



# OUR APPROACH TO MANAGING OPERATIONS

We aim to continuously improve the environmental performance, resource and materials used in our buildings and distribution network.

Beyond improving the sustainability of our products, we also aim to continuously improve the efficiency and reduce the environmental impacts of our direct operations. This includes our offices, distribution centers and retail stores.

To manage our environmental and sustainability performance to the highest standards, we use Environmental Management Systems accredited to the ISO14001 international standard in our main office locations. In Japan this also includes our Institute of Sport Science research facility. In Europe, we have included our distribution centers into the scope of our management system.

After updating our certifications to the new version of the standard in 2017, in 2018 we focused on aligning the systems between Japan and Europe. Because each of the systems covered different operations, they were developed in different ways and both interpretations had strengths and weaknesses. By aligning both systems, we were able to optimise the systems, learning from the

experience in both regions and operations, making the systems more efficient and effective. Aligned systems will also allow us to expand the scope to other regions more easily.

In the US, our main distribution center in Mississippi, BDC, earned the US Environmental Protection Agency's ENERGY STAR award for the fourth year in a row. The award recognizes superior energy performance and low greenhouse gas emissions compared to similar buildings across the nation.



## Tracking performance data

We continue to use Schneider Electric's EcoStruxure™ Resource Advisor (RA) platform to track the environmental performance of our offices, stores and distribution centers, as well as our Global Footwear Tier 1 suppliers. Gathering all environmental data in this cloud-based performance management system allows us to analyse our impact and learn where and when we have the highest impacts. The information feeds into our improvement programs, allowing us to focus our attention on improving energy, water and waste efficiency where it's needed most.

We also use SAC's Higg Facility Environmental Module (FEM) to collect performance data from our supply chain. Launched in 2017, this module allows us to collect standardized, comparable and detailed environmental performance data from our suppliers in a highly efficient way. See page 30 for more about this tool.

ASICS has set approved science-based targets for carbon emissions reductions, which include Scope 3 (supply chain) targets as well as Scope 1 and 2 targets for our own operations. SAC's Higg data collection tools such as FEM will be critical for tracking progress against our Scope 3 emissions targets.

As more brands and suppliers set science-based targets, we believe that the Higg platform has a vital role to play in tracking progress against them.