

Period covered by COP  
 Start: 2019/04/01  
 End: 2020/03/31

## II. Linkage Table between "Four areas of the UN Global Compact" and CSR Report and Internal Rules

UNGC field	In the CSR Report 2020 appropriate page	relevant internal regulations
Continuous endorsement by the CEO	P-2	
Human Rights Principles	P1 P5 P.8 P.8	<ul style="list-style-type: none"> <li>• Descente Basic CSR Policy (Article 3) -&gt;See III. Main Related Provisions A</li> <li>• Descent Supplier COC (Article 2) -&gt;See III. Main Related Provisions D</li> <li>• Descente Group Code of Ethics (Articles 7 and 8) -&gt;See III. Main Relevant Provisions B</li> <li>• Descente Code of Conduct -&gt;See III. Main Relevant Provisions C</li> </ul>
II. Labor Standards Principles	P5 P.8	<ul style="list-style-type: none"> <li>• Descente Supplier COC</li> <li>• Descente Group Code of Ethics</li> </ul>
III. Environmental Principles	P.3 p. 3 P.8 P5	<ul style="list-style-type: none"> <li>• Descente Basic Environmental Philosophy -&gt;See III. Main Related Provisions E</li> <li>• Descente Environmental Policy -&gt;See III. Main Related Provisions F.</li> <li>• Descente Group Code of Ethics (Article 6)</li> <li>• Descent Supplier COC (Article 3)</li> </ul>
IV. Anti-Corruption Principles	P.8 P.7	<ul style="list-style-type: none"> <li>• Descente Group Code of Ethics (Articles 3 and 5)</li> <li>• Risk Management Rules and Rules -&gt;See III. Main Related Provisions G</li> </ul>

## III. UNGC4 Sector: Main relevant provisions relating to the 10 principles

### A. Descente CSR Basic Policy

1. The Descente Group Corporate Philosophy Based on these principles, we will enrich people's bodies and minds through sports and contribute to the creation of healthy lifestyles.
2. The Descente Group aims to achieve sustainable synergies with society by responding through its business activities to the expectations of society, the economy, and the environment.
3. The Descente Group says, Descente Group Code of Ethics We will respect human rights both in Japan and overseas, comply with relevant laws, regulations and international rules, and act with high ethical standards and aspirations.

### B. Ethical Code of the Descente Group

- 1) Providing better products and services

The Descente Group (hereinafter referred to as "Desant") always puts the customer first, aims to create safe and high-quality products, and contributes to the creation of vibrant lifestyles by proposing new values.

2) Compliance with laws and regulations based on social norms  
In conducting its business activities, Descente complies with laws, regulations and other social norms, and pursues social decency.

We will act in a fair and open manner.

3) Fair and transparent transactions and free competition  
Descente does not engage in illegal or socially unacceptable business transactions. Also, we do not gain or give unjust profit by business transaction. In addition, Descente will never engage in bribery, breach of trust or any other conduct that is contrary to the law.

4) Disclosure of corporate information  
Descente actively and accurately discloses information on corporate management and business activities in a prompt and accurate manner by communicating with not only shareholders but also customers, investors, business partners, and local communities, except for those that are recognized as trade secrets.

5) Civil Intervention Violence and Breaking of Relations with Other Anti-Social Forces and Organizations  
Descente will never comply with unreasonable demands from anti-social forces and organizations that threaten the order and safety of civil society, such as civil intervention violence. If there is a problem, the company organizes. We will deal with it in cooperation with the police.

6) Active Efforts for the Environment  
Descente recognizes that conservation of the global environment is one of the most important issues, and based on the "Descente Basic Environmental Philosophy", we will actively engage in global environmental conservation activities and conduct environmental management with the aim of achieving a sustainable society.

7) Creating a Comfortable Work Environment  
Descente is committed to complying with established rules to create a safe and healthy work environment. We will strive to realize a corporate culture in which employees can exercise their full creativity and willingness to take on challenges by thoroughly eliminating occupational accidents and conducting health management. Descente also ensures that no one, or anyone associated with our company, is harassed or discriminated against because of their place of origin, gender, age or physical handicap that is not directly related to the conduct of their work.

8) Social contribution and international cooperation  
Descente aims to contribute to society not only in Japan but also around the world by providing its customers with excellent products and related sporting events. We will also respect and strive to understand the culture and customs of each region when dealing with foreign companies and organizations.

9) Responsibilities of executives and employees  
Executives and senior employees shall take the initiative in implementing this Code of Ethics to provide management guidance and establish internal systems. In addition, if a situation that violates the Code of Ethics occurs, we will investigate the cause and provide information. At the time of disclosure, we clarify our responsibilities, including ourselves, and take thorough measures to prevent a recurrence.

### C. Descente Code of Conduct

(Summary) "Descente Code of Conduct" provides a more detailed explanation of how employees implement each of the 9 perspectives specified in "Descente Group Code of Ethics". The full text is omitted.

### D. Descent Supplier COC (Code of Conduct for Transactions)

Descente considers working conditions and environmental conservation in its supply chain as essential factors in addition to its search for high-quality, high-performance products, and established our company's Code of Conduct based on the Code of Conduct of the World Federation of Sporting Goods Manufacturers (WFSGI) as follows. Descente requires all our company subcontractors to conduct business in accordance with this Code of Conduct.

#### 1. LEGAL COMPLIANCE

Suppliers shall operate in full compliance with national and local laws, rules and regulations relevant to their business operations.

## 2. WORKING CONDITIONS

Suppliers shall apply local industry standards for working conditions when they are higher than the local legal requirements. And Suppliers shall apply the following minimum criteria in countries where the legal requirements fall short of internationally recognized standards:

### a) Forced Labour

Suppliers shall not use forced labor, whether in the form of prison labor, indentured labor, bonded labor, or otherwise. Suppliers shall not compel any workers to work through force, the threat of force, or intimidation of any form.

### b) Nondiscrimination

Suppliers shall not discriminate in employment, included in hiring, salary, benefits, advancement, disciplines, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

### c) Freedom of Association and Collective Bargaining

Suppliers shall recognize and respect the rights of workers to join workers organizations and associations of their own choosing, and to bargain collectively. Where the right to freedom of association and collective bargaining is restricted under law, suppliers shall consider the development of parallel means for independent and free association and bargaining.

### d) Wages

Suppliers shall recognize that wages are essential to meeting workers' basic needs and that suppliers shall fully compensate workers for all time worked. In all cases, wages shall equal or exceed the minimum wage or the prevailing industry wage, whichever is higher. In addition to their compensation for regular hours of work, suppliers shall compensate workers for overtime hours at the premium rate legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate exceeding their regular hourly compensation rate.

### e) Hours of Work

Suppliers shall not require workers, except in extraordinary business circumstances, to work in excess of 60 hours per week, including overtime, or the local legal requirement, whichever is less. Suppliers shall grant workers to have the right to take at least 1 day off for every 7 day period.

### f) Benefits and Leave

Suppliers shall recognize that all workers will be provided all legally mandated benefits, and suppliers shall not prevent workers from enjoying the benefits. These benefits may include meals or meal subsidies; transportation or transportation subsidies; other cash allowances; health care; child care; emergency, pregnancy or sick leave; religious, or bereavement leave; and contributions for social security and other insurance, including life, health and employees compensation.

### g) Child Labour

Suppliers shall not employ any workers at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

### h) Health and Safety

Suppliers shall provide all workers with a safe and hygienic working environment, and shall promote occupational health and safety practices which prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of suppliers' facilities. This includes protection from fire, accidents, and toxic substances. Suppliers shall provide all workers with adequate lighting, heating and ventilation systems and access at all times to sanitary facilities, which shall be adequate and clean. Suppliers shall have safety and health policies and procedures that are clearly communicated to the workers. These shall apply to workers residential facilities, where provided by suppliers.

### i) Harassment or Abuse

Suppliers shall recognize all workers have the right to a workplace free from physical, sexual, psychological or verbal harassment or abuse and shall treat all workers with respect and dignity.

## 3. ENVIRONMENT

Suppliers shall use their best efforts to improve their environmental performance progressively, not only in their own operations, but also in their relationships with partners, suppliers and subcontractors. This includes:

- Integrating principles of sustainability into business decisions.
- Responsible use of natural resources such as land, soil, energy and water.
- Reducing, minimizing and avoiding pollution and waste including solid, liquid and atmospheric conditions.
- Designing and developing products, materials and technologies according to the principles of sustainability.

#### 4. COMMUNITY INVOLVEMENT

Suppliers shall recognize the economic and social impact of their work and shall improve conditions in the wider community.

#### 5. COMPANY SPECIFIC STANDARDS

Suppliers shall use their best efforts to draw up their own specific code of ethical conduct, if they have not already done so, building on this Code of Conduct.

#### 6. VERIFICATION

Suppliers shall keep necessary documents that prove suppliers' compliance with each provision of this Code of Conduct and all laws, rules and regulations, and shall present the documents upon DESCENTE's request. And upon DESCENTE's request suppliers shall permit and cooperate with inspections by DESCENTE or its designated third party.

#### 7. COMPLIANCE

Suppliers shall take steps to ensure compliance with all provisions under this Code of Conduct in their own operations and those who supply them. Where there are instances of non compliance whether found by internal or external monitors, suppliers shall ensure timely and reasonable remediation of such non compliance; and shall ensure that adequate steps are taken to prevent recurrence and/or occurrence in other factories.

#### E. Descente Basic Environmental Principles

Descente recognizes that conservation of the global environment is one of its most important issues, and will actively and continuously give consideration to environmental conservation in all aspects of its business activities.

#### F. Dessant Environmental Policy

Based on the Basic Environmental Philosophy of Descente, the following items shall be established in order to promote environmental conservation activities, to reduce environmental impact and environmental risks, and to proactively and continuously take actions to prevent the occurrence of such risks.

1. Establish the "Environmental Committee" to promote environmental conservation activities.
2. Comply with environment-related laws, regulations, and agreements, and work to protect the environment.
3. Strive to conserve resources, energy, recycle, and reduce waste in all areas.
4. Accurately grasp the impact of business activities on the environment, set objectives and targets to the extent technically and economically possible, and work with all employees to review the results and continuously improve and improve.
5. Develop and manufacture products that reduce environmental impact.
6. Conduct environmental audits to maintain and improve environmental management.
7. Conduct environmental education to ensure that all employees understand the environmental policy and raise environmental awareness.
8. The Basic Environmental Philosophy, Environmental Policy, and status of implementation of environmental conservation activities shall be disclosed as necessary.

G. Risk Management Rules

(Summary) "Risk Management Operational Rules" and "Risk Management Rules" are designed to prevent the occurrence of events that could have a serious impact on our company, minimize damage and impact in the event of such events, and ensure business continuity and operational propriety.

Greater than or equal to