



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 2023 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 the manufacturing processes should meet international criteria in terms of respect for human rights, labor practices, and environmental conservation. As Mizuno productions involve a variety of partners in Japan and overseas, it is essential to cooperate with these partners regarding “good manufacturing”.

For this reason, Mizuno examines the respect for human rights, the safety of the working environment, and environmental, as well as legal compliance with suppliers, and is committed to undertake improvements if there are any problems. We commenced CSR procurement activities in 2004 in order to maintain a proper 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 in communities. In addition, we disclose the details of our CSR procurement activity on our website.

For more details, please refer to our global corporate website under the topic of:

[Supply Chain Management](#)

Our organization's structure, business and supply chains

The Mizuno Group, comprising of the Mizuno Corporation, its 24 subsidiaries and 14 affiliated companies, is primarily engaged in the manufacturing and the selling of sporting goods. For more details, please refer to our global corporate website under the topic of:

[Global Office Locator](#)

Mizuno works with a number of external organizations in an effort to supply better sporting goods. Sports shoes, sportswear, golf clubs and other goods are manufactured at its own factories and at contracted factories, which are mainly located in China, South Korea, Taiwan, Indonesia, Vietnam, Thailand, the Philippines, Myanmar and Cambodia. Mizuno conducts its CSR procurement activities in compliance with the Mizuno CSR Procurement Code of Conduct. After Mizuno confirms that the factories fully understand the content of these activities, it conducts CSR procurement audits at contracted factories so that Mizuno makes corrective measures if Mizuno identifies any problems related to human rights, occupational safety and health, and the environment. Mizuno monitors the situation of human rights, labour practices and the environment through the implementation of CSR audits of more than 150 key factories, and also expects them to respect the Mizuno Code of Conduct for Suppliers.

For more details, please refer to our global corporate website under the topic of:

[Status of the supply chain](#)

[Code of Conduct for Suppliers](#)

[Translations of the Mizuno Code of Conduct for Suppliers](#)

Our policies in relation to slavery and human trafficking

Mizuno is basing on CSR Basic Philosophy, CSR vision, and ISO26000, guidance on social responsibility to proceed with CSR activities.

For more details, please refer to our global corporate website under the topic of:

[Management policy](#)

We respect the Universal Declaration of Human Rights and the labor-related international code of conduct, including the ILO core labour standards. We comply with all labor-related laws and regulations, which govern working hours, compensation, trade union choice, collective bargaining rights, working conditions, and other job issues, of the countries where we operate, and we aim to create a workplace where individuals are treated with dignity, fairness, and respect.

We have established the Mizuno Code of Conduct for Suppliers, which adopts the perspective of ISO 26000, international guidance on social responsibility, to convey our CSR approaches to suppliers, and we ask them to comply with its principles. The Mizuno Code of Conduct for Suppliers has been translated into the language of each country where major factories are located, and we ask them to post it so that workers in the factories can understand its content.

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 utilizing 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.

For more details, please refer to our global corporate website under the topic of:

[Mizuno Corporation Ethical Standards](#)

[Efforts to prohibit and eliminate child labor](#)

[Responses to modern slavery \(or forced labor\)](#)

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

Our CSR procurement covers not only Mizuno Corporation but also overseas branches / subsidiaries and licensed sales agencies. CSR procurement activities are composed of two parts: CSR evaluation of suppliers before the commencement of business and regular CSR audits of suppliers doing business with us. In a CSR evaluation before the commencement of business, we evaluate major new suppliers from the aspects of human rights, labor practices, and the environment

based on the Mizuno Code of Conduct for Suppliers to ensure that we can undertake procurement from suppliers that meet our criteria for commencing business*. We also hold CSR procurement briefing sessions in Japan and overseas to explain our approach to CSR procurement. For CSR audits of suppliers doing business with us, we conduct regular audits of factories, selected based on our own criteria, on a three-year cycle.

Mizuno adds its own perspective based on the World Governance Indicators published by the World Bank, and if the factories are located in countries that are considered to have high human rights risks, the factories must have a CSR audit on a regular basis. This work is reviewed annually based on the latest World Governance Indicators. The factories are exempt from a CSR audit if they are located in countries that are highly ranked in terms of indicators such as Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption.

For CSR audits of suppliers doing business with us, we conduct regular monitoring (CSR audits on a three-year cycle) of compliance with the Mizuno Code of Conduct for Suppliers based on the Mizuno CSR Procurement Regulations, targeting more than 180 factories that serve as our major suppliers. In FY 2022, 57 factories (56 Tier 1 factories, nine in Japan, and 47 abroad, 1 Tier2 Factory) were audited.

We are advancing efforts to understand the status of human rights, labor, and environmental impacts at Tier 1 suppliers that have a direct relationship with us and to take corrective action as needed as our top priority initiatives.

For Tier 2 and Tier 3 suppliers that do not have direct transactions with us but deliver parts and materials to our subcontracted factories, we are also proceeding with efforts, focusing on areas with high risk of significant human rights and labor issues and environmental impacts. Since FY 2017, we have begun to grasp the current status of Tier 2 and Tier 3 suppliers that perform plating of iron heads for golf clubs, dyeing of textile materials, and leather tanning for baseball gloves and shoes, which are considered to be high risk.

- FY 2017: We audited two factories that manufacture golf components. In order to understand the realities of the metal processing factories in Japan and the fabric dyeing and processing factories in Thailand, which are our Tier 2 and Tier 3 suppliers apart from component factories, we visited the local areas and inspected the sites.
- FY 2018: We conducted CSR audits at a total of five factories: a golf club component factory in China, a golf club plating factory, a leather tanning factory in Vietnam, a shoe upper (vamp material) factory, and a rubber sole factory for shoes.
- FY 2019: We carried out CSR audits at a total of six factories that included golf component factories and factories manufacturing vamp materials and sole materials for shoes. Among these, the audit results for three factories - a golf component factory and factories processing sole materials and vamp materials - fell below Mizuno's passing standards.
- FY 2020: In FY 2018 and 2019, we conducted follow-up audits at two of the three factories that fell below our standards. The two factories subject to the follow-up audits corrected their non-compliant items and achieved an A rank evaluation. In FY 2020, we conducted an audit at one golf club component factory

- FY 2021: Due to preventative measures against the novel coronavirus, such as visitor restrictions from outside, we were unable to conduct audits of our Tier 2 and Tier 3 suppliers.
- FY2022: We conducted an audit at one golf component factory. Since this factory fell below Mizuno's passing standards, we will conduct a follow-up audit in FY 2023
- FY2023: Since 2020, we have stopped auditing suppliers other than Tier 2 and Tier 3 suppliers for golf clubs. We will investigate the transaction conditions and realities of Tier 2 and Tier 3 suppliers and consider management methods for 2024 and beyond.

For more details, please refer to our global corporate website under the topic of:
[the Worldwide Governance Indicators](#)

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

Audits are usually conducted in the form of two-party audits, in which multiple auditors from external specialized agencies perform audits based on our criteria. Our CSR audits are conducted with the aim of preventing the occurrence of problems. If a problem is found during an audit, we discuss appropriate corrective actions to improve the situation and then ask the relevant supplier to take these actions. Thus, we place emphasis on feedback after an audit. We believe that to improve the CSR procurement status of overseas subcontracted factories, it is effective to work jointly with organizations that have knowledge in the field of CSR procurement and other companies in the same industry. Accordingly, we actively work to collaborate with outside organizations to improve the CSR procurement status of suppliers. Since a CSR audit consists of on-site audits, document audits, and employee interviews, it is usually conducted by multiple auditors over one to several days. To check the compliance status of suppliers, a globally common monitoring sheet based on ISO 26000 is used. The audit items on the monitoring sheet are classified into three categories – “critical,” “major,” and “general” – depending on the degree of importance and urgency. If the item requirements are met, the points set for each category are aggregated and quantified for evaluation.

Initiatives on conflict minerals

Although we are not listed in the United States and are therefore exempt from reporting and disclosure obligations, we conducted a survey in 2018 to identify the usage of substances defined as conflict minerals, and identified products that use them. Specifically, we found that tungsten was being used in golf club heads, as weights for balancing soft tennis rackets, and at the tips of ultra-hard baseball spikes.

As of 2022, within our corporate group, we conducted a survey using the unified survey form (CMRT: Conflict Minerals Reporting Template) provided by RMI (Responsible Minerals Initiative) for the tungsten used in golf club heads and identified all the refineries. Furthermore, we confirmed that these refineries are registered in RMI's Conformant Tungsten Smelters list.

A refinery registered in the RMI's certified refinery list means a refinery that has been confirmed to have no illegal activities in the process of procurement management of conflict minerals through the RMAP (Responsible Minerals Assurance Process) audit.

In addition to conducting a survey using the CMRT, we concurrently implemented traceability up to the refinery for the tungsten used in golf, created a supply chain map, and ensured transparency in the procurement route of tungsten. We will continue to request our business partners not to use minerals from refineries other than the certified ones.

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.

The CSR auditor confirms if there is no child labour or forced labour, which is classified as Critical, by checking the ID cards and other documents and by carrying out worker interviews. We have stipulated that the auditor must inform the CSR section in the Legal Affairs Department of Mizuno headquarters, regardless of the evaluation of any other items, and handle the situation in accordance with the instructions provided by the CSR section if an auditor discovers child labour or forced labour (slavery and human trafficking) during a CSR audit.

Based on the Worldwide Governance Indicators, we select countries where we conduct a CSR audit, and basically we do not conduct a CSR audit of factories located in Japan. However, NGOs and other organizations have expressed concern that Japan's foreign technical intern training program and Japan's way of treating migrant workers overseas have problems in terms of human rights and working conditions. Accordingly, for factories that employ foreign workers, our CSR procurement staff directly conduct a CSR audit as an exception.

Survey of audited factories that employ foreign technical intern trainees

As of April 1, 2022, We have 125 OEM factories in Japan, out of which 37 employ a total of 324 foreign technical intern trainees. Among these factories employing foreign trainees, 22 factories, with a total of 201 trainees, are subject to audits based on our standards

In FY 2022, out of 37 factories in Japan, 16 factories were subject to audits. Due to circumstances such as business closures, 3 were canceled and 4 were postponed to the next fiscal year, but audits were carried out at 9 factories in FY 2022. The evaluations of the 9 factories where CSR audits were conducted in FY2022 were all rated as A. The breakdown of nationalities of the foreign technical intern trainees employed at these 9 factories was as follows: 8 from China, 68 from Vietnam, 12 from Indonesia, 1 from Thailand, 13 from Cambodia, and 9 from Myanmar."

Participation in the Japan Platform for Migrant Workers towards Responsible and Inclusive Society

It is reported that there are approximately 1.82 million foreign workers in Japan (of which approximately 340,000 are foreign technical intern trainees) and that approximately 290,000 establishments employ foreign workers.* Foreign workers have become important members of the Japanese economy and society.

Toward 2030, which is the target year for the SDGs, we have voluntarily participated in the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI) to promote the improvement of the work and living environments of foreign workers together with companies and organizations that agree with and implement the Platform Principles of Conduct, which meet international standards. We hope that employers and organizations will accept foreign workers steadily and responsibly while complying with laws and regulations.

* As of the end of October 2022, according to a survey by the Ministry of Health, Labour and Welfare

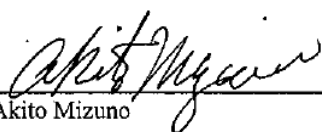
The training on slavery and human trafficking available to our staff

Currently, in Southeast Asia, where many of our subcontracted factories are located, environmental problems and labor-management disputes are more likely to occur than ever before due to the rapid economic growth of the region. Under such circumstances of social changes, it is difficult to resolve fundamental human rights, labor, and environmental issues simply by correcting non-conformities identified in CSR audits. Accordingly, we need to focus on capacity building (capacity improvement) of factories as activities other than CSR auditing in the future.

In FY 2022, externally, we presented at JP-MIRAI, ESG seminars of client companies, and events of the Japan Bar Association, introducing Mizuno's CSR activities and an overview of CSR procurement management. Internally, as part of the Human Resources and General Affairs Department's education programs (for all employees, new employees, overseas trainees, and newly appointed managers), we explained the importance of corporate engagement in human rights issues and explained the mechanism of CSR procurement to overseas subsidiaries such as Mizuno Europe, Mizuno USA, Mizuno Korea, and domestic subsidiary Senoh Corporation, thereby promoting CSR activities to our employees both domestically and abroad, including related companies.

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

September 2023



Akito Mizuno

President and Representative Director
Mizuno Corporation