

## Shimizu Corporation

### FY2016 Modern Slavery and Human Trafficking Statement

This statement is made pursuant to Section 54, Part 6 of the United Kingdom (UK) Modern Slavery Act 2015 and represents the policies and actions being taken to ensure that slavery and human trafficking are not taking place in any part of Shimizu Corporation or its supply chain. In this Statement, “slavery and human trafficking” refers to slavery, servitude, forced or compulsory labour, human trafficking and other conducts defined in Section 54 (12), Part 6 of the Modern Slavery Act 2015.

#### 1. Our Business and Structure

Since our establishment in 1804, we, Shimizu Corporation, have been in the business of Construction, Architecture, Engineering and Property Services, with our main business being construction. We employ 10,431 staff (as of March 31, 2017) and our head office is in Tokyo.

#### 2. Our Corporate Policies against Slavery and Human Trafficking

We understand that taking a proactive approach to prevent slavery and human trafficking aligns with our corporate policy of maintaining fairness and transparency in business and operating in accordance with a strict code of business ethics.

##### 2.1 CSR policy

We have adopted the following three CSR policy pillars and have been promoting them as an integral part of our business.

- A) Fairness and Transparency in Business
- B) The creation of value surpassing the expectations of customers and society
- C) The pursuit of business activities that coexist with society

In relation to Pillar (C) above, we have adopted a policy of respecting human rights in our Management Philosophy and Code of Corporate Ethics and Conduct, and have been making efforts to heighten awareness of human rights issues under our Basic Human Rights Policy. We require all employees to respect human rights and to comply with laws and regulations at all times.

##### 2.2 UN Global Compact

In March 2013, we became the first general contractor in Japan to become a participant in the UN Global Compact.

As a Global Compact member, we reaffirm the principles of respect for human rights and the elimination of all forms of forced and compulsory labour.

### **3. Supply Chain (Our subcontractors)**

#### **3.1 Control of the subcontractor supply chain**

In the vast majority of the projects outside Japan in which we participate as a main contractor, subcontractors' employment of their subcontractors is subject to our approval.

#### **3.2 Our Basic Procurement Policy**

We expect our suppliers and subcontractors to ensure that their operations are free from any form of slavery and human trafficking. In line with this, and as part of our efforts to embed the concept of "Fairness and Transparency in Business" throughout our supply chain, we have developed basic procurement policy documents in which we request that our suppliers and subcontractors:

- fully comply with laws and regulations wherever they conduct business; and
- strictly prohibit forced or compulsory labour and provide appropriate working conditions including wages, working hours and leave.

### **4. Risk Management**

With a view to mitigating the risk that our supply chain or our own business is involved with slavery or human trafficking, we have taken the following steps:

#### **4.1 CSR Self-Assessment**

We have committed to assessing our performance against the targets and actions we have set for ourselves to identify areas for improvement for subsequent years.

#### **4.2 Internal Capacity Building**

In order for us to improve our ability to identify and manage relevant risks in our operations and supply chain, we recognise a need to build capacity internally, both in relation to human rights generally and specifically in relation to forced labour and human trafficking.

##### **4.2.1 Human Rights Awareness-Raising**

We have been making strenuous efforts to enhance staff awareness in relation to human rights. We have established a "Committee to Enhance Awareness of Human Rights", which has initiated staff training targeting all employees.

##### **4.2.2 Compliance Training**

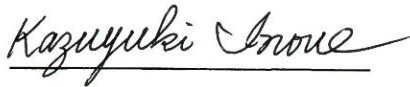
All our staff members are obliged to complete training on compliance and ethics annually. We expect that this training reminds each staff member of the essence of our Code of Corporate Ethics and Conduct and is one way in which we try to equip our staff to play a role in eliminating any illegal or unethical behaviour from our own business and our supply chain.

#### 4.3 Corporate Ethics Helpline

We have introduced a Corporate Ethics Helpline as a contact address to which any of our staff may report illegal or suspicious behaviour. The existence of this helpline has been explained to all our staff via compliance training and our internal network.

This statement has been approved by the Board of Directors and is signed by the representative director of Shimizu Corporation.

June 27, 2017

A handwritten signature in black ink, reading 'Kazuyuki Inoue', is written over a horizontal line.

Kazuyuki Inoue

President and Representative Director

Shimizu Corporation