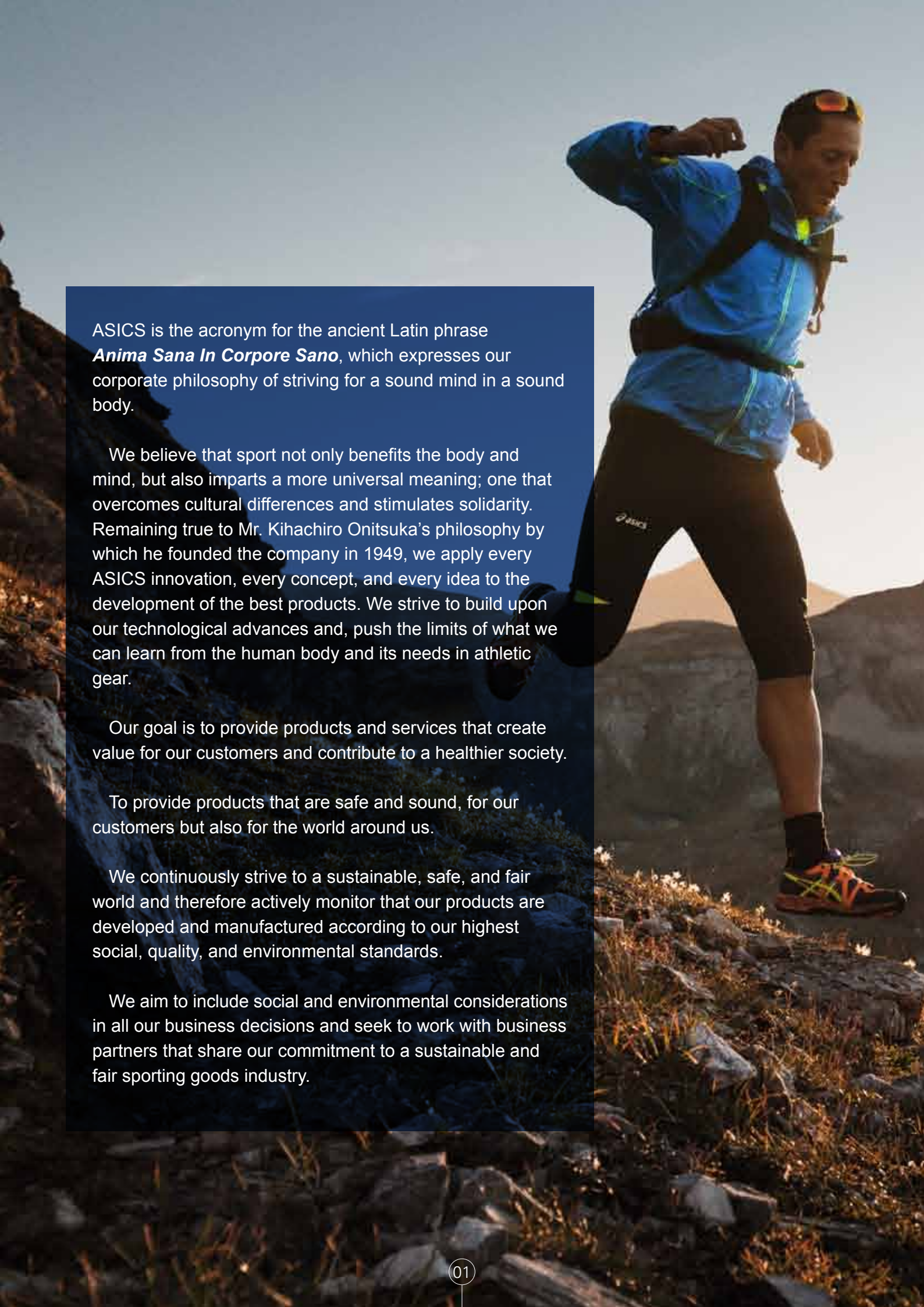


A photograph of two female athletes hugging. The athlete on the left is wearing a black ASICS singlet and a black digital sports watch. The athlete on the right is wearing a red ASICS singlet. Both are smiling and looking towards the camera. The background is blurred, suggesting an outdoor setting.

ASICS
CSR REPORT
2013

sound mind, sound body



ASICS is the acronym for the ancient Latin phrase **Anima Sana In Corpore Sano**, which expresses our corporate philosophy of striving for a sound mind in a sound body.

We believe that sport not only benefits the body and mind, but also imparts a more universal meaning; one that overcomes cultural differences and stimulates solidarity. Remaining true to Mr. Kihachiro Onitsuka's philosophy by which he founded the company in 1949, we apply every ASICS innovation, every concept, and every idea to the development of the best products. We strive to build upon our technological advances and, push the limits of what we can learn from the human body and its needs in athletic gear.

Our goal is to provide products and services that create value for our customers and contribute to a healthier society.

To provide products that are safe and sound, for our customers but also for the world around us.

We continuously strive to a sustainable, safe, and fair world and therefore actively monitor that our products are developed and manufactured according to our highest social, quality, and environmental standards.

We aim to include social and environmental considerations in all our business decisions and seek to work with business partners that share our commitment to a sustainable and fair sporting goods industry.

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sound mind, sound body

As an Olympic year, 2012 focused a limelight on makers of sporting goods, providing a stage on which they could demonstrate high-profile technologies.

ASICS was able to provide a number of feature-filled products to competing athletes, including carbon-fiber shoes with spikes for track and field, wrestling wear and shoes, and competition swimsuits incorporating technology developed at the ASICS Institute of Sport Science through collaboration with universities and material manufacturers. The knowledge gained from this initiative will be applied in future products manufactured for the consuming public.

Through its commitment to developing sports culture and promoting regional revitalization, ASICS also provides support to many marathons around the world. For example, at the New York City Marathon, which unfortunately had to be canceled because of a hurricane, ASICS America Corporation donated a portion of its onsite sales to the American Red Cross.

These are only some of the corporate social responsibility initiatives undertaken at ASICS, a sporting goods manufacturer dedicated to pursuing the health and happiness of people around the world by providing a high-quality way of life through sports.

Through the Bright Tomorrow Through Sport initiative introduced to promote recovery of the tsunami-damaged Tohoku region, ASICS has been providing ongoing support through sport in the hope that children who lost their parents in the earthquake could grow up in good physical health with a positive outlook. In addition, ASICS employees participate as volunteers in regular programs and competitions of Special Olympics Nippon. Committed to our communities and society at large, we strive to contribute to society both locally and globally through various aspects of sports.



Our Corporate Social Responsibility as a Sporting Goods Manufacturer

As a manufacturer, we have a duty to contribute to a sustainable way of life by offering environmentally benign products and services developed with society in mind.

In 2012, as part of our effort to improve our management foundation, we advocated strengthening our CSR initiatives and corporate governance under our medium-term management plan. All members of the ASICS Group are united in implementing the initiatives intended to fulfill our corporate social responsibility, including regulatory compliance, the upholding of safe and ethical working conditions, environmental preservation, contributing to the community, and the establishment of a system to promote these initiatives.

We are especially focused on establishing an improved management system for controlling chemical substances, reducing our environmental impact, and improving labor standards in our contracted production plants.

These issues are relevant to all aspects of the value chain and product life cycle. Consequently, cooperation is essential not only within the Group's management but also with suppliers and contracted plants.

We intend to continue improving by strengthening our close collaborative relationship with the many individuals who are involved in manufacturing.

Moreover, we are contributing to the development of a system for the entire industry through our positions as a founding member of the Sustainable Apparel Coalition (SAC) in Japan and as a member of the CSR Committee of the World Federation of the Sporting Goods Industry (WFSGI).

Becoming “One Team” for the Mutual Prosperity of the Company and Our Community

I believe our company must adopt the concept of “CSV,” which signifies “Creating Shared Value with the Community and Company.” To that end, we must forge closer and more equitable relationships with other companies in the value chain and collaborate with all stakeholders involved with the company.

Also, a truly global company must uphold respect for diversity. We shall engage in brainstorming and collaboration with people of different backgrounds at home and abroad, which will lead us to new perspectives and greater creativity.

Communication with stakeholders, not to mention with ASICS employees around the world, will become ever more important.

As we deepen our dialogue with others, we will become “One Team” focused on the sustainable development of our company and our communities.

I look forward to your continued support and cooperation as we address these challenges.

Motoi Oyama
President and CEO

尾山 基

ASICS SPIRIT

ASICS SPIRIT comprises our Philosophy, Vision, and Values.

Philosophy

Founding Philosophy

Anima Sana In Corpore Sano: **“A sound mind in a sound body”**

Corporate Philosophy

1. Provide valuable products and services through sport to all our customers
2. Fulfill our social responsibility and help improve conditions for communities around the world
3. Share profits brought by our sound services with our shareholders, communities and employees
4. Maintain a spirit of freedom, fairness and discipline, respectful of all individuals

Vision

Create Quality Lifestyle through Intelligent Sport Technology

Values

Sportsmanship

1. Respect Rules
2. Be Courteous
3. Be Persistent
4. Work as One Team
5. Be Prepared
6. Learn from Failure



Structure of Our Corporate Documents

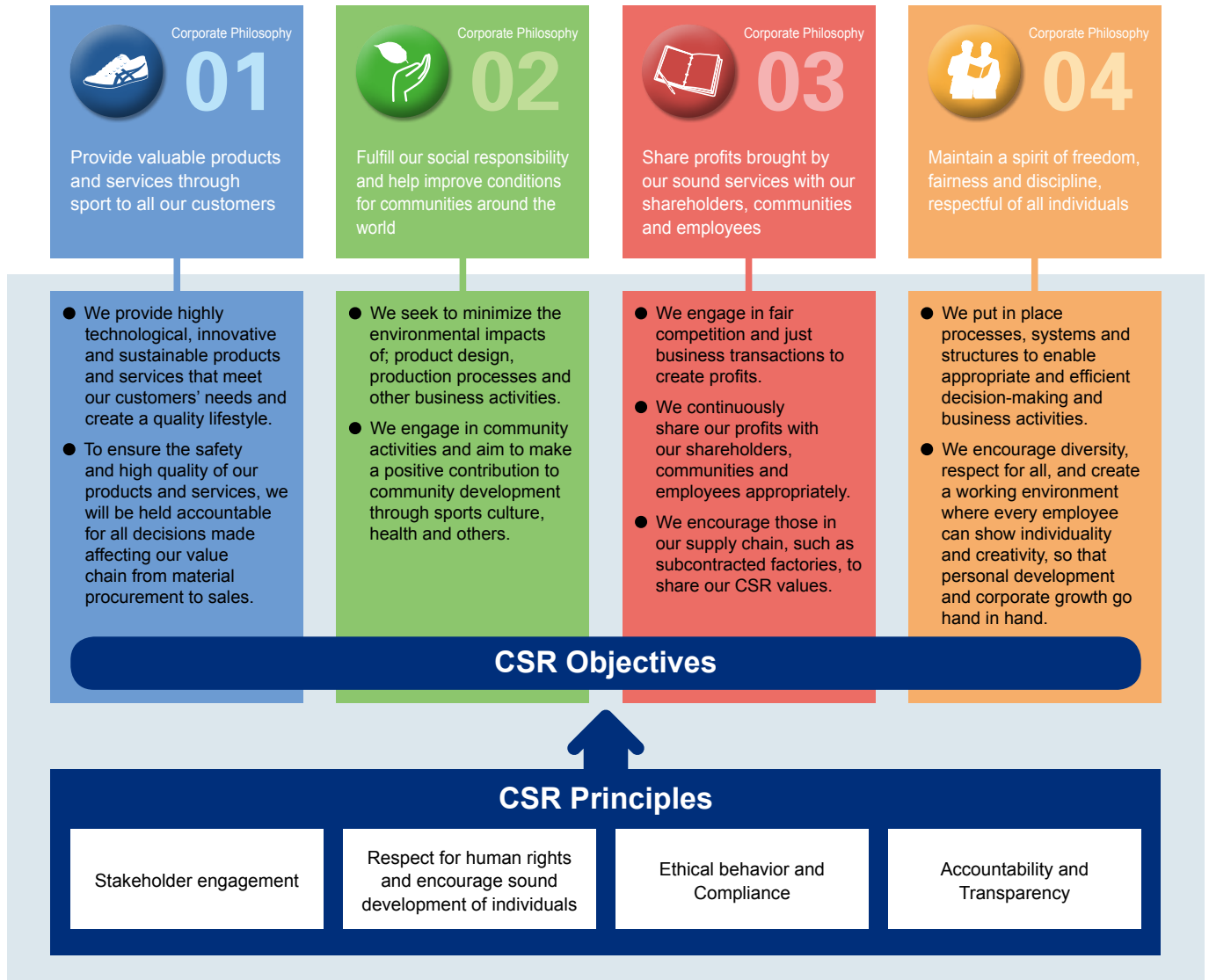
By building on the ASICS SPIRIT, the ASICS Group has established the ASICS CSR Policy with the aim of contributing to the emergence of a sustainable society.



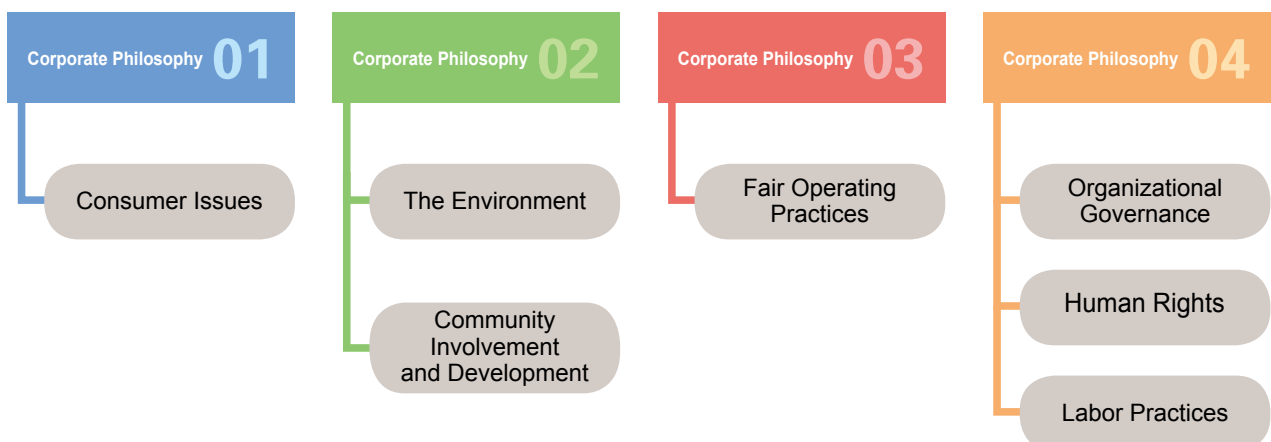
ASICS CSR Policy

To help consumers lead sustainable lifestyles, we provide sporting and lifestyle products and services that contribute to the well-being of our planet and the global community.

The ASICS CSR Policy comprises four CSR Principles and nine CSR Objectives. We remain committed to implementing these CSR Objectives according to our Corporate Philosophy while upholding the CSR Principles.



Relationship between the ASICS Corporate Philosophy and the core subjects of ISO 26000



CSR & Sustainability: Focal Points and Targets for 2015

Focal Points

• Environmental Sustainability

- Adopting environmental impact reduction targets and action plans throughout the value chain
- Implementing continuous improvements to the chemical management system

• Social Sustainability

- Upgrading the labor practice management system applicable to the subcontracted factories

Sustainability Targets

In fiscal 2011, we adopted ASICS Group Key Sustainability Targets and Footwear Business Targets that reflect the outcomes of the joint research project undertaken with MIT from 2010 to 2012. Our targets encompass the entire value

chain with an emphasis on reducing environmental impacts throughout the manufacturing process.

In fiscal 2012, we made progress in upgrading the labor practice management system, adopting an industrial index, and reducing the environmental impacts of manufacturing processes through design innovations.

For 2013, we must achieve greater progress through an action plan to strengthen our chemical management system and increase the use of eco-friendly adhesives in production processes.

To drive CSR and sustainability initiatives toward our focal points and targets, the ASICS Group has operated a CSR & Sustainability Department since 2004. It currently comprises a global team and regional teams as well as contacts who engage with internal and external stakeholders.

Sustainability targets

Category	FY2015 Target	Progress to End of FY2012	Plan for FY2013	Reference
Products	1. Sequentially introduce industrial environmental indicators.*	Developed Global Product Rating System using the SAC Higg Index.	Start applying the system to product concept, design and development.	Page 12
	2. Adopt global evaluation standards.*			
	3. Increase sales ratio of eco-friendly products to 35% (FY2013 target for the Japanese market).*	Sales ratio in FY2012 was 34.7%. Achieved FY2012 target of 30%.	Continue efforts to achieve 35% in FY2013.	Page 12
	4. Continually strengthen management of chemical substances.*	- Updated RSL. - Strengthened the chemical testing framework.	- Improve internal system for managing material information. - Strengthen testing guidance.	Page 15
Materials	1. Use eco-friendly materials.**	Incorporated recycled material in 92 items.	Continue to use eco-friendly materials.	Page 14
	2. Conduct R&D of industry-leading sustainable materials.**	Five research projects are under way to improve sustainability.	Continue R&D and apply to products where possible.	Page 11
Manufacturing	1. Reduce greenhouse gas (CO ₂) emissions, water consumption, and solid waste emissions at direct trading factories by 10% per pair of shoes (compared to 2009).**	- Collected environmental impact data from factories (accounting for more than 90% of production). - Reduced impacts from a design perspective.	Continue to collect factory data and information. Consider additional reduction plan.	Pages 14, 19–20
	2. Promote use of eco-friendly water-based adhesives in at least 60% of total production.**	- Used in 38.5% of total production (57.5% of production in factories where it was introduced). - Promoted its use in factories that have not yet introduced it.	Continue to promote use in factories that have not yet introduced it.	Page 14
	3. Conduct R&D of industry-leading sustainable manufacturing processes.**	Seven research projects to improve sustainability are ongoing.	Continue R&D and apply to products where possible.	Page 11
	4. Achieve ASICS standard at newly subcontracted factories.*	Strengthened management system for labor practices.	Conduct screening of all newly subcontracted factories.	Pages 25–30
	5. Achieve ASICS standard at factories under subcontract.*		Assess 60% of factories under subcontract according to the new rating tool.	Pages 25–30
Packaging and Transportation	1. Reduce weight of packaging and use recycled materials.**	- Continued to use recycled cardboard. - Optimized the size of shoeboxes.	- Continue to use recycled cardboard. - Optimize the size of shoeboxes.	Page 14
	2. Reduce GHG (CO ₂) emissions by consolidating distribution bases.*	Considered a base for consolidation.	Plan to start consolidation in Asia and expand to other regions.	Pages 19–20
	3. Increase capacity usage of product transport containers to at least 85% (for shipments within Japan).**	Annual average was 83%.	- Continue to work toward the target. - Implement optimal shipment plan based on information from factories.	Pages 19–20
Company	1. Reduce GHG (CO ₂) emissions by 10% at business locations.*	Increased by 0.1%.	Formulate plan for additional reductions.	Page 19

Achieved./Making progress as planned.

Not achieved./More progress required.

Note: Key targets are in blue text.

*The scope of the targets encompasses the global ASICS Group. **The targets are focused specifically on our footwear products.

Stakeholder Engagement

Establishing Relationships of Trust with Stakeholders

At ASICS, we fully realize our company's responsibilities and our role within the world around us. Our business operations are supported by a variety of stakeholders. Embedded within our founding philosophy is the recognition that a corporation is a public entity. We therefore respect our stakeholders' expectations and interests.

The environmental and societal conditions affecting our world clearly require our attention. We acknowledge this as

a joint responsibility that involves us as well as each of our stakeholders in a collaborative effort. Our various stakeholders play an important role in raising topics of concern and areas of mutual interest. We recognize these as potential sources of business opportunities.

By listening, learning and engaging in open dialogue, we are establishing relationships of trust and reciprocity as well as mutually beneficial partnerships.

Shareholders & Investors

We share the profits accrued from the sound services we provide and disclose relevant information in a timely, appropriate, accurate, and clear manner. → **See page 34.**

Employees

We promote working environments that encourage diversity and mutual respect while enabling all employees to demonstrate their individuality and creativity. → **See page 35.**

Communities

By becoming involved in community initiatives, we make a positive contribution to the development of neighboring communities and society in general. → **See page 22.**

Regulators

All our corporate operations comply with relevant laws and ordinances. We also adopt processes, systems, and structures to support appropriate and efficient operations and decision-making.

Customers

Our primary corporate objective is to provide products and services that add value for our customers and contribute to a healthy society. → **See page 11.**

Business Partners

We collaborate with our business partners in order to increase the sustainability of our supply chain and create shared value. → **See page 25.**

NGOs & NPOs

By maintaining an open dialogue with international and local NGOs & NPOs, we are made aware of CSR related topics of public interest. We also engage in collaborative solutions to sustainability challenges within our industry.

Academic Partners

Our involvement with universities and other knowledge centers expands the potential for increasing awareness of our brand and involvement with our company. Above all, it promotes development of improved and more sustainable products and services.



Industry Associations

→ **See table below.**

Industry Affiliations

Engagement and Interaction	Stakeholder-specific Information
Sustainable Apparel Coalition (SAC)	ASICS is a founding member of SAC, an industry-wide group of more than 80 leading brands, retailers, suppliers, not-for-profits, and NGOs working to reduce the environmental and social impacts of apparel and footwear products around the world. SAC is focused on the Higg Index, which measures the environmental performance of apparel products. ASICS, now closely involved in current efforts within SAC to improve and implement the Higg Index, is also developing and piloting future versions addressing footwear and social performance.
World Federation of the Sporting Goods Industry (WFSGI)	WFSGI is an independent association formed by sports and sports-inspired leisure brands; manufacturers; suppliers; retailers; national/regional federations; industry and trade associations; and other businesses related to the sporting goods industry. The WFSGI plays a strategic role in supporting and promoting the sporting goods industry worldwide. Motoi Oyama, our president, CEO, and representative director, currently serves as the president of WFSGI.
Fair Labor Association (FLA)	See page 26 for information on our FLA membership.
Others	We also maintain memberships in the Federation of the European Sporting Goods Industry (FESI), the American Apparel & Footwear Association (AAFA), the Association of Japan Sporting Goods Industries (JASPO), and several smaller local associations. These memberships have served as valuable platforms for industry collaboration and information sharing.

BETTER YOUR BEST

The Road to the London Summer Olympics

Helping athletes achieve top performance

Watching top athletes compete at the London Summer Olympic Games was a highlight of the year. At ASICS, we continued to pursue our mission to provide the best in sporting goods. We did so by conducting research and collecting technologies developed both in-house and in collaboration with external parties in order to develop products that contribute to peak performance at highlight events.

Short-distance spiked track shoes — The fruit of collaboration with a leader in Japanese aerospace technology

ASICS has introduced a new model of spiked shoe for short-distance track events featuring an outer sole made entirely of carbon fiber reinforced plastic (CFRP). The innovative spiked outer sole was developed through a collaboration between the ASICS Institute of Sport Science and Kawaju Gifu Engineering Co., Ltd., a leader in the Japanese aerospace industry.

For short-distance track events, in which top finishers are typically separated by hundredths of a second, spikes must be designed to avoid sapping power from the athlete as they strike the track surface. The outer sole of the spike must therefore be lightweight, but also extremely rigid. CFRP has made it possible to achieve this difficult balance. Although this shoe is about 15% lighter than a nylon outer sole, it is at least 10 times more rigid than steel. By applying technology developed by Kawaju Gifu Engineering, ASICS was able to design the outer sole with excellent rigidity where needed by

laminating sheets of CFRP while maintaining a thin design. This approach minimizes energy loss while maximizing propulsion, allowing the runner to maintain top speed throughout the race.

In addition, the spikes were located optimally to improve grip strength for smoother weight shifting. The design is based on human engineering and data compiled by the ASICS Institute of Sport Science from numerous leading athletes.

Kawaju Gifu Engineering Co., Ltd.



Kawaju Gifu Engineering was established in 1981 as a subsidiary of Kawasaki Heavy Industries, Ltd. to support technology development. The company provides design technology, production technology, and information technology for aircraft and space rockets produced by the aerospace division of Kawasaki Heavy Industries. The company also applies its technologies to providing technical service and the development of unique and industry-leading products and equipment.

National Multi-Support Project

The Japanese Olympic Team won 38 medals at the London Olympic Games, its highest achievement ever. Much of this success was attributable to the Multi-Support Project, a national project led by the Japan Ministry of Education and Science (JMES) that provides expert support to specific sports categories with the potential to become Olympic medalists. ASICS participated in joint research with Tsukuba University, which was designated a Multi-Support Project by JMES, and developed products that accommodated needs identified by athletes involved in wrestling, fencing, and triathlon.



Collaboration with the wrestling team



The Multi-Support Project for the wrestling team has been under way since June 2008. ASICS focused on the functionality of the singlet and sought a way to improve power efficiency when tackling and enhance fit during strenuous activity. Through repeated analyses of the athletes' motions, ASICS succeeded in developing a singlet that enables wrestlers to stabilize the trunk and improve power-generation efficiency. It

was also the first singlet with a pattern adjusted for a forward incline stance, the basic wrestling position.

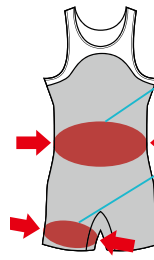
ASICS also developed wrestling shoes for use in the Olympics. The soles of these shoes featured two major improvements intended to capitalize on the characteristic quickness of the Japanese wrestling team: ASICS original rubber was employed at the flex points, and the sole was extended to the side to provide better grip on the mat. The second innovation was to vary the hardness pattern of the sole between the front and back to allow effective transmission of acceleration energy.

The Japanese wrestling team won four gold medals for their impressive performance.



JOC
オフィシャルパートナー
(スポーツ用品)

■ Singlet improvements



Stabilize the trunk and improve power-generation efficiency by adding pressure around abdomen.

Improve power-generation efficiency by adding partial pressure around thigh.

Adjust pattern for a forward incline stance, the basic wrestling position.

Use microfiber material for good fit and mobility.

■ Shoe improvements

High grip		Effective transmission of acceleration energy	
<p>Slot</p> <p>Extended sole</p> <ul style="list-style-type: none"> ◆ Use proprietary rubber material. ◆ Slot sole for greater flexibility. ◆ Extend sole to the side for better grip in a variety of movements. 	<p>Harder part</p>	<p>Slot</p>	<ul style="list-style-type: none"> ◆ Slot toe portion for better grip. ◆ Vary the hardness pattern between the front and back.

TOPICS

“One Team” column

Sharing the Passion to Win as “One Team”

Benefitting from collaboration with a leader in aerospace technology

The main factor contributing to the success of the collaboration with Kawaju Gifu Engineering (KJGE) was the sharing of passion as “One Team.” Although KJGE had never previously worked with the athletic sports industry, both KJGE and ASICS shared the same passion for developing a running spike that

enables athletes to improve their performance. Thanks to KJGE's capabilities and commitment to agile manufacturing, ASICS was able to improve the product to reflect feedback from the athletes through repeated rapid-cycle efforts.

Joining with athletes to form “One Team”

ASICS collaborated with each athlete to develop the new wrestling shoes in what was truly a “One Team” effort for the Olympics. This product had been repeatedly improved since 2008 to reflect the athletes' input. In addition, for the first time ASICS provided several types of shoes to fit the playing style and size of each wrestler. As a result, each athlete wore personalized shoes at the Olympics, and none of the 13 wrestlers



asked for the same combination of width, weight, and sole hardness. The “One Team” spirit between ASICS and athletes achieved excellent results and proved to be a great experience for all involved.



Products & Services

Corporate Philosophy

01

Provide valuable products and services through sport to all our customers

CSR Objectives

- We provide highly technological and innovative products and services that meet our customers' needs and create a quality lifestyle.
- To ensure the safety and high quality of our products and services, we will be held accountable for all decisions made affecting our value chain from material procurement to sales.



A Source of Technology, Innovation and Sustainability

Institute of Sport Science

In 1985, the ASICS Institute of Sport Science (ISS) was established to centralize and strengthen R&D. Since then, it has developed a number of technologies that have been applied to our products and services.

The ISS has research labs and devices for analyzing manufacturing technologies; material quality and composition; and the human body and its functions and motion, among other things. It also has a gymnasium and running track for field-testing and analysis. In addition, the ISS is actively collaborating with material suppliers and public institutions.

One area of intense R&D interest for the ISS is environmentally sustainable materials and manufacturing technologies. In 2012, 14 R&D subjects were addressed to improve energy efficiency, resource conservation, and recyclability.



Institute of Sport Science

Applied Technologies

Many innovative technologies developed by the ISS have enhanced the functions and sustainability of our products and services.

Fit Increasing Structure: Biomorphic Fit	During movement, the foot is continuously deforming. To maintain good fit, the shoe upper should also deform in synchronicity with the moving foot. Biomorphic fit was achieved by incorporating a stretchable material at points of maximum variation in deformation in order to minimize such deformation.
Lightweight Material: Solyte	Solyte is a spongy material that is 50% lighter than conventional EVA material. Although it uses less material, it provides improved cushioning and physical properties. It also exhibits improved environmental sustainability, as it requires 50% fewer resources than conventional materials.
Highly Durable Material: AHAR Rubber	AHAR rubber exhibits twice the durability of the conventional material used in the outer soles of ASICS shoes. We even achieved three times the durability with an upgraded material called AHAR PLUS.



Sustainable Product Development

Incorporating the SAC Higg Index

ASICS is a member of the Sustainable Apparel Coalition* (SAC), an industry-wide group of over 80 leading apparel and footwear brands, retailers, suppliers, nonprofits, and NGOs working to reduce the environmental and social impacts of apparel and footwear products around the world. The focus of the SAC is the Higg Index, which measures product environmental performance. ASICS is committed to incorporating the Higg Index into our processes in order to improve both product performance and communications with our stakeholders regarding product sustainability.

In 2012, we participated in the pilot testing phase of the Footwear and Social Index and contributed to its revision by providing feedback in various forms.

In 2013, we will begin to incorporate Higg Index elements into our footwear product concept and development processes while continuing to contribute to the development of the Footwear and Social Higg Indices. In addition, our European Apparel business will begin to implement Higg Index elements into their apparel product concept and development processes.

*For more information about the SAC and Higg Index, please visit www.apparelcoalition.org



The Higg Index is focused on a value chain approach.

Eco Plan Mark Standard

Since 2007, we have been following the ASICS Eco Plan Mark Standard in our development process to improve the environmental sustainability of our products; specifically, this applies to products for which ASICS Headquarters is leading the development process.

In 2012, we continued to use the Eco Plan Mark Standard for product developments led by ASICS Headquarters. The number of newly developed products meeting the Eco Plan Mark Standard increased to 840, thus achieving the 2012 target of 461 products. Moreover, Eco Plan Mark products in Japan increased their market share to 34.7%, achieving the 2012 target of 30%.

The approach of the ASICS Eco Plan Mark Standard is aligned with that of the SAC Higg Index; therefore, in 2013 we will begin to transition our focus to the SAC Higg Index beginning with footwear products.

Note: The Eco Plan Mark is applicable only to products sold in Japan.

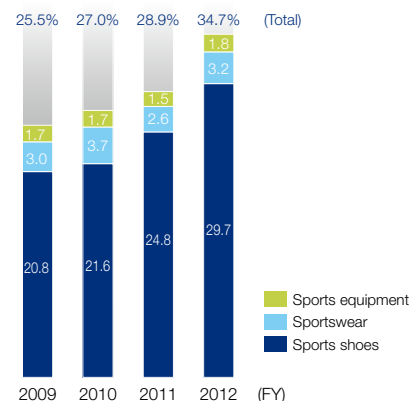


ASICS
Eco Plan Mark

Eco Plan Mark Standard

Clean	Reducing environmental impacts <ul style="list-style-type: none"> ● Uses eco-friendly materials to reduce impact upon disposal. ● Employs a structure or material that is easily sorted and broken down to reduce the impact of disposal.
Saving	Conserving energy and resources in manufacturing <ul style="list-style-type: none"> ● Uses fewer materials for resource conservation. ● Adopts common materials among multiple products for effective use of resources. ● Products are made with energy-efficient manufacturing technology.
Sustainable	Extending product life and reducing waste <ul style="list-style-type: none"> ● Replacement parts are available for products incorporating consumable parts. Repairable products feature a structure that enables easy replacement. ● Incorporates durable materials or construction.
Recycle	Promoting recycling to contribute to the emergence of a society committed to recycling <ul style="list-style-type: none"> ● Accommodates systems that incorporate recycling mechanisms (from product recovery to product recycling). ● Reuses waste materials. ● Uses recycled materials.
Packaging	Employs reduced and simplified packaging by considering packaging materials as part of the product.

Sales ratio of Eco Plan Mark products in Japan



Life Cycle Assessment

Because we develop functional products with a scientific approach, we also consider sustainability based on quantitative results such as the life cycle assessment (LCA). From 2010 to 2012, we conducted joint research with the Massachusetts Institute of Technology (MIT) and discovered that the carbon footprint of a pair of running shoes is about 14 kg throughout its value chain.* The results of the project also showed that the manufacturing process accounts for most of the impact, so we decided to focus our reduction strategy there. We will continue to conduct regular quantitative assessments as we review our reduction strategy.

*<http://www.sciencedirect.com/science/article/pii/S0959652612006300>



Highlights of Products & Services in 2012

We strive to develop products and services that meet the needs of our customers with full consideration for environmental sustainability.

Gel-Kayano 18 Running Shoe



Runner's World Magazine, the U.S.-based global authority on the sport of running, named the Gel-Kayano 18 the international "Best Update" of 2012. The publication gave high marks to this shoe for comfort, cushioning, and stability. This shoe has also been approved by the American Podiatric Medical Association (APMA*).

In addition, the manufacturing method for the Gel-Kayano 18 Autumn-Winter model was developed through a joint research project between ASICS and a top research institute in the U.S.A. This method focuses on a reduction of approximately 20% in CO₂ footprint, achieved through the use of recycled materials and modification of the outsole press process to reduce energy and waste. We are extending these CO₂ footprint reduction initiatives to other running shoes model as well.

*Established in 1912 as the most prestigious organization for podiatrists, APMA boasts the largest membership in its field. More than 40 of our shoe models have been accredited by APMA. This certification is only awarded after proof is provided of rigorous clinical trials by testing laboratories to confirm safety and effectiveness.

Running Apparel with Cocona® Fabric

Incorporated into selected ASICS running apparel products in the 2013 Collection, Cocona® fabric is a natural, chemical-free innovation that provides garments with advanced performance characteristics. Cocona® performance technology utilizes activated carbon derived from coconut husk waste. The vast pore structure on the surface of the activated carbon increases the surface area of Cocona® yarns. The benefits of Cocona® technology yarns in apparel products include increased breathability, faster drying time, UV protection, and odor management.



*Cocona® fabric disperses moisture over a large surface area to accelerate evaporation. This reduces drying time and keeps the wearer dry and comfortable. Odors are absorbed into the active particles and later released with normal laundering in warm water. In addition, the active particles absorb UV to shield the wearer from harmful solar radiation. Cocona® technology provides a natural, sustainable solution to fabric performance needs.

AP01 Running Watch

The AP01 Running Watch was the first to employ a function for measuring Steps Per Minute (SPM) and indicates this in real time during a run by means of proprietary 3D sensor technology.

Monitoring pace during a run makes it easier for a runner to maintain the desired running pace and leads to more efficient and effective training.

This watch includes functions for displaying running pace, distance, and the decline in shoe-cushioning based on SPM, cumulative steps, and data accumulated by the ASICS Institute of Sport Science.



"My ASICS" Online Training Support Service

My ASICS is a training method for runners seeking to improve their performance. It helps athletes take control of their running and reach their goals by combining personal performance with our technology.

The Running Performance Team at the ASICS Institute of Sport Science took up the challenge of helping both beginner and expert runners achieve their goals. My ASICS — the training method that evolves with the runner — was developed through seven years of observation, research, and experimentation.

Unlike ready-made training plans that focus on mileage and effort, My ASICS offers a truly customized, adaptive training schedule based on the runner's goals and current abilities. This helps athletes meet their goals by helping them maintain focus, manage performance, and maximize training benefits.

Many improvements were made to the platform in 2012: My ASICS now continuously adapts to the runner's progress by recalculating the optimal pace and updating the forecast throughout the training schedule as training runs are logged. The service has now been developed for the Android platform and features a brand new Plan Creation Interface and multiple design changes to reflect our focus on first-class training plans.

Since being launched in January 2011, the service has registered more than 300,000 users.



<http://my.asics.co.uk/>

Reducing the Environmental Footprint of Performance Apparel

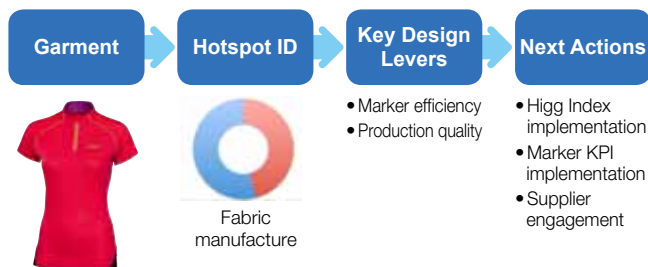
In 2012, in an effort to improve product sustainability, ASICS Europe Performance Apparel began a project to integrate sustainability considerations into the design and development process. Product Life Cycle Assessment (LCA) is a key tool in the project, as it can help provide insights as to where environmental impacts are highest and influence greatest. ASICS is collaborating with two partners on this initiative:

- **Northumbria University School of Design:** Focuses on exploring the existing design and development processes leading to recommendations to support the embedding of sustainability practices, thinking and toolsets.
- **University of Cambridge Institute for Manufacturing:** Supports Northumbria through the completion of partial Life Cycle Assessments (LCA) for three representative apparel products and provides insights into the underlying manufacturing system.

This project has already achieved the following:

- Triggered internal actions to focus the sustainability direction and structural elements necessary to implement sustainable apparel design and development.
- Provided insight into the environmental impacts of three products from the ASICS Europe Trail Running Apparel Collection in the areas of high impact, high opportunity, and knowledge gaps.
- Integrated the relevant components of the SAC (Sustainable Apparel Coalition) Higg Index into the design and development process. Implementation is under way.

The intention is to build upon the 2012–13 design and development focus of the project in 2013–14 with a more detailed assessment of apparel manufacturing and identification of collaboration opportunities with suppliers to further improve product sustainability.



Improved Packaging

Because the environmental impact of our packaging is significant, we remain committed to improving the sustainability of the packaging we use for our footwear, apparel, and accessories. Some examples of previous improvements are included below:

- In 2006, we reduced the use of cardboard in our shoeboxes by 12% by changing the construction of the folding box. In 2012, we continued to use recycled cardboard and water-based ink for our shoeboxes. Moreover, we are ensuring the efficient use of space by using an appropriately sized box for each shoe size.
- In 2008, we reduced the weight of the apparel packaging bag used in Japan by eliminating the plastic button. We also adopted a single type of material to increase packaging recyclability.

Designing for Reduced Manufacturing Impact

A key outcome of a joint research project undertaken with the

Massachusetts Institute of Technology (MIT) from 2010 to 2012 was the realization that most of the environmental impact of the footwear business can be attributed to specific manufacturing processes. Therefore, we adopted the strategy of reducing the environmental impact of the manufacturing process primarily from the design stage, an aspect over which ASICS has direct control. We have also adopted the following design practices for our running shoes, athletic shoes, and other products.

- Consolidate and reduce parts, materials, and processes.
- Substitute inefficient manufacturing processes with more energy-efficient and waste-reducing approaches.

Use of Recycled Materials

Recycled materials are recognized as having a lower environmental impact than their virgin equivalents. At ASICS, we actively search for recycled materials that meet our strict performance and quality requirements for use in our products.

We use recycled materials in many of our products.

In 2012, we incorporated recycled materials in 92 of our products, including running shoes (uppers) and apparel. We will continue to promote the use of recycled and other environmentally sustainable materials in our products.

Use of Water-based Adhesives

The adhesives used in footwear production can have a major impact from the perspectives of both environmental sustainability and workplace safety.

To reduce emissions of VOCs (volatile organic compounds) during our manufacturing processes, we aim to use water-based adhesives for 60% of our footwear production volume by 2015.

In 2012, the share of footwear production using water-based adhesives was 38.5% on average. We intend to increase the use of such adhesives in our factories in order to achieve our target by 2015.

In addition, the Institute of Sport Science is conducting research on the shoe assembly process (the attaching of sole to sole or upper to sole) in an effort to eliminate the use of adhesives and simplify the process. The institute is also developing adhesives to facilitate separation at product end-of-life for easier recycling.

Product Safety & Quality

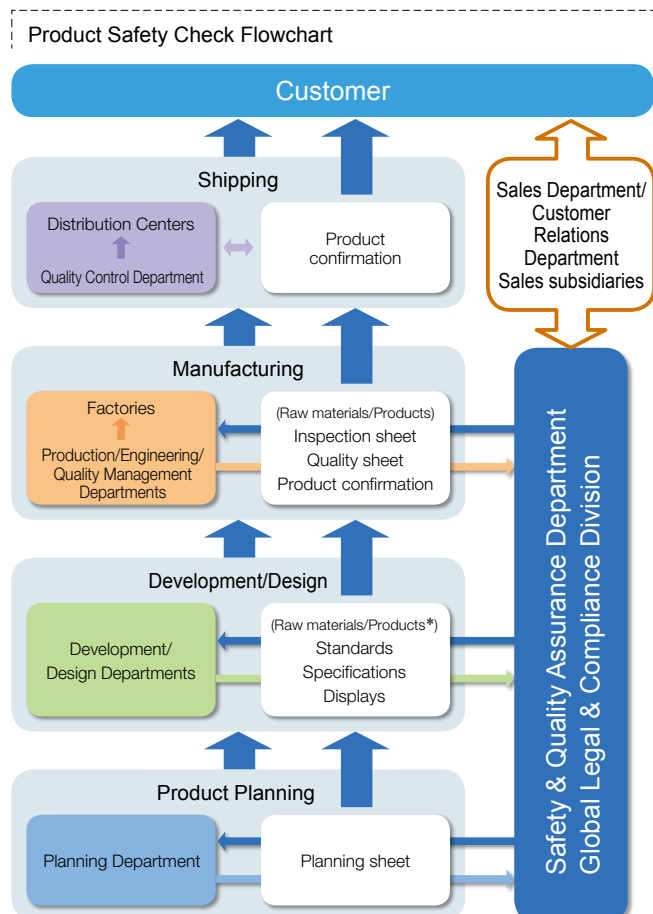
In keeping with the following Product Safety & Quality Assurance Policy, ASICS assumes full responsibility for the quality and safety of its products.

- (1) We shall provide safe and high-quality products and services that satisfy our customers.
- (2) We shall provide our customers with accurate and easily understandable information.
- (3) We shall comply with laws and regulations applicable to manufacturing.
- (4) We shall strive to maintain and improve the safety and quality assurance programs we have implemented for our products and services.

At our headquarters, the Product Safety Managers of all departments hold quarterly meetings to promote consistency among departments in terms of information sharing and the adoption of quality assurance and product safety. In 2012, we updated some safety and quality guidelines, and we intend to expand these initiatives to our group companies in 2013.

Safety & Quality Checks for All Processes

In each process from planning to shipping, we monitor our products and communication materials such as catalogs, labels, and advertisements to ensure compliance with the safety- and quality-related laws and regulations, industry standards, and voluntary standards. These items are also verified through the results of required testing of products and materials. In 2012, we conducted training on the guidelines for communication materials at our headquarters to ensure clear labeling and communication with customers.



*To ensure the safety and quality of our materials and products, we apply tests stipulated by laws and regulations, industry standards, and voluntary standards. From the results of these tests, we issue instructions and proposals. We establish and implement voluntary guidelines and standards on hazardous chemical substances and monitor some products through product safety inspections.



Chemical Management

In 2011, we adopted the objective of continuously strengthening our management of chemical substances. Specifically, we have begun to implement a program that will enable us to reduce the use and impact of harmful chemical substances related to the manufacture and use of ASICS and Onitsuka Tiger (OT) products. This program applies to all ASICS and OT products, including footwear, apparel, accessories, and equipment. The key components of the program up to and including 2015 can be summarized as follows:

- Strengthening of the ASICS Restricted Substances List (RSL) to reduce risks during use by the consumer, disposal and manufacturing

- Consideration of a Preferred Substances List (PSL) to guide suppliers toward use of safer chemicals
- Improving the framework and guidance of product and material safety testing
- Improving supplier communications and training in chemical substance management at ASICS
- Improving knowledge of chemical-related risks at suppliers and in ASICS
- Updating and improving product safety guidelines, including the "ASICS Guideline for the Control and Use of Hazardous Chemicals" established in 2005.

In 2012, we updated our RSL and added useful information such as the relationship between types of restricted substances and materials. We also strengthened our product and material testing framework for implementation in 2013. In addition, we provided additional chemical testing instruments to the ASICS Institute of Sport Science in order to upgrade their internal testing capability.

In 2013, we will focus on improving our internal system for material information management and will strengthen testing guidance.

Through implementation of this program, ASICS hopes to reduce both product and manufacturer-based safety risks while stimulating interest in innovative materials and manufacturing processes.

ASICS RSL Overview

	Restricted Substance Group
1	Phthalates
2	Azo Dyes
3	Allergenic & Carcinogenic Disperse Dyes
4	Organic Tin Compounds
5	Heavy Metals
6	Alkylphenol Ethoxylates/Alkylphenols (APEO/AP)
7	Phenols
8	Flame Retardants
9	Polycyclic Aromatic Hydrocarbons (PAHs)
10	Other Chemicals (Formaldehyde, Dimethyl Fumarate (DMF), Perfluorooctane Sulfonates (PFOS), Perfluorooctanoic Acids (PFOA), Polyvinyl Chloride (PVC))
11	Ozone-Depleting Substances
12	Pesticides
13	Polychlorinated Biphenyls (PCBs) and Polychlorinated Terphenyls (PCTs)
14	Volatile Organic Compounds (VOCs)
15	Chloro Organic Carriers
16	REACH SVHC List Substances
17	Asbestos
18	Dioxins and Furans

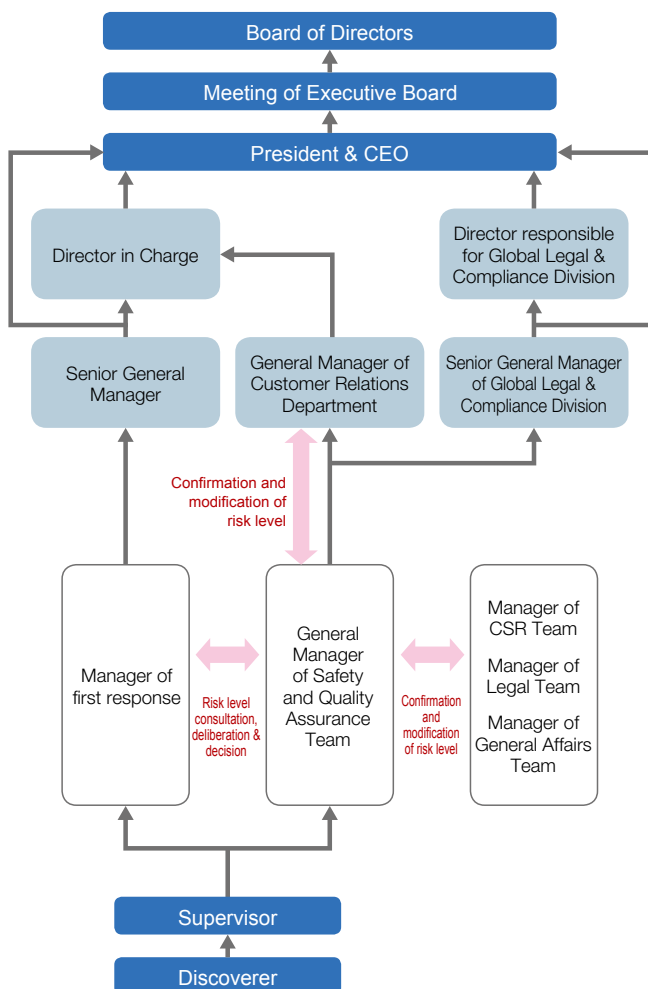
Defect Information Sharing

Depending on the risk level associated with a defect or accident, certain occurrences can trigger a crisis in the operation of the business of the entire ASICS Group.

We place priority on customer safety; therefore, we respond immediately when a defect is detected – even one of very low probability – and when an accident occurs, no matter how minor. We inform upper management of the occurrence of the defect accurately and promptly according to the flowchart below.

Depending on the severity of the risk, we disclose information to our customers without delay through newspaper announcements, on our website, and by other means. Moreover, as required by law, we promptly report the defect to the authorities having jurisdiction over the issue.

Defect Information Management Flowchart (outline)



Product Recalls

In fiscal 2012, a total of seven products were recalled. In 2013, we will continue to strengthen our management system to prevent such recalls.

Recalls & Results (in Japan)

April 2012	Fitness shirt: Error in size indication (men's size indicated on women's shirt)
June 2012	T-shirt: Error in indication of product quality label (composition of fiber)
	Kids pants: Waistband of some products was stitched to the pants, despite being designed as replaceable.
November 2012	Fitness shirt: Possibility of pilling when the printed area abrades inner sleeve
January 2013	Ankle warmer: Defect in loose thread prevention stitch
	Walking shoes: High possibility of reinforcement parts detaching
March 2013	Softball bat: Possibility of head cap cracking in use



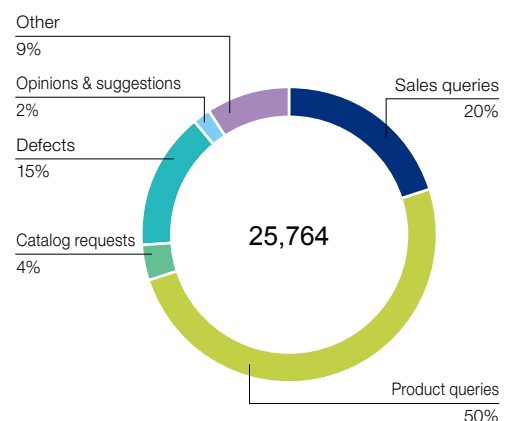
Toward Improved Customer Satisfaction

Our Customer Relations Department evolved from a Consumer Relations Department established in 1980 by our late founder, Kihachiro Onitsuka, in the belief that “a fountain of treasure is available to those who dig deep to discover the source of customer dissatisfaction.” When this department was first established, Mr. Onitsuka emphasized focusing on the importance of “not merely responding to customer complaints, but disseminating customer feedback throughout the company.”

In 2012, we circulated a customer comment report to each department every month.

In 2013, we will continue to devise an efficient system for compiling customer comments and effectively circulating them to all departments.

Breakdown of customer inquiries (in Japan)



Quality Information Exhibition

Since 2003, we have been holding an annual Quality Information Exhibition in order to share feedback from our customers internally and reaffirm our customer-centered approach.

The exhibits detail customer complaints regarding products that failed to satisfy and the responses of our Customer Relations Department. Exhibits also include defective products and the results of inspections and checks carried out by the Quality Control Department. In 2012, the exhibition traveled to 21 business locations in Japan. We also exhibited some examples of improved products and catalog information that incorporated customer suggestions.



Quality Information Exhibition



Protection of Personal Information

Personal Information Management Policy

ASICS understands the need and importance of protecting customer information and a variety of other personal information. We have thus established the following privacy policy to ensure safe and appropriate control.



The Japan Information Processing Development Corporation (JIPDEC) grants permission for use of the Privacy Mark, a registered trademark, to business enterprises that meet their specific requirements regarding the protection of personal information.

1. The company's core business is the manufacture and sale of various sporting gear and leisure goods. The company will collect, use, and provide personal information within the scope of specified purposes, which are adequate to the type and size of its business.
2. The company will make efforts to prevent the use of personal information for purposes not specified.
3. The company will make efforts to prevent unauthorized access to, loss, destruction, and/or alteration of personal information and, should any of these occur, take corrective action.
4. The company will observe the laws, regulations, and general standards in and out of the organization for handling personal information.
5. The company will respond to any complaint or inquiry appropriately and promptly.
6. The company will implement an adequate management system to control and protect personal information and make a continuous effort to improve the system.

Personal Information Management System

On December 3, 2012, we updated our Privacy Mark certification. We also implemented the following action plan.

Results of 2012 Action Plan (in Japan)

Plan	Result	Next step
Effective handling of customer information and increased information risk in retail sector	Conducted risk analysis of each retail shop to clarify risks.	Improve internal auditing of retail shops.
All employees to improve understanding and prevention of leakage of personal information	Conducted testing to determine employee awareness.	Utilize self-checklist to prevent leakage due to carelessness.
Management based on risk level	Changed management unit to reflect risk level.	Conduct internal audits appropriate to risk level.

In 2013, ASICS Japan Corporation will take steps to obtain Privacy Mark certification.



Environment & Community

Corporate Philosophy

02

Fulfill our social responsibility and help improve conditions for communities around the world

CSR Objectives

- We seek to minimize the environmental impacts of; product design, production processes and other business activities.
- We engage in community activities and aim to make a positive contribution to community development through sports culture, health and others.



Environmental Policy

Environmental issues such as climate change and resource depletion are global challenges with the potential to affect our business significantly.

To reflect our commitment to sustainable development, we have adopted a comprehensive Environmental Policy.

ASICS Environmental Policy

• Principle

Recognizing environmental preservation to be an important responsibility of a corporation, ASICS is determined to act to enable sustainable development of the global community.

• Policies

- (1) ASICS will expand and improve its environmental management system within the Group, clarify authority and responsibilities within the organization, and act to preserve the environment on a global scale.
- (2) ASICS will make every effort to reduce the environmental impact of its business operations, including saving resources, saving energy, reducing wastes, promotion of green procurement, and preventing environmental contamination.
- (3) ASICS will not only observe environment related laws, regulations, and agreements in all countries and regions, but also take proactive measures.
- (4) ASICS will make efforts to reduce the environmental impact of its products and services by taking necessary measures from the planning stage.
- (5) ASICS will implement environmental audits to ensure continuous improvement of its environmental management and, in so doing, fulfill its social responsibility.
- (6) ASICS will promote improved awareness of environmental issues among employees throughout the Group through its public relations activities and environment instructor program.
- (7) ASICS will disclose information regarding its environmental activities and ensure better communication with stakeholders.



Environmental Management System

For more than 10 years, members of the ASICS Group, many of which are ISO 14001 certified, have been implementing environmental management systems to ensure continuous improvement of environmental performance according to the PDCA ("plan-do-check-act") cycle.

All ASICS global locations are required to meet the requirements of the group-wide environmental management system and regularly report their environmental performance to ASICS Headquarters.

As of March 31, 2013, seven locations of the ASICS Group were certified under ISO 14001, including ASICS Headquarters, the Institute of Sport Science (ISS), and the head office of ASICS Europe (resulting in 24% of employees working under this system). Our target is to have all ASICS subsidiaries in Europe certified by 2015. Following certification of the mid-European sales region (Germany, Austria and Poland) in 2011, the ASICS UK subsidiary was certified under ISO 14001 in 2012; in 2013, ASICS Scandinavia will also be working to implement an ISO 14001-compliant environmental management system.

ASICS ISO 14001-certified locations:

Headquarters, ISS, European Regional Office, EMEA subsidiaries: ASICS Deutschland GmbH (Germany), ASICS Austria GmbH (Austria), ASICS Polska Sp. z o.o (Poland), and ASICS UK Limited (UK).



Greenhouse Gas Emissions Attributable to the Value Chain

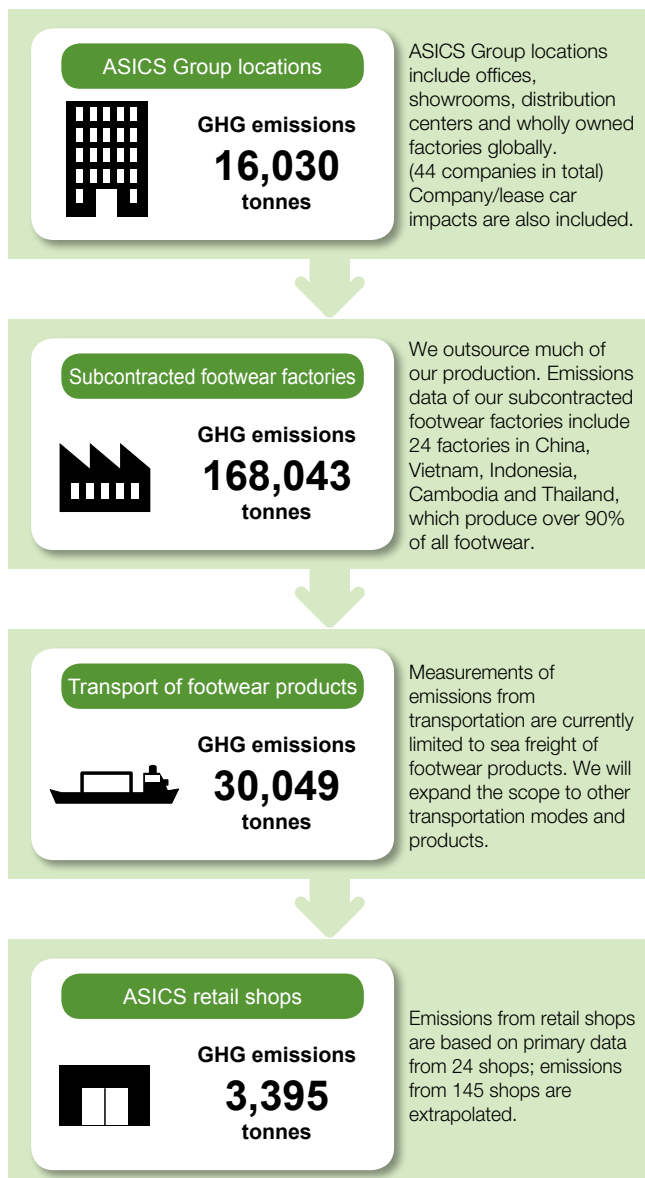
Reducing our carbon footprint by 10% by 2015 is a key sustainability target for ASICS. To achieve this target, we have strengthened our measurement and reporting processes as well as our collaboration with suppliers.

Since 2007, we have been measuring and reducing greenhouse gas (GHG) emissions from our business locations in Japan. In 2010, we expanded our reporting scope to include Asia and, in 2011, all global business locations.

Although we have been implementing GHG reduction initiatives as shown in the accompanying table, GHG emissions from our business locations increased by 0.1% in 2012 compared to the previous year because our new distribution center in the U.S.A. began full year-round operation. We will continue with these GHG reduction initiatives as we plan additional steps in 2013 to achieve our target.

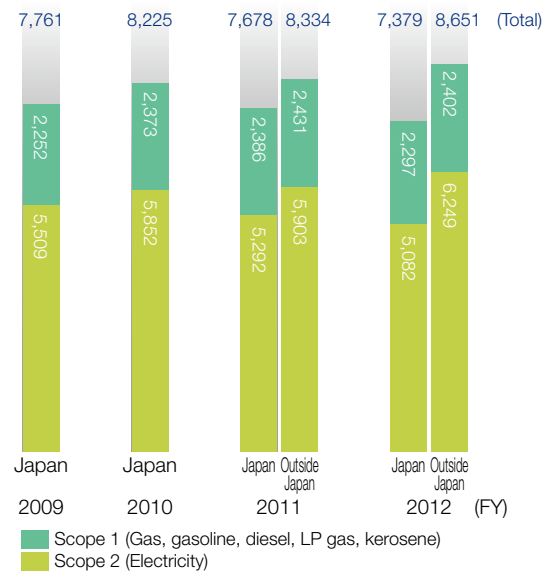
In 2012, we further increased our scope to include emissions from our retail shops, subcontracted footwear factories, and sea freight transportation. We will continue to expand the scope of measurement and disclosure across more of our value chain when there is a clear business and sustainability benefit.

GHG emissions from our value chain



Note: We use the emission factors of the GHG Protocol (outside Japan) and the Law Concerning the Promotion of Measures to Cope with Global Warming (inside Japan).

GHG emissions from ASICS Group locations (t-CO₂)



*Data applies to Group companies in Japan (11 companies) and outside Japan (33 companies).

*Figures for Group companies in Japan are calculated according to an emissions factor based on the Law Concerning the Promotion of Measures to Cope with Global Warming. The electric power emissions factor is 0.410 kg-CO₂/kWh.

*Data for Group companies outside Japan are calculated with an emissions factor provided by the GHG Protocol.

*The 2011 data for companies outside Japan was updated.



GHG Reduction Programs

In 2012, we conducted the GHG emission reduction programs listed below in all regions.

Examples of GHG reduction initiatives implemented at ASICS locations

Sales Companies	<ul style="list-style-type: none"> Switching off lights in unoccupied rooms Switching to energy-efficient lighting Promoting use of hybrid and energy-efficient leased vehicles Encouraging expanded sourcing of renewable electricity Adopting green design for offices
Factories	<ul style="list-style-type: none"> Switching off lights in unoccupied areas Implementing the "Cool Biz" and "Warm Biz" initiatives Adopting energy-efficient machinery
Distribution Centers	<ul style="list-style-type: none"> Reducing operating hours by increasing work efficiency (to reduce electric power consumption) Turning off power to idle equipment Concentrating deliveries for energy efficiency Encouraging expanded sourcing of renewable electricity Adopting green design for offices
Headquarters, Institute of Sport Science	<ul style="list-style-type: none"> Switching off lights; conserving electricity; continuing promotion of energy-efficient driving Reducing CO₂ emissions from business trips by adopting video conferencing Improving the loading ratio and fill rate of product transport containers Adopting green design for offices by performing a switchover to energy-efficient lighting Economizing on air conditioning by adopting "green curtains"

Subcontracted Footwear Factories

Many of our subcontracted factories share ASICS' commitment to improving productivity and environmental sustainability by introducing Lean Manufacturing concepts and the ISO 14001 standards. In 2012, we focused on reducing emissions from our subcontracted factories through improved product design, an area of responsibility over which we have direct control (p. 14).

In 2013, we will continue our focus on design while striving to collaborate more closely with our subcontracted factories to help them reduce the environmental impacts of their manufacturing processes.

Transportation

In 2011, we introduced the marine container re-use system in Japan. This system is known as a cooperative transport mode. GHG (CO₂) emissions can be reduced by making empty imported containers available as export containers for the use of other companies at distribution centers (DCs). Through this initiative, we reduced such emissions by 9.2 tonnes in 2012. In Japan, we also introduced the innovative container re-use system to part of our transport route in 2012 in combination with a modal shift to rail transport. The GHG emissions per container have been reduced to one-seventh of that generated through conventional truck transportation. Our Mid-Europe Distribution Centre has also adopted the container re-use system.

Modal shifts have also been introduced elsewhere. In North America, rail is the default mode of transportation between consolidator DCs and our main DC. Our Mid-Europe Distribution Centre receives containers shipped from the Port of Rotterdam to Dusseldorf via train or barge, with only the final short distance handled by truck.

Retail Shops

In 2012, we began to measure energy consumption at our ASICS and Onitsuka Tiger Retail Stores. Although data was not available for all locations due to differences in contracts, we obtained sufficient data to create an overview of the Retail Group. In 2013, we plan to implement design guidelines for our Level 2 stores to achieve a lower energy impact.

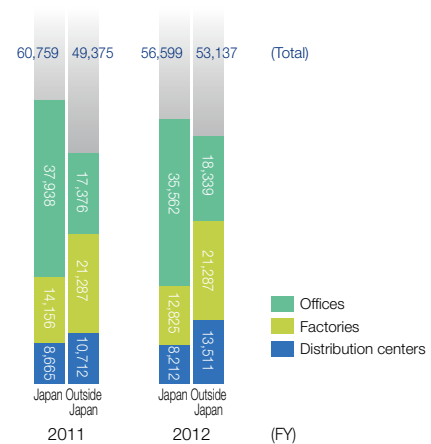
Water

In 2012, we reduced water consumption at ASICS Group locations by 0.4% year-over-year mainly by replacing water-using equipment with more efficient or waterless types in Japan and North America.

We have also started collecting water consumption data in our supply chain. Our subcontracted footwear factories reported water consumption of 5.14 million cubic meters in 2012 (at 16 factories)

Water use in ASICS Group locations

(cubic meters)



*Data apply to Group companies in Japan (11 companies) and outside Japan (17 companies).

Solid Waste

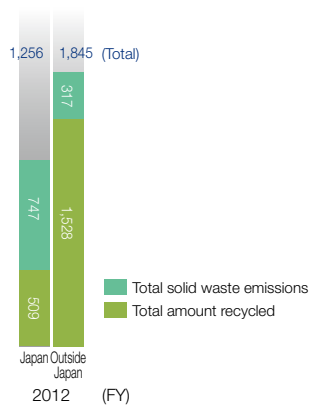
In 2012, we strived to reduce solid waste emissions from ASICS Group locations through recycling initiatives at the ISS, our office locations, and our distribution centers in North America and Europe. At ASICS America Corporation, water stations were installed and all employees were given durable cups and bottles to eliminate the use of paper cups and plastic bottles.

Reducing the waste resulting from our manufacturing processes is another important concern. Waste emissions from our subcontracted footwear factories totaled 6,900 tonnes in 2012 (at 16 factories). In addition, nine factories recycled 1,400 tonnes of waste that was not included in the above figure.



Recycling report at the Distribution Center in North America

Solid waste emissions from ASICS Group locations (tonnes)



*Data apply to Group companies in Japan (11 companies) and outside Japan (5 companies).

Environmental Accounting

In 2010, ASICS Corporation began calculating the costs and amounts invested for environmental preservation. We have introduced Environmental Accounting in order to reflect the amounts invested and the cost-effectiveness of these

Environmental Conservation Cost (thousands of yen)

Cost Category			Key Activity and Outcome	Investment	Cost
1	Business area	Pollution prevention	Inspection, testing and analysis	0	13,752
		Global environmental conservation	Introduction of energy-efficient equipment and energy-efficient vehicles	20,938	861
		Resource circulation	Use of recycled materials, introduction of energy-efficient equipment	0	18,617
2	Upstream/ downstream		Green procurement, etc.	0	25,239
3	Administration		Implementation of ISO 14001, etc.	0	8,165
4	R&D		Eco-friendly product development, etc.	0	17,177
5	Social activity		Support of local environment, donations, etc.	0	235
6	Environmental remediation		Remediation of pollution from civil engineering projects, etc.	0	0
7	Other			0	0
Total				20,938	84,046

Notes:

- Data apply to ASICS Headquarters, ASICS Institute of Sport Science, and all divisions.
- The amount of recycled materials present in our products is not included.

Paper Reduction

We strive to reduce paper consumption at our company locations by actively promoting the use of digital files instead of paper copies.

In 2012, the ASICS Europe Head Office adopted the target of reducing the amount of paper used for printing and photocopying by 5% per employee. This target was exceeded by 2% through the efforts of many departments. This included the digitizing of document workflows to eliminate the need for paper copies and the adoption of a centralized printing system that prompts the user to consider the need for the print job immediately prior to printing.

Paper consumption and reduction (thousands)



*Data apply to ASICS Headquarters, ASICS Institute of Sport Science and ASICS Europe Head Office.

investments in management decision-making. We intend to improve the accounting system in the future in order to use this tool as an indicator for environmental management.

Environmental Conservation Benefit (volume)

	Environmental Aspects	FY2011	FY2012	Difference
Conservation of energy and resources	Electricity (kWh)	3,013,432	2,974,696	-38,736
	Fuel gases (cubic meters)	148,920	145,818	-3,102
	Gasoline (liters)	46,697	41,545	-5,152
	Water (cubic meters)	22,575	23,625	1,050
Waste	Industrial waste incineration (tonnes)	31.1	40.8	9.7
	General waste emissions (tonnes)	37.9	38.8	0.9

Note: Data apply to ASICS Headquarters and ASICS Institute of Sport Science.

Environmental Conservation Benefit (monetary value) (thousands of yen)

Environmental Aspects	FY2011	FY2012	Difference
Amount paid for electricity, gas, gasoline and water	84,705	87,746	3,041

Note: Data apply to ASICS Headquarters and ASICS Institute of Sport Science.

Community Engagement

Our founder, Kihachiro Onitsuka, was dedicated to the intellectual, moral and physical education of the younger generation through sports in postwar Japan. He also believed that, in addition to benefiting the body and mind, sports carries a universal significance that overcomes cultural differences while nurturing teamwork.

Now, more than 60 years after its founding, ASICS continues to meet its responsibilities as a member of society. We seek involvement with the community and aim to be a positive force by contributing to society through philanthropy, volunteer

work, disaster relief, support for research and education, and promotion of healthy and sustainable lifestyles.

ASICS sponsors more than 50 marathons worldwide and numerous other races and sporting events every year. We support everything from large, international competitions and races to small, local grassroots events in order to stimulate participation in sports and contribute to a health-conscious society. ASICS also offers various other services such as the free "My ASICS" online service for runners to stimulate responsible sports participation at all levels.

Main Marathons Sponsored by ASICS in 2012



Stockholm Marathon
June 2012
Participants: 15,949



Tokyo Marathon
February 2013
Participants: 36,228



Gold Coast Airport Marathon
July 2012
Participants: 28,236



LA Marathon
March 2013
Participants: 20,490

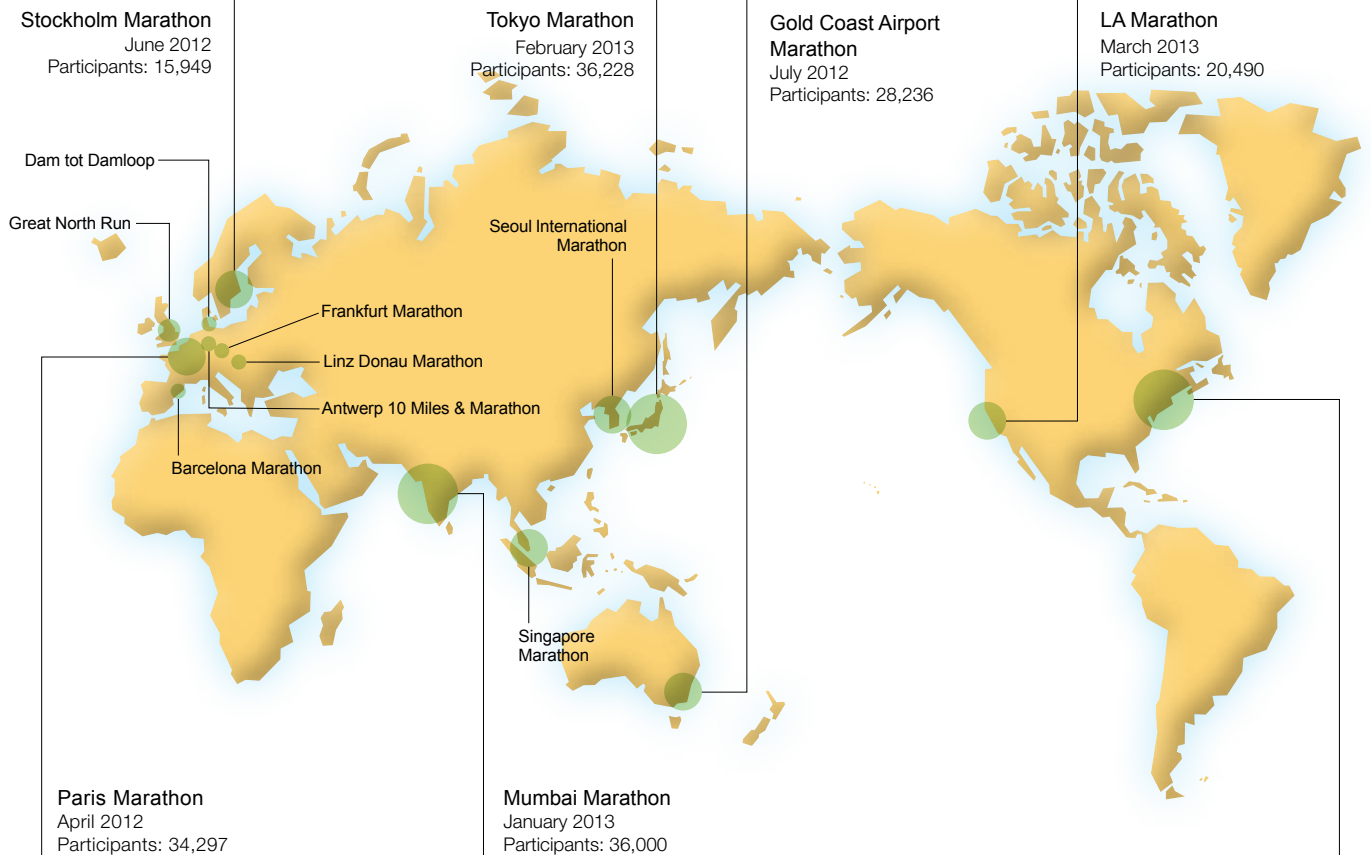


Photo by Getty Images



New York City Marathon

The New York City Marathon was canceled for the first time since its inception in 1970 due to the aftermath of Superstorm Sandy.

Committed to improving the conditions of communities around the world, ASICS pledged to support those affected by Superstorm Sandy and donated a substantial portion of the proceeds of sales at the NYCM Expo to the American Red Cross Superstorm Sandy Relief Fund.

Key Initiatives for 2012

Ongoing Drive to Support the Reconstruction of the Tohoku Region in Japan

A Bright Tomorrow Through Sport

In April 2011, ASICS launched A Bright Tomorrow Through Sport, a support program for young people who were orphaned in the Great East Japan Earthquake. The goal of the program is to promote the sound development of minds and bodies through sports.

Programs

●Product Donations

The program is designed for children aged 18 or younger at April 1, 2011, who have been orphaned as a result of the earthquake. ASICS provides eligible young people with ASICS brand sportswear, shoes, and other sporting goods until they reach the age of 19. This program benefited 184 children as of March 31, 2013.

●Visits by Athletes

Professional athletes sponsored by ASICS visited children in the affected regions and participated in baseball and basketball clinics and other sporting events in order to provide the children with opportunities to participate in sports. The baseball clinic included a session on how to make your own baseball glove. The participants were happy to have their own one-of-a-kind gloves.



Baseball clinic

●Invitation to Kobe

To help the children regain their vitality by having fun through sports and viewing Kobe after its reconstruction, we invited children from the affected regions to tour the ASICS Sports Museum and the ASICS Institute of Sport Science, both located in Kobe. Their activities included making miniature shoes and playing in friendly matches with Kobe sports teams. In 2012, 249 students from five schools took part.



Participants in the Invitation to Kobe Program

●Support for Health & Exercise

ASICS employees visited the affected areas to provide exercise instruction and hold events to improve public health. This included collaboration with an NPO to provide exercise instruction for improved public health. A ground golf tournament was also held to promote active communication through sports.



Thank-you letter

TOPICS

ASICS America Introduces First Charitable Collection to Support Breast Cancer Education

In many countries around the world, October is known as Breast Cancer Month. Every year a campaign is held to increase awareness of the disease. In 2012, ASICS America joined forces with Christina Applegate's Right Action for Women, a charitable services fund of the Entertainment Industry Foundation (EIF), to provide assistance to women who are at increased risk for breast cancer.

As part of the campaign, we introduced a special-edition collection featuring four popular footwear and apparel items in eye-catching bright pink.

Available throughout the month of October, the ASICS Right Action for Women Collection included the new ASICS GT-1000 PR Running Sneaker, ASICS The Smuggler Sports Bra, ASICS Hera 2-pack Headbands, and ASICS Reversible Knee Pads, all in signature pink for breast cancer awareness. ASICS America donated \$75,000 to the fund from sales of specially marked products at retail stores nationwide.

Award-winning actress Christina Applegate established Right Action for Women in 2008 after receiving her own breast cancer diagnosis. The purpose of the fund is to encourage young women to learn about increased risks for breast cancer and the importance of appropriate breast screening.

Right Action for Women supports programs that help many women overcome financial obstacles to breast cancer screening. For more information on Right Action for Women, please visit www.rightactionforwomen.org.



The ASICS Group supports continuous community involvement projects.

The ASICS Sports Museum opened in 2009 in Kobe to contribute to sports culture and increased awareness for children and local communities. The museum has attracted more than 50 thousand visitors, many of whom have enjoyed the events listed below.

◆ Miniature Shoemaking Class

Visitors try their hand at making miniature shoes by reusing production scraps from the actual shoe manufacturing process.

◆ Sports and Environmental Education Class

In this class, children learn about the relationship between sports and the environment. The class also participates in an apparel donation campaign. In 2012, 789 students from 14 schools took part.



ASICS Sports Museum

◆ Children's Sports Painting Class



Paintings

In 2012, a total of 379 students from 34 schools participated in this class.

- Our staff volunteer at competitions, games and community programs. In 2012, ASICS Corporation staff volunteered at Special Olympics Nippon, a sports organization for mentally challenged individuals that provides a variety of sports training opportunities and hosts annual competitions.
- ASICS Corporation maintains a forest on Rokko Mountain in Japan according to the guidelines of the Rokko Mountain Range Green Belt Development Project led by Japan's Ministry of Land, Infrastructure, Transport and Tourism.



- Providing local communities with public access to our head office facilities allows local residents to benefit from the sports atrium for training and competitions.
- Donated apparel and footwear is distributed to local charity projects or through NGOs/NPOs around the world.



Fair Business & Profit Sharing

Corporate Philosophy

03

Share profits brought by our sound services with our shareholders, communities and employees

CSR Objectives

- We engage in fair competition and just business transactions to create profits.
- We continuously share our profits with our shareholders, communities and employees appropriately.
- We encourage those in our supply chain, who contribute to product supply such as subcontracted factories, to share our CSR values.



Management Policies for ASICS Business Partners

In an effort to achieve a sustainable, safe, and fair world, ASICS maintains relationships with its supply chains, especially subcontracted factories and their workers, in order to contribute to mutual prosperity. To this end, we collaborate with factories conducting factory audits and continuous improvement initiatives according to the ASICS Corporate Policy of Engagement. This policy is based on the Charter of the International Labour Organization (ILO) and the Code of Conduct of the World Federation of the Sporting Goods Industry (WFSGI).



Major Initiatives for 2012

In 2012, a new evaluation methodology was implemented within the ASICS Group by the CSR & Sustainability Teams in Asia, the U.S.A. and EMEA. Benchmarked with the industry's best practices and instruments, this internal tool facilitates assessments of suppliers around the world, allows objective translation of external/third party reports, and arrives at a uniform ASICS rating for our supply base. The indices enable quantitative understanding of risks, compliance subjects and trends at the individual facility level as well as overall trends. This will improve the tracking of supplier performance over time and will allow for targets for raising supplier ratings in terms of overall score as well as for specific topics of regional relevance, better communication with suppliers, and easier initial assessment of prospective suppliers. Use of this new tool for evaluating suppliers is in progress as we work to formulate an overview of our complete supply base according to the new five-level rating.

Graded Evaluation of All Factories

We established an evaluation system to indicate the status of compliance of each factory.

A grade of 1 to 5 is given to each of the items listed: hours of work; wages; benefits; forced labor; child labor; harassment; discrimination; freedom of association; health and safety (including fire safety), and the environment. Following several troubling incidents in our industry, we are evaluating the addition of separate building safety criteria in the coming year.

An item grade of "3" represents an average status in compliance with laws, regulations, international standards, and common industry practice; a grade of "5" represents excellent, or equivalent to industry best practices, while "1" represents poor. These grades contribute to a quantitative understanding of risks and trends at each factory and thereby provide clarity regarding the group-wide status of risks and trends.

Targeting an Overall Minimum Grade of "3" at All Factories

By distinguishing between major and minor priority levels for each identified point for improvement, the grading system facilitates improved communication with factories. Moreover, it facilitates the selection of new factories by providing clear insight into risk levels.

Used in conjunction with mechanisms and associated tools ranging from audits to corrective actions, this new evaluation method will be implemented in cooperation with subcontracted factories in order to achieve a minimum target grade of "3" for all factories.



Audit Results for 2012

In 2012, ASICS products (footwear, apparel and accessories/equipment) were produced by about 160 subcontracted factories in 20 countries worldwide. Due to our expanded production capacity and shift of most production from China to other regions of Southeast Asia, we gave specific attention to new and existing facilities in Vietnam, Indonesia, Cambodia and the Philippines, where region-specific issues and non-compliance risks were known to exist. We obtained extensive and objective insights on the performance of our suppliers through the many internal assessments performed by ASICS staff last year and through many commissioned assessments conducted in these areas with local professional monitors.

Types of Audits

Three types of audits are conducted to ensure accurate factory evaluations and avoid bias, omissions, and errors.

1. Internal audits

Our in-house CSR auditors conduct on-site inspections, verify documentation, and interview management. They provide detailed explanations of ASICS policies, identify issues, and plan corrective actions through discussions with management.

2. Commissioned audits

This type of audit is consigned to a specialized audit firm that provides a professional auditor well versed in local laws, regulations, and languages. Such auditors can gather information that is otherwise difficult to obtain through an internal audit, such as the opinions of local employees.

3. FLA audits

This type of audit is conducted by the Fair Labor Association (FLA*), an NPO organization of which ASICS is a member. As an audit conducted by an independent third party, it differs from those conducted by internal or commissioned auditors.

*An NPO advocating for labor rights and improved working conditions. It conducts audits on factories according to its own standards, which are based on the ILO Charter. In the interests of fairness and transparency, the FLA publishes its audit results on its website.

Number of Audits by Year

Factories undergo audits with consideration for audit frequency, risk levels, and regional characteristics. In 2012, we conducted internal audits, commissioned audits, and FLA audits on a total of 56 factories.

Audit Trends

Audit Year	Internal Audits	Commissioned Audits	FLA Audits	Total
2007	31	27	11	69
2008	34	36	8	78
2009	10	23	10	43
2010	32	22	8	62
2011	41	10	8	59
2012	36	13	7	56

Audit Items

Subcontracted factories are audited according to a checklist of 16 items determined according to ILO indices and based on the terms of ASICS Corporate Policy of Engagement.

Breakdown of Comprehensive Evaluation

Comprehensive Evaluation	Grade Distribution
5	0
4	14%
3	58%
2	28%
1	0

Notes:

- Based on the internal audit results of 2012.
- For the comprehensive evaluation, a grade of 1 to 5 is assigned, with "5" indicating the best and "1" the worst. The average rating is "3".

Major Items and Results of Internal Audits

Audit Item	Rating (average)	Audit Item	Rating (average)
Sharing of ASICS policy	3.2	Hours of work	3.2
Forced labor	3.3	Benefits	3.1
Child labor	3.2	Health and safety (fire)	2.6
Harassment	3.2	Health and safety (electrical and mechanical)	2.8
Discrimination	3.2	Health and safety (personal protective equipment)	2.8
Discrimination (pregnancy support)	3.1	Health and safety (work environment)	3.1
Freedom of association	3.0	Health and safety (chemical)	2.7
Wages	3.2	Environment	2.9

Corrective Action Sequence

After an audit assesses the status of compliance of a factory, we work in conjunction with the factory to implement corrective action.

• Prior to contracting

A representative from the Production Division visits the factory and conducts a thorough visual inspection that includes workplace safety. The representative also checks for certifications related to CSR, the audit history of the factory under other brands, and other items concerning the CSR management status. The CSR Department uses these findings to establish and implement an audit plan appropriate to the factory. The audit results are used to evaluate the factory and determine whether to contract the factory and to formulate a corrective action plan.

• Factories currently under subcontract

An internal audit or a commissioned audit based on the 5-level grading system, or an FLA audit, is conducted to reveal the current improvement status and compliance level.

• Post-audit follow-up

The factory is made aware of items requiring attention as indicated from the audit results, and corrective action is suggested with examples. After the factory presents its improvement action plan, ASICS works with the factory to implement the plan.

The factory issues regular reports of the progress of the corrective action. The evaluation is updated accordingly with the next proposed corrective action leading to an even lower risk level.

Should an audit and re-evaluation clearly indicate a grade below “3” (average) and no prospect for improvement, ASICS management would consider a response that includes termination of the contract.

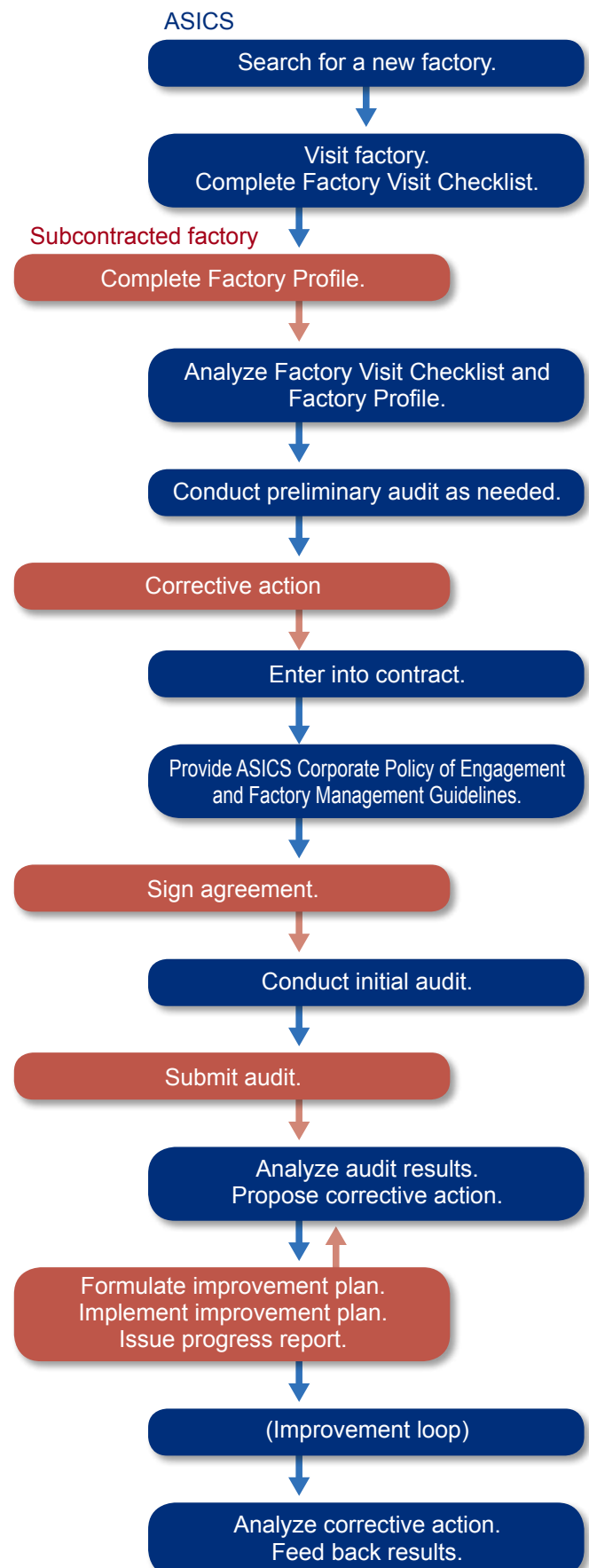


● Forms Required for Pre-contract Evaluation
Factory Profile/Factory Visit Checklist

● Forms required for audit and evaluation
Audit Check Sheet/Rating Sheet/Audit Summary

● Corrective Action Form
Remediation Plan

Sequence of factory selection, initial audit, and progress management of corrective action



Stakeholder Engagement

Communication with Companies and Organizations

ASICS is serious about its dialogue with the following stakeholders and seeks to continue the dialogue by engaging with subcontractors to resolve outstanding issues.

SAC:	See "Stakeholder Engagement" on page 8.
FLA:	The mission of the Fair Labor Association, which was founded in the U.S.A., is to combine the efforts of industry, academia, and nongovernmental organizations in promoting and protecting workers' rights and to improve working conditions globally through adherence to international standards.
WFSGI:	See "Stakeholder Engagement" on page 8.
TWARO:	The ITGLWF Asian and Pacific Regional Organization of labor unions of textile and garment workers
AAFA:	American Apparel and Footwear Association, a U.S.A.-based organization engaged in improving various CSR issues for its membership of 375 major apparel and footwear companies
FESI:	See "Stakeholder Engagement" on page 8.
Better work:	A partnership between the International Labor Organization (ILO) and the International Finance Corporation. Better Work combines ILO expertise in social dialogue, labor standards, and the application of labor standards with that of IFC in private-sector development, where it holds investment clients to high standards regarding labor and working conditions.

Complaint Hotline

The telephone number for the ASICS Complaint Hotline is displayed at subcontracted factories in China to provide local workers with a voice in our improvement initiatives. To date, no complaints regarding operation of local factories or activities of ASICS have been reported. We are considering deploying this initiative to other regions and are evaluating the adoption of improved methods such as online/mobile applications.



Poster displayed at all ASICS subcontractors with hotline contact information (Lower right)

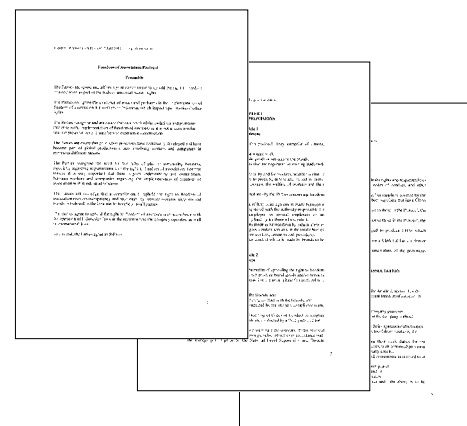
Labor Movements in Indonesia and Cambodia

On June 7, 2011 a historic protocol was signed by Indonesian trade unions, employers, ASICS, and other multinational sportswear brands. The Protocol aims to ensure that brands and factories operating in Indonesia uphold freedom of association (the freedom of workers to organize and engage in collective bargaining.)

ASICS has directed its subcontracted factories to subscribe to this protocol to complement their existing efforts to promote worker representatives, a union presence, and other forms of open dialogue between factory management and workers.

The minimum wage in Indonesia is on the rise and a number of strikes and demonstrations have taken place in various industries. ASICS is urging its subcontracted factories to obey all relevant laws and maintain a dialog with workers.

A Cambodian factory was caught in a labor-management conflict over wages, benefits, and labor union activities. ASICS, in collaboration with the International Labor Organization (ILO) and the ITGLWF Asian and Pacific Regional Organization (TWARO), has requested both the factory management and workers to engage in a good faith dialogue.



The Protocol for Freedom of Association (Indonesia)

TOPICS

An Example of Teamwork

Globally Uniform Audit Standards

With the aim of adjusting and unifying audit standards from a global perspective, CSR team members from Europe, the Americas, and Japan conducted joint audits of factories in China. The assessments and several discussions focused on addressing differences in cultures, political systems, and social issues between the East and the West in our evaluation criteria.

Following our global meeting in February 2012, which resulted in a proposal on new uniform factory evaluation criteria, we spent about a year arriving at a consensus.

We are using the new standards for factory evaluations in 2013 and are working to inform each company regarding the corrective action sequence for new factories, auditing, evaluation, and improvement. This requires that we disclose our sourcing procedures externally, in addition to explaining them internally within the ASICS Group.

Consequently, we hold an annual CSR Seminar for all employees and a biannual meeting for each department.

Capacity-Building Seminar for Factory Managers

A CSR seminar was held in Guangzhou, China in March 2013. The objectives were twofold: to increase participant awareness of the ASICS policy regarding supply chain management; and to impart the basic knowledge required of factory management teams and supervisors to enable them to improve their factories to meet ASICS' CSR standards.

The seminar covered formulas for calculating wages and overtime premiums as well as examples of wage calculations under the piecework payment scheme. In addition, we covered topics common to all countries and regions, such as methods for detecting fraudulent identification papers in order to prevent child labor.

This seminar placed particular emphasis on the handling and use of chemicals. This issue is critical because mishandling

or inappropriate storage of such chemicals could result in serious damage to human health and the environment.

Many participants represented shoe and sporting goods factories, which tend to use large amounts of adhesives and organic solvents. Seminar participants showed great interest, submitted many questions, and requested training materials be sent to them for internal sharing.

We will hold additional seminars in several locations. Topics of the seminars will address relevant issues in the specific geographical area.



Seminar in Guangzhou



Document used at the seminar (Chemical management)



Participants of Guangzhou seminar

Comments from External Stakeholders

The following comments regarding our CSR initiatives were submitted by the Shyang Shin Bao Group, one of our footwear manufacturing subcontractors, and the Better Factories administration office, which is the Cambodian headquarters for implementing the “Better Work” program to realize ILO’s mission of “decent work for all.”

Comments from Subcontractors, The Shyang Shin Bao Group

Our Indonesian factory, located in the Tangerang region near Jakarta, began manufacturing ASICS products in 2009. The factory was closed in January 2013.

Since the factory became operational, labor unions both inside and outside the factory held meetings and major demonstrations in the Jakarta area to request a revision of the minimum wage. We were also affected by the submitting of complaints. This impeded the operation of the factory and resulted in a tense labor-management relationship.

Making the decision to close the factory and lay off about 2,500 workers under these circumstances was not an easy task. However, we were able to complete this action without major disruption. I think this was a result of our recognition of the importance of CSR, which we acquired through our long relationship with ASICS, which enabled us to act appropriately to various aspects of our labor relations.

Additionally, we built a relationship of trust with government agencies and our internal labor unions through dialogue that afforded us good advice. We paid out severance to all laid off workers according to labor laws and government guidance. We also posted experienced workers with affiliated companies within our group or with other companies. By these actions, we were able to maintain our production and shipments of products as scheduled.

I would like to extend our sincere gratitude to ASICS for their cooperation from the opening to the closing of our operations.

We are looking forward to continuing manufacturing quality products with ASICS at our new locations.



Meeting between factory managers and employees



Paying severance benefit

Comments from ILO’s “Better Factories Cambodia”

Better Factories Cambodia (BFC) is a program of the International Labour Organization established in 2001 to help improve factory working conditions and advance worker welfare. Today, BFC reports on working conditions at all of Cambodia’s export garment factories and 20% of the country’s footwear factories, which together total more than 400 factories. In addition, BFC delivers a range of training programs and advisory services to workers and management, building their capacity and increasing organizational productivity in factories that employ more than 450,000 workers and produce more than \$4 billion in exports.

Cambodia’s garment and footwear industries have grown rapidly in recent years. The garment sector has fully recovered from the challenges of the financial crisis of 2008–10. More than 150 new garment factories opened in 2011 and 2012, representing a nearly 40%

increase in the number of factories over only a two-year period. Since 2008, the number of footwear factories has doubled, and these factories have more than tripled the rate of growth in footwear exports.

ASICS began its engagement with BFC in 2012 at the start of BFC’s expansion into the footwear sector. As BFC’s only Japanese partner, ASICS has registered its Cambodian manufacturers with the company’s program, which includes assessment of factory conditions and a year-long period of consultation to address compliance issues specific to each factory.

BFC’s 12-year history is marked by leadership, adaptability, and a relentless drive to ensure that its three partners – government, employers, and workers – are all striving to ensure good working conditions. BFC looks forward to partnering with ASICS in this effort.



Governance & Employee

Corporate Philosophy

04

Maintain a spirit of freedom, fairness and discipline, respectful of all individuals

CSR Objectives

- We put in place processes, systems and structures to enable appropriate and efficient decision-making and business activities.
- We encourage diversity, respect for all, and create a working environment where every employee can show individuality and creativity, so that personal development and corporate growth go hand in hand.

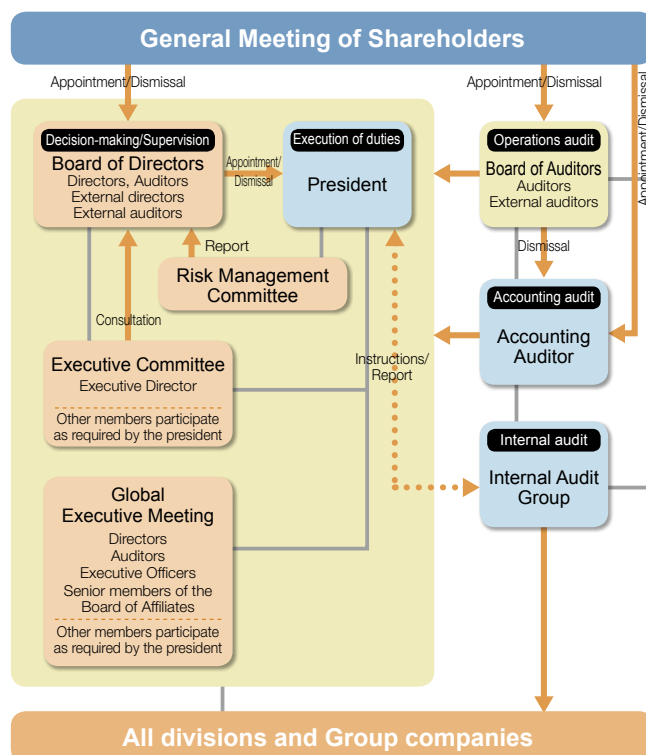


Corporate Governance

ASICS is dedicated to continuous enhancement of our corporate value, to gaining the trust of all stakeholders, and to achieving highly transparent management without delay. We aim to implement corporate governance that enables us to improve our business management system. We are focusing our efforts on enhancing the audit functions of our corporate management and the internal controls, thorough compliance, and improving the transparency of our business activities. We are dedicated to forging a management approach that reflects the perspectives of our shareholders.

Our founding philosophy is *Anima Sana In Corpore Sano* ("A sound mind in a sound body"), reflecting the ASICS Spirit. With this as our foundation, we have established the corporate policy of conducting business according to the Philosophy of ASICS in order to realize our vision of "creating a quality lifestyle through intelligent sports technology."

Corporate governance structure



Internal Control System

Internal Control Policy

In keeping with the ASICS Spirit — the heart of our enterprise — and the ASICS CSR Policy, we have established a system for ensuring the proper operation of ASICS by adopting an Internal Control Policy under the Companies Act and the Ordinance for Enforcement of the Companies Act.

Internal Controls on Financial Reporting

We have adopted a scope of evaluation based on the Internal Control Reporting System under the Financial Instruments Exchange Act (J-SOX). Thus, we have developed and implemented various regulations and rules for the areas of “company-wide control,” “accounting and financial reporting processes,” “business processes,” and “IT general controls.” In light of the expected expansion of the ASICS Group, we will continue to prepare internal controls for subsidiaries, which were not conventionally subject to evaluations. Through this process, we will also improve the operational efficiency of related departments.

Internal Audits

In 2012, the Internal Audit Department performed audits on a total of six companies (one in Japan and five outside Japan), including ASICS Corporation.

In Japan, now that retail business processes have been included within the scope of assessment of the Internal Control Reporting System, we visited 17 of our branded retail stores to monitor business processes and implement proposals for improving operational efficiency.

Outside Japan, we undertook audits of our branded retail stores in China and South Korea, which are subject to rather high risk factors. In parallel with these audits, we provided training on internal control issues subject to local management.

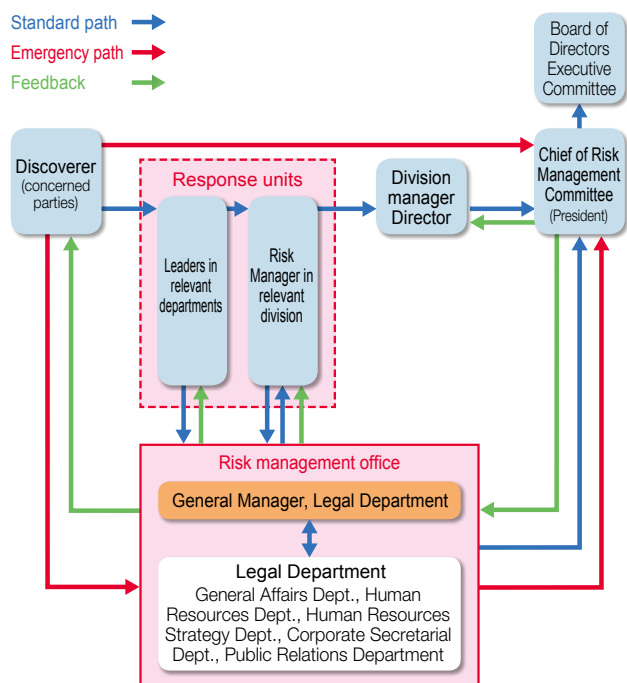
In 2013, we plan to focus on audits of our branded retail stores under global direction in order to strengthen our retail segment.

Risk Management

The ASICS Group has formulated a risk management policy that defines the basic response to a crisis that either has occurred or is expected to occur. Through the implementation of the following systems, this policy is intended to minimize damage whenever a crisis occurs.

- The committee follows a predefined communications network and methods for notifying the chairman (the president) and Board of Directors should any executive or employee of the Group recognize the sign of an impending crisis.
- In a time of a crisis, the chairman of the Risk Management Committee establishes an emergency response headquarters and appoints the chief of the headquarters according to the risk level as defined in the risk management policy. The chief of the headquarters shall be responsible for determining response measures and for external negotiations in order to implement the necessary measures.
- The Risk Management Committee shall undertake regular reviews to expose potential risks; plan and execute the necessary detection, prevention, and training measures; and evaluate the risk management and response measures. The office of the Risk Management Committee shall manage risk for the entire group collectively and comprehensively, while the Auditing Department shall perform periodic audits of the risk management system.

Action Flowchart



Example use of emergency path

Terrorism, natural disaster, fire, abduction, traffic accident, product liability Incident



ASICS Code of Conduct

ASICS has adopted the fundamental principle that all executives and employees must observe the ASICS Code of Conduct.

ASICS Code of Conduct

“ASICS Code of Conduct” sets out the basic standards to be complied with by all members of ASICS Group during their daily activities and in each decision.

1. Integrity to customer

- 1) Create innovative values and meet customer needs
- 2) Safety of products and services
- 3) Appropriate display, description and advertising
- 4) Respect customer's privacy

2. Appropriate relation with Society and Environment

- 1) Refuse any relation with anti-social forces
- 2) Compliance and respect for regional culture
- 3) Contribute to sports culture and community
- 4) Minimize environmental impact

3. Fair business activities

- 1) Disciplined business activities
- 2) Ban of bid rigging, cartels and dumping
- 3) Limits on entertainment and gifts
- 4) Appropriate relations with our business partners
- 5) Recognize the value of intellectual property
- 6) Protect corporate assets
- 7) Safeguard of confidential information
- 8) Distinction between public and private interests
- 9) Ban of insider trading
- 10) Appropriate corporate publication and disclosure

4. Maintain sound workplace

- 1) Health and safety in workplace
- 2) Eliminate discrimination
- 3) Eliminate harassment
- 4) Respect of privacy

For details, please visit the following website.
<http://www.asics.com/responsibility/concept>

Compliance Management

In 2012, we reviewed our guidelines in order to strengthen compliance management. We also provided ongoing compliance training as outlined below.

Compliance training in 2012

We provided training regarding compliance, sexual harassment, and workplace bullying as part of our CSR training at workshops (with 61 participants) held for newly hired graduates.

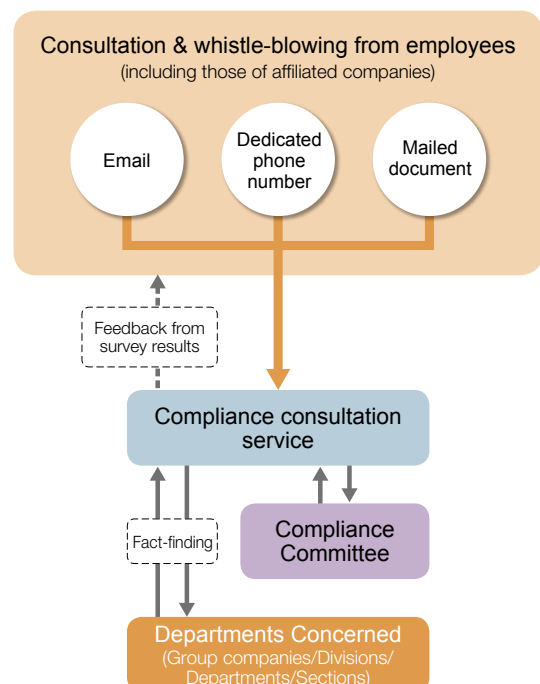
We provided training regarding compliance, sexual harassment, and workplace bullying as part of our CSR training (with 22 participants) for employees recruited in mid-career.

Whistleblower Program

The company has instituted a whistleblower program and made it available to Group companies in Japan as well as major sales companies in the U.S.A. and Europe. It accepts reports and inquiries regarding any behavior that violates or could violate the ASICS CSR Policy or the ASICS Code of Conduct. It also provides an opportunity for consultation on compliance issues. This service is intended to detect the first signs of wrongdoing and to promote the adoption of corrective measures without delay.

Special measures are taken to prevent retaliation and unfair treatment of employees who use this service. Anonymous submissions are accepted and reports are treated confidentially to protect users.

Whistleblower program flowchart





Investor Relations

Prompt Disclosure System

We recognize that prompt and timely disclosure of information, including accounting information, to investors is indispensable for ensuring a sound securities market. We shall make a diligent effort to establish a proper organization for the rapid provision of fair and accurate information from the perspective of investors.

Moreover, information disclosed through securities exchanges is promptly published on our corporate website.

Flowchart for Prompt Disclosure



Communication

To ensure clear communication with all shareholders and investors, we issue our semiannual ASICS Shareholders Newsletter (Japanese edition) and our Annual Report (English edition). Moreover, we publish securities reports (in Japanese) and other information on our corporate website. In addition, we hold semiannual briefings on our financial performance for institutional investors.

For the benefit of our multiple stakeholders, we publish our annual CSR Report to disclose not only economic data but also information related to the environment and society.



Our website for investors



Annual Report



ASICS Shareholders Newsletter



Our Employees — The ASICS “One Team”

Our employees are our most valuable asset, and we believe our corporate culture and brand are their sources of inspiration. Our goal is to create a working environment that encourages diversity and respect for all while enabling each employee to exhibit individuality and creativity. As a result, we are creating our “One Team” that enables personal development and corporate growth to go hand-in-hand.

“One Team” with the ASICS Spirit

All ASICS employees believe in the significance of sports and share in the ASICS Spirit, a core value that transcends our diverse backgrounds and different languages. (See page 5 for more information about the ASICS Spirit.)

The ASICS Spirit Card and Blog

ASICS Spirit cards printed in Japanese, English, Chinese and Korean are distributed to ASICS employees worldwide. On the ASICS Spirit blog, we discuss topics relevant to ASICS and cover ASICS Spirit stories submitted by employees from all regions. The blog, published in both English and Japanese, facilitates communication among employees who rarely meet in their day-to-day tasks, thus contributing to a global sense of unity.

Training Program

We utilize the opportunities presented by employee training to highlight the ASICS Spirit. Trainees are first introduced to the ASICS history video before sharing their thoughts on this initiative. They also relate their experiences, such as what they thought or felt about the ASICS Spirit, in order to deepen their understanding.

Book Published on the ASICS Spirit

A book titled “The ASICS Spirit In Europe,” which relates the history of ASICS in Europe, was written by a board member who had long worked for ASICS Europe B.V. before his recent relocation to ASICS Headquarters. As more and more people join ASICS, the book is being used ever more frequently as a tool through which employees can learn about our corporate history while nurturing the ASICS Spirit and culture.



Training

ASICS Business Leader School (ABLS)

The ABLS aims to develop employees as leaders capable of quickly playing a role in systematically accelerating the future global market growth of ASICS. This program provides eight to nine months of training to about 30 employees selected by the company. Training comprises both theory and practice.

In the theory portion, members acquire knowledge and theory regarding marketing, accounting, and management strategies. This training seeks to improve participants' skills at analyzing ASICS and social trends from a management perspective.

In the practice portion, participants learn how to use their skills to propose solutions for problems confronting ASICS. Through team activities, they take on tasks as a team, focus on case studies, and deepen their awareness while overcoming challenges and obstacles. By the end of training, however, most participants have successfully established solid friendships through which they can work together and improve their skills.



Group discussion



Addressing challenges on a personal basis



Reporting session

Diversity

ASICS has initiated a Diversity Project.

Our slogan: “One Team” — leveraging our differences for mutual enhancement

Priority Objectives of the ASICS Diversity Project:

- Train and develop diverse employees, to use their own unique abilities to function as excellent leaders.
- Provide training and develop a system that encourages employees to voluntarily develop a clear and positive career vision and action plan.
- Develop systems and a workplace culture that enable employees at various life stages to demonstrate their abilities to the fullest and fulfill their respective duties.



Working group activities



Members of the Diversity Project

President's Message

“Invigorating the organization by promoting diversity”

Diversity is essential for innovation and global business growth.

ASICS has employees from various backgrounds whose diversity encompasses gender, ethnicity, culture, age and career choice. I believe that this diversity will generate new ideas and innovations. It is therefore important that individuals with different ideas work together to find common solutions while exchanging opinions and resolving conflicts and differences of opinion. This process gives our employees a fresh perspective, leading to creativity and novel ideas. In promoting diversity, it is important to ensure that all employees share a strong connection to

Work Life Balance

We are working to achieve greater work-life balance with a system designed to enable employees to maintain their employment even when they must leave work temporarily for childcare and family-care reasons. At the same time, we are seeking to enhance our operational efficiency in order to reduce overtime requirements. Regarding the initiatives we have adopted to support childcare, maternity and parental leaves for our employees have increased not only for the first child, but also for subsequent children.

In Europe, a teleworking system has been in place for more than three years and is meeting the needs of an increasing number of employees who wish to perform part of their job from home. The system allows for adjustment of work schedules to avoid rush hours, provides flexibility for those with small children, and makes it possible to better combine work with study or personal activities.

Benefits exceeding the legal requirement (in Japan)

Childcare Leave System:

Available until the child reaches the age of 2 (18 months according to law).

Nursing Care Leave System:

Provides for a maximum of one year (93 days according to law).

Working-hour Reduction for Childcare System:

Working hours can be reduced until the child completes grade 6 (attainment of school age according to law).

Short Flextime System:

Introduced for childcare/nursing care, the flextime system offers one less hour of work than the prescribed total.

Childcare Leave System:

To allow parents to care for outbreaks of childhood diseases, absences of 10 days annually are available to employees until their child completes grade 6 (five days for the first child and 10 days for the second child, according to law).

Nursing Care Holiday System:

For families involved in a primary nursing care situation, absences of 12 days annually are available to employees with one dependant (five days for the first dependant, 10 days for the second, according to law).

Cumulative Paid Leave System:

This system allows for the accumulation of up to 80 days of annual paid leave. According to law, this time would otherwise expire after a two-year statute of limitations. This time can be used for childcare, caring for family members, or fertility treatments.

Childcare Leave System during Daycare Adaptation Period:

With this system for those with children being admitted to a daycare facility, up to one month of leave is available during the period the child is becoming accustomed to daycare.

our core and use common tools. To these ends, we will develop and implement training and education programs to further instill the ASICS Spirit in the minds of employees while improving their skill with the English language, the common language of communication among Group companies.

Through the ASICS Diversity Project, we are ensuring that all our employees continue to assume an increasingly active role in our company.

Motoi Oyama

President and CEO, Representative Director



Encouraging Our Employees to Pursue Sound Minds and Sound Bodies

A Sound Mind in a Sound Body. This founding philosophy has underpinned programs that inspire our workers and encourage them to lead healthier lifestyles.

Employee Counseling

We have been offering counseling to all employees in Japan since 2008. The purpose of this program is to determine the health status of each employee and to ensure employees establish a good relationship with the Health Care Office, which manages employee health.

Consultations are generally offered every two years, or annually for new employees; employees being transferred overseas or to another department; and employees requiring follow-up after a regular health checkup.

Since the program was launched in 2008, employee awareness of the Health Care Office has increased and more employees are consulting with this office when they have a health care question or concern.

The ASICS Health-up Plan

In 2010, ASICS began conducting a year-long program in Japan called the ASICS Health-up Plan to promote healthy lifestyles among the employees with a fun approach.

Participants first choose a health program from a list, such as the Walkers' Rally (held four times per year) or the Quit Smoking campaign, and then earn points once the program is completed. Participants can win prizes for earning a certain number of points.

The progress of the programs and the comments of participants are shared through the intranet and are used to communicate with those who are not participating in the program.

Our "One Team" Takes on Sports

ASICS Headquarters in Kobe is equipped with a full-sized court for sports, and many of our larger offices have a gym or shower facilities that enable employees to engage in sports activities such as running during lunchtime or after work. At our other locations around the world, employees are encouraged to engage in sports with customers, during internal sales conferences and other events, and with their colleagues during and after work. To promote healthy lifestyles, ASICS Europe provides its employees with free fresh fruit and offers a company contribution to sports club memberships as a secondary employee benefit.

At ASICS Europe, an annual highlight is the ASICS Europe Sports Day organized by the personnel association. During this event, all employees can participate in a diverse mix of sports activities.

Providing an opportunity to have fun, engage in teamwork, and be active with colleagues outside the work environment and typical employment roles is the inspiration behind this day. The activities are planned to be fun and accessible to all and have recently included clinics that introduce our staff to sports for which we produce footwear or apparel, including running, track & field, floorball, handball, and volleyball as well as many other enjoyable games. Last year, the 4th edition of our Sports Day attracted close to 150 employees.



Our "One Team" on Sports Day at ASICS Europe



Basketball and softball leagues at ASICS America



Soccer games held at sales conferences at ASICS America



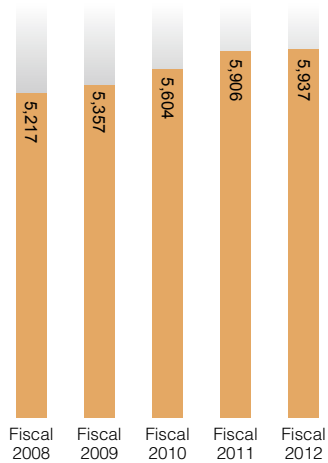
Sports events at ASICS America



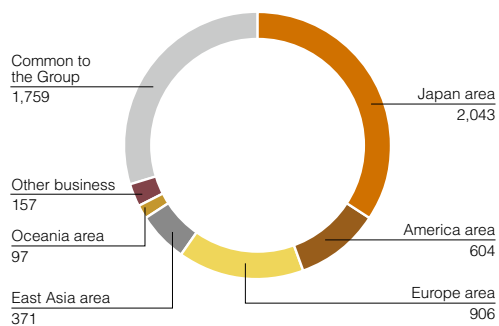
Workforce Data

The number of employees increased due to business growth, particularly in the retail business.

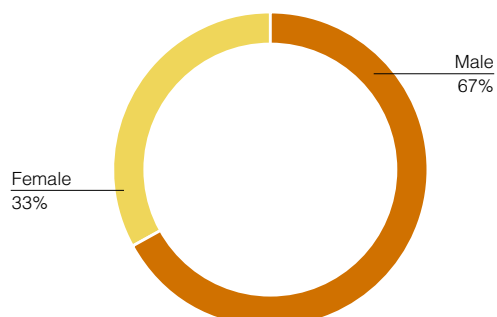
Number of employees



Employees by segment



Employees by gender



*Data apply to ASICS Corporation.

Message from Management

Our founder, Kihachiro Onitsuka, had a very clear vision of what he wanted his company to become. In depressed postwar Japan, he recognized the need to instill hope and optimism in the nation's youth in order to redirect any tendency toward apathy. This led Mr. Onitsuka to dedicate the rest of his life to promoting sport and its positive impact on society.

Our goal is to provide products and services that create value for customers and to contribute to a healthy society. This is but only one of the goals that contributes to our company's objective to bring health and happiness to the world. In addition to the sales and distribution of our products and services through fair business operations, we aim to fulfill our social responsibility and to help improve conditions for communities around the world.

This commitment requires that we take responsibility for everything surrounding us, including our impact on society and the natural world. ASICS is a part of society and, as such, shall never exploit the members of society.

No company can achieve long-term success if profits are the principal goal. To survive, a company must have an organizational structure that accepts change and fosters power derived from respect, not rules. Our priority must be to focus on quality of life. Adopting such an approach will inevitably result in improved product quality, higher employee productivity, healthy sales, and profitability.

To become a premium brand, we must excel at everything we do. We must benchmark our performance to the highest standards, which represent perfection. By setting an ultimate goal and acknowledging that it remains to be achieved, we will remain humble. Excellence can be compared to infinity; while it is impossible to envision or arrive at, the effort alone is inspiring and provides the direction essential to progress.

As with any business objective, our effort to achieve sustainability would be for naught if we did not set Key Performance Indicators (KPIs) to measure our progress toward our goal. These KPIs are essential to our organization and to measuring the success to which we aspire.

At ASICS, our Corporate Social Responsibility is organized and coordinated within the CSR & Sustainability Department at our Head Office and with regional affiliates in Europe and North America. However, implementing CSR and living up to our standards as a premium brand and a sustainable organization are the responsibility of each employee.

With the right foundation of policies, corporate governance structure, and management systems, we aim to integrate CSR & Sustainability into everything we do. This effort transcends our organization.

Improving the social and environmental impact of the supply chain is a challenging area in which brands often have only limited influence. Shared responsibility and collaboration are therefore essential. A good example of this is ASICS' involvement as a founding member of the Sustainable Apparel Coalition (SAC). We have been actively involved in the development of this organization's environmental and social sustainability indices, including the Higg Index.




By engaging with our business partners (suppliers and contracted manufacturers) and other stakeholders (NGOs, other brands, research partners, and trade unions), we aim to spark open debate and work toward better working conditions and sustainability standards across our industry.

Ronald Pietersen

Managing Executive Officer
Senior General Manager, Global Legal & Compliance Division

We compile our reports in accordance with the Global Reporting Initiative (GRI), the international benchmark for sustainability reporting. We also refer to the Apparel and Footwear Sector Supplement, which is currently in draft status. Table 2 is a list of GRI Guideline indicators and the associated pages in the CSR report or in the Annual Report, Securities Report, or our comments. Our application level is “Self Declared B” (Table 1).

Table 1:

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	Profile Disclosures 	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
	Disclosures on Management Approach 	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach disclosed for each Indicator Category	Report Externally Assured
	Performance Indicators & Sector Supplement Performance Indicators 	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic and environment.		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond on each core and Sector Supplement* indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

Table 2:

	Indicator	Relevant page/Comment
	Profile	
1	Strategy and analysis	
1.1	Statement from the most senior decision-maker of the organization.	Page 3-4 “Top Commitment”
1.2	Description of key impacts, risks, and opportunities.	Page 3-4 “Top Commitment” Page 7 “Focal Points and Targets for 2015”
2	Organizational profile	
2.1	Name of the organization.	Page 48 “About ASICS”
2.2	Primary brands, products, and/or services.	Page 48 “About ASICS”
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Page 48 “About ASICS”
2.4	Location of organization’s headquarters.	Page 48 “About ASICS”
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Page 48 “About ASICS”
2.6	Nature of ownership and legal form.	Page 48 “About ASICS”
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Page 48 “About ASICS”
2.8	Scale of the reporting organization.	Page 48 “About ASICS”
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Page 48 “About ASICS”
2.10	Awards received in the reporting period.	Page 13 “Highlights of Products & Services in 2012”
3	Report parameters	
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Page 49 “About the Report”
3.2	Date of most recent previous report (if any).	June 22, 2012
3.3	Reporting cycle (annual, biennial, etc.)	Annual

	Indicator	Relevant page/Comment
3.4	Contact point for questions regarding the report or its contents.	Page 49 "About the Report"
3.5	Process for defining report content.	Page 49 "About the Report"
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Page 49 "About the Report"
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	In this report, HAGLÖFS Holding AB is included within the scope of the financial index and GHG emissions data of ASICS business locations.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Page 49 "About the Report"
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Page 19 "Greenhouse Gas Emissions Attributable to the Value Chain" Please also see the notes under each performance report.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Page 19 "Greenhouse Gas Emissions Attributable to the Value Chain" Please also see the notes under each performance report.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Page 19 "Greenhouse Gas Emissions Attributable to the Value Chain" Please also see the notes under each performance report.
3.12	Table identifying the location of the Standard Disclosures in the report.	Page 40 "GRI Guideline Index"
3.13	Policy and current practice with regard to seeking external assurance for the report.	The report is not currently subject to external assurance. Pages 17, 18 and 26 show that some of our programs undergo external assurance.
4	Governance, commitments and engagement	
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Page 31 "Corporate Governance"
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Securities Report Section 1-4-5 "About Board Members"
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Securities Report Section 1-4, 6-1-1 (ii) "Internal Control System"
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Page 31 "Corporate Governance" Page 33 "Whistleblower Program"
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Securities Report Section 1-4, 6-1-5 "Board members' compensation"
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Page 31 "Corporate Governance"
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Page 31 "Corporate Governance"
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Pages 5 and 6 "ASICS SPIRIT and ASICS CSR Policy" Page 33 "ASICS Code of Conduct"
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Page 31 "Corporate Governance"
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Page 31 "Corporate Governance"
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Page 32 "Risk Management" Page 33 "Whistleblower Program"
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Page 6 "ASICS CSR Policy" Page 12 "Sustainable Product Development"

	Indicator	Relevant page/Comment
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: *Has positions in governance bodies; *Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or *Views membership as strategic.	Page 8 "Stakeholder Engagement" Page 12 "Sustainable Product Development"
4.14	List of stakeholder groups engaged by the organization.	Page 8 "Stakeholder Engagement"
4.15	Basis for identification and selection of stakeholders with whom to engage.	Page 8 "Stakeholder Engagement"
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Page 8 "Stakeholder Engagement"
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Page 8 "Stakeholder Engagement"
5	Management approach and Performance indicators	
	Economic	
	Management approach	Page 34 "Investor Relations"
	Economic performance	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Page 48 "About ASICS"
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Carbon Disclosure Project 2012 Questionnaire Response
EC3	Coverage of the organization's defined benefit plan obligations.	Securities Report Section 1-5 "About Retirement Benefits" Annual Report "Retirement Benefits"
EC4	Significant financial assistance received from government.	–
	Market presence	
EC5	Range of ratios of standard entry-level wage compared to local minimum wage at significant locations of operation.	–
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	–
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	–
	Indirect economic impacts	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	–
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	–
	Environmental	
	Management approach	Page 18 "Environment"
	Materials	
EN1	Materials used by weight or volume.	–
EN2	Percentage of materials used that are recycled input materials.	Page 14 "Use of Recycled Materials"
	Energy	
EN3	Direct energy consumption by primary energy source.	Page 19 "Greenhouse Gas Emissions Attributable to the Value Chain"
EN4	Indirect energy consumption by primary source.	Page 19 "Greenhouse Gas Emissions Attributable to the Value Chain"
EN5	Energy saved due to conservation and efficiency improvements.	Page 19 "GHG Reduction Programs"
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	–
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Page 19 "GHG Reduction Programs"
	Water	
EN8	Total water withdrawal by source.	Page 20 "Water"
EN9	Water sources significantly affected by withdrawal of water.	–
EN10	Percentage and total volume of water recycled and reused.	–

	Indicator	Relevant page/Comment
	Biodiversity	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	–
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	–
EN13	Habitats protected or restored.	–
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	–
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	–
	Emissions, effluents and waste	
EN16	Total direct and indirect greenhouse gas emissions by weight.	Page 19 “Greenhouse Gas Emissions Attributable to the Value Chain”
EN17	Other relevant indirect greenhouse gas emissions by weight.	Page 19 “Greenhouse Gas Emissions Attributable to the Value Chain”
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Page 19 “GHG Reduction Programs”
EN19	Emissions of ozone-depleting substances by weight.	–
EN20	NOx, SOx, and other significant air emissions by type and weight.	–
EN21	Total water discharge by quality and destination.	–
EN22	Total weight of waste by type and disposal method.	Page 20 “Solid Waste”
EN23	Total number and volume of significant spills.	–
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	–
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization’s discharges of water and runoff.	–
	Products and services	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Page 11-17 “A Source of Technology, Innovation and Sustainability,” “Sustainable Product Development,” and other initiatives.
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Page 14 “Improved Packaging”
	Compliance	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	–
	Transport	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization’s operations, and transporting members of the workforce.	Page 19 “Greenhouse Gas Emissions Attributable to the Value Chain”
	Overall	
EN30	Total environmental protection expenditures and investments by type.	Page 21 “Environmental Accounting”
	Social: Labor Practices and Decent Work	
	Management approach	Page 35 “Our Employees”
	Employment	
LA1	Total workforce by employment type, employment contract, and region.	Page 38 “Workforce Data”
LA2	Total number and rate of employee turnover by age group, gender, and region.	Page 38 “Workforce Data”
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Page 35

	Indicator	Relevant page/Comment
	Labor/management relations	
LA4	Percentage of employees covered by collective bargaining agreements.	In Japan and Europe (including Germany, France, Austria, Scandinavia, Belgium and Spain), employees are covered by collective bargaining agreements.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	–
	Occupational health and safety	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	–
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	In 2012, we experienced fewer than 15 injuries with absence at locations in Japan, Europe, and North America.
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Page 37 “Encouraging Our Employees to Pursue Sound Minds and Sound Bodies”
LA9	Health and safety topics covered in formal agreements with trade unions.	Page 37 “Encouraging Our Employees to Pursue Sound Minds and Sound Bodies”
	Training and education	
LA10	Average hours of training per year per employee by employee category.	–
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Page 35 “Training”
LA12	Percentage of employees receiving regular performance and career development reviews.	Performance reviews are undertaken in all business locations.
	Diversity and equal opportunity	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Page 38 “Workforce Data”
LA14	Ratio of basic salary of men to women by employee category.	–
	Social: Human Rights	
	Management approach	Page 25 “Fair Business”
	Investment and Procurement Practices	
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	–
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Page 26 “Audit Results for 2012”
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Page 33 “Compliance Management”
	Non-discrimination	
HR4	Total number of incidents of discrimination and actions taken.	Page 26 “Audit Results for 2012”
	Freedom of association and collective bargaining	
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Page 26 “Audit Results for 2012”
	Child labor	
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Page 26 “Audit Results for 2012”
	Forced and compulsory labor	
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Page 26 “Audit Results for 2012”
	Security practices	
HR8	Percentage of security personnel trained in the organization’s policies or procedures concerning aspects of human rights that are relevant to operations.	–
	Indigenous rights	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	–

	Indicator	Relevant page/Comment
	Social: Society	
	Management approach	Page 22 "Community Engagement" Page 33 "ASICS Code of Conduct"
	Community	
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	–
	Corruption	
SO2	Percentage and total number of business units analyzed for risks related to corruption.	–
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Page 33 "Compliance Management"
SO4	Actions taken in response to incidents of corruption.	–
	Public policy	
SO5	Public policy positions and participation in public policy development and lobbying.	–
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	–
	Anti-competitive behavior	
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	–
	Compliance	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	–
	Social: Product Responsibility	
	Management approach	Page 14 "Product Safety & Quality"
	Customer health and safety	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Page 14 "Product Safety & Quality"
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Page 16 "Product Recalls"
	Product and service labeling	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Page 14 "Product Safety & Quality"
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Page 16 "Product Recalls"
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Page 16 "Toward Improved Customer Satisfaction"
	Marketing communications	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Page 14 "Product Safety & Quality"
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Page 16 "Product Recalls"
	Customer privacy	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Page 17 "Protection of Personal Information"
	Compliance	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	–
Apparel and Footwear Sector Supplement		
	Supply Chain Standards and Practices	
	Disclosure on management approach	
	Code of conduct	
AF1	Code of conduct content and coverage.	Page 25 "Management Policies for ASICS Business Partners" Page 26 "Audit Results for 2012"

	Indicator	Relevant page/Comment
	Audit process	
AF2	Parties and personnel engaged in code of conduct compliance function.	Page 26 "Audit Results for 2012" Page 28 "Stakeholder Engagement"
AF3	Compliance audit process.	Page 27 "Corrective Action Sequence"
	Grievance procedures	
AF4	Policy and procedures for receiving, investigating, and responding to grievances and complaints.	Page 28 "Complaint Hotline"
	Capacity building	
AF5	Strategy and scope of efforts to strengthen capacity of management, workers and other staff to improve in social and environmental performance.	Page 29 "Capacity-Building Seminar for Factory Managers"
	Business integration	
AF6	Policies for supplier selection, management, and termination.	Page 27 "Corrective Action Sequence"
	Performance indicators	
	Code of conduct	
AF7	Number and location of workplaces covered by code of conduct.	Page 26 "Audit Results for 2012"
	Audit process	
AF8	Number of audits conducted and percentage of workplaces audited.	Page 26 "Audit Results for 2012"
	Non-compliance findings	
AF9	Incidents of non-compliance with legal requirements or collective bargaining agreements on wages.	Page 26 "Audit Results for 2012"
AF10	Incidents of non-compliance with overtime standards.	Page 26 "Audit Results for 2012"
AF11	Incidents of non-compliance with standards of pregnancy and maternity rights.	Page 26 "Audit Results for 2012"
AF12	Incidents of the use of child labor.	Page 26 "Audit Results for 2012"
AF13	Incidents of non-compliance with standards on gender discrimination.	Page 26 "Audit Results for 2012"
AF14	Incidents of non-compliance with code of conduct.	Page 26 "Audit Results for 2012"
AF15	Analysis of data from code compliance audits.	Page 26 "Audit Results for 2012"
	Remediation	
AF16	Remediation practices to address non-compliance findings.	Page 27 "Corrective Action Sequence"
	Business integration	
AF17	Actions to identify and mitigate business practices that affect code compliance.	Page 27 "Corrective Action Sequence"
	Environmental	
	Disclosure on management approach	
	Materials	
AF18	Programs to replace organic-based adhesives and primers with water-based adhesives and primers.	Page 14 "Use of Water-based Adhesives"
AF19	Practices to source safer alternative substances to those on the restricted substances list, including description of associated management systems.	Page 15 "Chemical Management"
	Performance indicators	
	Materials	
AF20	List of environmentally preferable materials used in apparel and footwear products.	Page 14 "Use of Recycled Materials"
	Energy	
AF21	Amount of energy consumed and percentage of the energy that is from renewable sources.	Page 19 "GHG Reduction Programs"
	Labor Practices and Decent Work	
	Disclosure on management approach	
	Employment	
AF22	Policy and practices regarding the use of employees with non-permanent and non-fulltime status.	–

	Indicator	Relevant page/Comment
AF23	Policy regarding the use of home working.	Page 36 "Diversity"
AF24	Policy on the use and selection of labor brokers, including adherence to relevant ILO Conventions.	–
	Wages and hours	
AF25	Policy and practices on wage deductions that are not mandated by law.	–
AF26	Policy on working hours, including definition of overtime, and actions to prevent excessive and forced overtime.	Page 36 "Diversity"
	Diversity and equal opportunity	
AF27	Policy and actions to protect the pregnancy and maternity rights of women workers.	Page 36 "Diversity"
	Performance indicators	
	Employment	
AF28	Percentage of foreign migrant workers as a portion of total workforce, broken down by region.	–
	Labor/management relations	
AF29	Percentage of workplaces where there is one or more independent trade union(s)	In Japan and Europe (including Germany, France, Austria, Scandinavia, Belgium and Spain), employees are covered by collective bargaining agreements.
AF30	Percentage of workplaces where, in the absence of a trade union, there are worker-management committees, broken down by country.	–
	Occupational health and safety	
AF31	Initiatives and programs to respond to, reduce, and prevent the occurrence of musculoskeletal disorders.	–
	Diversity and equal opportunity	
AF32	Actions to address gender discrimination and to provide opportunities for the advancement of women workers.	Page 36 "Diversity"
	Society	
	Performance indicators	
	Community	
AF33	Priorities in community investment strategy.	–
AF34	Amount of investment in worker communities broken down by location.	–

About ASICS

Corporate Data (As of March 31, 2013)

Corporate Name: ASICS Corporation

Founded: September 1, 1949

Paid-in Capital: ¥23,972 million

Number of Employees: 5,937 (consolidated basis)

Offices

Head Office:

7-1-1, Minatojima-Nakamachi, Chuo-ku, Kobe 650-8555 Japan

ASICS Institute of Sport Science:

6-2-1, Takatsukadai, Nishi-ku, Kobe 651-2271 Japan

Number of consolidated subsidiaries

13 in Japan and 38 outside Japan

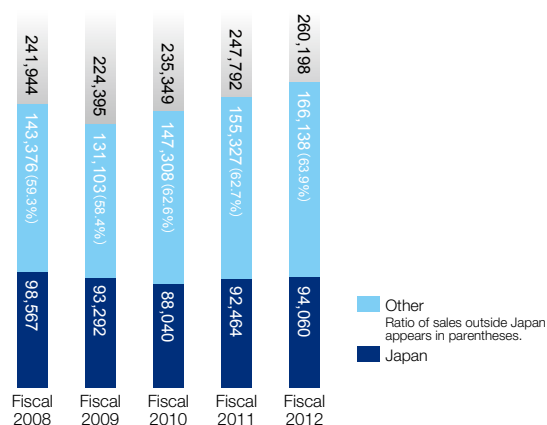
Major organizational changes in Fiscal 2012

In order to strengthen our businesses in Japan, we restructured our domestic group and divided its businesses between Japan and its global headquarters. Our business in Japan was transferred to ASICS Japan Corporation and ASICS Sales Corporation. In addition, our sales subsidiaries in Japan were consolidated within ASICS Sales Corporation.

Financial Highlights

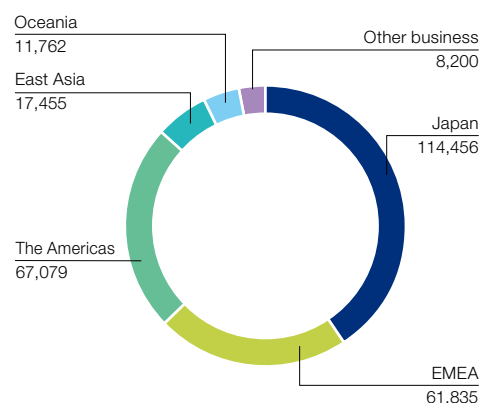
Net Sales

(millions of yen)



Net Sales by Reportable Segment

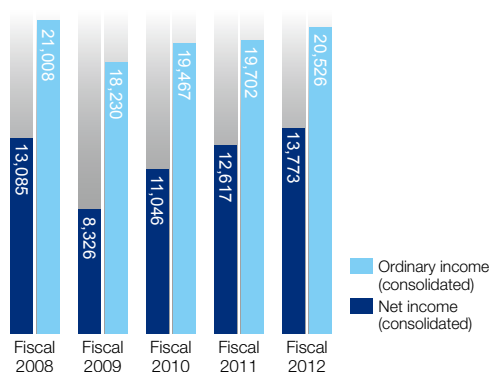
(millions of yen)



"Other business" represents the sales for each territory and sales from HAGLÖFS

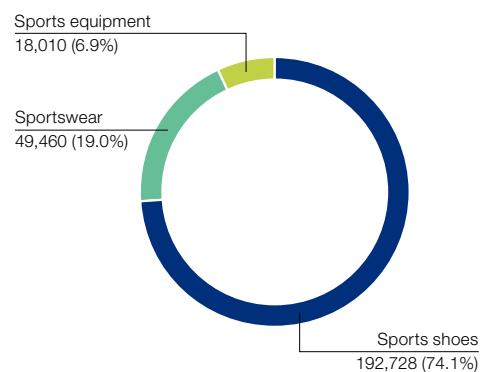
Net Income

(millions of yen)



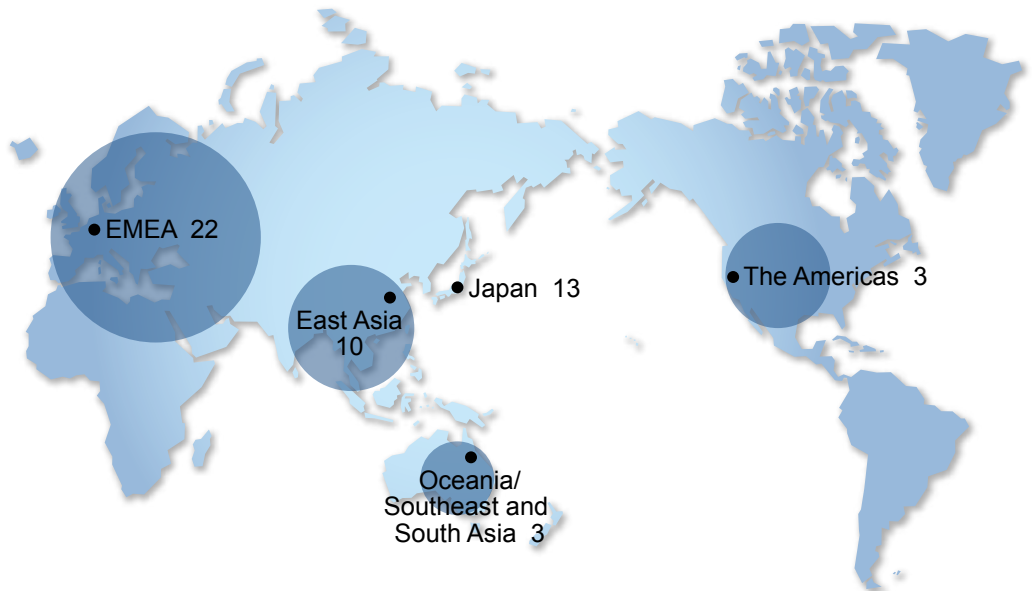
Net Sales by Product

(millions of yen)



Business Outline

The ASICS Group comprises a total of 51 companies with 5,906 employees worldwide as of March 31, 2013. We operate in the three business segments of footwear, apparel, and accessories/equipment under our two main brands, ASICS and Onitsuka Tiger.



About the Report

Editorial policy:

Consistent with the structure of our 2012 CSR Report, this edition addresses the core subjects of our ASICS CSR Policy and roadmap: Products & Services, Environment & Community, Fair Business & Profit Sharing, and Governance & Employee.

The ASICS Group is committed to reporting in good faith on our priorities and progress concerning sustainability and corporate social responsibility (CSR). We periodically report information to our various stakeholders through our Annual Report, securities reports, and, since its first publication in 2005, our CSR Report.

Scope of this report: ASICS Group

Report period: Fiscal 2012 (April 1, 2012–March 31, 2013)

*January 1, 2012–December 31, 2012, for data on subsidiaries outside Japan and environmental impact data on subcontracted factories

Publication date: June 21, 2013

Reference guideline:

GRI Sustainability Reporting Guideline 2006 (3rd edition)

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