

Sustainability Report 2023



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Message from the CEO



Welcome to the ASICS Sustainability Report 2023, which outlines our strategic approach and our targets, performance and plans across the social and environmental aspects of sustainability.

Since its inception, ASICS has been committed to sustainability, as we continue to work according to our founding philosophy *Anima Sana In Corpore Sano*: Sound Mind, Sound Body.

This report is the latest chapter of our sustainability story, highlighting the actions we have taken to promote well-being and understand the science behind it, while minimizing our impact on the planet.

Within the broader ASICS VISION 2030, this was the last year of our 2021-2023 strategy, and you can read the results of our efforts throughout the report. It also marks the start of a new phase, with our Mid-Term Plan 2026 beginning in 2024.

The Mid-Term Plan 2026 sets out our transformative path to a global integrated enterprise. According to the Plan, we are reinforcing the business foundation in five areas: Digital, Sustainability, Human Capital, Finance, and Governance. The central position of Sustainability in this strategy highlights the integral role it has at ASICS.

Our overarching 2026 target is the reduction of CO₂ emissions, aligned with ASICS growth strategy, responsible sourcing, and increased transparency. Looking back over the year, our innovative products like the GEL-LYTE™ III CM 1.95 shoe, approaches like carbon footprint labeling, and the development of digital systems for supplier sustainability management highlight the creativity and commitment of our employees across the business.

There is much more to come as we implement the Mid-Term Plan, and our reporting is part of the ongoing work to increase transparency. We are currently in the process of preparing to report meeting the requirements of European and international non-financial information disclosure frameworks. This effort will persist throughout 2024, in parallel with our ongoing sustainability efforts.

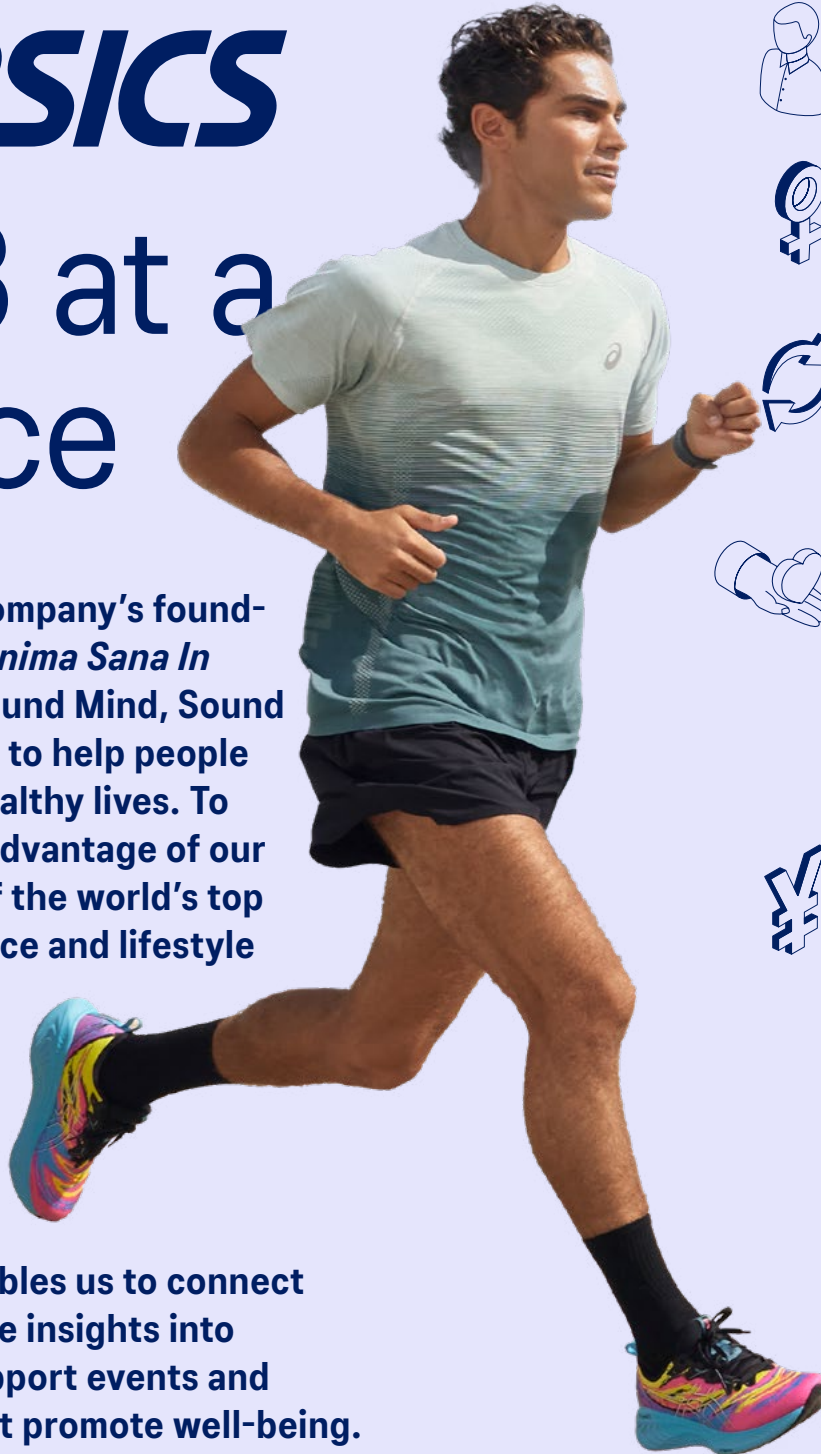
As we work towards our ambitious targets, we welcome feedback on our approach, performance, and plans. I hope you enjoy reading this report.

Yasuhito Hirota
Chairman and CEO,
Representative Director



2023 at a glance

In line with the company's founding philosophy, *Anima Sana In Corpore Sano*: Sound Mind, Sound Body, ASICS aims to help people live happy and healthy lives. To do this, we take advantage of our position as one of the world's top sports performance and lifestyle brands – our company is listed on the Tokyo Stock Exchange and operates 52 businesses globally. This enables us to connect with people, share insights into research, and support events and organizations that promote well-being.



8,927 employees.



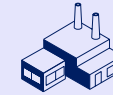
38.1% women in management positions.



>40% recycled polyester used in total polyester consumption.



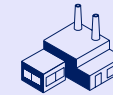
US\$1,025,836 for the community in contributions and donations.



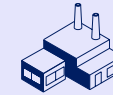
99% Tier 1 supplier factories meet ASICS C-Level or above and include the Better Work Program.



29.8% CO₂ emissions reduced from our direct operations.



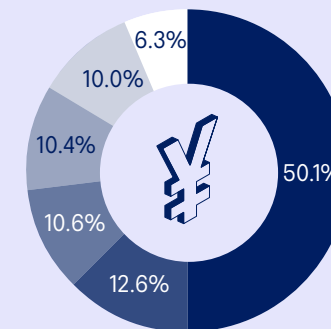
80% strategic footwear suppliers set and disclosed 1.5°C reduction target.



90% of strategic footwear suppliers have concrete renewable energy sourcing plans.



Net sales 570.4 billion yen
Net income: 35.2 billion yen



Net sales Per category

- Performance running
- Core performance sports
- Onitsuka Tiger
- Sportstyle
- Others
- Apparel and Equipment

Sustainability at ASICS

ASICS is committed to being 'sustainable' – one of the strategic pillars in our VISION 2030 and part of our Mid-Term Plan 2026. This pillar supports our efforts to reduce our CO₂ emissions, ensure responsible sourcing, respect human rights, and increase transparency. Our commitment to sustainability permeates everything we do at ASICS; from the products we offer consumers to the partnerships we forge with suppliers and the way we disclose our targets and performance. Together, our actions aim to improve people's well-being, in line with our philosophy: Sound Mind, Sound Body.

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Our Sustainability Framework

Built on two pillars – People and Planet – the ASICS Sustainability Framework sets out the targets, actions, and partnerships that enable us to improve people’s well-being while protecting the planet.

This Framework is in line with our wider business strategies – VISION 2030 and our Mid-Term Plan 2026 – and it is shaped according to our materiality analysis. With input from our key stakeholder groups and external frameworks like the UN Sustainable Development Goals (SDGs), as well as critical information from the business and the wider operating context, our material topics represent the areas in which ASICS has the biggest impact. They cover topics such as Climate Action, Human Rights, Supply Chain Transparency, and Innovation. Our philosophy places particular emphasis on the topic of Mental and Physical Well-being. You can read more about this on page 17.

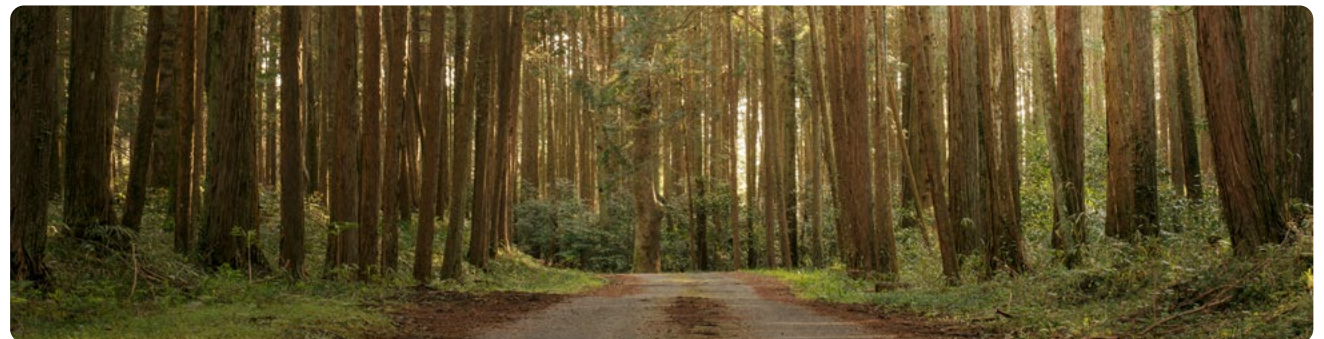
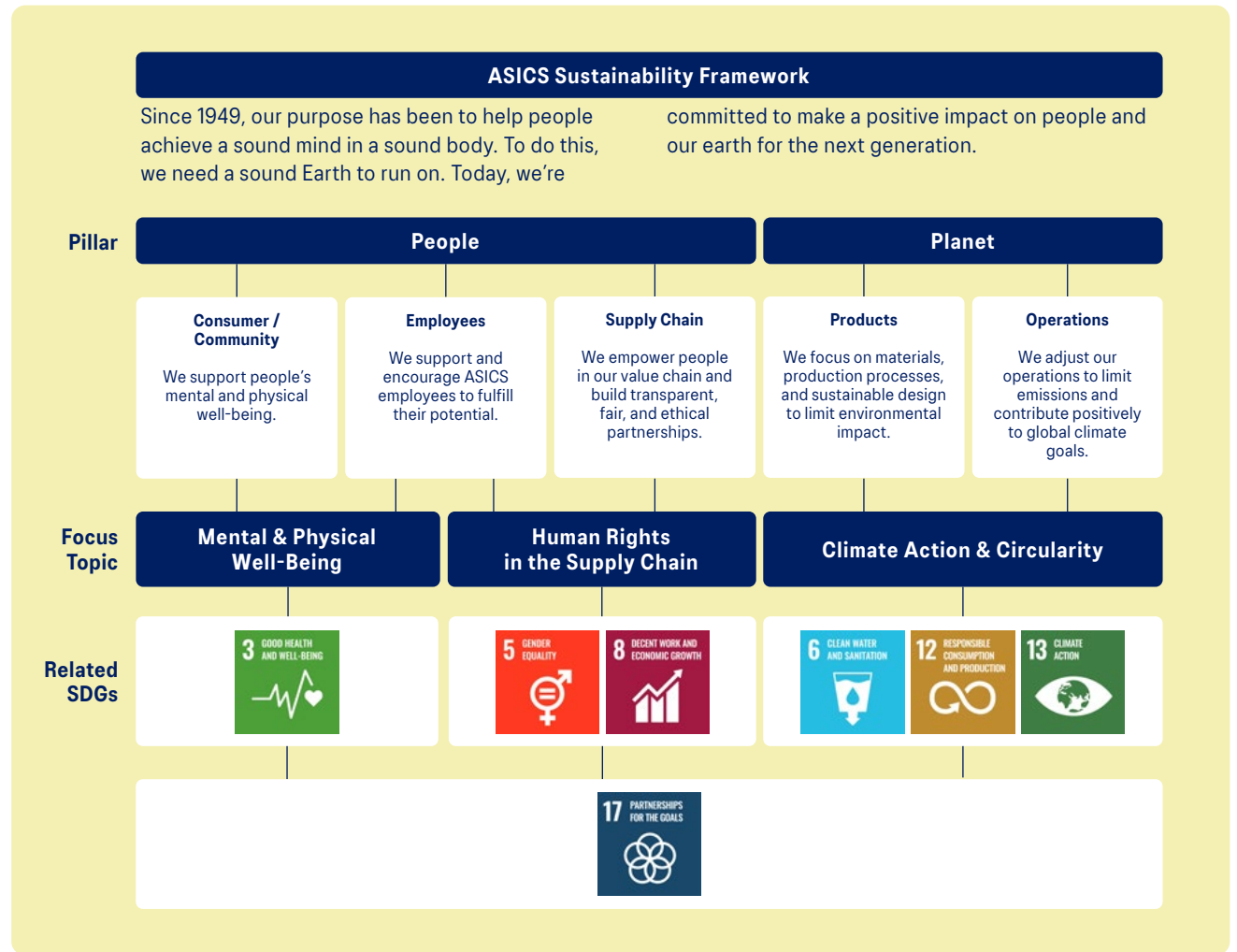
[Explore the ASICS Sustainability Framework →](#)

In implementing the sustainability strategy according to the Framework, we set targets, take action, evaluate performance, and plan for the future – our plan, do, check, action approach. You can read about these aspects of our work throughout the report.

Recognition for our efforts

As we work toward a transparent, traceable, safe, inclusive, and net-zero future, in which ASICS products and services continue to improve people’s well-being, we also take the time to reflect on our achievements.

[Read about the external recognition of our sustainability efforts →](#)



Supporting a Sustainable Value Chain

Recognizing that our impacts reach throughout the value chain, our sustainability actions apply to all our products and services, from design to use, and we work closely with our supply chain partners to maximize sustainability.

Read more:

[About our products →](#)

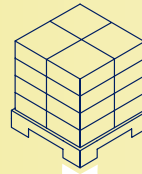
[About our operations →](#)



Our sustainability actions throughout the value chain

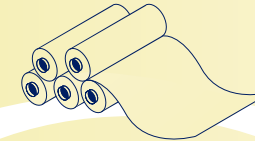
Raw Materials

Using more sustainable key materials: recycled or bio-based polyester and foams.



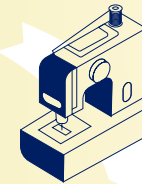
Manufacturing Materials

Meeting quality and safety standards; reducing resource consumption and GHG emissions in the dyeing process.



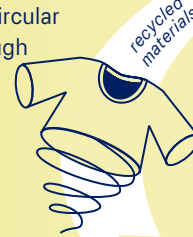
Manufacturing Products

Engaging with suppliers to reduce environmental impacts; encouraging suppliers to seek renewable energy alternatives.



Product End of Use

Supporting a circular economy through partnerships and take-back programs.



Supplier Partnerships

Building transparent, fair, and ethical partnerships; empowering people.



Product Use

Supporting consumers to improve their mental and physical health; providing durable products; helping consumers reduce their environmental impact; offering repair services for some products in Japan.



Sales and Retail

Using energy efficiently in our stores and maximizing the reuse of store fittings; switching to more sustainable packaging.



Logistics and Distribution

Working with providers to make transport efficient; reducing the environmental impact of our packaging.

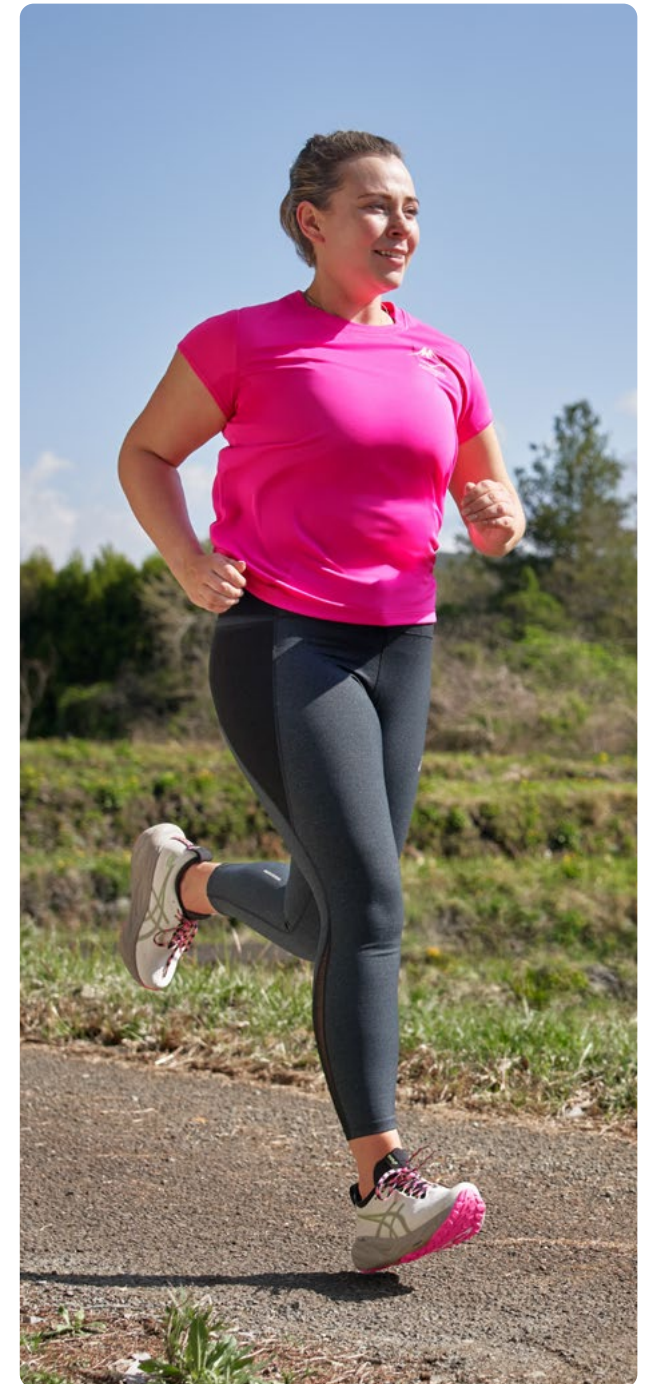


Our Sustainability Policies and Guidelines

To guide ASICS employees and our business partners as we work together towards a shared vision of a sustainable future, we have policies and guidelines in place. Covering topics ranging from anti-corruption to cotton use, human rights to conflict minerals, these policies and guidelines set out a clear path we can all take as we create products that improve people's well-being.

To embed our policies and guidelines at the core of our operations, we offer ongoing training to employees and business partners. This includes training on materials and products guidelines, annual supplier training on our Policy of Engagement, and annual employee training on ASICS' Code of Conduct.

Explore our policies		
ASICS	Our Suppliers & Other Business Partners	Our Materials & Products
CSR policy →	Policy of Engagement → This Supplier Code of Conduct sets out requirements for human rights, labor standards, occupational health and safety, and environmental practices.	ASICS Materials Guidelines
Global Code of Conduct → Sets out basic standards we expect our colleagues to meet in everything they do.	Guideline for Factory CSR & Compliance Management	Restricted Substance Policy
Global Policy on Anti-Bribery and Anti-Corruption → Establishes our zero-tolerance approach to bribery and corruption.	Product Sourcing and Assessment Cycle Guideline	Policy on Animal-Derived Materials
Policy on Anti-Trust and Competition → Shares our opinions about and approach to competition and anti-trust laws.	Guideline for Management of Production Downsizing and Facility Phase-out	Conflict Mineral Policy
Policy on Environment → Our approach to managing environmental impacts in our own operations and our value chain.		Recycled Material Policy
Global Policy on Protected Disclosure → Our whistleblowing policy outlines the systems and protections in place.		Cotton Policy
Human Rights Policy →		Sustainable Packaging Policy



Governing Sustainability at ASICS

Sustainability is on the agenda for ASICS governing bodies all the way to shareholders and the Board of Directors. With a governance structure that spans the company, we can ensure our sustainability strategy remains integrated with the overall business strategy.

→ Board of Directors

Chaired by the ASICS CEO. Oversees the ASICS sustainability strategy and ensures sustainability is integrated and prioritized in corporate objectives. The Chief Administrative Officer (CAO) and the General Manager of the sustainability department report to the Board of Directors at least twice a year on sustainability-related risks and opportunities based on input from the Sustainability Committee and Risk Management Committee. The latest sustainability knowledge is also reported to the CEO and the Board of Directors regularly.

→ Sustainability Committee

Chaired by the ASICS CEO. Reviews strategy and action plan, and provides progress reports.

→ Risk Management Committee

Chaired by the ASICS COO. Reviews priority risks and action plans, and reports on progress.

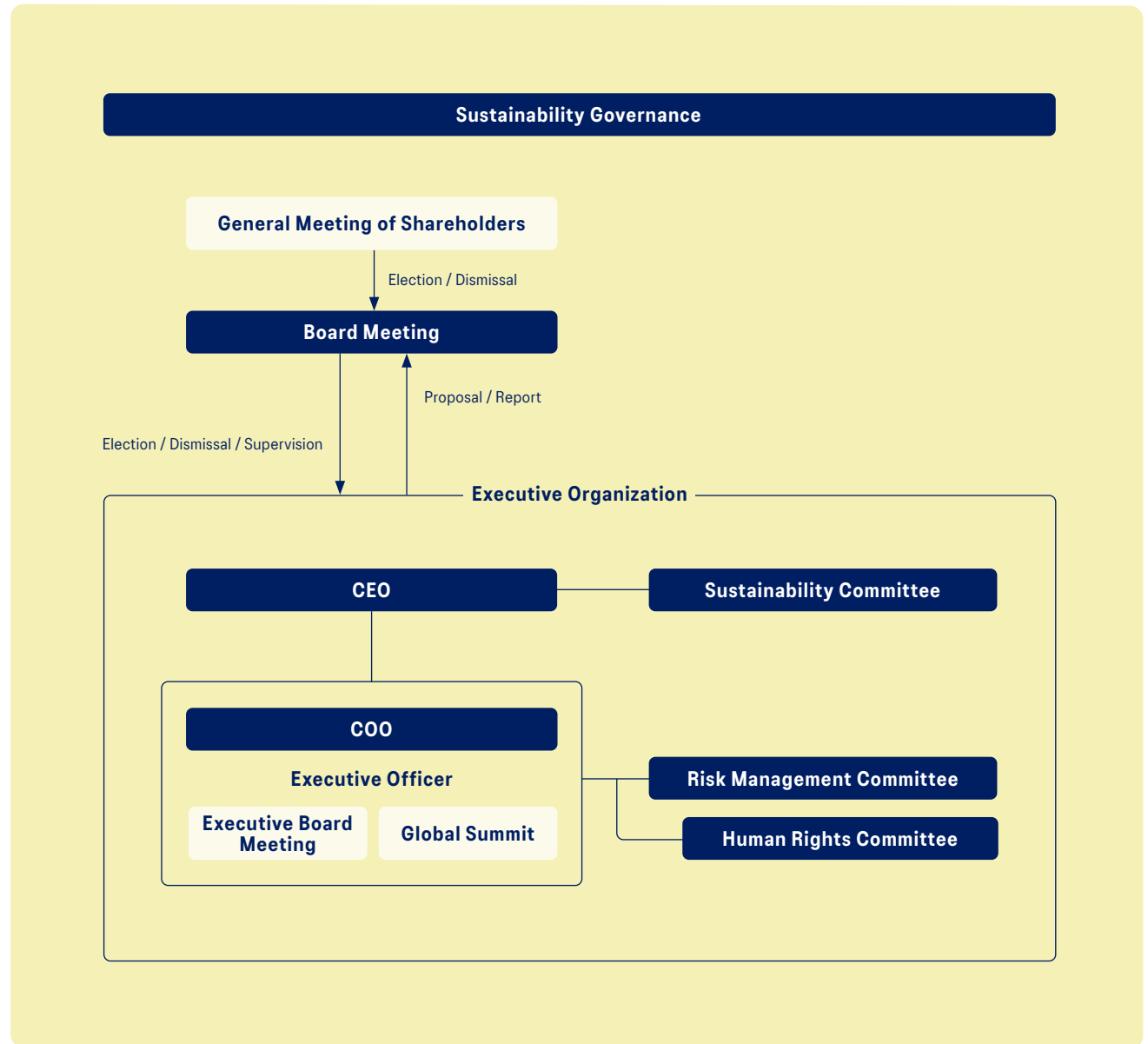
→ Human Rights Committee

Advises on human rights issues, oversees the implementation of human rights due diligence, and evaluates the effectiveness of ASICS' human rights-related actions.

Dealing with critical concerns

In addition to implementing ASICS' sustainability strategy, these governance bodies are responsible for dealing with grievances and violations of ASICS policies. ASICS employees and business partners can use our confidential Global Whistleblowing System to report their concerns.

We encourage employees, subsidiaries, suppliers, and partners to use this mechanism, and they have the option to do so anonymously. We ensure their reports are dealt with promptly



and confidentially, according to the process outlined in our Global Policy on Protected Disclosure. Ultimately, critical concerns are reported to the Audit & Supervisory Committee, as disclosed in the GRI content index.

[Read more about the grievance mechanism in our value chain →](#)
[Global Policy on Protected Disclosure \(Whistleblowing\) →](#)
[Read more about governance at ASICS →](#)

Prioritizing Impacts, Risks, and Opportunities

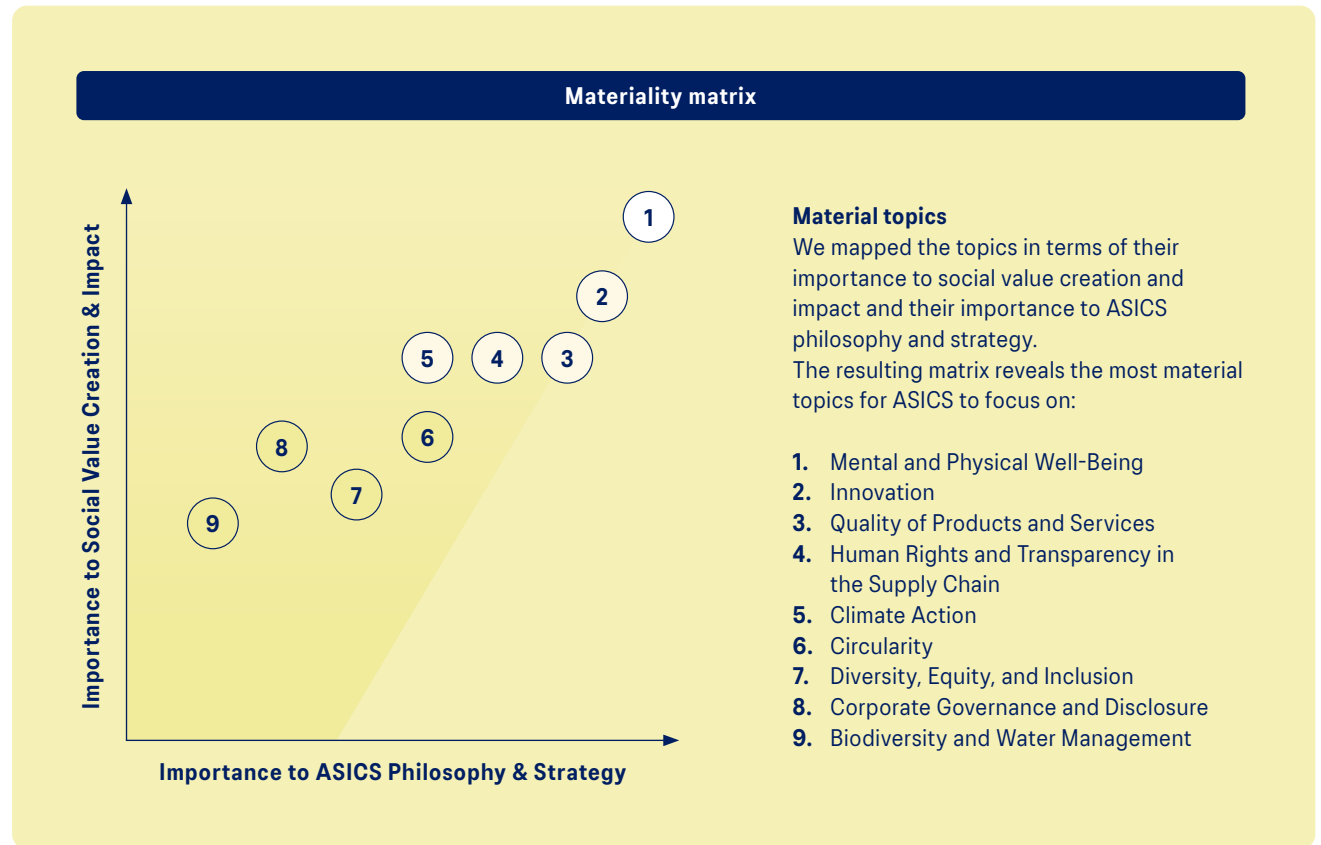
To ensure we are addressing ASICS' most important sustainability impacts, risks, and opportunities, we update our materiality assessment annually and conduct a comprehensive review every three years. Our material topics are those that are most relevant to our stakeholders and our business, and as such, our approach to materiality revolves around stakeholder engagement.

In 2023, we performed a double materiality assessment. This involves establishing not just the outward impacts ASICS has on people and the planet, but also the opportunities and risks various sustainability topics bring to the business.

This double materiality assessment is one of the first steps in preparing to meet the requirements of the European Corporate Sustainability Reporting Directive (CSRD), which will apply to ASICS Europe in 2025. From 2028, ASICS global will be required to report according to the European Sustainability Reporting Standards (ESRS).

In preparation, we have aligned our earlier materiality assessment with the CSRD requirements, identified key business activities and stakeholders, narrowed down topics based on ESRS and SASB standards, conducted an initial impact assessment, and held a double materiality workshop with internal stakeholders. We have conducted a gap analysis, and we are working with departments across the company to ensure we have the relevant information to report fully on our material topics. Based on identified gaps, we have drafted a high-level roadmap towards sustainability reporting in line with the CSRD requirements.

[For a more detailed description of ASICS' material topics, please refer to last year's report →](#)



Material topics in the value chain

The impacts, risks, and opportunities of our material topics are connected to ASICS directly and its value chain. The visual represents the impacts of the material topics across our value chain, allowing us to understand where and how we have positive or negative impacts on people and the planet.

	Raw Materials (Tier 3 and beyond)	Materials Suppliers (Tier 2)	Product Manufacturing Factories (Tier 1)	ASICS	Retailers	Consumer	End of Life (disposal/reusable/recycle)
	Raw unprocessed materials or feedstock used to produce materials and finished products.	Suppliers of finished materials (e.g. fabric, trims) used in our products.	Supplying partners involved in manufacturing ASICS products.	All entities in the ASICS Group, including all offices, distribution centers, the Institute of Sport Science, and affiliate companies.	Business customers that sell ASICS products to consumers, including physical and online stores.	People who buy and use ASICS products and services, including footwear, apparel, and training plans.	The final state of our products' existence, when they no longer meet consumers' needs or expectations.
High Priority Topics	Mental and Physical Well-Being						
	Innovation						
	Quality of Products and Services						
	Human Rights and Transparency in the Supply Chain						
	Climate Action						
Secondary Priority Topics	Circularity						
	Diversity, Equity, and Inclusion						
	Corporate Governance and Disclosure						
	Biodiversity and Water Management						

KPIs at a glance

To realize our philosophy of Sound Mind, Sound Body, we have established approaches, KPIs, and actions as part of the ASICS 2026 Mid-Term Plan.

[Read more about our targets here →](#)

Material topic	Approach	KPIs	2023 results	2024 plan
Mental and Physical Well-Being	→ Under our founding philosophy 'Sound Mind, Sound Body', aim to create a world in which we can all live healthfully both mentally and physically, maintaining involvement with exercise and sports over our entire lifetime.	→ Number of OneASICS members: Ultimate target of 30 million members by 2026, target of 5 million members by end of 2023.	→ 9.45 million people at the end of 2023.	→ Expansion of customer touchpoints through own direct-to-consumer retail and e-commerce. → Provision of high-value-added brand experiences by expanding the ecosystem. → Creation of innovative products, services, and business models.
Human Rights and Transparency in the Supply Chain	→ Respect the human rights of workers in the supply chain and their mental and physical well-being. Increase value chain transparency and sustainability.	→ 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. → All nominated Tier 2 suppliers to meet ASICS C-Level or above.	→ 99% Tier 1 supplier factories above ASICS standard.	→ Ensure that CSR standards are fully implemented in the supply chain. → Empower suppliers' self-governing capabilities for CSR management. → Increase the effectiveness of human rights due diligence in the value chain.
Climate Action	→ Reduce impact on the earth for playing sports by reducing CO ₂ emissions throughout the value chain.	→ CO ₂ emission reduction rate in direct operations and in the supply chain (2015 baseline): 63% by 2030. → Percentage of electricity from renewable sources in direct operations: 100% by 2030.	→ 29.8% reduction CO ₂ emissions (direct operations). → 21.6% reduction CO ₂ emissions (supply chain). → 29.8% renewable electricity in business facilities.	→ Continue to expand the use of electricity from renewable sources, focusing on the facilities with higher emissions. → Develop low CO ₂ products and materials, reflecting the learnings of GEL-LYTE™ III CM 1.95. → Expand renewable energy sourcing in Tier 1 strategic footwear suppliers.
Circularity	→ Reduce CO ₂ emissions and other environmental impacts by using less materials, creating products for longer use, and circulating resources.	→ Recycled materials ratio of polyester materials for shoes and sportswear: 100% by 2030. → Number of regions that have take-back programs to reuse or recycle products and materials: three by 2030.	→ More than 40% conventional polyester materials replace with recycled polyester. → Three regions (Japan, America, and Australia) have programs to reuse and recycle products and materials.	→ Continue to expand the use of recycled polyester across all product categories. → Strengthen partnership with suppliers. → Continue our approach towards circular economy through product design and creating new options to reuse or recycle materials from both inside and outside of our industries.
Diversity, Equity, and Inclusion	→ Realize a highly engaged organization where diverse employees act under equity to accelerate innovation.	→ Percentage of women in management positions: 40% by 2026.	→ We aimed to have 35% female managers globally, and reached 38.1% by the end of 2023. At headquarters we went from 13.2% in 2022 to 14.7% in 2023.	→ 2026 gender targets: 40% female managers. → New 2026 Inclusive employment target: 4% people with disability at headquarters. (In 2023: 2.8%).
Biodiversity and Water Management	→ Minimize the impact on nature capital and improve sustainability.	→ Water consumption reduction percentage per pair of shoes at footwear Tier 1 factories (2015 baseline): 20% by 2023.	→ Water consumption decreased by 30.2% for every pair of shoes manufactured.	→ Take further actions based on our biodiversity policy.
Innovation	→ ASICS contributes to people's mental and physical well-being through innovative products and services based on 'human-centric science', accumulated data, and digital technologies.			
Quality of Products and Services	→ We pursue the safety, quality, and functionality of our products and services to contribute to people's mental and physical well-being.			
Corporate Governance and Disclosure	→ ASICS aims to strengthen its governance and dialogue with stakeholders and transparently disclose financial and non-financial information.			

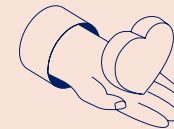
Supporting people for a Sound Mind in a Sound Body

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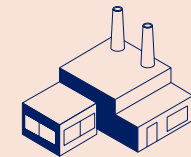


Key achievements in 2023



Contributing financially

US\$1,025,836 in contributions and donations.



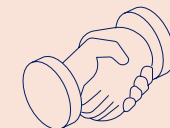
Sustainable suppliers

99% Tier 1 supplier factories rated C-Level or above on ASICS' sustainability rating scale.



Leading women

38.1% women in management positions.



Growing community

9.45 million OneASICS members.

THIS YEAR'S MOST ICONIC CASE STUDY

Partnering in research to move bodies and minds

Studies are providing insights into the mind-body connection and the gender gap in exercise.

In collaboration with leading researchers, ASICS supported two studies in 2023.

- The first, 'Move Every Mind', aims to understand why there is a gender exercise gap and help us take steps to close it. [Read more on page 17 →](#)
- The second showed that four months of regular exercise improved the rankings of competitive gamers by 75%. [Read more on page 18 →](#)

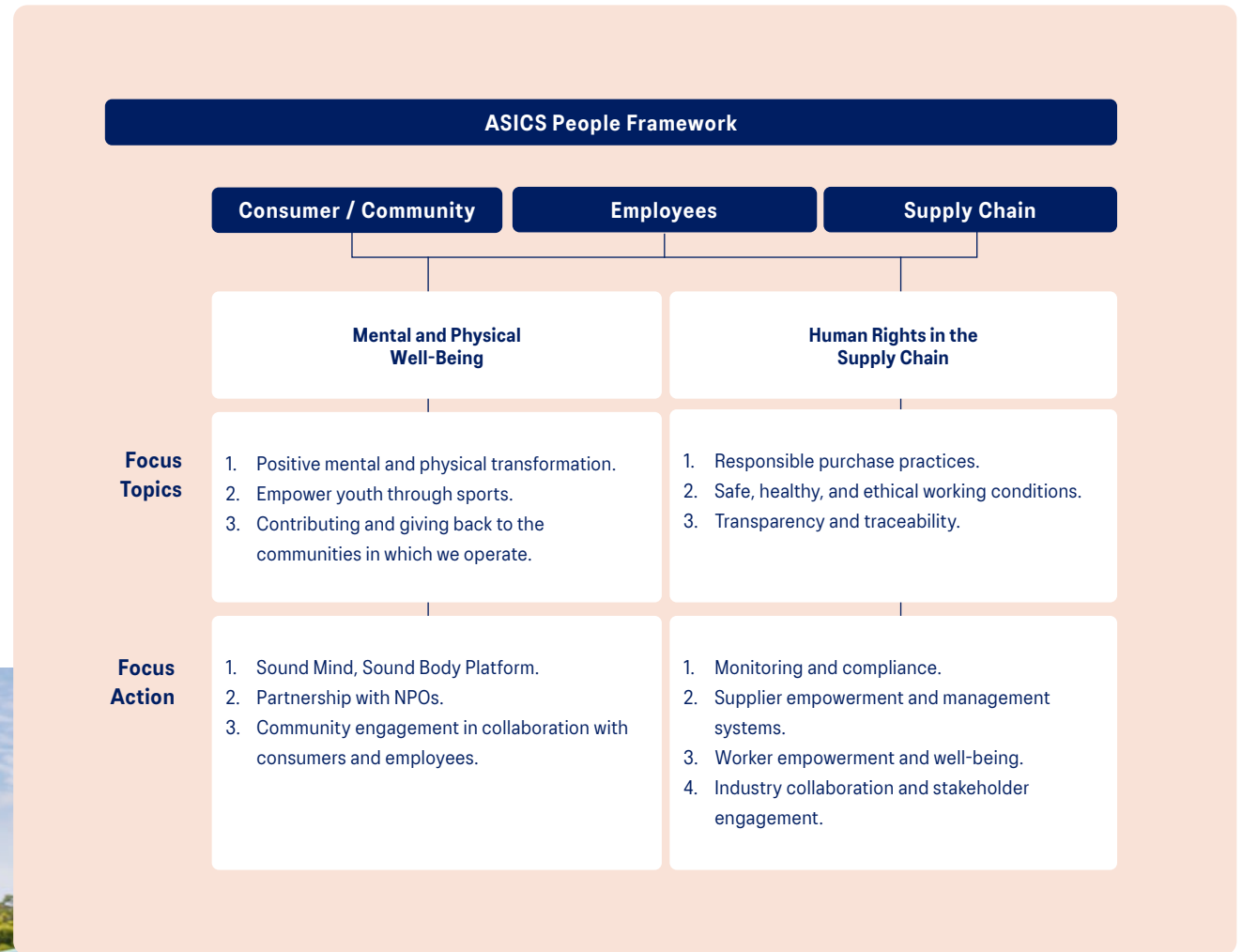


People are at the heart of our philosophy

Our founding philosophy – Sound Mind, Sound Body – is all about people and their well-being, therefore putting people at the heart of everything we do. Our products and services, research, donations, and activities all aim to support the physical and mental well-being of our consumers, communities, and employees.

While our activities evolve in line with our progressing strategy, our successful approach remains the same. Working according to our philosophy, we support consumers through innovative products and services, we give back to communities, we prioritize our employees' well-being, and we build ethical relationships with our suppliers.

Our policies and guidelines provide the framework through which we can achieve our ambitious sustainability targets and empower others to join us on the path to a sustainable future.



Moving bodies, boosting minds

To make a positive impact on people in connection with ASICS' most material topic - mental and physical well-being - our targets, actions, and plans focus on motivating people, supporting communities, and understanding the science behind well-being.

At a glance Mental and Physical Well-Being

2023 TARGETS

- Welcome 5 million OneASICS members.
- Continue collaboration with Right To Play and other NPOs in each region.
- Engage consumers through stronger integration of our community activities with our business.

2023 ACTIONS

- Business actions to encourage people's sound mind, sound body (KPI: OneASICS members).
- Three regions (Europe, United States, and Japan) have fundraising programs from consumers and employees.
- Fundraising through Race Roster running entry system in Canada, further expanding activities.

2023 RESULTS

- 9.45 million OneASICS members.
- US\$1,025,836 in contributions and donations.
- US\$192,560 via consumer and employee donations.

2024 PLAN

- Continue to conduct fundraising activities targeting key regions and employees, continuous improvement of disclosures and engagement data analytics.
- Contribute to 'Sound Mind, Sound Body' philosophy of people globally focusing on mental and physical well-being.
- Involve more subsidiaries with our community activities, based on our founding philosophy.
- Communicate our community activities more to engage consumers.

Research to reduce the exercise gender gap

At ASICS, we believe everyone should be able to experience the positive physical and mental benefits of exercise. ASICS' 2022 State of Mind Index uncovered a gender exercise gap, with women exercising significantly less than men, and women in sports often facing more challenges and having fewer opportunities.

In 2023, ASICS partnered with Dr Dee Dlugonski at the University of Kentucky in the USA and Associate Professor Brendon Stubbs at King's College London in the UK to understand gender inequality in sports so we can reduce it. 'Move Every Mind' - the largest global study ever conducted on the gender exercise gap - ran from June to September 2023. It involved 26 focus groups around the world and survey responses from 24,772 people in 40 countries, who shared their perspectives and experiences.

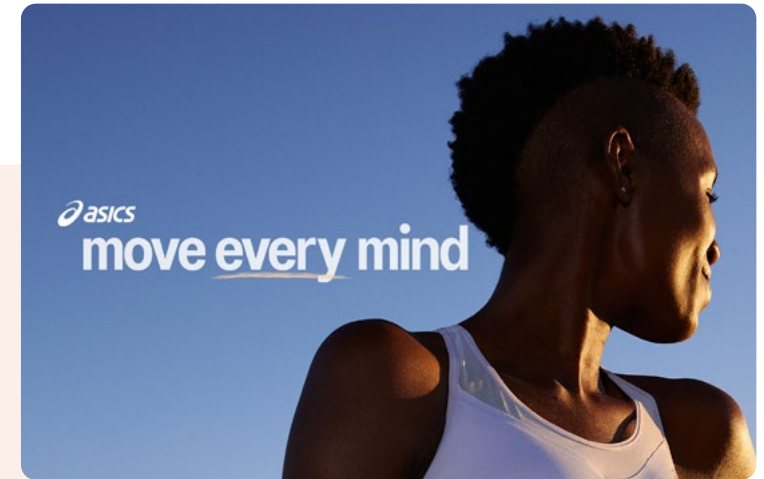
The results reveal that the more women move, the better they feel. Women who exercise regularly are 52% happier, 50% more energized, 48% more confident, 67% less stressed and 80% less frustrated.

Yet the study also showed that over half of women are not exercising as much as they would like and are therefore missing out on the physical and mental benefits of exercise.

We extend our thanks to the thousands of people who took part in the research. These results help us all better understand the exercise challenges and opportunities for women around the world and close the exercise gender gap.

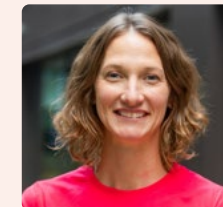
[Read more and sign up for updates →](#)

[Read the press release →](#)



"Women noted that making movement more accessible, inclusive, and recognized in all forms, while challenging society's gendered expectations, would support them in moving more."

"Solutions include making exercise centered around women and their needs, from providing childcare and catering to all activity levels to fitting around work while being fun, affordable, safe, welcoming, and judgement-free. All these solutions, while small, can have a significant impact, and our study uncovered thousands of individuals and organizations around the world who are already driving change."



Dr Dee Dlugonski

The study lead, Assistant Professor at the Sports Medicine Research Institute, University of Kentucky

Researching the mind-body connection

Could exercise be the key to boosting brain power? That's the question we aimed to answer with a unique experiment carried out in partnership with Professor Brendon Stubbs at King's College London in the UK.

We invited competitive gamers from around the world, specializing in mind games such as Chess and Esports and who rely on their cognitive function, to start an exercise program.

The results were dramatic: after four months of regular exercise, participants' international gaming rankings improved by an incredible 75%. Confidence levels were 44% higher, concentration improved by 33%, and anxiety dropped by 43%. These findings highlight the close interplay between mind and body for competitive gamers.

[Read more about the research →](#)

75%

higher scores on international gaming rankings among participants.



[Mind Games – The Experiment full documentary →](#)

“If exercise can significantly increase the mental performance of professional mind gamers, imagine what it could do for the rest of us. From increasing focus when revising for an exam to improving alertness before a work presentation, exercise truly can enhance brain power.”

Professor Brendon Stubbs
King's College London, UK



Supporting every body in sports

In September 2023, ASICS signed a Global Partnership Agreement with Renshi Chokai, thereby starting his career as a professional wheelchair basketball player. He became ASICS' first professional para-athlete.

The ASICS Parasports Department aims to realize a healthy, sustainable, and inclusive society through Parasports, in line with ASICS' founding philosophy, Sound Mind, Sound Body. Renshi Chokai's passion for contributing to a diverse, equitable and inclusive society and his experience as a wheelchair basketball player coincides with ASICS' corporate vision and our goal to create a world in which we can all live healthfully, both physically and mentally.

ASICS will support Chokai's various activities beyond being a parasport athlete, and we are enthusiastic to apply his creativity to our brand activations to achieve a healthy, sustainable, and inclusive society.

[Read more about the partnership →](#)
[Meet Renshi Chokai \(in Japanese\) →](#)
[Watch Renshi Chokai on YouTube →](#)

“It feels good to say that I'm incredibly happy to become a member of the ASICS family. Becoming a professional wheelchair basketball player puts me in a position to really focus on my sport. It also puts positive pressure on me and motivates me further. As I embark on this professional journey, I'm glad that I have ASICS by my side. As an ASICS athlete, I will embrace diverse perspectives and values and give back to the world of wheelchair basketball and society at large.”

Renshi Chokai
Professional wheelchair basketball player

Empowering communities through events and donations

Our activities with consumers and communities, including events and fundraising efforts, aim to encourage healthier lifestyles and promote the well-being of people around the world. In 2023, we achieved our aim to engage consumers even more by strengthening the integration of our community activities with our business.

Fundraising with our employees and consumers

At ASICS, we recognize that our employees and consumers want to make a difference too, and they support our goal to improve people's mental and physical well-being. We give them the opportunity to work with us to amplify our positive impact through fundraising.

In 2023, consumers, runners, and employees all continued to participate in fundraising through our e-commerce site and marathon entry system.

Collectively, our fundraising activities in 2023 generated:

In total:

\$1,025,836

Donations of consumers and our employees:

\$192,560

[Read more about Consumer & Community →](#)



Right To Play: Empowering youth through sports

In 2023, we continued to support the mental and physical well-being of young people in several countries in East Africa through Right To Play. The international charity NPO Right To Play is a leader in using the power of sport and play to help the world's most marginalized children to become more emotionally resilient.

This was our third year of Project Africa, our project supporting African children, and we added support in Ghana and Senegal to our existing initiatives in East African countries such as Burundi, Ethiopia, Uganda, and Tanzania.

Run in partnership with our international charity partner Right To Play, the project gives kids the chance to have fun and make friends by taking part in sports activities in a safe environment.

ASICS contributions helped train more than 25,000 new teachers and coaches, reaching over 50,000 people, including young people, their parents, and members of the wider community. This takes the cumulative total to 75,000 people impacted through the partnership.

In 2024, we will continue to support Right To Play and invest in the futures of African children and youth through sports and play; bringing the benefits of sports to those who need it most.

"The benefits of play-based approaches to teaching children include increased ownership [of their education]... Because they are involved in an activity, they don't forget what they've learned and are able to transfer knowledge to other topics. The approach promotes teamwork and builds leadership skills... The relationship between teacher and student that develops as a result of the approach is cordial. Everything is done together."

Trainer from the Ghana program

Building a transparent and ethical supply chain

As a company with global value chains, our sustainability impacts go beyond our own operations. We are committed to ensuring that the people throughout our value chain have safe and ethical working conditions. To put this into action, we engage regularly with our global network of over 200 factories in 20 countries to ensure they meet our required standards related to human rights.

At a glance Human Rights and Transparency in the Supply Chain

2023 TARGETS

- All Tier 1 supplier factories meet global and ASICS sustainability standards.
- All Tier 1 strategic partner factories meet ASICS B-Level or above.
- Expand the scope of self-governance.
- All nominated Tier 2 suppliers meet ASICS C-level or above.

2023 ACTIONS

- Introducing audit indicators, develop management system documentation, ensuring selected factories adhere to sustainability standards, and fostering increased dialogue between suppliers and trade unions. [See page 20](#) →
- Preparation and selection of traceability platform for product, material and factory management. [See page 24](#) →

2023 RESULTS

- Over 99% Tier 1 supplier factories meet global and ASICS sustainability standards.
- Over 80% strategic Tier 1 factories meet ASICS B-Level or above.
- Continue to emphasize the significance of self-governance through the effective use of the Higg FSLM module.
- All nominated Tier 2 suppliers meet ASICS C-level or above.

2024 PLAN

- Optimize supplier evaluation system and structure.
- Strengthen human rights due diligence and programs in the supply chain.
- Strengthen risk management through data analysis and utilization.



Our approach to human rights in the supply chain

To inform our human rights approach, our Sustainability Department conducted an internal risk assessment revealing the most likely and severe human rights issues in ASICS' value chain. The results help us to prioritize our human rights efforts.

Policies and guidelines, such as the ASICS Global Code of Conduct and ASICS Supplier Code of Conduct, provide frameworks for safeguarding the fundamental human rights of our employees, workers in the value chain, and our customers globally. All our suppliers are obligated to sign the ASICS Supplier Code of Conduct.

[Read the ASICS Supplier Code of Conduct](#) →

As important stakeholders, ASICS employees are covered by our human rights and ethical working conditions policies and due diligence. [Our Global Code of Conduct](#) serves as the backbone of our efforts.

In 2023, ASICS updated the Customer Harassment Policy in Japan to protect employees. We provided training to store staff, facility management, and the harassment counseling desks.

As part of our approach to human rights, ASICS is committed to combating any form of modern slavery in our value chain. Every year, we publish a Modern Slavery Statement on the ASICS website.



[Read the statement](#) →

Human Rights Policy and Committee

The topic of human rights is embedded in our governance structure. ASICS launched a Human Rights Policy in 2022, through a process of research and collaboration. The Policy, which applies to ASICS Corporation, its subsidiaries, and affiliates, outlines our commitment to human rights due diligence.

ASICS' dedicated Human Rights Committee, which reports to the Risk Management Committee, the Executive Committee,

and the Board of Directors, provides advice and oversight on human rights topics.

[Read the ASICS Human Rights Policy →](#)
[Read more about human rights at ASICS →](#)

Reducing human rights risks

At ASICS, we aim to identify and mitigate risks and detect issues as early as possible so we can resolve them in a timely and equitable manner.

As part of the 2026 Mid-Term Plan, we are working to increase the effectiveness of human rights due diligence in the value chain. Our action plan for 2024 includes improved human rights management in the supply chain in three ways:

1. Optimizing supplier evaluation and monitoring systems (including audits) and structure.
2. Strengthening human rights due diligence programs in the supply chain.
3. Strengthening risk management through data analysis and utilization.

In 2023, we conducted a comprehensive review of our audit protocol, ultimately refining the categorization of risk indicators. Subsequently, these indicators were integrated into our digital due diligence platform to enhance our analytic capabilities at a granular level.

Ensuring safe and ethical working conditions

ASICS is committed to ensuring everyone in the supply chain has safe and ethical working conditions. Ensuring safe and ethical working conditions can help us prevent workplace injuries and illnesses while increasing productivity and worker engagement. In 2023, we compiled guidance on management systems, including occupational health and safety. We plan to pilot it at target footwear factories.

ASICS grievance mechanism

Our grievance mechanism enables us to check for issues or concerns regarding forced labor, child labor, harassment, wages, working hours, or other concerns in our supply chain.

There were five cases reported in 2023, all via labor union channels. Four of the cases were related to freedom of association and one was related to employment issues. To address the complaints, ASICS encouraged the factories and unions to have constructive dialogues and reach mutual understanding. All five cases were closed with successful remediation.

To improve the integration of grievance mechanisms at our partner factories and ensure worker engagement with the channels, we are currently investing in third-party technology solutions. For more information on our approach, please refer to ASICS' most recent [Modern Slavery Statement](#).

Responsible Purchasing Practices

ASICS impacts suppliers throughout the value chain through procurement, and as such, we strive to ensure our purchasing practices are responsible. The ASICS Product Sourcing Department and Sustainability Department continue to work closely to ensure that our Responsible Purchasing Practices are implemented.

Focus areas for responsible purchasing:

- Planning and Forecasting
- Design and Development
- Cost and Cost Negotiation
- Sourcing and Order Placement
- Payment and Terms

In 2023, we added our payment and terms to the ASICS website: ASICS strives to adhere to the payment terms outlined in the manufacturing contract. The standard maximum payment term for footwear factories is 75 days (as of October 2023).

[Read more about responsible sourcing at ASICS →](#)

In the 2023 KnowTheChain Apparel & Footwear Benchmark, ASICS had the joint highest score on the theme of Purchasing Practices and was "one of only 3% of benchmarked companies to disclose two quantitative data points on its purchasing practices."

[Read the KnowTheChain 2023 Apparel & Footwear Benchmark Findings Report →](#)



Monitoring sustainability and addressing non-compliance

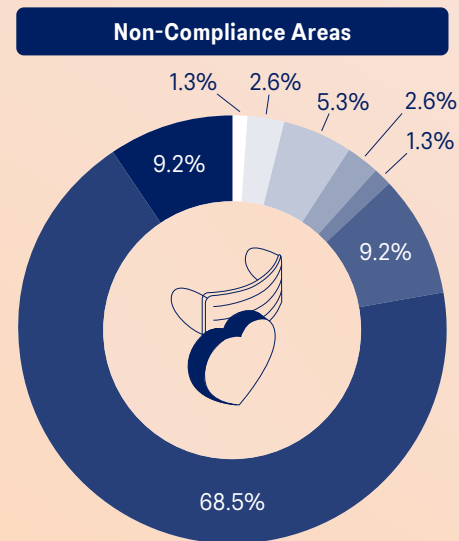
We expect our suppliers to comply with the relevant ASICS policies and codes, as well as applicable laws and regulations. Therefore, we monitor suppliers through regular audits.

Our regular supplier assessments enable us to identify and address non-compliance:

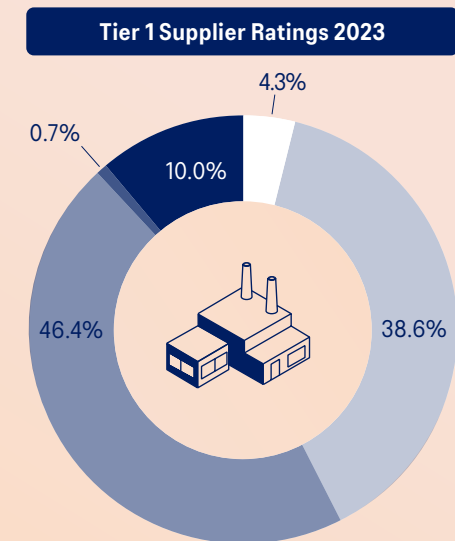
1. Severity and likelihood assessment of issues.
2. Appropriate action, potentially including reviewing future orders, conducting third-party investigations, or issuing formal warnings.
 - a. Minor issues: Remediation within a three-month period. Suppliers are expected to take corrective measures.
 - a. Provide support, including training and resources.
3. Business relationship termination, if the violation is serious or persistent.

To ensure greater alignment with the industry, we plan to utilize technology for our due diligence to make it more efficient and effective, expanding the coverage of our monitoring activities while requiring less manual administration. This will give us more time to spend with factories, helping them build sustainable management systems.

The pre-assessment of new candidate factories in 2023 revealed long working hours, monetary fines, and deficiencies in protecting workers at one candidate factory. The employment of juvenile workers was due to insufficient verification of false identification documents. The factory canceled the employment of the workers. We requested the factory to pay wages until the workers turn 18 and reemploy them if they wish to do so once they reach the age of 18. The factory agreed.



- Policy
- General Workers' rights awareness
- Women's Health & Pregnancy Protection
- Freedom of Association
- Hours of Work
- Benefits
- Health & Safety
- Environment
- × Forced Labor
- × Child Labor
- × Abuse & Harassment
- × Discrimination
- × Wage



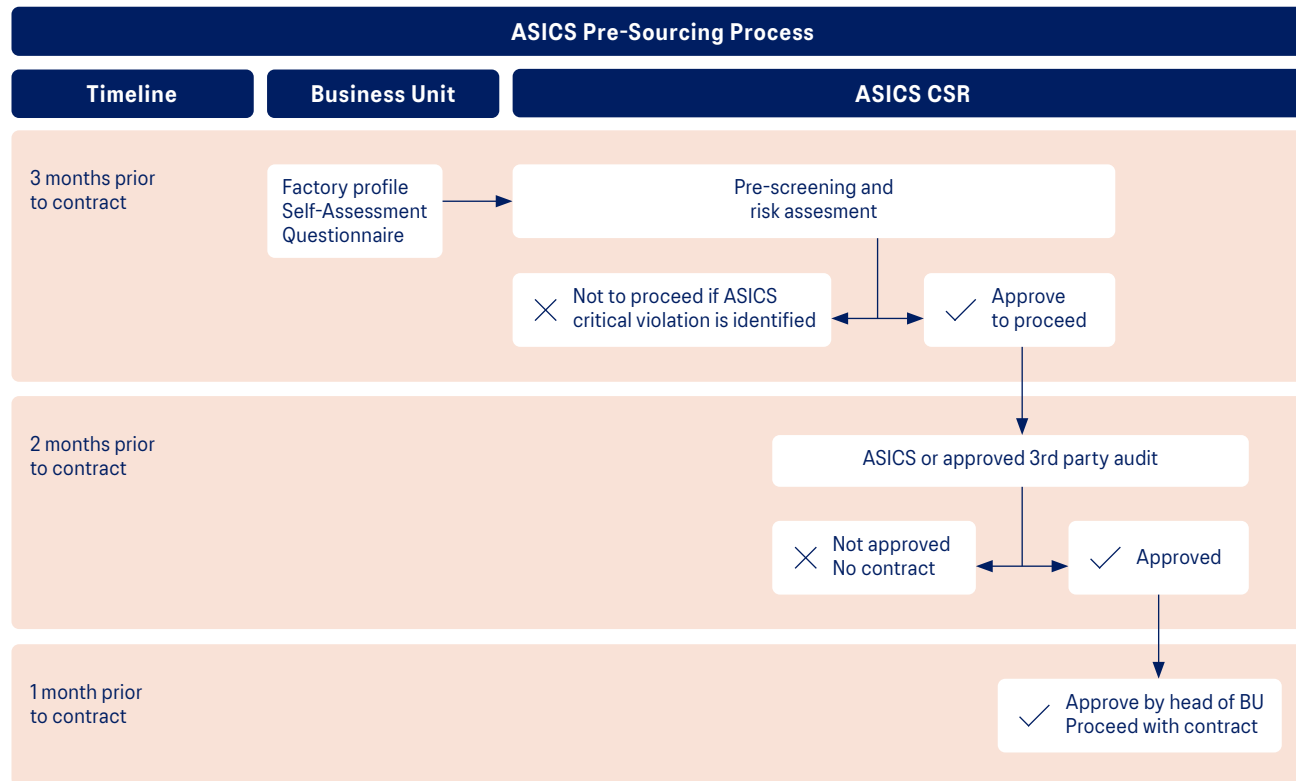
- A RATED
- B RATED
- C RATED*
- D RATED
- × E RATED
- The remaining suppliers are member of the ILO's Better Work or Better Factories Cambodia factory improvement programs. The programs assess working conditions at these factories and provide them guidance on how to improve.

**Above C rated meet ASICS sustainability standards*

Year	Internal ASICS Audit	Commissioned Audits	Partner Audits	Total
2023	6	55	10	71
2022	7	18	11	36
2021	1	21	12	34
2020	16	19	17	52
2019	31	57	29	116
2018	23	46	24	93
2017	66	31	16	113

Our pre-sourcing approval process

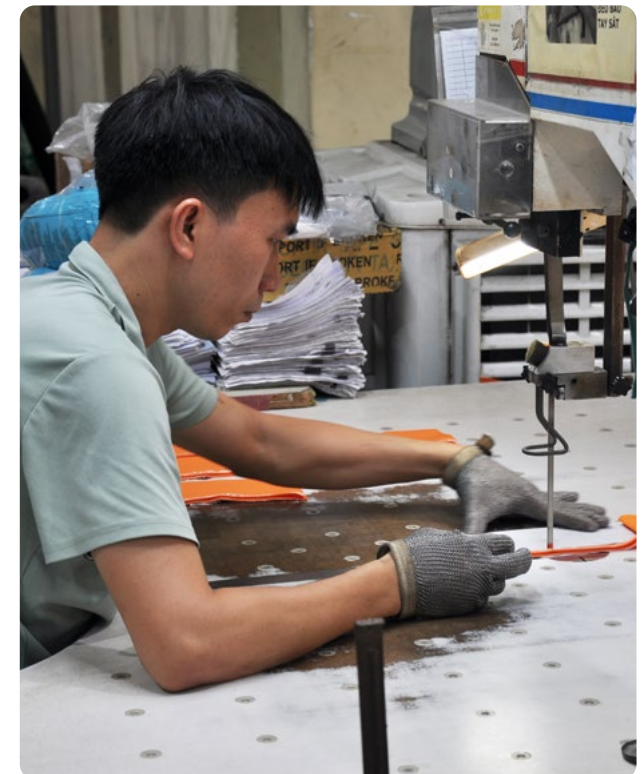
We perform pre-screening and risk assessments before considering a business as a potential supplier. ASICS only sources from countries that have been approved internally, thereby reducing risk. We review country-specific risks regularly to ensure this practice remains effective. Our existing approach can take time and is costly. In 2023, we developed a new process to make our pre-screening process less costly and more efficient.



External assessment: KnowTheChain

In KnowTheChain's 2023 Apparel & Footwear Benchmark, ASICS ranked 12th out of 65 companies, a four-rank improvement since the last assessment in 2021. ASICS was the second highest scoring company headquartered in Japan in the Benchmark with 40 points - well above the industry average of 21 points.

While the KnowTheChain Benchmark recognized the success of our ongoing efforts, it also highlighted opportunities for improvement around monitoring. External input is key as we seek continuous improvement of our supply chain monitoring practices.



Stakeholder collaboration

Collaboration is a key aspect of ASICS' approach to sustainability. Our engagement with trade associations, non-governmental organizations, and various stakeholder groups allows us to align our efforts with industry best practices. This collaboration helps ASICS refine its policies and practices while contributing to the advancement and sustainability of the apparel and footwear industry.



Social & Labor Convergence Program (SLCP)

ASICS is a signatory of the [Social & Labor Convergence Program](#), which provides the tools to capture accurate data about working conditions in global supply chains.

American Apparel and Footwear Association (AAFA)

ASICS engages in collaborative initiatives with AAFA, demonstrating a commitment to advancing industry practices through cooperation with members and peers.

Cascale (formerly the Sustainable Apparel Coalition)

ASICS incorporates Cascale's Higg (Higg FEM) score in Tier 1 and 2 supplier ratings to understand how they manage their environmental performance.

JP-MIRAI

ASICS is a member of [JP-MIRAI](#) – a group that helps people, including migrant workers, work and live in Japan safely and comfortably.

Better Cotton (BC)

Since 2019, ASICS has been a member of BC, which promotes measurable and continuing improvements for the environment, farming communities, and the economies of cotton-producing areas.

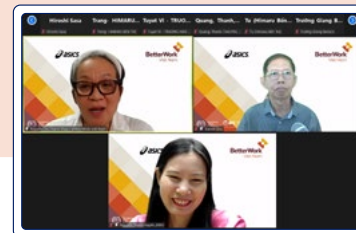
KnowTheChain Workshop in Tokyo

ASICS hosted a KnowTheChain workshop attended by companies from the technology, food and beverage, and apparel and footwear industries. Participants benefitted from the cross-sectoral collaboration on traceability, supply chain transparency, risk assessment, and remediation.

UNDP Business and Human Rights Academy

The United Nation Development Program (UNDP) invited ASICS and other leading brands to a round table discussion about human rights, due diligence, and sharing best practices.

[Read more →](#)



CSR Seminar with Better Work Vietnam

Better Work Vietnam held a CSR seminar for ASICS suppliers on how to build effective management systems and prevent forced labor.

Increasing supply chain transparency and traceability

Transparency is vital when it comes to monitoring and improving sustainability practices throughout the supply chain. Since 2017, we have disclosed and updated our factory list, covering key Tier 1 suppliers in more than 20 countries, as well as our main Tier 2 suppliers.

In line with the Mid-Term Plan 2026, ASICS aims to increase transparency by strengthening disclosure around supplier data and supply chain practices. In 2023, ASICS established a third-party partnership for the digitalization of our traceability system and process, allowing us to trace materials more efficiently from extraction through manufacturing. We aim to start full-scale operation from 2024.

The new system will give ASICS greater confidence in supplier data, and thus will better position us to report our impact on topics ranging from emissions and recycling to human rights risks and social labor issues.

Creating a diverse and engaged workforce

The ASICS Group recognizes the benefits of a diverse and engaged workforce who can create and deliver innovative products and services. Guided by our diversity, equity, and inclusion (DE&I) vision "One Team, Stronger Together" we are committed to the inclusion of all our employees, regardless of race, ethnicity, gender, age, religion, disability, sexual orientation, and gender identity. This allows us to create a culture where employees can look at the world from every angle to drive our innovations to truly help improve people's lives. Led by the Global Diversity, Equity, and Inclusion Steering Committee, comprised of a diverse group of senior executives across several regions, manages the strategy, which includes global activities held each quarter focused on gender

equality, LGBTQ+, nationality, and people with disabilities. In 2023, ASICS achieved the highest rating, Gold, in the Pride Index in Japan for the fifth consecutive year.

[See a detailed overview of our workforce on page 44 →](#)

Global implementation of profit-sharing bonus

ASICS will introduce a profit-sharing bonus from fiscal year 2024 as a mechanism for all employees. Profit-sharing bonuses are a system under which a portion of profits in excess of the cost of capital is, in principle, distributed to all employees. We aim to enable employees to understand the cost of capital with a sense of ownership and for the company to return profits to employees.



In addition, in recognition of the substantial achievement of the Medium-Term Management Plan 2023, ASICS paid a temporary lump-sum payment to all global ASICS employees.

Empowering women in leadership

ASICS is fully committed to achieving gender equality and aimed to achieve 35% female representation at ASICS globally by 2023. By identifying potential female manager candidates and creating individualized development plans for each of them, we have implemented initiatives such as the ASICS Academy – a next-generation leader development selection program that ensures equal gender participation. Additionally, we have introduced a training program specifically designed to cultivate the managerial mindset for new female managers. Due to these efforts, we surpassed our target in 2023, and we remain steadfast in our commitment to empowering women in leadership roles across the company. Our goal is to increase female representation to over 40% by 2026.

Each region created a detailed action plan of specific activities based on its needs to achieve the target. The activities included more inclusive hiring processes, training to managers and career support and networking opportunities for female employees. The Global DE&I Steering Committee monitored the overall progress on a quarterly basis and provided feedback and support to ensure the targets were met.



At a glance Diversity, Equity, and Inclusion

2023 TARGETS

- Increase diversity particularly focusing on more equal gender representation in management globally and in Japan people with a disability.

2023 ACTIONS

- All regions created action plans to achieve regional gender targets. Progress was monitored by the Global DE&I Steering Committee. We also provided training at headquarters: Career advancement to female managers; Coaching methodology to all managers.
- To increase representation and support people with disabilities (PwD), we created employment targets and provided skillset training to managers.

2023 RESULTS

- In the Mid-term Plan 2023, we aimed to have 35% female managers globally. We reached 38.1% by the end of 2023. For headquarters, the percentage increased from 13.2% in 2022 to 14.7% in 2023. 22.2% of directors at the ASICS headquarters are women. *Global data as of January 1, 2023. ASICS Corporation data of December 31, 2023. The 2023 ratio of females in manager and senior positions at ASICS Corporation (14.7%) is verified by Deloitte Tohmatsu Sustainability Co., Ltd.*
- ASICS' employment rate of people with disabilities in Japan (headquarters and ASICS Japan) is 2.8% (as of end 2023).

2024 PLAN

- Create 2026 gender targets for all regions, globally aim to exceed 40% female managers.
- Set 2026 PwD employment target: 4% of employees.
- Global: Promote employment of PwD and improve their work environment.

Ensuring equitable, diverse, and inclusive recruitment

Recruitment is a powerful tool for building a diverse workforce. At ASICS, we hire new graduates, mid-career hires, and people with disabilities throughout the year.

We aim to hire new graduates at a 50:50 ratio by gender.

→ New graduates

We hire people who can lead our business globally and train them with a medium- to long-term plan. We design internship programs and use other media that allow us to connect with a diverse range of students including people studying overseas. We conduct our selection process online so that applicants can apply regardless of where they live.

→ Mid-career hires

We look for candidates with professional skills and experience who can immediately contribute to our business.

We support our employees with their visa application prior to joining the company and provide onboarding after joining the company. In addition, we ensure an environment that allows flexible work styles by providing company housing and a flextime system.

In 2023, we revised our guidelines to enable para-athletes to remain active as athletes after joining ASICS and to contribute to the business in their work after retirement.

Training for professional development

ASICS' talent management system is a global, cross-sectional system of recruitment, training, placement, evaluation, and skill development that takes into consideration the career path of each individual. This includes the promotion of succession plans.

In 2023, most ASICS employees received regular evaluation interviews. Once a year, employees also meet with their manager to mutually confirm their career development plan and necessary skill development. Based on these interviews, employees are offered relevant training opportunities. For example, managers at ASICS Headquarters receive annual training in talent management from Human Resources. The Human Resources Committee, which is comprised of executives, implemented the ASICS Academy (next-generation leader development selection program), which includes global talent, and developing potential skills through systematic job rotations.

We provide an e-learning platform for employees who wish to learn and provide them with relevant learning opportunities. Managers can take part in a talent management workshop to learn coaching and career interviewing techniques to support employee growth.

In 2023, ASICS employees received regular training via the ASICS Corporation, including e-learning on topics like compliance and well-being.

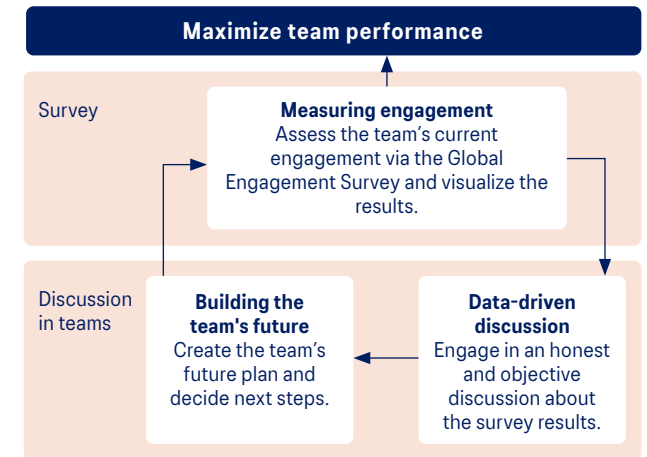
Employee engagement

A supportive and inclusive working culture is dependent on employee engagement. We foster this with regular engagement activities, including talent management trainings on coaching and team working. We measure employee engagement through the Global Engagement survey. In 2023, we launched the 'Global Engagement Site' for all employees, which features resources to facilitate smooth dialogue on the site. The survey response rate was 10% higher in 2023 compared to 2022, and the engagement score increased by 2% over the same period.

Following the survey, we analyze the results and provide visuals that support discussions. Each team or department

develops an action plan based on results, aimed at supporting a positive company culture.

We expect these actions to improve the contribution of employees and revitalize the dialogues between teams and departments using the engagement survey.



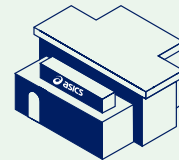
A Sound Mind in a Sound Body needs a Sound Earth

Chapter highlights

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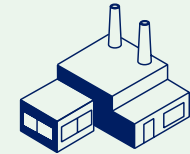
Key achievements in 2023



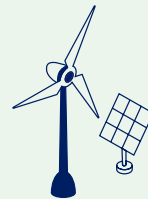
29.8% reduction of CO₂ emissions
from our direct operations.



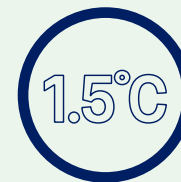
50,253 people completed Run for Reforestation Challenge.



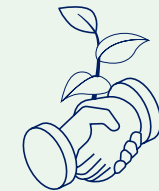
21.6% reduction of CO₂ emissions
from our supply chain.



29.8% renewable electricity
at business facilities.



80% of strategic footwear suppliers set and disclosed a 1.5°C reduction target.



90% of strategic footwear suppliers have concrete renewable energy sourcing plans.

THIS YEAR'S MOST ICONIC CASE STUDY

Jumping to market with the world's lightest CO₂e emissions sneaker*

ASICS launches the GEL-LYTE™ III CM 1.95.

Now in mass production, the GEL-LYTE™ III CM 1.95 shoe, the fusion of a minimized environmental footprint without compromising style and quality. [Read more on page 33 →](#)

** Based on available industry data for life cycle CO₂e emissions as of Sep. 2023.*



Protecting our earth to support people's well-being

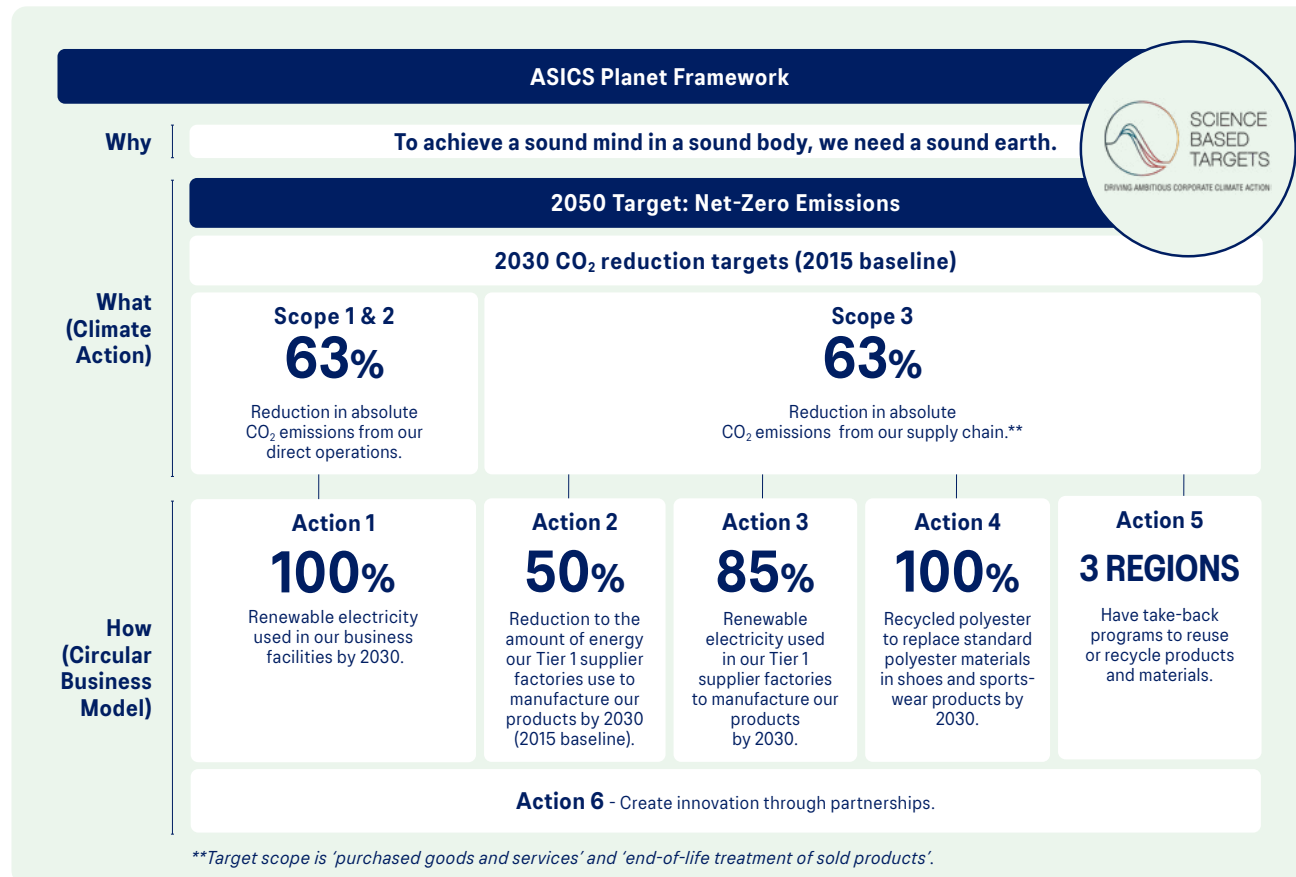
Our founding philosophy – Sound Mind, Sound Body – requires a sound earth on which people can play sports and enjoy nature. Through our extensive value chain, from suppliers to consumers and end-of-life of our products, ASICS has an impact on the earth. We aim to minimize this impact by innovating, developing circular approaches, and reducing our emissions and waste.

In 2023, we launched the innovative GEL-LYTE™ III CM 1.95 – the world's lightest CO₂e emissions sneaker – in the market.*

We also launched our new carbon footprint label, with the new GEL-KAYANO™ 30 running shoes taking a step towards better traceability and transparency. Following the Mid-Term Plan 2026, we also moved forward with our commitments to circularity and biodiversity. Because we operate on a living planet, making use of its ecosystem services, our sustainability efforts need to address environmental impacts as connected topics.

Climate change, resource scarcity, and biodiversity are linked, and changes we make in one area, such as sourcing new materials, could have unintended impacts on other areas. In 2023, we launched our biodiversity policy to guide our efforts.

* Based on available industry data for life cycle CO₂e emissions as of September 2023.



At a glance Climate Action

2030 TARGETS

- CO₂ emission reduction rate in direct operations (2015 baseline): 63% by 2030.
- CO₂ emission reduction rate in the supply chain (2015 baseline): 63% by 2030.
- Percentage of electricity from renewable sources in direct operations: 100% by 2030.

2023 ACTIONS

- Bringing GEL-LYTE™ III CM 1.95 to the market.
- Introducing carbon footprint labeling.
- 80% of Tier 1 strategic footwear suppliers set and disclosed a 1.5°C reduction target and 90% have concrete renewable energy sourcing plans.

2023 RESULTS

- CO₂ emission reduction rate in direct operations (2015 baseline): 29.8%.
- CO₂ emission reduction rate in the supply chain (2015 baseline): 21.6%.
- Percentage of electricity from renewable sources in direct operations: 29.8%.

2024 PLAN

- Continue to expand the use of electricity from renewable sources focusing on the facilities with higher emissions.
- Expand carbon footprint labeling items/categories, reflect the learnings from GEL-LYTE™ III CM 1.95.
- Expand renewable energy sourcing in Tier 1 strategic footwear suppliers.

Our path to net-zero 2050

For people to achieve a sound mind in a sound body, we need a sound earth to run on, so we're committed to environmental action. At ASICS, we are embracing climate action. ASICS has

set the target of net-zero in 2050, and we are on a path to minimize our environmental impacts, taking steps to reduce our CO₂ emissions throughout the value chain.

Taking climate action at the top

Our climate action starts with governance: the highest governance bodies at ASICS are responsible for our strategy and efforts. Our Board of Directors and Executive Board members receive incentives for this in the form of monetary rewards.

Performance against the targets linked to climate change is a component of determining the compensation (salary and bonus for short-term, and restricted share compensation for mid to long-term) of the Executive Committee members. In the board-level Sustainability Committee, annual actions to achieve the targets are aligned to and reflect the goals of each division. Relevant Executive Officers report the progress of the actions, and the performance is evaluated and reflected in their compensation.

As a result of this approach, Executive Officers carefully review the level of ambition and progress and choose necessary responses to drive that progress, such as further integration into each divisional strategy, allocation of resources, and engagement of key stakeholders.

[Read more about our governance structure on page 9](#) →

Climate scenario analysis

For ASICS to continue to support people's mental and physical well-being, our company must also remain healthy. Climate change brings risks as well as opportunities.

To assess the resilience of our corporate strategy now and in the future, we undertook a TCFD scenario analysis, exploring multiple future scenarios in terms of global temperature increases. [You can read more details about this on page 42](#) →

In recognition of the urgency of the climate crisis, we have committed to net-zero by 2050, and we will have a corporate

2030 climate transition plan. We are currently developing a climate transition plan, based on the updated risks and opportunities identified in this scenario analysis. This plan includes several targets:

- Switching to more sustainable (low emission) materials (100% recycled polyester by 2030).
- Switching to renewable energy in production factories (85% renewable energy sourcing at Tier 1 factories).

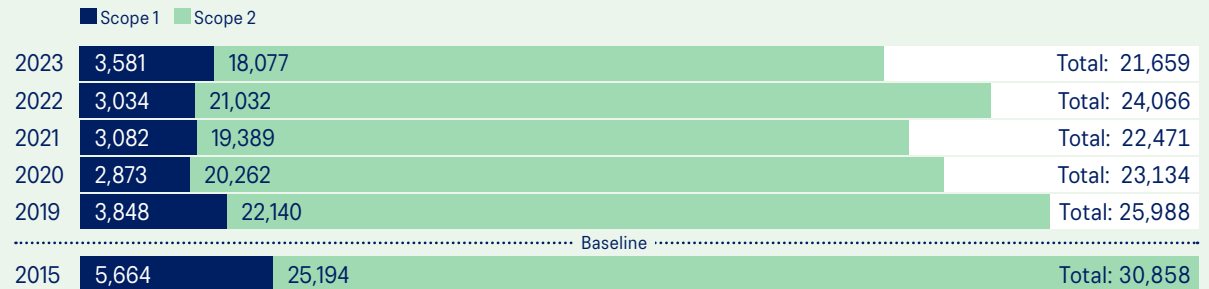
→ Energy saving (50% energy saving compared with 2015 at Tier 1 factories).

Most of our strategic footwear Tier 1 factories started to source renewable energy in 2023, marking the beginning of their journey to 85% renewable energy by 2030. In total, they sourced 9,863 MWh of renewable energy in 2023. They are also working on plans to save energy, with a goal of 50% energy saving by 2030.

Climate Action in Numbers

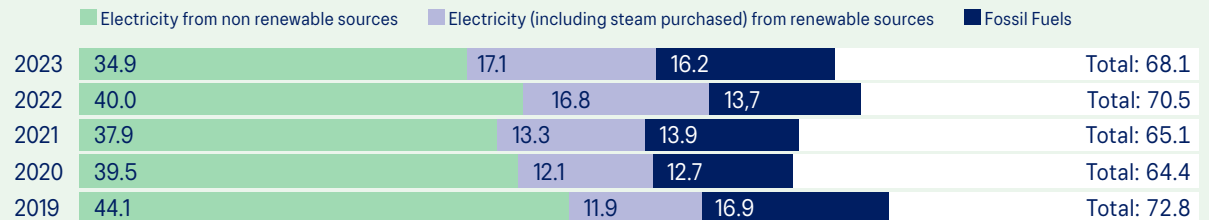
The data applies to ASICS Group locations, including offices, retail locations, distribution centers, and wholly owned factories globally. Company/lease car impacts are also included.

CO₂ emissions from our locations (tons)



The 2023 emissions data are verified by Deloitte Tohmatsu Sustainability Co., Ltd. Figures for Scope 1 are calculated according to factors based on the 2006 IPCC Guidelines (Commercial Institutional). Company/lease car impacts in Brazil are calculated with factors using 2015 DEFRA data. Figures for Scope 2 are calculated according to factors based on IEA's CO₂ Emissions from Fuel Combustion 2016. The following formula is used when the amount of energy consumption for CO₂ emissions is not available for any sites: (energy consumption per square meter estimated for each type of site) x (area of site) x (CO₂ emission factor).

Energy volume by type (GWh)



The 2023 energy volume data is verified by Deloitte Tohmatsu Sustainability Co., Ltd. The following formula is used when the amount of energy consumption is not available for any sites: (energy consumption per square meter estimated for each type of site) x (area of site) x (conversion factor from each unit to GWh).

Scope 3 CO₂ emissions 2023

Scope 3 category	CO ₂ tons	%	Scope
1. Purchased goods and services	596,452	82.8	Global Footwear Manufacturing CO ₂ Data (Tier 1), and ASICS Group companies' purchases of footwear material, apparel, equipment, marketing and sales (Calculation methods ¹)
2. Capital goods	18,452	2.6	ASICS Group companies
3. Fuel-and-energy-related activities	894	0.1	ASICS Group companies
4. Upstream transportation and distribution	48,433	6.7	Category 4 includes air and sea freight of footwear related logistics, air freight of apparel related logistics for Japan, rail and road freight of 'Port to DC' in Europe, US and Japan, and road freight of 'DC to customers' in Japan.
5. Waste generated in operations	31	0.0	ASICS Group companies
6. Business travel	4,465	0.6	ASICS Group companies
7. Employee commuting	416	0.1	ASICS Group companies in Japan
8. Upstream leased assets	-	-	Not assessed
9. Downstream transportation and distribution	6,531	0.9	ASICS Group companies
10. Processing of sold products	-	-	Not assessed
11. Use of sold products	16,275	2.3	ASICS Group companies
12. End-of-life-treatment of sold products	28,465	4.0	ASICS Group companies
13. Downstream leased assets	-	-	Not assessed
14. Franchises	-	-	Not assessed
15. Investments	-	-	Not assessed
Total	720,414	100	

The Category 1 (Purchased goods and services) CO₂ emissions data of Scope 3 is verified by Deloitte Tohmatsu Sustainability Co., Ltd.

¹ Calculation methods:

Category 1 Footwear Tier 1: (energy consumptions at suppliers) x (percentage of ASICS production at suppliers) x (emission factor of each energy type).

Footwear material: (production volume) x (emission factor of material from the past LCA study).

Apparel Tier 1: (production volume) x (emission factor of Tier 1 from the past LCA study).

Apparel material: (production volume) x (emission factor of material from the past LCA study).

Equipment, marketing and sales: (price of purchased goods and services) x (emission factor of purchased goods and services²)

² Calculation is made as per inter-industry relations table based emission factors of Emission factors database for greenhouse gas emissions accounting throughout the supply chain (ver.2.2 as of March 2015) published by Japanese Ministry of the Environment.

Climate action along the value chain

Climate action extends to both ends of our value chain, and engaging suppliers is an integral aspect of our approach. In 2023, we continued our dialogue with strategic Tier 1 footwear suppliers, and the support we offer them, so they can achieve the requirements of the ASICS Green Procurement Policy. This year, 80% of strategic footwear suppliers set and disclosed a 1.5°C reduction target and 90% have concrete renewable energy sourcing plans. Three suppliers in Vietnam and Indonesia installed rooftop solar (RTS) and started renewable energy procurement and others started purchasing renewable energy certificates (RECs), also known as energy attribute certificates (EACs). To realize the Direct Power Purchase Agreement (DPPA), which is an important measure to promote renewable energy in Vietnam, we cooperated with ONE-VALUE on a survey on the demand for DPPA.

**ONE-VALUE is commissioned by Japan's Ministry of Economy, Trade and Industry to conduct a "customer-led renewable energy investment promotion project that utilizes new systems in ASEAN countries," in a survey on demand for DPPA.*

[Read the press release \(in Japanese\) →](#)

Showcasing our commitment to climate action

In 2023, ASICS Corporation won the *Sustainable Japan Award Grand Prize*. The Awards are part of the Japan Times Sustainable Japan initiative, which “showcases organizations and communities’ efforts towards a more sustainable way of living while showing Japan to the world from multiple perspectives.”



2023

ASICS was awarded the Grand Prize due to our commitments to climate action and Science Based Targets, our product innovation to reduce emissions, our green procurement policy and our focus on circularity.

[Read more about the Sustainable Japan Award →](#)



ASICS Corporation received the *FY2023 Commendation for Climate Change Action* from Japan’s Minister of the Environment. Through this program, the Ministry of the Environment commends

individuals or organizations for their outstanding achievements in initiatives to mitigate and adapt to climate change.

ASICS received the commendation in recognition of our action against climate change, including developing and launching the GEL-LYTE™ III CM 1.95 and launching carbon footprint labels.

[Read more about the commendation →](#)



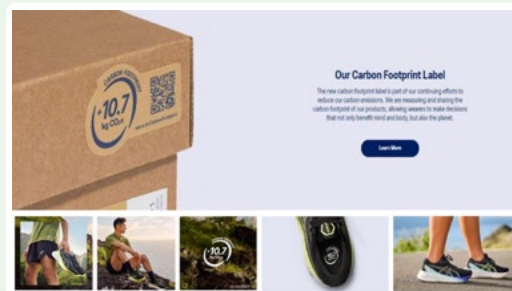
At COP28, ASICS joined a Japan Pavilion seminar jointly organized by the G20 Presidency of India and the G7 Presidency of Japan. Representing ASICS, Minako Yoshikawa presented at the seminar, entitled ‘Net-Zero and Well-Being in Life’.

[Read about the seminar →](#)
[Watch it on YouTube →](#)

Introducing carbon footprint labeling

In 2023, we started showing the carbon footprint of our GEL-KAYANO™ 30 shoes. A carbon footprint is the total amount of greenhouse gases generated over a product’s life cycle. This enables consumers to make more informed choices and be part of the solution for climate change.

In collaboration with Massachusetts Institute of Technology in 2011, we conducted a life cycle assessment of running shoes, revealing that the GEL-KAYANO™ 17 had a carbon footprint of approximately 14 kg CO₂e. This time, we have expanded the scope of our calculations, improved our methodology (details available on our website), and obtained third-party certification.



With this enhanced methodology, we can continuously monitor the carbon footprint of our footwear and apparel products. This helps us to identify where most CO₂ emissions occur in the lifecycle, considered in our reduction measures.

Being transparent about how we measure and continuously work to reduce our emissions also helps us meet our commitment to reducing our CO₂ emissions throughout our value chain

[Read more about carbon footprint labeling →](#)

Innovating products to benefit the planet

We are continuing our transition from a linear business model to a circular one across our entire value chain. Instead of business growth being reliant solely on higher product sales, we will offer and expand value by hosting virtual communities, running marathon events, and providing services for running analysis and diagnosis, utilizing data accumulated from manufacturing. With digital technologies, we will provide products and services tailored to each individual, minimizing resource use and extending product life.

Through innovation, we also minimize the environmental impacts of our products. The product highlights of 2023

were the GEL-LYTE™ III CM 1.95 and GEL-KAYANO™ 30 shoes.

After 10 years of research and development, we announced the GEL-LYTE™ III CM 1.95 – the world’s lightest CO₂e sneaker – in 2022. In 2023, it went into mass production and hit the market, giving consumers an innovative, low-carbon product.



Running for reforestation

More than 50,000 people worldwide took part in the Run for Reforestation Challenge in April 2023, a challenge to encourage people to foster healthy minds and bodies through exercise, and to act against climate change by supporting reforestation efforts.

Through a partnership with One Tree Planted, ASICS pledged to plant 25,000 trees on reaching our goal of 25,000 Challenge completions, counting one tree for every 5km ran or walked. We reached that goal just one week into the challenge.

The challenge was a huge success: 50,253 people completed the race. ASICS has decided to plant a tree for every finisher; they are being planted in Indonesia, where many ASICS shoe manufacturing factories are located, and in countries where our offices are located.

We will strive to further expand this initiative as part of our outreach to communities and societies globally. Our aim is to actively involve consumers across the globe, empowering them to join us in combating climate change.

[Read the news release →](#)



“We commend ASICS for their ongoing commitment to being a force for good. Last year’s Run for Reforestation Challenge, which resulted in the planting of 50,253 trees around the world, was a great example of how sportswear brands can tie healthy activities with making a positive impact for our planet. We are grateful for their continued partnership and look forward to planting trees for the second annual Run for Reforestation Challenge!”



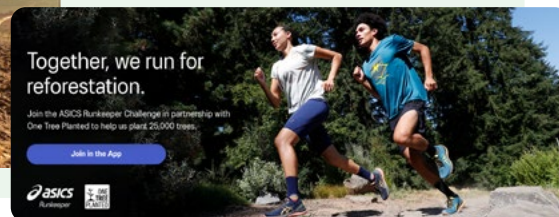
Hank Lynch
President & CEO at
One Tree Planted

85,555

challenges joined
from 185 countries.

50,253

completions and trees planted
in Indonesia, USA, Brazil,
Mexico, and Romania.



Learning to boost climate action

Understanding the impact ASICS makes through the carbon footprint of products is the first important step towards achieving our CO₂ reduction targets. To help all employees work with our climate action measures and apply emissions reduction actions in their daily work, we launched online sustainability training in July 2023. This training covers the carbon footprint, how CO₂ is emitted throughout the life cycle of a product, and opportunities for reducing CO₂ emissions. The course aims to help employees communicate ASICS’ sustainability efforts to our stakeholders, such as customers and business partners. More than 2,500 employees have completed the course, including many people from the product department.

In 2023, 10 ASICS employees representing various departments and every ASICS America location enrolled in The Underswell School of Understanding to build internal capacity around sustainability. This self-guided, 12-week program covered topics including biodiversity, circularity, corporate responsibility, and labor rights. Our objective was to educate and empower our employees to integrate sustainability into their day-to-day decisions. Due to the positive impact our 2023 cohort has already had, ASICS America will continue building this program with plans to double the number of participants in 2024.

“Learning about concepts like circular economy, biodiversity loss, and social compliance was like unlocking a new level of understanding about the world around us.”

ASICS Ambassador



Employee awareness of sustainability

At ASICS, we strive for over 70% of our employees to incorporate sustainability into their work. We conduct an annual survey to measure employees’ capacity for driving sustainability. In 2023, we expanded the scope of this survey to include retail store employees. Fortunately, even with an increased sample size, 68% of global employees responded that they incorporate sustainability into their work, highlighting the success of our capacity building efforts.

68%

employees
incorporate
sustainability into
their work.

Reusing, repurposing, recycling

The traditional linear take-make-waste business model is increasingly difficult to align with our environmental targets. At ASICS, we are embracing circularity as one of the priority areas in our Mid-Term Plan 2026.

Circularity is built into the ASICS design philosophy: from the inception of a product to its end of life, we take steps to support circularity to reduce CO₂ emissions. This means using more recycled (and recyclable) materials, reducing and repurposing waste, making more durable products and offering take-back services to consumers.



At a glance Circularity

2030 TARGETS

- 100% recycled polyester to replace standard polyester materials in shoes and sportswear products by 2030.
- Three regions have take-back programs to reuse or recycle products and materials by 2030.

2023 ACTIONS

- Continued to increase the use of recycled materials based on the roadmap of each product category.
- Explored circularity in product design and how we engage with consumers.

2023 RESULTS

- More than 40% conventional polyester materials replace with recycled polyester.
- Take-back program in three regions: Japan, America, and Australia.

2024 PLAN

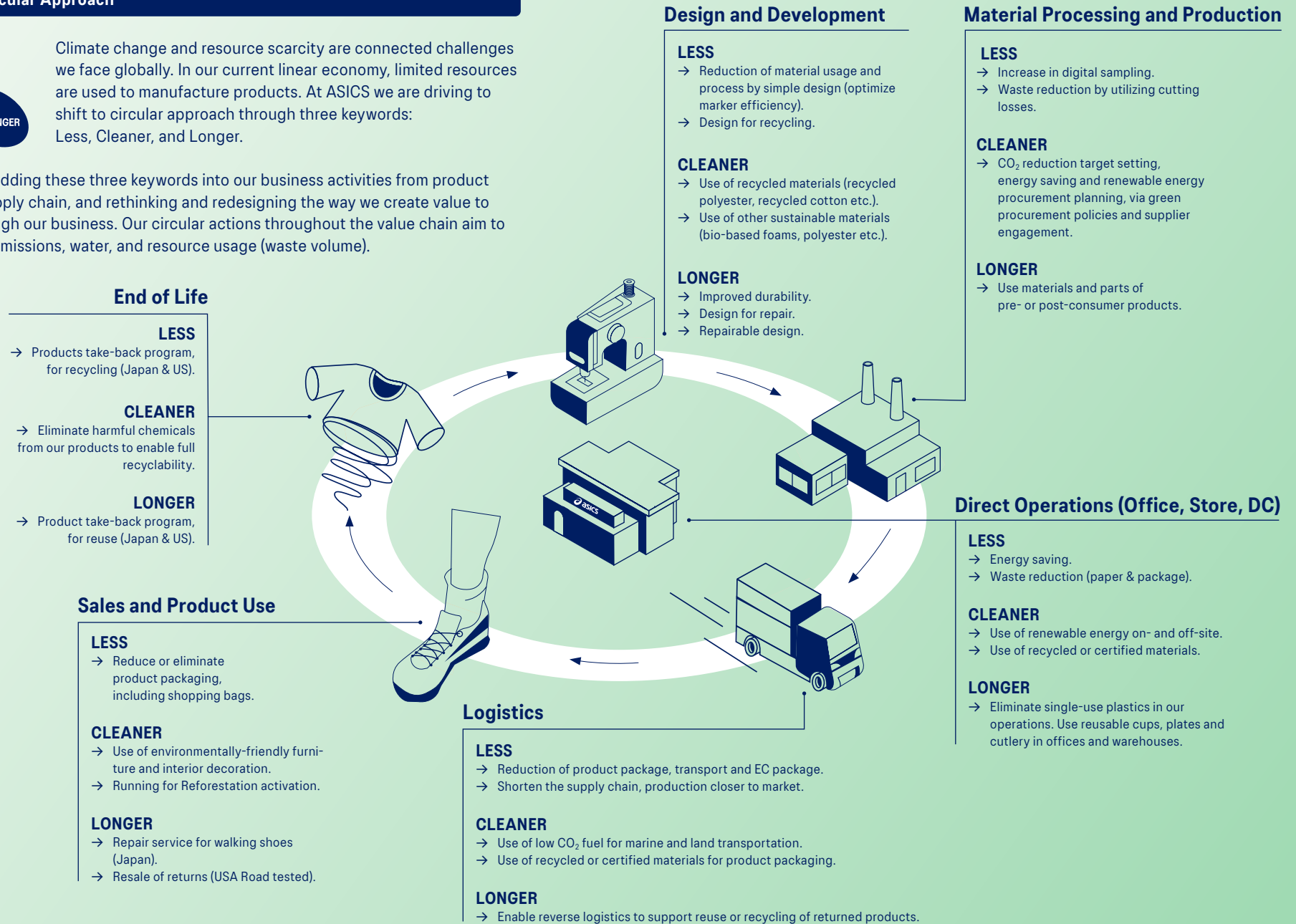
- Continue to expand the use of recycled polyester across all product categories. Strengthen partnership with suppliers.
- Continue our approach towards circular economy through product design and creating new options to reuse or recycle materials from both inside and outside of our industries.

ASICS Circular Approach



Climate change and resource scarcity are connected challenges we face globally. In our current linear economy, limited resources are used to manufacture products. At ASICS we are driving to shift to circular approach through three keywords: Less, Cleaner, and Longer.

We are embedding these three keywords into our business activities from product design to supply chain, and rethinking and redesigning the way we create value to society through our business. Our circular actions throughout the value chain aim to reduce CO₂ emissions, water, and resource usage (waste volume).



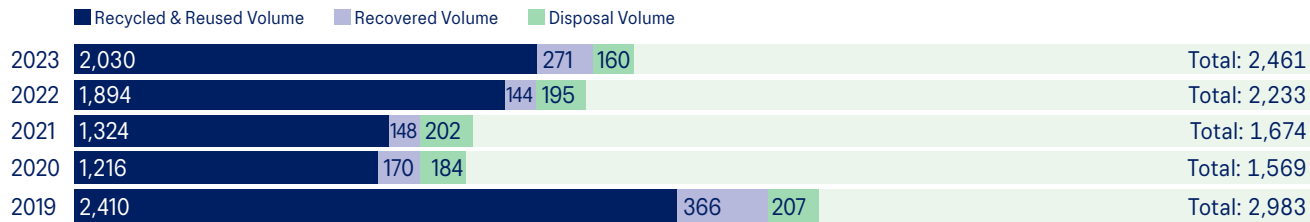
Managing our waste

The materials that are used to make ASICS products account for most of our waste-related impacts throughout the value chain, from material loss during manufacture to disposal at end-of-life. Our approach to waste remains the same: the waste generated by our direct operations is managed by a third party that meets our standards, as evidenced by regular checks of their certificates and legally required documents. We collect data and monitor our waste using a cloud-based database.

Collaboration is a key element of our waste reduction efforts. By working with partners like FastFeetGrinded, we can increase the proportion of our products that are reused or recycled.

Four of our sites – two distribution centers and two factories – are responsible for more than three-quarters of the waste we currently send to landfill or incineration. These sites remain central to our global efforts to reduce waste.

Waste volume (metric tons)



2023: 14 companies, 24 locations, covering 57% of operations (FTE basis).
 2022: 10 companies, 20 locations, covering 64% of operations (FTE basis).
 2021: 11 companies, 26 locations, covering 70% of operations (FTE basis).

2020: 16 companies, 26 locations, covering 62% of operations (FTE basis).
 2019: 17 companies, 33 locations, covering 65% of operations (FTE basis).

Collaborating for circularity

In 2023, we have further strengthened our control of product waste streams and expanded our collaboration with existing and new partners to recycle unsellable, defective products returned by consumers in our Direct To Consumer channels in Europe. In this region, FastFeetGrinded (FFG) is our main partner in footwear recycling. In 2023, FFG recycled 98,876kg of materials, saving 531,964kg of CO₂ emissions.

As well as ensuring our products are reused or recycled at their end of life, we also aim to increase the use of recycled materials in our products. We aim for 100% recycled polyester to replace standard polyester materials in shoes and sports-wear products by 2030.

Designing circularity into our products

Circularity is designed into many of our new products: many of our new performance running shoe products have been incorporating recycled materials in the main upper since 2021. This year, our product launches have featured materials dyed with leftover tea, recycled leather, and surplus luxury towels.

The Japanese tea-inspired shoes

The GEL-LYTE™ III OG and GEL-LYTE™ V sneakers draw inspiration from traditional Japanese tea ceremonies. The uppers of both shoes are made of fabric dyed with colors extracted from ingredients purchased from farms and destined for disposal: rooibos, persimmon, matcha, and lettuce. The GEL-LYTE™ V's shoe midsole also uses over 20% recycled materials.

[Read more \(in Japanese\) →](#)



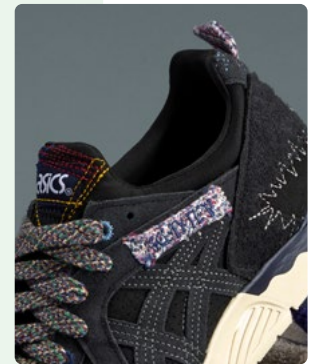
The 'garbage separation' shoe

The SHIGEN Pack 2.0 is made with recycled materials, including recycled leather, PET, paper, and exposed net fabrics. Its design focuses on 'garbage separation', to raise awareness of

recycling activities. By keeping it simple in blue and white, and using recycled materials in the right places, we express how collected trash is being reborn. The GEL-NYC™ uses recycled materials for 17.7% of the total shoe weight, and the EX89™ shoe for 16.5%. [Read more \(in Japanese\) →](#)

The luxury towel shoes

One of our 2023 launches featured the collaboration with Fujitaka Co., Ltd, a luxury towel producer. We used surplus yarn from towel manufacturing for the shoelaces. The main upper material of this collection is made from 36% recycled materials. [Read more \(in Japanese\) →](#)



Engaging our stakeholders on circularity

We engage stakeholders in circularity through events. In November 2023, ASICS hosted a circular design workshop with the apparel design and development team and footwear developers in ASICS Europe, facilitated by CIRCO. The aim was to enable them to create more circular products and support our circular business development.

Circular partnership

At the Japan Mobility Show 2023, ASICS unveiled the 2030 concept model sneaker made from desulfurized recycled rubber at the booth of the Toyoda Gosei company. The aim of the collaboration with Toyoda Gosei was to showcase a partnership that reduces industrial waste and creates cross-industry circularity through production activities. In creating this shoe, we tackled weight, air permeability, fit, and cushioning challenges. We integrated features from sports and everyday footwear development, resulting in a design that offers comfortable living.



Safeguarding biodiversity and water

Climate change has affected the world's ecosystems, causing the loss of local species and increased diseases. With declining biodiversity, less carbon will be stored in nature, which in turn will drive climate change. Therefore, these two issues should be tackled in parallel.

The overall apparel and footwear industry is regarded as one of the industries with the biggest effect on biodiversity, due

to sourcing natural resources like cotton and leather, consuming a lot of water in the textile dyeing process, and releasing microplastics into nature.

At ASICS, we recognize the role our business plays in this, and we take our responsibility to preserve biodiversity seriously. We also need to better understand our impact on biodiversity, therefore will continue to investigate this and develop action plans using the AR3T framework provided by SBT for Nature.

At a glance Biodiversity and Water Management

2023 TARGETS

→ 20% water reduction compared to 2015 (per pair) for Tier 1 footwear suppliers.

2023 ACTIONS

- Continued to explore technology to reduce water consumption in dyeing processes.
- Engaged consumers in CO₂ reduction and biodiversity conservation through Run for Reforestation challenge.

2023 RESULTS

→ Water consumption decreased by 30.2% for every pair of shoes manufactured.

2024 PLAN

→ Take further actions based on our biodiversity policy.

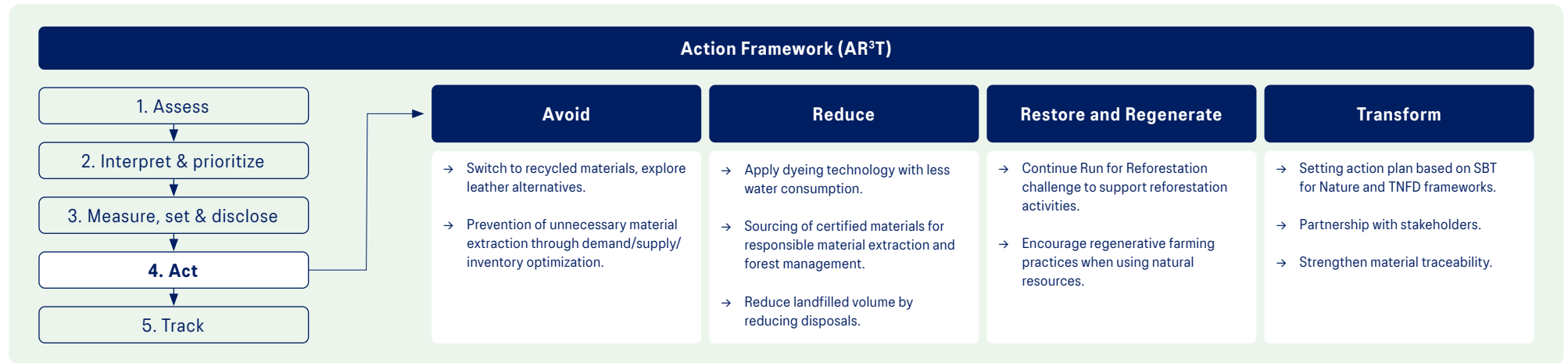


Biodiversity policy

Our biodiversity policy outlines the relationship between our business and biodiversity in areas such as sourcing natural resources, consuming water, and dyeing textiles. This policy is part of our Global Policy on Environment. As a member of the Leather Working Group (LWG) and one of the signatories of The Fashion Pact, ASICS supports zero deforestation and

sustainable forest management. ASICS supports the LWG towards their aim to achieve 100% conversion-free and deforestation-free leather by 2030. We are also working to reduce our negative impact on biodiversity through product development, by sourcing recycled materials for products and packaging, and using technology to lower water consumption.

We use SBT for Nature's Action Framework (AR³T), covering actions to avoid future impacts, reduce current impacts, regenerate and restore ecosystems, and transform the current systems. This allows us to plan for and address ASICS' impacts on biodiversity at a project level.



Mitigating our water impacts

The overconsumption of water and pollution of water sources can both lead to biodiversity loss, so our approach to minimizing our water impact also mitigates ASICS' impact on biodiversity. We engage with our stakeholders throughout the value chain on water in the context of our material topic Biodiversity and Water Management.

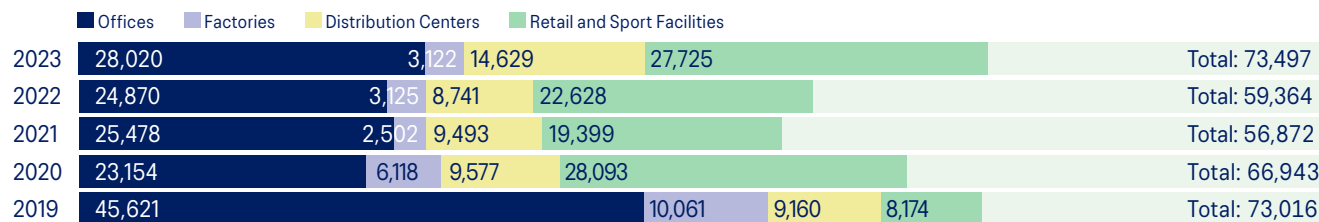
As a global company, some of the areas in which we operate experience water scarcity. Our water use is unavoidable,

but we can and do take action to reduce our consumption of water and manage our wastewater. The water used in our direct operations largely comes from municipal sources. Measuring and monitoring our water consumption and effluent waste is an important aspect of our approach to managing this topic. We monitor the impact of ASICS facilities through our data management system, and we collect water consumption volume annually from Tier 1 footwear suppliers via Higg FEM, which shows data broken down into freshwater and other water from areas with water stress.

Innovating to reduce water use

We mitigate our water impacts by replacing equipment with water-efficient equipment when we build, renovate, or relocate, and by encouraging our employees to save water. Apparel production can be water-intensive, so to reduce our water use, ASICS is switching to dyeing technologies that require less water. The Solution Dyeing technique can reduce the amount of wastewater produced during apparel production and dyeing processes. This saves approximately 33% of water compared to regular dyeing methods.

Water volume used in our operations (m³)



2023: 23 companies, 72 locations, covering 69% of operations (FTE basis).

2022: 13 companies, 68 locations, covering 67% of operations (FTE basis).

2021: 13 companies, 74 locations, covering 69% of operations (FTE basis).

2020: 28 companies, 82 locations, covering 75% of operations (FTE basis).

2019: 30 companies, 92 locations, covering 79% of operations (FTE basis).

Prioritizing the quality of ASICS products and services

We aim to improve people's well-being with our products and services, so it is vital that what we offer is high-quality and safe.

Our goal is to operate and improve a safety and quality management system to ensure that our products and services meet all applicable global standards and customer requirements. We also continue to manage restricted harmful chemical substances in our products.

[Read more about product quality and safety →](#)

At a glance Quality of Products and Services

2023 TARGETS

→ Compliance with PFAS (per- and polyfluoroalkyl substances) regulations.

2023 ACTIONS

→ Switching to PFAS-free materials to comply with PFAS regulations in the US, from January 2025.

2023 RESULTS

→ The switch to PFAS-free materials and preparations to stop selling products containing PFAS in the US are underway.

2024 PLAN

→ Continue to comply with global chemical regulations, including PFAS regulations.

Ensuring quality and safety

To ensure our products and services continue to meet our consumers' requirements as well as complying with applicable global standards, we use a quality assurance and management system in all our operations, which we continuously improve.



Communication is central to our approach to quality and safety, and training is an integral part of our quality assurance and management system. Since 2003, we have held in-house exhibitions of product quality and safety annually in Japan. More than 80% of those who participated in the 2023 exhibition through an online program found it helpful for their own work. In addition to training our own employees, we also train and certify staff within our suppliers' facilities.

We hold a quarterly Product and Service Quality and Safety Managers' Meeting to share information on complaints from customers about our products and services and discuss the products' quality and safety. We confirm that improvements have been made to correct past product defects.

We operate a system to assess and test our products for safety and quality at every stage of product design, development, and production. In 2023, there were two incidents of health and safety non-compliance (product failure).

Responsible communication with consumers is also an important aspect of product quality and safety. Our Guidelines for Representations in Advertising Materials for Products and Services establish our approach to product-related communication. We operate a system to review marketing and labeling communications in order to ensure that they are based on the truth and do not mislead consumers. In 2023, there was one product information error in Japan.

Managing restricted substances

ASICS takes action to reduce our impacts related to polluting and restricted chemicals.

Ensuring PFAS compliance

Per- and polyfluoroalkyl substances (PFAS) regulations have been increasing globally in recent years. ASICS has gradually been increasing the use of PFAS-free Durable Water Repellent (DWR) since 2016. In addition, we are starting to reduce PFAS for all applications, not just DWR.

Reducing harmful chemicals

Since 2013, ASICS has been a member of the Apparel and Footwear International RSL Management (AFIRM) Group, which promotes industry-wide collaboration to reduce the use and impact of harmful chemical substances in the apparel and footwear supply chain. We use the latest AFIRM Restricted Substances List (AFIRM RSL) to provide safe products that do not negatively impact humans and the environment.

Reducing Volatile Organic Compounds (VOCs) in our main footwear factories

The manufacture of footwear, especially high-performance sports shoes, involves the use of adhesives. Traditional adhesives are based on solvents containing VOCs, which can harm people and the environment. To reduce the use of these, we have been switching to water-based adhesive since 2011. In 2023, VOCs usage at our strategic factories was estimated to be 3,611 tons. This is based on the calculation of the total adhesive consumed, including disposed volume at the factories. All VOCs are properly controlled.

Sustainability in the ASICS VISION 2030

Accelerate sustainability through transformation
to a Global Integrated Enterprise

I'm honored and excited to step into the role of President and COO in March 2024. Together, we aim to create a world where we can all live both mentally and physically healthy, maintaining involvement with exercise and sports throughout our entire lifetime.

Sustainability is central to our philosophy, Sound Mind, Sound Body. It is a core theme of the ASICS VISION 2030, running through our three business domains: Product, Facility and Community, and Analysis and Diagnosis.

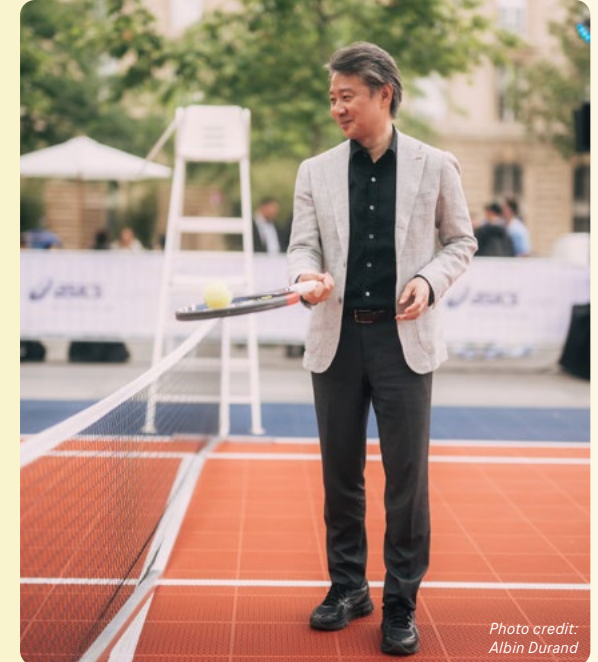
In 2023, this strategic position was translated into our new Mid-Term Plan 2026. The management direction of the Mid-Term Plan 2026 is the transformation to a Global Integrated Enterprise (GIE). We unify the whole ASICS group to further accelerate our sustainability actions under clear priorities and strategy. We have started to hold a Global Summit twice a year where the global leadership team actively discusses key topics, including sustainability.

The use of digital technology is essential to our "transformation to a GIE". We pursue operational excellence by implementing global digital supply chain reforms and establishing a digital data platform to enhance supply chain transparency and traceability, drive supply chain decarbonization, and improve human rights due diligence management.

Through digital, we are also enhancing the value of the ASICS brand experience globally by expanding the Running Ecosystem, enabling and expanding people's Sound Mind, Sound Body, and engaging consumers to Run for Reforestation, thereby positively impacting the environment.

We look forward to continuing this journey together as we strive to improve people's well-being and have a positive impact on the world.

Mitsuyuki Tominaga
President and COO,
Representative Director



Scenario analysis result (TCFD) including financial impact

The double materiality approach to determining material topics requires us to take a financial impact perspective, looking at the impact of sustainability topics on the business. Following TCFD recommendations, ASICS conducted a scenario analysis in 2023 to understand the resilience of our corporate strategy under different possible future scenarios, namely temperature increases of +1.5°C, +2°C and +4°C. When analyzing the risks and opportunities related to climate change, we selected 2030 and 2050 as the time horizon to reflect to our corporate strategy toward 2030, and to reflect our net-zero commitment toward 2050. We considered all the ASICS businesses as part of this scenario analysis. [Read more on page 39 of our Integrated Report 2022 →](#)

Considering the time horizon of 2030 and 2050 and the impact from the climate change at that time, we decided to refer to the IEA scenarios, which are more related to transition risk.* We referred to the multiple IEA scientific scenarios, the IEA NZE 2050 for +1.5°C, the IEA APS for +2°C and the IEA STEPS for up to +4°C. Parameters such as price trends of materials used in our products and product labeling regulations would affect the related costs. We assumed that the relevant stakeholders would aim to align the methodology of reporting and labeling as much as possible, therefore we have not included the costs to accommodate them individually.

Considering the time horizon of 2030 and 2050 and the impact from the climate change at that time, we decided to refer to the RCP scenarios, which are more related to physical risk.* We referred to the multiple RCP scientific scenarios, the RCP 4.5 for +2°C and the RCP 8.5 for +4°C. Parameters such as locations of our manufacturing facilities and heat index in key markets would affect the level of climate risks. We assumed that, toward 2030, the major manufacturing locations and key markets would likely remain the same, therefore we have not included the costs for other locations. For transition and physical risks, we used SSP2 toward 2030 and 2050 in conjunction with the scenario as an analytical choice. The analysis using this scenario was quantitative.

* We did this because it is said that almost the same temperature changes would occur in the 2°C and 4°C scenarios as of 2030, and that the impact of physical risk would be bigger after 2030.

Information Disclosure Based on TCFD Recommendations

We are the world's first sporting goods manufacturer to support the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD) Scenario Analysis and we are actively promoting the disclosure of information based on TCFD. We have identified risks and opportunities based on scenario analysis and have analyzed their impacts and response measures. This is reflected in our business strategy.

	Risk	Business Impacts	Financial Impacts/Year	Response Measures
Transition Risks	Fluctuations in raw material prices.	Rise in procurement costs for petroleum-derived materials.	4.3 billion yen (2050, 4°C)	→ Establish targets and roadmaps of material with controlled financial impact. → Strengthen partnerships with suppliers.
	Introduction of product labeling regulations.	Increase in system implementation and personnel expenses in response to regulations.	13 billion yen	→ Understand regulations early and secure the necessary resources. → Start carbon footprint labeling.
Physical Risks	Reduction in time for sports through rising temperatures.	Decrease in sales as frequency of product replacement decreases through reduction in sports opportunities (time).	2.4 billion yen (2050, 4°C)	→ Expansion of products that can adapt to rising temperatures. → Rollout of adaptable services even if there is a reduction in opportunities for playing sports outside.
	Supply chain shutdown through intensified typhoons and floods.	Loss of sales opportunities due to a shutdown from flooding of outsourced manufacturing plants.	0.7 billion yen	→ A sourcing strategy that recognizes outsourced manufacturing plants in regions with a high risk of natural disasters.
Details				
Opportunities	Expansion of the customer base. → Increasing engagement of new consumer segments through active climate initiatives.			
	Creation of innovation through development and expansion of decarbonized products and services. → Creating innovation through the pursuit of sustainability and functionality. → Developing products and materials with low CO ₂ emissions. Identifying and formulating value creation (new business domains) with low CO ₂ emissions.			
	Rollout of products and services that respond to rising temperatures. → Applying knowledge of ergonomic research and digitalization and offering solutions to allow sports to be enjoyed in comfort in any environment.			
	Utilization of sustainable finance. → Implementing efficient fundraising through actively utilizing green bonds etc. by increasing the performance and transparency of corporate sustainability.			

* Calculated based on FY2022 data.

Appendices

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People data tables

Supply Chain

Training and factory audits	2023	2022	2021
Number of participants to training	90	30	> 100
Number of factory audits conducted	71	36	34

Own employees

Number of permanent (and temporary) employees, broken down by region	2023	2022	2021
Japan	1,472	1,530	1,634
North America region	1,314	1,230	1,226
European region	1,556	1,542	1,585
Greater China region	1,133	1,046	976
Oceania region	274	240	259
Southeast and South Asia region	439	373	346
Other areas	630	795	726
Company-wide (shared), etc.	2,109	2,130	2,109
Total	8,927	8,886	8,861

Gender pay gap

79.8%

Indicating the ratio of female to male employee wages.
2023 data only.

Planet data tables

Scope 1 emissions

CO ₂ emissions (tons)	2023	2022	2021
Offices	1,669	1,488	1,542
Distribution centers	765	846	861
Factories	286	295	248
Retail stores	861	404	430
Total Scope 1	3,581	3,034	3,082

Scope 2 emissions (market-based)

CO ₂ emissions (tons)	2023	2022	2021
Offices	1,654	1,431	2,162
Distribution centers	2,155	2,088	2,168
Factories	632	986	1,025
Retail stores	13,636	16,528	14,034
Total Scope 2	18,077	21,032	19,389

Total Scope 1 and 2	21,659	24,066	22,471
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Scope 3 emissions

CO ₂ emissions (tons)	2023		2022		2021	
1. Purchased goods and services	596,452	82.8%	675,053	82.7%	564,546	82.5%
2. Capital goods	18,452	2.6%	14,936	1.8%	8,801	1.3%
3. Fuel-and-energy related activities	894	0.1%	882	0.1%	786	0.1%
4. Upstream transportation and distribution	48,433	6.7%	61,641	7.6%	49,487	7.2%
5. Waste generated in operations	31	0.0%	40	0.0%	50	0.0%
6. Business travel	4,465	0.6%	2,621	0.3%	599	0.1%
7. Employee commuting	416	0.06%	437	0.1%	299	0.0%
8. Upstream leased assets	-	-	-	-	-	-
9. Downstream transportation and distribution	6,531	0.9%	7,981	1.0%	6,920	1.0%
10. Processing of sold products	-	-	-	-	-	-
11. Use of sold products	16,275	2.3%	18,143	2.2%	22,434	3.3%
12. End-of-life treatment of sold products	28,465	4.0%	34,532	4.2%	30,382	4.4%
13. Downstream leased assets	-	-	-	-	-	-
14. Franchises	-	-	-	-	10	0.0%
15. Investments	-	-	-	-	-	-
Total Scope 3	720,414		816,266		684,313	

Total Scope 1, 2, 3 emissions	742,073	840,332	706,784
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Environmental performance of footwear Tier 1 suppliers

Category	Unit	2015 (baseline)	2019	2020	2021	2022	2023
CO ₂ emissions	kg/pair	2.45	1.77	1.42	1.55	1.64	1.77
Water	m ³ /pair	0.034	0.031	0.027	0.024	0.021	0.024
Waste	kg/pair	0.021	0.03	0.019	0.008	0.022	0.043
Recycled or recovered waste	tons	12,606	5,352	4,962	6,922	9,71	6,568

The data in this table is based on 19 factories (including sole factories) in Vietnam, Indonesia and Cambodia, which together produce over 95% of all our footwear. The 2022 data for CO₂ emissions is restated, due to updated data and improved estimates.

About our reporting practices

The ASICS Sustainability Report 2023 outlines ASICS' sustainability vision and strategy, our double materiality assessment and material topics, the targets we have set to achieve our goals, and the specific activities we have undertaken throughout the year. This was the third year working towards our targets for 2030 and 2050, which we set in 2020, and the year we set our Mid-Term Plan 2026.

This Sustainability Report provides a picture of ASICS' sustainability. It is structured on the basis of materiality. This report is designed to be used alongside the [ASICS Integrated Report](#), which provides the broader picture, showing how sustainability is integrated into our core values and business strategy to increase our value creation.

We publish our [Sustainability Report](#) every year. Our 2022 sustainability report was released on 16 June 2023. This 2023 report covers the calendar year 1 January 2023 to 31 December 2023.

Unless otherwise specified, the information shared pertains to ASICS' global operations. For information on Haglöfs operations and impacts, please refer to Haglöfs' sustainability report. This report has been prepared in accordance with the GRI Standards. We are now preparing to report using the ESRS, to comply with the CSRD, as well as IFRS S1 and S2, and we will share our progress in future reports.

We value collaboration in our sustainability efforts, and we welcome feedback from our stakeholders. We invite you to share your opinion about our work and this report.



Independent Practitioner's Assurance Report

To Mr. Yasuhito Hirota, Chairman and CEO, Representative Director of ASICS Corporation

We have undertaken a limited assurance engagement of the following sustainability information for the year ended December 31, 2023 (the "Sustainability Information") included in the "Sustainability Report 2023" (the "Report") prepared by ASICS Corporation (the "Company"):

- the 2023 ratio of females in manager and senior positions at the Company on page 25;
- the 2023 amounts in the graph "CO₂ emissions from our locations (tons)" on page 31;
- the 2023 total in the graph "Energy volume by type (GWh)" on page 31; and
- the CO₂ tons for "1. Purchased goods and services" in the chart "Scope 3 CO₂ emissions 2023" on page 32.

The Company's Responsibility

The Company is responsible for the preparation of the Sustainability Information in accordance with the calculation and reporting standard adopted by the Company (as explained in the notes to the Sustainability Information on pages 25, 31 and 32 in the Report). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Performing interviews of responsible persons and inspecting documentary evidence to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

Deloitte Tohmatsu Sustainability Co., Ltd.

Deloitte Tohmatsu Sustainability Co., Ltd.

Tokyo, Japan

June 28, 2024



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sound mind, sound body

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