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May 11, 2015

Name of the Company: ASICS Corporation  
President and CEO, Representative Director: Motoi Oyama  
Code Number: 7936 Listing Exchange: Tokyo

## **Notice Concerning Determination of the Partial Amendments to Basic Policies for Internal Controls**

ASICS Corporation (the “Company”) hereby announces that it determined the partial Amendments to Basic Policies for Internal Controls which were resolved at a meeting of the Board of Directors held on May 11, 2015.

The main points of the amendments are the enhancement and the materialization of the systems to ensure the appropriateness of corporate group’s operations and the systems to support corporate group’s audit pursuant to the Revised Companies Act and the Revised Ordinance for Enforcement of the Companies Act enacted on May 1, 2015.

The amended contents are as follows:

The ASICS Group maintains and develops the following systems to ensure the appropriateness of its operations in accordance with the following, which collectively form the basis of the Company’s corporate philosophy: the ASICS Spirit, the ASICS Corporate Social Responsibility Policy, the Companies Act, and the Ordinance of Enforcement of the Companies Act.

### **1. Basic policy on corporate activities**

The ASICS Group operates its business with the objective of realizing its vision, “Create Quality Lifestyle through Intelligent Sport Technology,” which is based on the Company’s business philosophy as described in the ASICS Spirit, “Anima Sana In Corpore Sano (a sound mind in a sound body),” and the following corporate philosophy:

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

**2. Ensuring that the performance of duties by the ASICS Group directors and employees complies with the law and The Company's Articles of Incorporation**

Based on the basic policy above, the ASICS Group has sets forth its ideal for corporate behavior in the ASICS Corporate Social Responsibility Policy—mainly with regard to compliance and corporate ethics—and also has provided the ASICS Global Code of Conduct and the Global Policies which regulate the behaviors of individual officers and employees. These policies and code are the basis for our achieving corporate behavior that can be accepted and respected by people all over the world.

In order to ensure compliance with the ASICS Corporate Social Responsibility Policy, the ASICS Global Code of Conduct and the Global Policies, the compliance department both comprehensively and cross-departmentally manages compliance measures of the ASICS Group under the Compliance Policy, supports officers and employees in operating in an appropriate manner, and gives education and guidance through training and other means.

The Internal Audit Department is directly controlled by President and CEO of the Company and audits the status of compliance of the ASICS Group individually or in cooperation with the corporate auditors, and reports the result directly to President and CEO, the directors and the corporate auditors.

The ASICS Group has established a Global Whistleblowing Line under the Global Policy on Protected Disclosure(Whistleblowing). Officers, employees and business partners who have become aware of any act violating the ASICS Corporate Social Responsibility Policy, the ASICS Global Code of Conduct or the Global Policies, or of any other important compliance-related matter can directly send information to and consult with the internal or external contact via e-mail, telephone or in writing. The internal or external contact then promptly investigates and addresses the problem. Furthermore, the internal or external contact takes care to ensure that people providing it with information are not mistreated.

In addition, the ASICS Group will never enter in any form of relationship whatsoever with anti-social forces and other organizations that threaten public order and safety.

**3. Ensuring the efficient performance of duties by the ASICS Group's directors, etc.**

The Board of Directors clearly sets forth the responsibilities of each director, and the procedures for the performance of their duties in the Rules on the Segregation of Duties and the Limits of Authority or by the assigning of duties to directors, etc. The Board of Directors also ensures that the representative director, directors in charge of operations and executive officers perform their duties.

Based on the mid-term management plan established by the Board of Directors and the management plan for each business year, the representative director, directors in charge of operations and executive officers set objectives for the whole company and also detailed objectives for each department and each subsidiary, and manage the achievement of objectives on a monthly and quarterly basis.

The Board of Directors is held regularly once a month to determine matters that legally require a resolution of the Board of Directors, important management policies of the ASICS Group,

and important operational performance issues, as well as supervise the performance of duties by directors and executive officers. Furthermore, in order to clarify the management responsibility of each director and establish a management system that can quickly respond to changes in the management environment, a director's term of duty is only one year.

In order to discuss in advance the matters requiring a resolution of the Board of Directors and other important management issues of the ASICS Group, as well as to enhance the functions of the Board of Directors and achieve a flexible management decision-making system, the Company holds an Executive Board meeting regularly twice a month that includes all executive directors, and directors, executive officers and full-time auditors appointed by President and CEO, and—where required—the heads of each department.

In addition, in order to respond to the expansion of our business and changes in the global management environment, the Company aims to accelerate management and strengthen systems for business operations by using the executive officer system.

#### **4. Rules on crisis and risk management of the ASICS Group**

The ASICS Group has established the Risk Management Committee and the Risk Management Team under the Risk Management Policy to regularly identify, analyze and assess risks, consider and implement risk measures and re-analyze risks. The Risk Management Committee comprehensively and generally manages risks for the entire ASICS Group.

Any officer or employee of the ASICS Group that has become aware of a crisis promptly reports it to President and CEO in accordance with the Crisis Management Policy using the methods and procedures provided in such Policy. President and CEO establishes a Crisis Management Center and appoints a head of the Center depending on the crisis level predetermined in the Crisis Management Policy. The Head of the Crisis Management Center supervises decision-making regarding anti-crisis measures and communication strategies, negotiations with external bodies and publication, and directs the implementation of measures to deal with the crisis and remedial measures.

The Internal Audit Department periodically audits the risk management status.

#### **5. Storage and management of information on the performance of duties by the ASICS Group's directors**

The ASICS Group stores information on the performance of duties, minutes and relevant materials, and other important information and documents in accordance with the law and internal rules. These documents are always available to directors and auditors. Information management is performed in accordance with the Information Management Policy and other internal rules on information management.

Under the Limits of Authority, certain matters are approved through *ringi*, a process in which an internal memo is circulated to the Board of Directors and other persons with approval authority, who then authorize the matter in question by signing off on it. In regards to such matters, the ASICS Group has created a computerized system that visualize contents of application and situation of decision, and also stores records of approvals by directors and others with approval authority as electronic data.

**6. Ensuring the appropriate performance of operations by the ASICS Group**

The directors, auditors and heads of each department for each Group company are assigned from the Company's directors, executive officers or heads of departments. This is done so that the ASICS Group companies operate in an appropriate manner and so that the group can exert its strength collectively and that such strength is controlled. The representative of each Group company has the authority and responsibility to operate that business efficiently in accordance with the Limits of Authority provided by each company in compliance with the Company's standards, but each Group company president must report to the Company itself and obtain its approval on individual important issues whose reporting is required by the Company.

As for Group companies, a Global Executive Meeting is regularly held to approve each company's management plan, make decisions on important matters for the entire Group at a global level, and report on operational performance.

The Internal Audit Department conducts internal audits on the status of control over the general operations of the ASICS Group, and reports its audit results directly to President and CEO, the directors in charge, and the corporate auditors.

Furthermore, in order to ensure the appropriateness of financial reporting, the Company has developed and maintains an internal control system for the ASICS Group's financial reporting, carries out regular and continuous assessments of this system's operations, and has established mechanisms for the maintenance and improvement of the system.

**7. Employees requested to assist with the corporate auditors' duties and the independence of such employees from directors**

In order to assist with the performance of duties by corporate auditors and the Board of Corporate Auditors, the Office of Corporate Auditors has been established under the Board of Corporate Auditors.

The Office of Corporate Auditors may, based on instructions from the corporate auditors, request each department or each subsidiary to provide necessary information for an audit by the corporate auditors. The Office of Corporate Auditors corporate communicates with and makes adjustments between the Internal Audit Department and the corporate auditors of subsidiaries based on instructions from the corporate auditors and assists with sharing information on audits.

An employee of the Office of Corporate Auditors is not subject to the instructions and orders of any director regarding the operations within the scope of the order given by the corporate auditors. Furthermore, before any such employee is subjected to transfer, personnel evaluation or disciplinary action, the prior approval of the Board of Corporate Auditors is required.

**8. Reporting to corporate auditors by the ASICS Group's directors and employees, other reporting to corporate auditors, and ensuring the effective performance of corporate auditors' duties**

Corporate auditors identify the overall status of the ASICS Group's corporate management by attending important meetings (including those of the Board of Directors and of the Executive Board), by exchanging information with the ASICS Group's officers and employees, and by reading internal approval documents and reports. Corporate auditors also consult with the accounting auditor accordingly and receive reports from directors or the Board of Directors on the matters listed below:

- Misconduct by directors and employees in the course of their duties, violations of the law and The Company's Articles of Incorporation, and other compliance issues;
- Facts that may cause serious loss or damage to the Company;
- Important information to be disclosed; and
- Matters of which the Global Whistleblowing Line has been informed.

The ASICS Group has developed a system that enables officers and employees to provide information speedily and seamlessly in response to the corporate auditors' request, and does not mistreat any officer or employee who has provided information.

Upon request of the Board of Corporate Auditors or the corporate auditors, the Company pays in advance the expenses incurred for the execution of duties by corporate auditors (including the expenses incurred for obtaining advices from lawyers, certified public accountants and other external experts), reimburses such expenses and settles the payment of debts.