



MIZUNO CORPORATION MODERN SLAVERY STATEMENT FY2015

This statement has been published in accordance with the Modern Slavery Act 2015.

It describes the measures taken by Mizuno Corporation and its group (hereinafter 'Mizuno') during the fiscal year ending 31 March 2016 to prevent modern slavery and human trafficking in its business and supply chains.

Introduction

For Mizuno, 'good manufacturing' does not simply mean producing high quality, safe and reliable items. We believe that our manufacturing processes should meet international criteria in terms of respect for human rights, labour practices, and environmental conservation. As Mizuno productions involve a variety of partners in Japan and overseas, it is essential to cooperate with these partners in terms of 'good manufacturing'. For this reason, Mizuno examines respect for human rights, the safety of the working environment, and environmental conservation as well as legal compliance with suppliers, and undertakes improvements if there are any problems. We commenced CSR procurement activities in 2004 in order to maintain an appropriate working environment. We recognize that our manufacturing affects people working in factories and communities, and we promote CSR procurement based on trust and cooperation with our suppliers, asking them to improve their management and working environment to provide the benefits of production efficiency and strengthened competitiveness, and have a positive impact on communities.

Our organization's structure, business and supply chains

Mizuno consists of Mizuno Corporation, 19 subsidiary companies and four affiliated companies, and the production and sale of sports items is the main content of its business. Mizuno Corporation (UK) is one of three branch offices in Europe established by Mizuno Corporation in Osaka, Japan, which is the headquarters.

Mizuno manufactures sporting goods including shoes, apparel and golf clubs that are made by its own factories and more than 400 contract suppliers and factories located in Japan, China, Korea, Taiwan, Indonesia, Vietnam, Thailand, the Philippines, Myanmar and Cambodia, among others. Mizuno monitors the situation of human rights, labour practices and the environment through the implementation of CSR audits of more than 200 factories, and also expects them to respect the

Mizuno Code of Conduct for Suppliers.

Our policies in relation to slavery and human trafficking

Mizuno respects the labour-related international code of conduct, including the Universal Declaration of Human Rights and the ILO core labour standards. We comply with all labour-related laws and regulations, including each country's working hours, remuneration, union options, right to collective bargaining, and working conditions, and we aim to achieve a workplace where each individual's dignity and fairness are respected. Mizuno determines the CSR code of conduct for suppliers, adding the perspective of ISO 26000, the international guidance on social responsibility, conveys Mizuno's approach to our suppliers, and requests that they adhere to these principles.

Mizuno has included an article on respecting human rights (10th article) in the Mizuno Corporation Ethical Standards, in which we express the intent to avoid utilising forced labour or child labour. Along with this, we express the prohibition of child labour and forced labour by including an article on human rights in the Mizuno Code of Conduct for Suppliers (2nd article; 1st item).

Mizuno regards slavery and human trafficking as one of the risks inherent in child labour and forced labour, which is why we express the prohibition of child labour and forced labour, and we are aiming to achieve it through CSR procurement.

The due diligence processes in relation to slavery and human trafficking in our business and supply chains

In order to ensure CSR procurement, we consider that it is important to undertake an evaluation before commencing business. Based on the CSR procurement regulations, we provide the mechanism of CSR evaluations in advance to potential new manufacturing factories, and undertake our own evaluation of human rights, labour practices, and the environment for the main potential new manufacturing factories.

Regarding CSR audits for suppliers with which business is undertaken, based on the Mizuno CSR procurement regulations we implement regular (three-yearly) monitoring (CSR audits) of around 200 factories, which constitute our main contract manufacturing, in terms of compliance with the contents of the Mizuno Code of Conduct for suppliers.

The parts of our business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps that have been taken to assess and manage this risk

In fiscal year 2015, Mizuno used the World Bank's Worldwide Governance Indicators 2013 ('WGI') as the basic data for comprehensive analysis by country, adding the factory evaluation of the CSR audits undertaken in the past. We used the results of this analysis to evaluate the risk of 215 countries and territories and for information to assist us in making decisions on commencing business with potential OEM factories. We classified the countries and territories into two groups: those to be audited, and those not to be audited. In addition, we check those countries where Mizuno products are produced each quarter of every year.

Its effectiveness in ensuring that slavery and human trafficking is not taking place in our business or supply chains, measured against such performance indicators as it considers appropriate

We use a common monitoring sheet based on ISO 26000 to confirm compliance, classify the audit items into three stages known as Critical, Major and General, and utilise the point addition method in implementing the audit.

The CSR auditor confirms that a factory does not use child labour or forced labour, which are classified as Critical, by checking the ID cards and other documents and by carrying out worker interviews. We have specified that if an auditor discovers child labour or forced labour (slavery and human trafficking) during a CSR audit, the auditor must inform the CSR section in the legal department of the Mizuno headquarters, regardless of the evaluation of any other items, and handle the situation in accordance with the directions provided by the CSR section.

The training on slavery and human trafficking available to our staff

We hold explanatory meetings and seminars inside and outside Mizuno as required in each country to ensure that our thoughts regarding CSR procurement are thoroughly understood. Within Mizuno, we hold explanatory meetings for the production department as well as an employee training program for all members of the company.

We have also established a program for explaining the Mizuno CSR procurement activities in seminars held outside the company. In addition, we visit the countries in which our suppliers and factories are located, and hold seminars for them. Last year, we held explanatory meetings on

Mizuno CSR procurement for the contract factories of MIZUNO SINGAPORE PTE LTD., two factories in Kuala Lumpur, Malaysia and one in Bangkok, Thailand in August.

This statement was approved by the Board of Directors of Mizuno Corporation.

Signed

A handwritten signature in black ink, appearing to read "Akira Mizuno". The signature is written in a cursive, flowing style.

President

Mizuno Corporation

30 September 2016