

**ASICS Corporation**  
**Basic Policy on Corporate Governance**

Chapter 1 Outline

1. Objective

The ASICS Group (hereinafter the “Group”) establishes the “Basic Policy on Corporate Governance” (hereinafter the “Policy”) in accordance with the “ASICS SPIRIT” and “ASICS CSR Policy” to realize continual improvement of corporate value at a global level.

2. Basic Concept on Corporate Governance

ASICS (hereinafter the “Company”) aims for sustainable growth of the Group and long-term continuous improvement of corporate value by building firm relations of trust with our stakeholders including our shareholders, customers, the society, and our employees under the founding philosophy “ASICS SPIRIT.” In addition, the Company aims to contribute to the sustainable society by continuously providing attractive and eco-friendly products and services that please our customers under the Group-wide value of “Sound Mind, Sound Body” that embodied the Company’s founding philosophy.

For this end, the Company continues to strive for enhancement of supervision and the audit function of corporate management and internal control, the rigorous application of compliance, the improvement of transparency of management activities, and other efforts by building corporate governance to realize healthy and highly transparent management.

Chapter 2 Relations with Shareholders and Other Stakeholders

1. Basic Policy

In order to continually develop with society, the Company listens to and engages in dialogue with its stakeholders, including its shareholders, and through understanding and respecting their respective interests and the expectations placed on it, the Company is building a relationship of mutual trust and a partnership that is valuable to both parties. (5\*)

\*Note that the number in each policy refers to relevant corporate governance code.

2. Relations with Shareholders

(1) Significance of the General Meeting of Shareholders

The General Meeting of Shareholders is the supreme decision-making body in the Company, and it must reflect the decision of shareholders appropriately. (1.2)

(2) Securing the Rights of Shareholders

The Company effectively secures the rights of all shareholders, including foreign shareholders and

minority shareholders, and it secures effective equal treatment of shareholders by, for example, implementing the following measures:

- Providing procedures for the exercise of rights of shareholders such as minority shareholders in the Share Handling Regulations
- Setting a date for the General Meeting of Shareholders to enable a greater number of shareholders to attend
- Making efforts to send a notice of convocation earlier, and before sending it, it is disclosed by electronic methods such as by posting it on the Company's website.
- Ensuring a highly convenient environment for exercising voting rights through the implementation of a system for exercising voting rights via the Internet and the Electronic Voting Platform.
- Disclosing a reasonable scope of information in English to ensure foreign shareholders' smooth exercise of voting rights (1, 1.2.2, 1.2.3)

### (3) Dialogue with Shareholders

The Company establishes Disclosure Policy, disclose information promptly, accurately and fairly to shareholders and investors thereby contributing to constructive dialogue. In dialogues with and disclosing information to shareholders and investors, the departments in charge of IR/SR liaise closely with CEO, COO, CAO, and related departments to provide sufficient information.

CEO, COO, the General Manager of Accounting Department, the General Manager of Finance Department and others as for IR, and CEO, CAO, the General Manager of General Affairs Department and others as for SR, conduct interviews. (5.1, 5.1.1)

### (4) Basic Strategy for Capital Policy

The Company recognizes the return of profit to shareholders as one of the management's top priorities. Among them, the Company considers profit distribution based on the assumption that progressive dividends will continue, so as to achieve 50% of the consolidated total return ratio during the period of the mid-term plan as set in "Mid-Term Plan 2026." Moreover, the Company will balance return to shareholders and growth investment based on capital allocation policy in "Mid-Term Plan 2026." (1.3)

### (5) Basic Policy on Cross-Shareholdings

#### 1) Policy on Cross-Shareholdings

Aiming to become a front runner in the capital market as well, from the viewpoint of capital efficiency, ASICS sold all of the cross-held stocks excluding unlisted shares. In addition, ASICS Group will not cross-hold shares in the future.

#### 2) Policy on Exercising Voting Rights

The Group will not cross-hold shares in the future. (1.4)

#### (6) Basic Policy Regarding Control of the Company

The Company has no anti-takeover measures, and establishes the basic policies regarding Control of the Company for the purpose of protecting the interests of shareholders and the corporate value of the Company from a hostile takeover that damages the corporate value. (1.5)

#### (7) Related-Party Transactions

When conducting transactions with Company's Directors or Executive Officers that involve conflicts of interest as defined by the Companies Act, approval is obtained from the Board of Directors, and the results of the transaction are reported to the Board of Directors.

Moreover, when the Company conducts transactions with close relatives of the Company's Directors or Executive Officers, or with major shareholders, a report will be made to the Board of Directors beforehand, corresponding to the size and importance of the transaction.

Furthermore, the Company will establish the Conflict of Interest Management Regulations, which stipulate the prevention of overall conflicts of interest, including conflicts of interest transactions, and strive to strengthen the system for preventing conflicts of interest by directors, officers and employees.

(1.7)

### 3. Cooperation with Stakeholders

#### (1) ASICS CSR Policy

The "ASICS CSR Policy" is set forth to realize health and happiness of people in the world and a sustainable society and environment through sport-related products and services.

The Group establishes the "ASICS Global Code of Conduct" and global policies, in which the "ASICS CSR Policy" specifically informs the conduct of each individual officer and employee, as the basis for the corporate conduct that is considered acceptable and respected by all. To strive for rigorous application of the "ASICS CSR Policy," "ASICS Global Code of Conduct" and global policies, a division in charge of compliance is established based on the Global Compliance Policy and the roles of this division are to take comprehensive and cross-organizational supervision of initiatives for compliance of the Group, to assist directors, officers and employees in carrying out appropriate business operations, and to carry out education, instruction and the like through training and other activities. (2.2)

#### (2) Relations with Stakeholders

In order to become a more "sustainable company," the Group respects the interests of the various stakeholders, primarily the customers, employees, and suppliers, and aims for better activities together.

#### (3) Initiatives for Diversity

The Company promotes diversity, equity, and inclusion throughout our global operations with the aim of realizing truly better lifestyles for people by respecting and enhancing diversity. (2.4)

#### (4) Whistleblowing System

The Group has in place a Global Whistleblowing Line targeting the Group pursuant to the “Global Policy on Protected Disclosure (Whistleblowing).”

The Global Whistleblowing System, which enables the use of hotline that is independent from the senior management, is provided to enable reporting by not just directors, officers and employees of the Company but also by its business partners when they know the conduct that violates the “ASICS CSR Policy,” “ASICS Global Code of Conduct” and global policies or when they discover another important fact regarding compliance. After such report, the Compliance Committee investigates promptly and takes corrective measures. From time to time, the Compliance Committee shall report the situation to the Audit & Supervisory Committee or Selected Audit & Supervisory Committee Member. Furthermore, the Company takes care to ensure that people providing it with information are not mistreated. (2.5)

### Chapter 3 Ensuring Appropriate Information Disclosure and Transparency

The Company has established the Disclosure Policy and information disclosure policies pursuant to “ASICS SPIRIT,” “ASICS CSR Policy,” and “ASICS Global Code of Conduct,” and it timely and appropriately discloses not just the matters it is legally obliged to disclose but also information considered valuable for the various stakeholders. (3)

### Chapter 4 Responsibilities of the Board

#### 1. Organizational Structure

The Company has chosen for its organizational structure under the Companies Act to be a Company with Audit & Supervisory Committee, aiming to promote prompt decision-making by clearly separating the supervision and execution functions of management. To increase the vigilance of management and strengthen the supervisory function of the Board of Directors, the majority of the board is comprised of Outside Directors. With these measures, the Company will increase corporate value over the medium- to long-term through effective corporate governance.

Furthermore, the Company has established a Nomination and Compensation Committee as an advisory body to the Board of Directors to ensure fairness and transparency in decisions on important matters of corporate governance; namely, nomination and compensation of Directors and Executive Officers. (4.4, 4.8, 1.1.2)

#### 2. Board of Directors and Directors

##### (1) Roles and Responsibilities of the Board of Directors

Based on the fiduciary duties and accountability to the shareholders, As well as in addition that the Company’s Board of Directors performs important business execution, the Board performs supervision of business execution mainly through the actions of the independent Outside Directors for the purpose of realizing the sustainable growth of the Company and improving corporate value in the medium and long term based on the responsibilities and accountability entrusted to it by the shareholders. (4)

##### (2) Composition, Qualification Standards and Selection Process

The number of Directors of the Company including Audit Supervisory Committee members is limited to a maximum of 14, and the majority shall be independent Outside Directors. (4.8)

To ensure the Board of Directors fulfills their roles and responsibilities, the respective Directors should be suitable individuals who can realize the Company’s management philosophy, execute business strategies, understand the Company’s business and to possess abundant experience and knowledge. Also, candidates for directorship shall be selected without regard to gender, nationality, race, ethnicity, age, etc. (4.11)

To ensure appropriate corporate governance, the Company has independently established the

qualification standards and independence requirements of independent Outside Directors in the “Selection Criteria for Independent Outside Directors” and candidates are nominated accordingly. (4.11.1)

The Company ensures fairness and transparency in decisions on Director candidates by respecting the opinions of the Nomination and Compensation Committee. (3.1)

Director shall be elected at the ordinary general meeting of shareholders for the terms specified in (3) below, and shall be eligible for re-election.

### (3) Term of Office

In order to clarify the management responsibility of each Director and establish a management system that swiftly responds to changes in the business environment, the term of Directors (excluding those who are Audit & Supervisory Committee members) ends at the closing of the ordinary general meeting of shareholders relating to the final business year ending within 1 (one) year after the director’s election pursuant to the Articles of Association and the term of office of Audit & Supervisory Committee members ends at the closing of the ordinary general meeting of shareholders relating to the final business year ending within 2 (two) years after his/her election pursuant to the provision of the Companies Act. (1.1.2)

### (4) Compensation

The Company has established a system for compensation of Directors that incentivizes Directors to aim for the sustainable growth of the Company and improvement of its corporate value.

The Company ensures fairness and transparency in decisions on the compensation for Directors by respecting the opinions of the Nomination and Compensation Committee. (4.2)

### (5) Ensuring Effectiveness of the Board of Directors

The Company ensures the individual Directors to fulfill their roles and responsibilities by, for example, taking the following measures:

- Deciding on an annual schedule for Board of Directors meetings at an early juncture and giving notice to Directors.
- Distributing reference materials for Board of Directors meetings beforehand.
- Explaining the details of important matters to Outside Directors beforehand.
- The Executive side reviews and discusses responses to the Directors’ comments in the Board of Directors meeting, and provides feedback titled “Review on the Board of Directors” at the following Board of Directors meeting. (4.11.2)

### (6) Evaluating Effectiveness of the Board of Directors and the Nomination and Compensation Committee

At a decided point in time every year, to further improve the effectiveness and functioning of the Board

of Directors and the Nomination and Compensation Committee, the Board of Directors requires each Director to complete questionnaires (for self-evaluation), among other requirements. This information is analyzed to evaluate the effectiveness of the Board of Directors, and a summary of these results will be disclosed. To this end, the Board of Directors shall engage third-party evaluation organization and conduct individual interviews with directors as necessary. (4.11.3)

#### (7) Succession Planning

As a key management priority, the Board of Directors establishes a plan to develop successors who can respond to tumultuous changes in the business environment and realize the management philosophy and management strategies of the Company in order for the Company to continue to have sustainable growth with respect of the opinions of the Nomination and Compensation Committee. (4.1.3)

### 3. Nomination and Compensation Committee

The Company ensures fairness and transparency in decisions on the nominations and compensations of Directors and Executive Officers by establishing the Nomination and Compensation Committee.

The majority of the members of the Nomination and Compensation Committee shall be independent Outside Directors. Chairman of the Committee shall be elected from Independent Outside Directors.

The Board of Directors shall respect the opinions of the Nomination and Compensation Committee in deciding the matters regarding nomination of and compensation for Directors and Executive Officers. (4.10)

### 4. Audit & Supervisory Committee and Audit & Supervisory Committee members

#### (1) Roles

The Audit & Supervisory Committee members of the Company take into consideration the fiduciary duties to responsibilities entrusted to them by the shareholders and carry out the following roles from an independent and objective standpoint:

- 1) Audit and supervision of the execution of duties of Directors and Executive Officers;
- 2) Decision on opinions regarding appointment and dismissal of and remuneration for Directors other than Audit and Supervisory Committee members;
- 3) Decision on proposal regarding appointment and dismissal and non-reappointment of the Accounting Auditor; and
- 4) Exercise of authority concerning audit compensation

## (2) Qualification Standards

Audit & Supervisory Committee members must possess the sufficient experience and expertise to perform the appropriate auditing of business execution, and in particular, at least one of the elected Audit & Supervisory Committee members must possess a suitable level of insight regarding finance, accounting and legal affairs. (4.4, 4.11)

## 5. Internal Control

In addition to establishing basic policies on internal control, the Board of Directors regularly receives reports on the status of the overall operation of internal control, and takes efforts to confirm such reports. (4.3.4)

## 6. Accounting Auditor

The Company recognizes the Accounting Auditor's responsibilities toward shareholders and investors, and it takes suitable action to ensure appropriate auditing.

As a consideration to specific standards of qualification for the Accounting Auditor, the Company's preference is given to one that enables the carrying out of high-quality audits by utilizing a network of member firms present in various countries and regions because the Company is developing its business in various locations globally. (4.4)

## 7. Support System for Directors and Audit & Supervisory Committee members

### (1) Establishment of the Secretariat of the Board of Directors and the Audit & Supervisory Committee Office

To support the directors, the Company has established the Secretariat of the Board of Directors with the General Affairs Department playing the role of the Secretariat. Moreover, the Company also established the Audit & Supervisory Committee Secretariat under the Audit & Supervisory Committee to support the Audit & Supervisory Committee members.

### (2) Ensuring Provision of Information

The Board of Directors and the Audit & Supervisory Committee carry out confirmation regarding the support systems and the provision of information when performing supervision or auditing of the operations of the internal control system.

### (3) Burden of Costs

The Company ensures a system to perform advance payment or reimbursement of costs (including costs to obtain advice from outside experts such as lawyers and certified public accountants, etc.) and handling of liabilities that arise in the execution of duties, in response to the requests from Directors. (4.13, 4.13.2)

## 8. Training

The Company provides opportunities for training by outside or internal training bodies to enable newly appointed Directors and Executive Officers to gain the knowledge required as a director or officer related to business (financial accounting, corporate value evaluation, leadership, organizational reforms, management strategies, and business innovation), laws and regulations related to the Companies Act, and risk management. Moreover, the Company provides opportunities for independent Outside Directors to learn the details of business specific to the Company through explanation of the Company's business strategies and observation and other participation at key business premises, sports events and other venues in various regions around the world.

Also, after their appointment, the Company provides opportunities to learn the latest knowledge on revisions to laws, etc., or for other information provision required by Directors through seminars conducted by lawyers or other experts. (4.14)

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