

OUR APPROACH TO OUR SUPPLY CHAIN CONTINUED

Responsible recruitment

The manufacturing industries in many of the countries in which our supplier factories are based depend on large numbers of migrant workers. The use of migrant workers in factories is associated with an enlarged risk of forced labor and other human rights abuses. This issue has gained increasing global attention in recent years, and governments and industry bodies are working to address the problem on a regional and individual country level.

In 2018, the Non Governmental Organization (NGO) Transparentem found that a factory used by ASICS and other sporting brands as a Tier 1 supplier employed migrant workers under conditions that indicated forced labor risk. This included non-compliances with regards to payments to workers. We met with the NGO to understand the issues identified and promptly started corrective actions with the factory.

Following this, we joined over 120 other brands as signatories of the Commitment to Responsible Recruitment. The goal of the initiative is to promote an industry-wide approach to responsible recruitment and ethical employment practices for all workers, with a special focus on migrant workers.

At ASICS we have zero tolerance for forced labor or any other human rights abuses anywhere in our supply chain, and we continue to closely monitor and improve labor conditions in the factories we use.

Read more about the commitment
 —> www.aafaglobal.org/AAFA/Solutions_Pages/Commitment_to_Responsible_Recruitment.aspx

Training and capacity building

We provide training for our Tier 1 and Tier 2 suppliers so that they can learn and share best practices that allow them to improve labor and environmental performance over time.

Through training, we give our suppliers the knowledge and understanding necessary to implement new standards, legal requirements and structured management systems, as well as raising awareness of industry best practice.

Training also helps suppliers to avoid or improve compliance issues, and develops better communication between workers and employers. This capacity building process ultimately improves both the wellbeing of staff and the suppliers' quality and productivity.

Our supply chain monitoring and rating system identifies specific types of training needs in the different regions where our products are manufactured. We carry out training in collaboration with independent stakeholder partners such as ILO's Better Work.

In 2018, we provided capacity-building sessions for suppliers in Shanghai, China. These sessions covered a range of subjects including supervisory skills, fire safety, compensation and benefits, social compliance, and the rights and responsibilities of workers and unions.

In addition, our suppliers are able to attend capacity-building sessions held by ILO Better Factories Cambodia program and ILO Better Work (Vietnam, Indonesia).

Training in Shanghai, China

- › Occupational health and safety
- › Latest China labor law updates
- › Environmental management

89
Participants

61
Suppliers

“Our partnership with ASICS ensures our sustainability goals are aligned. Helping strengthen our capabilities and proactively communicating with all teams to build a learning environment. Our efforts have been recognized by the ILO Better Factories Cambodia program: we are the first apparel manufacturer in Cambodia to achieve ILO/BFC Stage II Factory. Currently we are working with the UNESCO for Literacy program to encourage employee development and improve their living standards. The ASICS sustainability team has given us huge support”.

Message from Sabrina
 (a supplier in Cambodia)