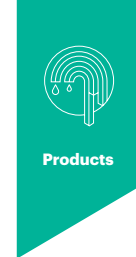


Operations



Products

OUR APPROACH TO CLIMATE CHANGE

Addressing climate change

Climate change is a serious threat to the environment and economies around the world. Rising global temperatures are affecting weather patterns and causing extreme weather conditions, leading to food shortages and water scarcity; they also affect our ability to move and play sports, as well as the places where we do this. Climate change is also a direct threat to our business, impacting production sites and logistical routes in our supply chain.

Climate change is caused by a build-up of greenhouse gases in our atmosphere, released in part by businesses such as ours. We know that we contribute to global CO₂ emissions both through our manufacturing and distribution processes and our direct operations. The materials we use to make our products can also contribute to our overall emissions. For example, polyester and polyurethane are derived from fossil fuels, and release CO₂ when the products containing carbon are incinerated at the end of their life. For these reasons, we see climate change as a crucial issue for our business.

We're committed to reducing our carbon footprint by setting science-based carbon reduction targets in line with the goal of the Paris Agreement to keep global temperature increases below 2°C. Our new targets were set in 2018, and officially approved by the Science Based Targets initiative (SBTi) in the same year.

We will actively engage our supply chain partners, consumers and other stakeholders on these issues and work toward achieving our targets together.

For more about what we're doing to achieve our targets

→ see pages 19, 20, 25, 26 and 30.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science Based Targets initiative (SBTi)
The SBTi was established in 2015 and is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The initiative champions science-based target setting as a way to boost companies' competitive advantage in the transition to the low-carbon economy. Targets adopted by companies to reduce carbon emissions are considered "science-based" if they are in line with the level of decarbonization required to keep global temperature increase below 2°C compared to pre-industrial temperatures.

Find out more about Science Based Targets initiative
→ <https://www.sciencebasedtargets.org>

CO₂ emissions reduction targets for 2030

<p>Scope 1 and 2:</p> <p>33%</p> <p>Reduction in absolute CO₂ emissions from our direct operations (2015 baseline)</p>	<p>Scope 3:</p> <p>55%</p> <p>Reduction in CO₂ emissions from our supply chain per product manufactured (2015 baseline)*</p>
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Action 1

60%

Or above boost to the ratio of renewable energy in our business facilities

Action 2

30%

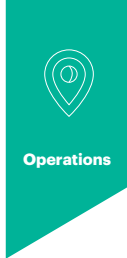
Reduction to the amount of energy our Tier 1 supplier factories use to manufacture each of our products

Action 3

100%

Recycled polyester to replace standard polyester materials in shoe uppers and sportswear products

* Target scope is 'purchased goods and services' and 'end-of-life treatment of sold products'.



OUR APPROACH TO MANAGING OPERATIONS CONTINUED

Energy efficiency and carbon emissions

At ASICS, we are committed to growing our business while at the same time reducing our carbon emissions, setting targets for reductions in line with climate science and in accordance with the Science Based Targets initiative (SBTi). We work to reduce our emissions both within the direct scope of our own operations, and the wider indirect scope associated with transportation, manufacturing and material sourcing.

Reducing the carbon footprint of our direct operations

Our target for 2020 is to reduce by 5% absolute CO₂ emissions from our direct operations (Scope 1 and 2, 2015 baseline) including retail operations. In addition to this, we have committed to reducing absolute Scope 1 and 2 CO₂ emissions by 33% by 2030 from the same base year, in accordance with the SBTi. This target is the basis of our mid-term carbon strategy, and helps us maintain momentum for our CO₂ reduction actions.

19.2%
decrease in our CO₂ emissions from direct operations, measured from the baseline years

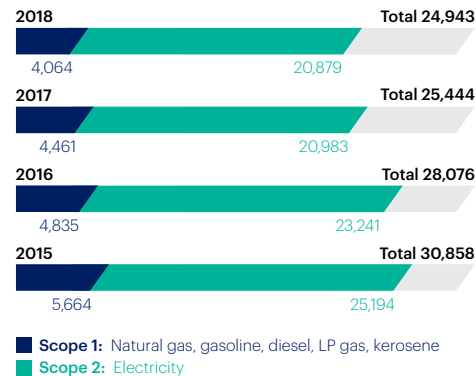
In 2018, our CO₂ emissions decreased 19.2% from the baseline year despite the slight increase in the number of our own retail stores from 876 to 899. Comparing our total emissions to our business revenue show an increase in our efficiency from the baseline year. The CO₂ emissions intensity per unit revenue has decreased by 10.4% from the baseline year.

In 2019 we will continue our sustainable energy projects to both increase efficiency and reduce the absolute emissions.

Our strategy to reduce energy use and CO₂ emissions includes:

- ▶ Increasing the use of on-site and off-site renewable energy
- ▶ Increasing energy efficiency in high energy usage locations
- ▶ Introducing more energy-efficient equipment and vehicles
- ▶ Adopting energy-efficient design to new buildings, distribution centers and retail stores or refurbishment of existing locations.

CO₂ emissions from our locations (tonnes)



The data applies to ASICS Group locations including offices, retail locations, distribution centers and wholly owned factories globally. Company/lease car impacts are also included. Figures for Scope 1 are calculated according to factors based on the 2006 IPCC Guidelines (Commercial Institutional). Company/lease car impacts in Brazil are calculated with factors using 2015 DEFRA data. Figures for Scope 2 are calculated according to factors based on "CO₂ Emissions from Fuel Combustion 2016-Year 2014" of IEA. The following formula is used when the amount of energy consumption for CO₂ emissions is not available for any sites: (energy consumption per square meter estimated for each type of site) X (area of site) X (CO₂ emission factor). The Certificate of Green Power 1.6 MWh was deducted from the total Scope 2. The 2015, 2016 and 2017 data are restated due to updated data and improved estimates. The 2018 emissions data are verified by Deloitte Tohmatsu Sustainability Co., Ltd.