engineering Technology Div.,
Civil Engineering Headquarters

Takayuki Kawasaki In charge of Civil Engineering
Kansai Area

Konari Yotsumoto Director, Investment and Development Div.

Taizo Tsukada Director, Safety & Environment Div.

Hiroaki Oda In charge of Private Sales, Business
Development & Marketing Div. - Civil
Engineering, Business Development &
Marketing Headquarters

Ichiro Nokubo Deputy Director, Global Business
Headquarters

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

Hideki Umeyama Director, Kyushu Branch

Kouichi Toukai Director, Building Construction Planning Div.,
Building Construction Headquarters,
General Conductor, NOVARE Academy

Hideo Fujisawa Deputy Director, Tokyo Branch

Masanobu Sakamoto Director, International Civil Engineering Div.,
Global Business Headquarters

Hiroshi Shimizu Director, Hokkaido Branch

Kazuhiko Akagi Deputy Director, Kansai Branch

Isao Miyamori Director, Shikoku Branch

Tomoko Odaira Deputy Director, International Civil
Engineering Div., Global Business
Headquarters



Corporate Information

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Independent Opinion ————— P.99

Ten-Year Highlights (Consolidated)

Shimizu Corporation and its subsidiaries
Years ended March 31, 2017 through 2026

Millions of Yen
(unless otherwise
indicated)

Thousands of
U.S. Dollars
(unless otherwise
indicated)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2026
For the year:											
Construction orders awarded	¥1,565,928	¥1,608,266	¥1,816,023	¥1,318,739	¥1,252,078	¥1,561,898	¥1,672,866	¥2,037,093	¥1,588,007	¥2,158,535	\$13,500,973
Net sales	1,567,427	1,519,435	1,664,960	1,698,292	1,456,473	1,482,961	1,933,814	2,005,518	1,944,360	2,057,802	12,870,918
Operating income	128,835	121,373	129,724	133,894	100,151	45,145	54,647	(24,685)	71,030	118,669	742,238
Ordinary income	131,197	124,130	133,957	137,986	105,465	50,419	56,546	(19,834)	71,664	122,324	765,103
Net income attributable to shareholders of the Corporation	98,946	84,978	99,668	98,977	77,176	47,761	49,057	17,163	66,015	126,617	791,952
Net income per share of common stock (yen and U.S. dollars)	¥126.11	¥108.31	¥127.04	¥128.31	¥101.17	¥64.09	¥66.29	¥23.57	¥94.80	¥186.68	\$1.17
Cash dividends per share of common stock (yen and U.S. dollars)	¥26.00	¥26.00	¥36.00	¥38.00	¥30.00	¥23.00	¥21.00	¥20.00	¥38.00	¥72.00	\$0.45
Ordinary dividends (yen and U.S. dollars)	¥10.00	¥14.00	¥14.00	¥20.00	¥20.00	¥20.00	¥21.00	¥20.00	¥38.00	¥72.00	\$0.45
Special dividends (yen and U.S. dollars)	¥16.00	¥12.00	¥22.00	¥18.00	¥10.00	¥3.00	—	—	—	—	—
Dividends payout ratio (%)	20.6	24.0	28.3	29.6	29.7	35.9	31.7	84.9	40.1	38.6	38.6
ROE (%)	18.8	13.9	14.4	13.6	10.0	5.8	5.9	2.0	7.6	13.8	13.8
Net cash provided by (used in) operating activities	143,668	82,879	(14,933)	170,557	80,674	77,772	83,842	(21,253)	159,094	41,639	260,445
Net cash provided by (used in) investing activities	(34,654)	(30,938)	(52,652)	(115,745)	(113,954)	(89,308)	(52,434)	(5,358)	7,813	(6,858)	(42,894)
Net cash provided by (used in) financing activities	(65,375)	(26,124)	(42,404)	68,732	(42,710)	19,634	65,635	(23,972)	(71,102)	(120,591)	(754,263)
Cash and cash equivalents at end of year	315,803	341,158	229,978	352,722	276,321	287,134	386,750	339,240	438,144	354,492	2,217,241
At year-end:											
Net assets	576,879	656,330	735,242	736,412	821,446	875,172	907,277	948,059	923,922	1,001,175	6,262,046
Total assets	1,688,197	1,780,943	1,860,794	1,904,934	1,908,674	2,128,356	2,448,010	2,538,769	2,524,219	2,654,382	16,602,342
Net assets per share of common stock (yen and U.S. dollars)	¥728.78	¥829.58	¥929.72	¥957.56	¥1,068.74	¥1,116.89	¥1,150.70	¥1,243.88	¥1,260.48	¥1,439.89	\$9.01
Interest-bearing debt	340,010	338,264	319,400	441,315	422,688	495,140	577,271	603,189	591,352	567,412	3,548,987
Equity ratio (%)	33.9	36.5	39.2	38.3	42.7	38.7	34.8	35.0	34.1	36.8	36.8
Debt to equity ratio (times)	0.59	0.52	0.44	0.60	0.52	0.60	0.68	0.68	0.69	0.58	0.58

Notes: 1. Yen amounts have been rounded down to the nearest million.

2. U.S. dollar amounts have been translated at the exchange rate of ¥159.88 to U.S.\$1, the approximate rate prevailing at March 31, 2026.

3. The Group has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the fiscal year ended March 31, 2019.

Accordingly, Total assets and Equity ratio for the fiscal year ended March 31, 2018 are represented in accordance with the aforementioned standard, etc.

4. The Group has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant Guidances effective from the fiscal year ended March 31, 2022.

5. During the fiscal year ended March 31, 2026, the Group finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 31, 2025 reflect the details of the finalized provisional accounting treatment.

ESG Data

Environmental Data

			FY2023	FY2024	FY2025
Decarbonization	CO ₂ emissions reduction in all business activities	Reduction in CO ₂ emissions from the Construction Business (vs. FY2023)	—	11.0%	13%* ²
		Reduction in Scope1 + Scope2 CO ₂ emissions (vs. FY2023)	—	5%	6%* ²
		Usage of diesel alternative fuels for on-site heavy machinery	170kL	273kL	552kL* ²
		On-site renewable electricity usage (percentage)	31GWh (19%)	27GWh (19%)	33GWh (31%)* ²
	Promotion of ZEB creation/conversion	Number of properties that obtain ZEB certification	17 (cumulative total of 34)	27 (cumulative total of 61)	7 (cumulative total of 68)
	Renewable energy promotion/popularization	Scale of renewable energy generation facilities operated by Shimizu	77MW	82.6MW	121.5MW
		Percent of owned investment and development properties renewable energy has been introduced in	67%	80%	77%
Resource recycling	Pursuit of 4R activities (Reduce, Reuse, Recycle, Recover)	Final disposal rate of construction by-products	3.3%* ¹	2.5%	2.8%
		Final disposal rate of waste plastics	20.9%* ¹	16.5%	14.6%
		Input-side cyclical use rate	—	21%	20%
	Promotion/popularization of wooden architecture	Number of projects using wood and hybrid wooden construction	4 (cumulative total of 8)	3 (cumulative total of 11)	5 (cumulative total of 16)
Coexistence with nature	Promotion of green infrastructure	Environment analysis rate using the Environmental KY	—	* ³	* ⁴
		Cumulative number of participants in the restoration activities at Yatsubori no Shimizu Yatsu	211	230	248
Preventing Environmental Pollution	Strict environmental compliance	Number of serious environmental incidents	0	0	0

*1 Decline in performance rate due to an increase in the number of projects

*2 Provisional figures before obtaining third-party guarantees

*3 App development and efforts to raise awareness and understanding among responsible personnel

*4 Conducted app development and awareness-raising activities (implementation rate not tracked)

Social Data

			FY2023	FY2024	FY2025	
Health	Promote/prevent	Regular health checkup participation rate	100%	100%	100%	
		Stress check participation rate	77.9%	87.1%	90.0%	
		Uterine cancer screening rate* ⁵	Women aged 20 and over	56.8%	55.9%	56.5%
		Breast cancer screening rate* ⁵	Women aged 40 and over	81.9%	82.6%	81.8%
	Condition maintenance	Smoking rate	Men	23.2%	23.6%	23.5%
			Women	6.5%	5.8%	6.1%
		Continuation rate of treatment for high-risk individuals	Blood pressure	92.9%	93.4%	93.5%
			Blood sugar	92.4%	92.1%	95.7%
			Lipids	78.1%	80.6%	82.6%
		Status of employee health literacy* ⁶		80.8%	79.3%	79.9%
Obesity rate [BMI 25 and over]	Age 40 and over	38.6%	39.5%	39.6%		
Work styles	Use of systems	Percentage of men taking childcare leave* ⁷	81.0%	89.3%	94.0%	
		Average number of days men take for childcare leave* ⁷	29	45	50	
		Percentage of women taking childcare leave	100%	98.6%	93.4%	
		Average number of days women take for childcare leave	381	370	341	
		Number of employees taking child nursing leave	385	403	657	
		Number of employees taking nursing care absence	6	6	1	
		Number of employees taking nursing care leave* ⁸	107	164	245	
Job satisfaction	Enhancing job satisfaction	Engagement score	—	3.6	3.5	
Growth	Providing growth opportunities	Total investment in human resource development and training (million yen)	928	1,004	1,068	
		Training cost per employee (yen)	89,463	93,998	96,537	
	Utilization of growth opportunities	Number of participants in in-house open recruitment business skills training	30	80	120	

Unless otherwise noted, figures are non-consolidated for Shimizu Corporation (Japan, Head Office) as of the end of each fiscal year.

*5: Rates for uterine and breast cancer screenings represent those who were screened within the past two years. *6: Percentage of employees who answered "motivated to improve lifestyle habits" or "already taking action" in the health checkup questionnaire.

*7: Including taking Shimizu's unique paid paternity leave *8: Nursing care leave has been treated as paid leave since August 2023.

ESG Data

Social Data

				FY2023	FY2024	FY2025
DE&I	Building a diverse organization	Number of employees	Total (men and women)	10,949	11,163	11,434
			Men	8,954	9,023	9,145
			Women	1,995	2,140	2,289
		Percentage of female employees		18.2%	19.2%	20.0%
		Number of new graduate hires* ¹	Total (men and women)	333	380	452
			Men	227	276	303
			Women	106	104	149
		Percentage of female new graduate employees		31.8%	27.4%	33.0%
		Number of career hires	Total (men and women)	167	209	182
			Men	102	130	131
			Women	65	79	51
	Providing fair opportunities	Percentage of female career hires		38.9%	37.8%	28.2%
		Number of foreign national employees		148	177	193
		Number of departments with foreign national employees		91	112	116
		Number of managers* ¹	Total (men and women)	4,407	4,609	4,816
			Men	4,237	4,385	4,547
			Women	170	224	269
		Percentage of female managers* ¹		3.9%	4.9%	5.6%
		Number of newly appointed managers* ¹	Total (men and women)	226	294	254
			Men	196	237	217
			Women	30	57	37
		Percentage of newly appointed female managers* ^{1,2}		13.3%	19.4%	14.5%
Supply Chain	Strengthening the Supply Chain	CSR Procurement Guidelines initiatives	Overall average score (out of 5 points)	—	3.7	—
		The Shimizu Takumi Training Center	Number of participants	2,269	2,484	2,522
	Social contribution activities	Shimizu Open Academy	Number of participants	2,157	2,118	2,327
			Cumulative number of participants* ⁴	60,386	62,504	64,831
		Para-sports experience events	Number of participants	270	240	130
			Cumulative number of participants* ⁵	2,200	2,440	2,570

*1: Figures for new graduate hires and manager appointments are as of April 1 of each fiscal year. *2: Percentage for female managers and gender pay gaps are affected by headcount and workforce composition (no gender-based differences in appointment criteria or pay structure). *3: Average for each fiscal year. *4: Cumulative total since FY2008. *5: Cumulative total since FY2014.

Governance Data

		FY2023	FY2024	FY2025
Ethics and information security	Thorough risk management	Number of serious legal violations	0	0
		Number of serious information security incidents	0	0

		July 2023	July 2024	July 2025
Number of Directors and Audit & Supervisory Board Members	Number of Directors (including Outside Directors)	Male	9	9
		Female	2	2
	Number of Outside Directors	Male	2	2
		Female	2	2
	Number of Audit & Supervisory Board Members	Male	4	4
		Female	1	1

		FY2023	FY2024	FY2025
Attendance rate of Board of Directors meetings		Director	98.4%	99.4%
		Audit & Supervisory Board Member	98.8%	100%

External evaluations & Participation in Initiatives

We have received high praise from industry organizations and academic societies for our achievements in construction projects and technological development. In addition, we have been selected as a constituent of multiple ESG (Environment, Social, and Governance) indices and has also received various certifications and evaluations related to the environment, diversity, digital transformation (DX), and other areas.

Japan Federation of Construction Contractors (JFCC) Awards

The 66th BCS Prize	Smart Innovation Ecosystem NOVARE TOKYU KABUKICHO TOWER
7th Civil Engineering Prize	The Kumamoto 57th Takimurozaka Tunnel New Construction Project Sengozawa Dam Redevelopment Project

JSCE Awards 2025

Technique Award (1)	Planning and Construction of a Large-Scale Labyrinth-Type Spillway for the Sengozawa Dam Redevelopment Project
	Digital Transformation of Mountain Tunnels Through ICT Excavation Management and Digital As-Built Management for Phase II Line Tunnels (Tokai-Hokuriku Expressway Maki Tunnel Construction Project)
	Design and Construction Management of Continuous Girders with Varying Cross-Sections Installed Above Railway Tracks and in Confined Spaces (Risk Management Under Stringent Constraints) —Widening and Improvement of the JR Hamamatsuchō Station South Exit Pedestrian Passage—
Innovative Technique Award	Development of an Automated Modeling and Verification System for RC Shop Drawings Utilizing Parametric Modeling
	Development of Next-Generation Mountain Tunneling Method: Innovation in Rock Bolt Construction
Environmental Award (1)	Development of Soil Radioactivity Level Sorting Technology and Operation of It Inside Interim Storage Facility

Japan Concrete Institute Awards 2026

Outstanding Structure Award	Sengozawa Dam Redevelopment Project
	Smart Innovation Ecosystem NOVARE

Japan Society of Dam Engineers Awards 2025

Technology Development Award	Development and Implementation of a New Dam Concrete Conveying System (SC Premium Conveyor)
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Japan Construction Machinery Construction Grand Prize 2026

Excellence Category, Excellence Award	Development of the "Concrete Spraying Automation System," an automated spraying technology that enables real-time spraying measurement in mountain tunnel construction
	Automated Construction System for Reinforced Concrete Structures Using Spray-based 3D Printer

Inclusion in ESG Index Awards related



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Engineering Contribution Award and Special Encouragement Award 2026

<Group Awards> Engineering Promotion	Sengozawa Dam Redevelopment Project Team
Engineering Special Encouragement Award	Development Team for a Remote and Automated System for Concrete Spraying in Mountain Tunnel Construction
	Pedestrian Flow Simulation Shimz DDE Pedex+ Development Team

OCAIJ Award 2025

OCAIJ Project Award	Asahan No.3 Hydroelectric Power Plant Project (Lot I - Civil Works)
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National Award for Excellence in Academic and Technical Achievement for Outstanding Land Improvement Projects, etc. 2025

Ainono Dam Improvement Works, Asahikawa Agricultural Water Supply Project

ZENKEN Award 2026

General Category – Building Division	Exterior Restoration Project of the Former Furukawa Gardens Western-style Mansion
General Category – River Division	Oji No. 2 Pump Station Construction Project

2nd Decarbonized Urban Design and Development Awards 2025

Minister of the Environment Award	Smart Innovation Ecosystem NOVARE
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The Society of Heating, Air-Conditioning and Sanitary Engineers of Japan: 64th Technical Award

Building Services Division	Environmental and Building Services Planning for Smart Innovation Ecosystem NOVARE: Creating New Value for Buildings and Cities through DX
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37th Awards of the Institute of Electrical Installation Engineers of Japan

Technical Division – Excellent Facility Award	Electrical Systems of Smart Innovation Ecosystem NOVARE
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2nd Tokyo-NbS Action Awards

Grand Prize, Large Organization Category	Nature-Positive Contributions Centered on Saisei-no-Mori: Long-Term Demonstration of Ecosystem Restoration and Community Co-Creation Initiatives
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Awards related to ESG and others



United Nations Global Compact



Shimizu became a participant signatory in of the UN Global Compact in March 2013.

[Click here for details](#)

[ESG Indices and External Valuation](#)

Corporate Information/Investor Information (as of March 31, 2026)

Corporate Information

Corporate Name	SHIMIZU CORPORATION
Date of Establishment	1804
Capital	¥74,365 million
Total Employees (consolidated)	22,278
Main Business	Contracting for building, civil engineering, machinery and other construction works; Research, planning, study, evaluation, diagnosis, soil analysis, surveying, design, supervision, management and consulting in connection with construction works; Research, planning, design, supervision, management and consulting in connection with regional development, urban development, ocean development, space development, resources and energy development, and environment improvement; Purchase, sale, letting, brokerage, management, appraisal and consulting of real estate; Construction, sale, letting and caretaking of residential houses and other kinds of buildings and development and sale of land;
Net Sales (consolidated)	¥2,057.8 billion (FY2025)

[Click here for details](#)  **Corporate Organization**

Investor Information

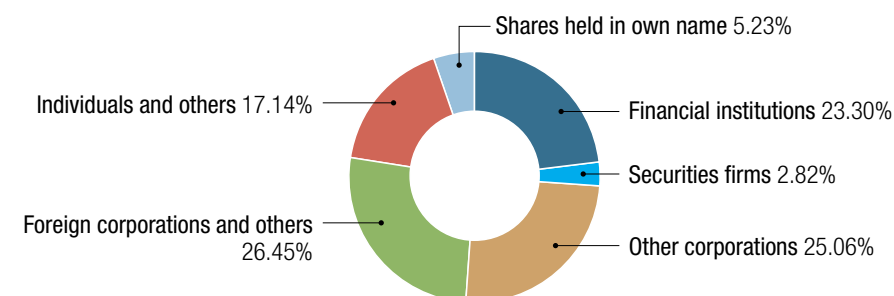
Total Number of Shares Authorized	1,500,000,000
Total Number of Shares Issued	716,689,413
Exchanges Listed on	Tokyo Stock Exchange Prime Market Nagoya Stock Exchange Premier Market
Number of Shareholders	67,747 (increase of 9,663 from March 31, 2025)
Transfer Agent	Mitsubishi UFJ Trust and Banking Corporation

Major shareholders

Shareholder	Number of shares held (Thousands of Shares)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	89,462	13.17
SHIMIZU & CO., LTD.	82,730	12.18
Shimizu Foundation	38,767	5.71
Custody Bank of Japan, Ltd. (Trust Account)	29,639	4.36
Housing Research Foundation JUSOKEN	23,665	3.48
Employee's Stock Ownership Plan	18,538	2.73
STATE STREET BANK AND TRUST COMPANY 505001	15,136	2.23
Fukoku Mutual Life Insurance Company	13,552	2.00
Custody Bank of Japan, Ltd. (Taxable trust money account)	10,741	1.58
JP MORGAN CHASE BANK 385632	9,303	1.37

Note: Percentage of total is calculated excluding treasury stocks (37,488,136 shares).

Shareholders Ratio (Percentage of owned shares)



Contributing to Society

Based on our fundamental philosophy of social contribution, we actively engage with local communities both in Japan and overseas and carry out a variety of social contribution activities. Here, we introduce some of our social contribution initiatives.

Basic Principles

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

Key Area Initiatives

Global Environment

As an environmental leader, we are committed to our ecological mission and actively promote it as part of our business.

The Shimizu Meguri no Mori Project

In the field of architecture, efforts to promote the use of wood as a building material with a low environmental impact are gaining momentum as part of the drive to achieve a carbon-neutral society.

As a consumer of wood, our company does not merely purchase and use it; we are committed to playing a role in the sustainable, recycling use of wood. Through the "Shimizu Meguri no Mori" Project—in which we actively engage in tree planting and forest management—we aim to contribute to the realization of a carbon-neutral society.



Signing ceremony for a Forest Management Agreement held in Gujo City, Gifu Prefecture

Education

We actively promote Shimizu's own educational programs and other educational activities for children, young people, and the community.

Shimizu Open Academy (SOA)

The Institute of Technology hosts the "Shimizu Open Academy," a series of public lectures aimed at young people—the next generation—and the general public, with the goal of deepening their understanding of construction technology and the joy of Monozukuri (craftsmanship).

This year's summer vacation seminar for high school students was held in collaboration with our Koto Ward Shiomi Innovation Facility, "Smart Innovation Ecosystem NOVARE," where participants experienced a construction site firsthand at our hands-on training facility.



Lecture on How to Build High-Rise Buildings

Art and Culture

We promote activities such as preserving and restoring historical buildings and sponsor art and cultural events on an ongoing basis.

Construction of a Research Facility on Hashima Island (commonly Known as "Battleship Island")

To contribute to the preservation, maintenance, and public utilization of the Hashima Coal Mine—a component asset of a World Heritage Site—we constructed "Building No. 72," the first new structure on Hashima in 56 years, and began operations there this past April.

Our company has a history of undertaking the new construction and renovation of Japan's oldest reinforced concrete construction multiple dwelling house, built on Hashima during the Taisho era, and we will continue to collaborate with Nagasaki City to contribute to the preservation and maintenance of this group of buildings, which are suffering from significant deterioration.



Exterior view of "Building No. 72," the first new structure built on Hashima in 56 years

Social Inclusion

We promote activities that make the community a place where everyone feels valued and enjoys their work and their lives, including the elderly, people who are handicapped, and people from other countries.

Sponsorship and Support for the "Art Para Fukagawa: The Chatty Art Festival"

With the goal of realizing an inclusive society and contributing to the local community, our company has served as a main partner for the "Art Para Fukagawa: The Chatty Art Festival"—an event held every fall in Koto Ward, Tokyo, that fills the streets of Fukagawa with artworks created by people with disabilities—and has sponsored the event for six consecutive years since its inception. Our employees volunteered at the venue, handling reception and crowd control, and assisted with the installation of the artworks.



Our volunteers who helped run the event and the attendees

Independent Opinion



Keisuke Takegahara

Professor, National Graduate Institute for Policy Studies

Joined the Japan Development Bank (now the Development Bank of Japan) in 1989. After serving as the General Manager of the Environment & CSR Department, Executive Officer and Deputy General Manager of the Industrial Research Division, as well as Manager of Sustainability Management in the Corporate Planning Department and Executive Director of the Research Institute of Capital Formation, he has been in his current position since July 2024.

* He has provided objective, expert opinions for the Shimizu Corporate Report (formerly known as the Shimizu CSR Report) every year since 2012.

Although the Shimizu Corporate Report 2026—which covers the second year of the current Mid-Term Business Plan and retains its fundamental role as a communication tool for multiple stakeholders—could have been compiled in a conservative manner, it does not play it safe but instead projects a proactive stance toward the next stage. While grounded in the stability built up over the years, the report features passages throughout that hint at new growth, making it a document that heightens expectations for the future.

The first thing that catches the eye is the introductory page following the Table of Contents. By linking the report's main content to the logic tree and specific initiatives for improving PBR—as outlined in the Mid-Term Business Plan(2024-2026)—the report is structured to provide a systematic understanding of the value creation story. This represents a significant shift from previous years; the editorial intent is clearly demonstrated by making corporate value enhancement the overarching theme of the report and showcasing, in each section, the improvement in profitability that exceeds the cost of capital and ensures sustainable growth to achieve this goal.

This emphasis on value creation is clearly evident in the Message from the President at the beginning of the report. It clearly states the recognition that continuous value creation is essential to solidify the Group's record-breaking profits as a true measure of its capabilities, thereby reaffirming the significance of the long-term vision and the implementation plan. Under a long-term perspective that shifts from a traditional "scrap-and-build" approach to a business model centered on existing assets, the policy of advancing value creation by leveraging new elements—such as digital technology and global networks—strongly conveys a vision for the future business portfolio. Furthermore, Shimizu Corporation's unique logic emphasizes that "going back to our origin" is essential to achieving this. The "Shimizu Brand"—built on trust accumulated through sincere Monozukuri

(craftsmanship)—forms the foundation of value creation. The perspective that even when adding new management resources, the company must not only consider the cost of capital but also clear the hurdle of whether the investment "aligns with Shimizu's DNA" is what truly sets the company apart.

This unique character is explored in greater depth in the following Special Contents 1, "Passing on Technical Skills and Developing Talent." I was truly impressed by the way the discussion, using the restoration of Shuri Castle as a case study, highlighted the importance of "preserving tradition while appropriately incorporating cutting-edge technology"—demonstrating that going back to our origin is, in fact, a future-oriented value-creation process. This message runs through all subsequent content. For example, Special Contents 2 takes a different turn, presenting inorganic growth strategies—such as M&A—as a global corporation. The interior finish work companies in Singapore and the U.S. featured as case studies both possess strengths such as deep penetration among global clients and proven performance results in high-value-added markets. While these strengths alone are sufficient to envision a future business portfolio, the realization that these investments have also passed the Shimizu brand screening process further heightens expectations for synergies.

Another highlight of this issue is the expanded coverage of progress on the Mid-Term Business Plan(2024-2026). By category, the report emphasizes the importance of investing in human capital as a management strategy—for example, by introducing a new personnel system aimed at organizational revitalization and improving productivity as part of efforts to achieve a Stronger Business Foundation. Furthermore, regarding business strategy, the importance of continuing to enhance cross-functional collaboration is highlighted, with "improving earning capacity" and "building an optimal portfolio" as key themes. Last year, this section listed the key challenges and initiatives for each business unit, but this year, the format has

shifted to incorporating them into the narrative under "4. Shimizu's Business" for each unit. By combining these descriptions with the voices of leaders at project sites, the report effectively enhances its narrative flow. Furthermore, a new section featuring a message from an officer in charge of Finance has been introduced; by highlighting the alignment with policies aimed at enhancing corporate value, the financial strategy is brought to the forefront more prominently than ever before. This structure, combined with pages linking the PBR logic tree to related content within the report, suggests the report's direction: to reconstruct its narrative with a focus on enhancing corporate value.

Throughout the report, the structure—which demonstrates a strong focus on the value creation process—conveys the report's effort to reexamine the significance of the Group's diverse business activities by connecting them to corporate value. Going forward, we look forward to a clearer articulation of the future business portfolio envisioned by the long-term vision, along with a more detailed explanation of how management strategies will be implemented to achieve it. While there is already substantial coverage of the six types of capital, Shimizu Corporation's strengths would be conveyed even more clearly if, for example, initiatives related to human capital were presented as a transition strategy for the talent portfolio that underpins management strategy—and if the strengthening of the foundation and individual business strategies were discussed in an integrated manner that supports the transformation from the current state to the future business portfolio. Given the significant changes demonstrated during this period of stability, we look forward to the next phase of developments, which will reflect the deepening discussions leading up to the next Mid-Term Business Plan.



SHIMIZU CORPORATION
<https://www.shimz.co.jp/en/>

Today's Work, Tomorrow's Heritage