



# WFSGI COMMUNICATION ON ACTION

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## Reporting Template 2022

<b>Company Name:</b>	ASICS Corporation
<b>Type of Company:</b>	Brand
<b>Number of Employees</b>	8861
<b>Country:</b>	Japan
<b>Filled in by:</b>	
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<b>Date:</b>	October, 2022
<b>Reporting period:</b>	January 1 <sup>st</sup> -December 31 <sup>st</sup> 2021

After you complete this document, please send a copy to WFSGI:

Karolina Brazyte  
Email: [kbrazyte@wfsgi.org](mailto:kbrazyte@wfsgi.org)

## Part A

### Commitment to the WFSGI Code of Conduct: Statement by Senior Decision-Maker

Provide a statement from a senior decision-maker of the organization (e.g. CEO, Chair, Senior Corporate Responsibility Manager, etc.) that expresses continued support for the WFSGI Code of Conduct and ongoing commitment to its provisions. Please include the individual's name and job title at the bottom of the statement. The statement could include:

- The importance of commitment to the principles of the WFSGI Code of Conduct
- Key corporate responsibility issues for the company
- An outlook on the organization's main challenges
- An overview of CR governance at the company
- Broader trends (i.e. political or economic) that affect the company and its corporate responsibility performance, etc.

The statement can include links to the relevant section of the member's corporate website where more detailed information is available.

Maximum word count: 400 words

For more than 70 years, ASICS has remained committed to a healthier, better society through sport by driving technological innovation that supports athletes' pursuit of continuous improvement. We recognize that we have a role to play in driving best practice corporate responsibility behaviour such as fairness, honesty, mutual understanding and high ethical standards throughout our supply chain and other stakeholders.

As a long-term Gold member of the World Federation of the Sporting Goods Industry (WFSGI) ASICS has an ongoing commitment to the WFSGI Code of Conduct (CoC) and we strongly support aligned and best practice corporate responsibility across our industry and supply chain. The WFSGI CoC sets a high business standard based international conventions and standards. We have adopted our own 'Global Code of Conduct' and a specific 'Policy of Engagement' for our contracted supply chain partners which are both aligned with the WFSGI CoC, and we support adoption of the WFSGI CoC by non-members across the sporting goods industry. This is the expectation of our consumers and of wider society. In recent years, we have observed a number of developments that have fundamentally changed the way our industry operates and interacts with its various stakeholders, and the need for our industry to take a strong role. Consumers and wider society expect more transparency from business on the origin of products, materials used and ethical supply chains, and a high level of corporate responsibility. The WFSGI CoC strongly supports these activities.

We continue to improve our strategy, compliance with business standards, and improve our corporate responsibility performance. ASICS' progress towards achieving our corporate responsibility strategy is supported by the Sustainability team (created in 2004) but also relies on commitment from many different business divisions. In 2019 we completed our second materiality assessment in large scale which confirmed the level of alignment between our programme and the priority materiality issues identified by our internal and external stakeholders. Our Materiality Matrix is a guide to ensure that our activities remain focused on the most relevant topics where we can have greatest positive impact (refer to Page 43 to 45 of the ASICS 2021 Sustainability Report: [https://corp.asics.com/en/csr/csr\\_reporting](https://corp.asics.com/en/csr/csr_reporting))

## Part B

### Description of Actions Taken during the Reporting Year to Implement the WFSGI Code of Conduct

#### B.1 Programs and Actions

Provide a description of practical actions that the company has taken (or plans to undertake) to implement the WFSGI Code of Conduct. This includes programs or activities that address specific areas such as human rights, decent working conditions, community involvement, the environment, etc. For example:

- Operating programs to implement own or other Codes of Conduct
- Operating environmental programs (including waste reduction, responsible usage of water and energy resources, recycling practices, hazardous waste management policies, fuel reduction, etc.)

- *Employee education and training programs*
- *Supplier capacity building and training programs (including human resources management, health, safety & environment)*
- *Community Affairs programs (including charities, sponsorships, corporate volunteering, corporate giving, etc.)*

*The statement can include links to the relevant section of the member’s corporate website where more detailed information is available.*

Maximum word count: 400 words

- In 2021, ASICS reduced greenhouse gas emissions by 28.0% (2015 baseline) by shifting to renewable electricity in our direct operations, despite the impact on business activity from the spread of the COVID-19 pandemic. Also reduced supply chain greenhouse gas emissions by 19.7% (2015 baseline) by actively using recycled and other lower emissions materials.
- In 2021, we increased the use of the recycled polyester in all product categories consistently and broadly. Overall, 90% of new running shoes included recycled material. More than 30% conventional polyester materials replaced with recycled polyester.
- 23.0% renewable electricity used in our business facilities
- In 2021, we focused on uplifting people’s minds, and we motivated them to keep moving physically: including through our online running events. With the aim of uplifting a million minds around the world, we launched the Mind Uplifter on Global Running Day, 2 June 2021. It is the world’s first live study into the impact of movement on the mind. We invited people to visit [minduplifter.asics.com](http://minduplifter.asics.com) to capture their Mind Uplift. To do this, they could scan their face and answer questions to gauge brain function, then exercise and repeat the process. Many employees took part.
- ASICS World Ekiden is the ultimate virtual relay founded on teamwork. In 2021, more than 40,000 people applied to take part in teams. Learning from the previous year, we improved the user experience and added elements for participants to celebrate completing each leg of the race.
- US\$ 409,897 for the community in contributions and donations
- 100% Tier 1 supplier factories meet ASICS C-Level or above
- In June 2021, we issued the ASICS Group Modern Slavery and Transparency Statement in accordance with the modern slavery acts of the UK, Australia and the USA.
- Due to the spread of COVID-19, factory operations were restricted and many of our suppliers faced challenges to the health and safety of their employees and the continuation of production activities. To support sustainable business management, we co-hosted a virtual seminar with Better Work Vietnam in November 2021. About 100 people from 34 factories attended, including people in charge of sustainability, compliance, human resources and general affairs.
- ASICS colleagues also participated directly: 43 people volunteered in the Olympic and Paralympic Games Tokyo 2020, for a total of 1,460 hours.

## **B.2 Policies**

*Briefly describe any company policies that are relevant to the WFSGI Code of Conduct. For example:*

- *Non-discrimination policy*
- *Environmental policy*
- *Child labor policy, etc.*

*The statement can include links to the relevant section of the member’s corporate website where more detailed information is available.*

Maximum word count; 400 words

ASICS conducts its business activities based on the guiding principles outlined in the ‘ASICS Spirit and Philosophy’ and ‘ASICS CSR Policy’ (<http://corp.asics.com/en/p/csr>), as well as the ‘WFSGI Code of Conduct’.

The ‘ASICS Global Code of Conduct’ (<http://corp.asics.com/en/p/asics-global-code-of-conduct>) supports these foundation documents, and outlines ASICS’ internal expectations related to corporate responsibility:

- Maintain a Sound Workplace
- Company (Intellectual) Property
- Fair Business Activities

- Relation with Society and Environment

In addition, ASICS has established a number of global policies, guidelines and other internal control documents which define expected business behaviour for specific activities, and support the overarching policies:

- Basic Policy on Corporate Governance
- Global Policy on Anti-Bribery and Anti-Corruption
- Global Policy on Anti-Trust and Competition
- Global Policy on Environment
- ASICS Human Rights Policy
- Global Policy on Privacy Protection
- Global Policy on Protected Disclosure (Whistleblowing)
- Basic Policy for Internal Controls
- ASICS Procurement Policy
- Global Business Continuity Policy
- Crisis Management Policy
- Risk Management Policy
- Information Security Policy
- ASICS Privacy Policy
- Compliance Policy
- Disclosure Policy
- Insider Trading Policy
- ASICS Policy of Engagement (Suppliers)
- Global Social Media Guideline

Compliance with these documents and policies is managed within the relevant departments as well as through the ASICS Compliance Committee which investigates and resolves any potential cases of non-compliance.

For a detailed explanation per policy please refer to our corporate website, which is accessible via the footer area of all our websites, or directly at <http://corp.asics.com/en/>

### B.3 Collaborations & Memberships

List any relevant collaborations and memberships of corporate responsibility initiatives and programs. For example:

- *Business Social Compliance Initiative (BSCI)*
- *Ethical Trading Initiative (ETI)*
- *Fair Labor Association (FLA)*
- *Fair Wear Foundation (FWF)*
- *Social Accountability International (SAI), etc.*

The statement can include links to the relevant section of the member's corporate website where more detailed information is available.

Maximum word count: 400 words

ASICS works closely with many industry associations and other external stakeholders to implement and strengthen its corporate responsibility programme, and to support development of better solutions to common challenges in our industry.

- Better Work ILO (BW)

ASICS has been a brand partner with BW since 2014, and was the first Japanese brand partner. BW is a collaboration between the United Nation's International Labour Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group, and manages a comprehensive programme bringing together all levels of the apparel and footwear industry to improve working conditions and respect of labour rights for workers. Through the partnership, BW, 'Better Factories Cambodia' (BFC) and ASICS collaborate to promote continuous improvement in our supplier factories in Cambodia, Vietnam and Indonesia. This work includes capacity building, improving working conditions, promoting occupational health and safety, and preventing child labor.

- Sustainable Apparel Coalition (SAC)

As founding member of SAC in 2011, we have been closely involved in the organization's efforts to align industry sustainability standards at a global level. We are committed to incorporating the Higg Index into our processes in order to improve both product performance and stakeholder communication from a sustainability perspective.

- UNFCCC's Fashion Industry Charter for Climate Action

ASICS has joined the UNFCCC's Fashion for Global Climate Action initiative as a signatory to the Charter. By signing the Charter, ASICS demonstrates its commitment to ensure the fashion sector is on the path to a low-carbon future.

- The Fashion Pact

A global coalition of companies in the fashion and textile industries which have all committed to a common core of key environmental goals in three areas: mitigating climate change, restoring biodiversity and protecting the oceans.

- RE100

As a member company of RE100, ASICS will aim to use only renewable electricity across all Group companies by 2030.

- Apparel & Footwear International RSL Management (AFIRM) Group

Since 2013, through AFIRM membership ASICS has supported the sharing of chemical management best practice and activities that help suppliers efficiently manage their chemical risks and compliance. In 2015, we helped create the first AFIRM Restricted Substances List (RSL) - a credible tool suppliers can use to build base compliance with AFIRM member chemical restrictions. The AFIRM RSL is a strong tool to support alignment of industry chemical standards for products. Since early 2016 we have adopted the AFIRM RSL.

For more detailed explanation of ASICS stakeholder engagement programme please refer to ASICS 2021 Sustainability Report and supporting online information: [https://corp.asics.com/en/csr/csr\\_reporting](https://corp.asics.com/en/csr/csr_reporting)

## B.4 Certifications & Awards

List any relevant corporate responsibility certifications or awards that your company has received. For example:

- OHSAS 18000 certification
- ISO 26000 certification
- SA 8000 certification
- ISO 14000 certification, etc.

The statement can include links to the relevant section of the member's corporate website where more detailed information is available.

Maximum word count: 400 words

ASICS has received a number of honors and other forms of external recognition of our corporate responsibility efforts during 2021 from a variety of stakeholders; customers, suppliers, and investors.

- Dow Jones Sustainability Index (DJSI) - Asia/Pacific Index

In 2021, ASICS was included for the seventh consecutive year in the Asia/Pacific Index of DJSI. The DJSI was launched in 1999 as the first global sustainability benchmark for investors who integrate sustainability considerations into their portfolios.

- S&P Global Sustainability Yearbook Member 2021

ASICS Corporation is included. It showcases the sustainability performance of the world's top 15% companies in the industry

- FTSE4Good Index Series and FTSE BLOSSOM JAPAN INDEX

ASICS Corporation has been continuously included in the FTSE4Good Index since 2016 and the FTSE Blossom Japan index since 2017.

- MSCI Japan ESG Select Leaders Index

ASICS Corporation has been continuously included with AA ratings since 2017 MSCI Global Sustainability Index

- CDP

ASICS Corporation rated B level on climate change (previously rated B level 4 times, A- level 1 time) and rated B level on water security for the second time.

- CDP Supplier Engagement Leaderboard 2021

ASICS Corporation has been recognized for the second consecutive year, and it showcases that ASICS is among the top 8% of organizations assessed by CDP, one of almost 500 companies on the Leaderboard this year.

- ISO14001 Environmental Management System Certification

The continuous improvement approach of ISO14001 aligns with ASICS' Japanese heritage and adoption of kaizen principles. We have been implementing ISO14001 at business unit level since 2000.

## Part C

### Progress against Previously Set Targets

Provide information about the company's progress against relevant targets or performance, or other qualitative and/or quantitative measurements of results. For example:

- Reduction in the number of accidents at the workplace
- Progress against energy saving targets, water saving targets, emission reduction targets
- Use of more environmentally-sound materials
- Phase-out of critical chemicals, etc.

The statement can include links to the relevant section of the member's corporate website where more detailed information is available.

Maximum word count: 400 words

2021 is the first year of our Mid-Term Plan 2023. A summary of our 2021 progress is provided below, however, for a detailed explanation please refer to ASICS 2021 Sustainability Report: [https://corp.asics.com/en/csr/csr\\_reporting](https://corp.asics.com/en/csr/csr_reporting)

#### FY2023 target

100% recycled polyester to replace conventional polyester materials in shoes and sportswear products.

Three regions have take-back programs to reuse or recycle products and materials.

Source 100% more sustainable cotton for our products

All Tier 1 supplier factories to meet global sustainability standards and ASICS sustainability standards.

All Tier 1 strategic partner factories to meet ASICS B-Level or above.

Expand the scope of self-governance.

All nominated Tier 2 suppliers to meet ASICS C-level or above.

100% renewable electricity used in our business facilities by 2030.

90% Tier 1 strategic partner factories improve their SAC Higg Facility Environmental Module (Higg FEM) Score compared to baseline.

#### Progress FY2021

More than 30% conventional polyester materials replaced with recycled polyester. More than 90% of new running shoes in 2021 and 2022 contain recycled material.

The take-back program has started at retail stores in Japan. The take-back program run through E-commerce has expanded to Canada.

More than 50% sourced from more sustainable cotton.

→ 100% Tier 1 supplier factories to meet global sustainability standards and ASICS sustainability standards.

→ Tier 1 strategic partner factories to meet ASICS B-Level or above.

→ Adopted a self-governance method that utilizes SAC's Higg vFSLM.

→ 100% nominated Tier 2 suppliers to meet ASICS C-level or above.

23.0% of electricity from renewable sources

80% of Tier 1 strategic footwear partner factories from which we received Higg FEM modules improved their Higg FEM 2020 score compared to baseline. (Baseline:Higg FEM 2019).

20% reduction of water and waste impact per item produced by Tier 1 footwear factories by 2023 (2015 baseline).

Achieve ratio of female representation in management and senior positions at least 35% globally by 2023.

Strengthen talent management globally, expand the utilization field of the Human Resource Information System (HRIS) in each region, progressively.

Water consumption decreased by 29.5% and waste emissions decreased by 60% for every pair of shoes manufactured (2015 baseline). In 2021, the percentage of female managers increased by 1.17% globally to 33.7%.

We globalized the recruitment and learning and development (L&D) process.

## Part D

### Goals & Targets

*List your long-term goals and priority targets for the next reporting period, and highlight priority areas the company intends to focus on in the next planning cycle. This section should illustrate the continuous improvement that the company is striving to achieve.*

*The statement can include links to the relevant section of the member's corporate website where more detailed information is available.*

Maximum word count: 400 words

Over the next 10 years and beyond, ASICS plans to expand its business in three domains: Product, Facility and Community, and Analysis and Diagnosis. All three business domains will share three common themes – Sustainable, Digital, and Personal. Using always-evolving digital technology, the business domains will develop and offer personalized products and services with environmentally conscious, sustainable methods. This will drive our sustainability activities under our two main pillars of People and Planet.

Following are some of our long-term and mid-term goals

- Net-zero carbon emissions by 2050
  - 63% reduction in absolute CO2 emissions from our direct operation
  - 63% reduction in absolute CO2 emissions from our supply chain
- \*target scope is 'purchased goods and services' and 'end-of-life treatment of sold products'.
- 100% renewable electricity used in our business facilities by 2030
  - 50% reduction to the amount of energy our Tier 1 supplier factories use to manufacture our products by 2030 (2015 baseline)
  - 85% renewable electricity used in our Tier 1 supplier factories to manufacture our products by 2030
  - 100% recycled polyester to replace standard polyester materials in shoes and sportswear products by 2030
  - 3 regions have take-back programs to reuse or recycle products and materials
  - Create innovation through partnerships



## Submission Deadlines for the Communication on Action (COA)

Member companies are asked to report **at least every two years**. Companies can choose to report annually – this may be easier for those with annual reporting cycles. Each COA will have to cover actions and progress over the previous one or two years and the submission deadline is six months after the end of the company's reporting period. For example, if you are reporting for the period from April 1, 2021 to March 31, 2021, the COA is due on or before September 30, 2022.

Any company wishing to become a member has to submit a COA along with their membership application.

In the event of an anticipated delay in submitting the COA, the organization may request an extension of the deadline by three months, providing a reasonable explanation for the delay and stating the date when the COA will be available. In the event that the member organization is not able to provide the COA, it should explain the reason to the WFSGI (the so-called "Comply or Explain" principle).

For further information on the COA, please contact Mr. Marc Magnus at [mmagnus@wfsgi.org](mailto:mmagnus@wfsgi.org) or Ms. Karolina Brazzite at [kbrazzite@wfsgi.org](mailto:kbrazzite@wfsgi.org).