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[About This CSR Report]

This report is published yearly to inform the corporate social responsibility initiatives of the GOLDWIN Group. We welcome your opinions, ideas, and requests concerning this report and our CSR activities.

Message from the President

We are aware of social responsibility elements in sports and will continue taking our part in achieving a healthier, more cohesive society.

Tokyo Olympics is set to take place two years from now in 2020, and prior year will be the 2019 Rugby World Cup Japan. These events have led people increasingly interested in sports. And sports has taken a bigger role in social responsibility in conjunction with such events that we feel more responsible not only for its environmental impacts but also for social relations and the economic sustainability.

The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 now serve as a guidepost for social responsibility at many companies. We believe that no matter how small, our effort applying these goals in sports and achieving each goals one at a time, we will contribute to the 17 SDGs and receive reciprocal effects. Furthermore, we believe that sustainable social contributions through sports will lead to a more cohesive society.

We stand by people who keep challenging themselves for the next step. We aspire next generation leaders through sports for the future. We support handicap sports to seek new possibilities in sports. We thrive for an environment, where the community and sports coexist, so we can foster rich and healthy lifestyle for people. Our strong belief in the power of sports and our love for it, along with our motto "Sports First," are the fuel that keeps us inspired to continue our social contributions.

"Fostering a healthy, meaningful life with sports" is our corporate philosophy. Under our motto "Sports First," we support all those who play, watch, and cheer sports, no matter handicapped or not; by cultivating a healthy and cohesive society where everyone has equal opportunities to enjoy sports.

Akio Nishida

President
GOLDWIN Inc.
October 2018



GOLDWIN' s Aspirations for Sustainability

Our corporate social responsibility activities have been guided by our corporate philosophy, "Fostering a healthy, meaningful life with sports." Under our motto "Sports Frist," we support all those who play, watch, and cheer sports, no matter handicapped or not; by cultivating a healthy and cohesive society where everyone has equal opportunities to enjoy sports.

The United Nations adopted the Sustainable Development Goals (SDGs) in 2015 with the aim of achieving a cohesive society, which synchronizes with our corporate goal. Therefore, we believe, regardless the size of contribution, we can take part in SDGs.

Thus, we are shifting our primary focus to "sustainability" and we will make wide-ranging efforts centered around the SDGs that broadens our social responsibility.

Each SDGs are interconnected and affects each other, therefore are not meant to be achieved individually. The sustainability which GOLDWIN strives also involves a collective efforts to an environmental conservation, social connections, our business operations, and our economic activities.

The SDGs 17 goals are broken down into categories of: People, Prosperity, Peace, Planet, and Partnership. We have applied our activities into 3 applicable categories: People, Prosperity, and Planet, for this FY2017 report.

SUSTAINABLE DEVELOPMENT GOALS

These are the sustainable development goals accepted by the world for 2030.



17 Sustainable Development Goals (SDGs)

Helping to Build a Sustainable Society



SPORTS FIRST

We prioritise, love, and play sports with passion to create better products and services. Our company slogan, “Sports First,” embodies this belief. We put “Sports First” in all of our efforts in achieving our corporate philosophy of “Fostering a healthier, meaningful life with sports.”

PEOPLE

We are working to achieve a healthier, more cohesive society for everyone.

Our goal is to help achieve a cohesive society where everyone can live a healthy life. we support all those who play, watch, and cheer sports, no matter handicapped or not; by cultivating a healthy and cohesive society where everyone has equal opportunities to enjoy sports.

[Examples of GOLDWIN' s Initiatives]

- Promoting initiatives that provide support to players with disability and promoting a better understanding for handicapped sports.
- Promoting employments of people disability. Some of our current employees are athletes with disability.
- Activities to support youth sports.
- See pages 7 - 12 for more information

[Related SDGs]



Goals that we can contribute to through our company' s activities

PROSPERITY

Pursuing sustainable wellness from a wide array of perspectives.

When promoting our initiatives, we consistently consider sustainable wellness from a wide array of perspectives such as our technological innovations, work environment development, local sports promotions, and etc.

[Examples of GOLDWIN' s Initiatives]

- Opening a research and development facility for the development of sportswear that adapts the latest technologies
- Getting certified by the Health and Productivity Management Organization Recognition Program (White 500)
- Continue to develop innovative operations and services to offer additional benefits that would cater to customers' evolving needs.
- See pages 13 - 20 for more information

[Related SDGs]



Goals that we can contribute to through our company' s activities

PLANET

We put our effort into an environment conservation so that we can pass on this beautiful planet to the next generation.

As a sports product manufacturer, we continue to develop eco-conscious products and come up with ideas of how to reduce our environmental footprint while having fun.

[Examples of GOLDWIN' s Initiatives]

- Enhancing the GREEN CYCLE recycling system
- Creating a repair support to encourage long-term uses of our products
- Set down our environmental philosophy and policies to carry out our action plan for achieving a sustainable society
- See pages 21 - 29 for more information

[Related SDGs]



Goals that we can contribute to through our company' s activities

PEACE & PARTNERSHIP

"Peace, Safety and Governance" and "the Structure/Methods for SDGs Implementation"

At this point in time we are focusing our efforts contributions on initiatives for the three Ps (People, Prosperity, and Planet) where we can contribute through our business activities. In the future, we will be proposing ways our company can contribute to Peace and Partnership as well.



PEOPLE

Our goal is to help achieve a cohesive society where everyone can live a healthy life. we support all those who play, watch, and cheer sports, no matter handicapped or not; by cultivating a healthy and cohesive society where everyone has equal opportunities to enjoy sports.

PEOPLE

Supporting Handicapped Sports

GOLDWIN actively supports handicapped sports by utilizing technologies and experiences acquired as a sports product manufacturer. Starting with an official partnership agreement with the Japanese Para-Sports Association in April 2015, we now have signed agreements with the Japanese Para-Swimming Federation, the Japan Wheelchair Rugby Federation, and the Japan Boccia Association, to provide team uniforms for those athletes in Japan National Team. We thrive to foster an environment, where everyone can continuously play and enjoy sports.



Support for "Players"

Providing uniforms to the Japan Boccia Association and to skiers with disability of Team Japan

GOLDWIN provides an official uniform for the Hinotama JAPAN team since April 2017 as a gold partner of the Japan Boccia Association. Our company also provided the newly designed uniforms for the BISFed 2018 Asia Oceania Regional Boccia Open International Competition, held for the first time in Japan between March 17 and March 21, 2018. We developed a specialized wear for this occasion with closer attention to arm maneuverability during Boccia competitions.

Additionally, GOLDWIN signed an official sponsorship agreement with the Japan Para-Ski Federation, a specified non-profit organization, and we provide sportswear with original designs to Japan team members and its executives and staff of the Alpen ski team (physical/mental disability,) the Nordic ski team (physical/mental disability,) and the snowboard team (physically disability.)



PEOPLE

Support for the "Supporters"

Selling "Monkey Magic Tees" to Support Visually-Impaired Climbers

Rock climbing is one of the few sports which visually impaired people can safely enjoy. The NPO Monkey Magic supports visually impaired climbers through a variety of activities at schools and events with the aim to create a friendly environment for people, with disability or not, can interact with everyone through climbing. This initiative started in January 2006 and passed the 12-year mark in 2017.

We produce and sell these Monkey Magic Tees through one of our brand "THE NORTH FACE" to support the cause and donate a portion of the sales of tees to the organization.

[Design]
The slogan of the NPO Monkey Magic, "NO SIGHT BUT ON SIGHT," is printed on the back.



Support for the "Players" Support for the "Cheer"

Second Year for the Chair Ski Trial

The Chair Ski Trial was held for the second consecutive year on March 3 and 4, 2018 at the Naeba Ski Resort, in conjunction with the 19th GOLDWIN National Standard Race Youth Japan Cup, which GOLDWIN is a special sponsor. This event was a collaboration with the Japan Para-Ski Federation and the Japan Chair Ski Association, for the purpose of raising awareness of sports for the disability to as many people as possible by having people experience it firsthand. Over the two-day event, approximately 50 people participated, many of them children, and they were able to experience both the difficulty and the fun of chair skiing for the first time.



PEOPLE

Support for the "Players"

Support for the "Supporters"

Creation of Booklet to Assist Communication with Hearing Impaired Players

The GOLDWIN National Standard Race Youth Japan Cup is a national ski competition where athletes in elementary and middle schools compete against one another. Hearing impaired skiers has also been participating and competing on the same circuit as everyone in this event since 2017. With this positive movement, GOLDWIN created a "Deaf Ski Athlete Writing Notebook," printed in both Japanese and English, so that hearing impaired athletes and the staff can better communicate in the event.



Support for the "Cheer"

Venue Setup for the Wheelchair Rugby Competition

2018 Japan Para-Wheelchair Rugby Championship , hosted by the Japanese Para-Sports Association, was held on May 24 - 27, 2018, which GOLDWIN was an official sponsor and our employees helped set up the venue for the event. Newly hired employees at our company helped the set up as a part of their training since GOLDWIN is now an official sponsor of Japanese Para-Sports Association. Total of 13 employees helped place a large sheet over the arena floor and assemble the sports courts for their fourth championship in 2018. Through these activities, GOLDWIN employees are able to gain a better understanding of supporting handicapped sports.



PEOPLE

Actively Hiring People with Disability

GOLDWIN have set up a page on our website that provides information about employment for handicapped, and is actively involved in hiring people with disability. Some of our current employees with disability range from newly hired to 20+ years veterans, and they are active in wide variety of job categories including sales, development, distribution, and more.

2.03% of GOLDWIN's workers are handicapped (as of March 2017) and this exceeds the legal rate set at 2.0%. In April 2018 the legal rate was increased to 2.2% and we will continue to actively employ people with disability to achieve the legal hiring rate.



One of GOLDWIN Employee with Disability is a Member of the Japanese Swim Team

Takayuki Suzuki is a swimmer with disability on Team Japan, and is been employed at GOLDWIN since 2009. By welcoming athletes with disability that we support, we aim to increase understanding and break the barrier between all of our employees.

Between 2004 Athens Olympics and 2016 Rio de Janeiro Olympics, Mr. Suzuki appeared at four consecutive Paralympics, winning one gold medal, one silver medal, and three bronze medals. During the World Para Swimming Official 2017 Japan Para Swimming Competition to Support Recovery from the Great East Japan Earthquake, held on September 2 and 3, 2017, Mr. Suzuki took home the gold medal in the 150 m men's medley and the 100 m freestyle, and the silver medal in the men's 50 m breaststroke.



Creating a Work Environment Compatible for Employees with Disability

We strive to foster a vibrant work environment for employees with disability. Steps are being taken to make our main office building wheelchair accessible. We are also continuously working to increase awareness and educate all employees through training and other activities to have better understanding about handicap support.



PEOPLE

Learning to enjoy sports as a child leads to a healthy growth of their mind and body. GOLDWIN hosts a variety of events to support youth sports. We also proactively host events for children and their parents so that the whole family can learn the joy of sports.

Hosting "The North Face Kids Nature School," Where Families can Experience and Enjoy Nature

With our hope to raise the next generation with an eco-mind, we once again hosted the North Face Kids Nature School in 2017, an event where children and their parents were able to exercise their survival instincts in the great outdoors.

[Family-Oriented Trail Running Event]

A trail running event for families was held on May 28 and the event was hosted by the foremost expert in trail running, Tsuyoshi Kaburaki.

[Family Trekking at Daisen]

A trekking event was held on July 8 for families to climb Daisen, a 1,252 meter mountain in Kanagawa Prefecture.

[Waterside Adventure in Nigawa Gorge]

A nature event was held on August 5 in Nigawa Gorge at the foot of Kabutoyama Park in Nishinomiya City, Hyogo Prefecture for families to get close to plants and animals in the area.

[Family Climbing in the Mizugakiyama Area]

A fun climbing event for families was held on October 29 under the direction of professional free climber and The North Face athlete Yuji Hirayama in the Mizugakiyama area, a prominent rock climbing area in Japan.

[Kids Trekking at Myogisan]

A trekking event exclusively for children was held at Myogisan in Gunma Prefecture on November 11.



Hosting a Tennis Event for Families

A tennis event for children and their parents called "Feel & Try Tennis" was held on October 1, 2017 at Futakotamagawa. Ellesse contracted player, Feliciano Lopez, as a guest teacher for the event. Along with the retired professional tennis player Yurika Sema, the event included talk show and a simple tennis lesson using a sponge ball.

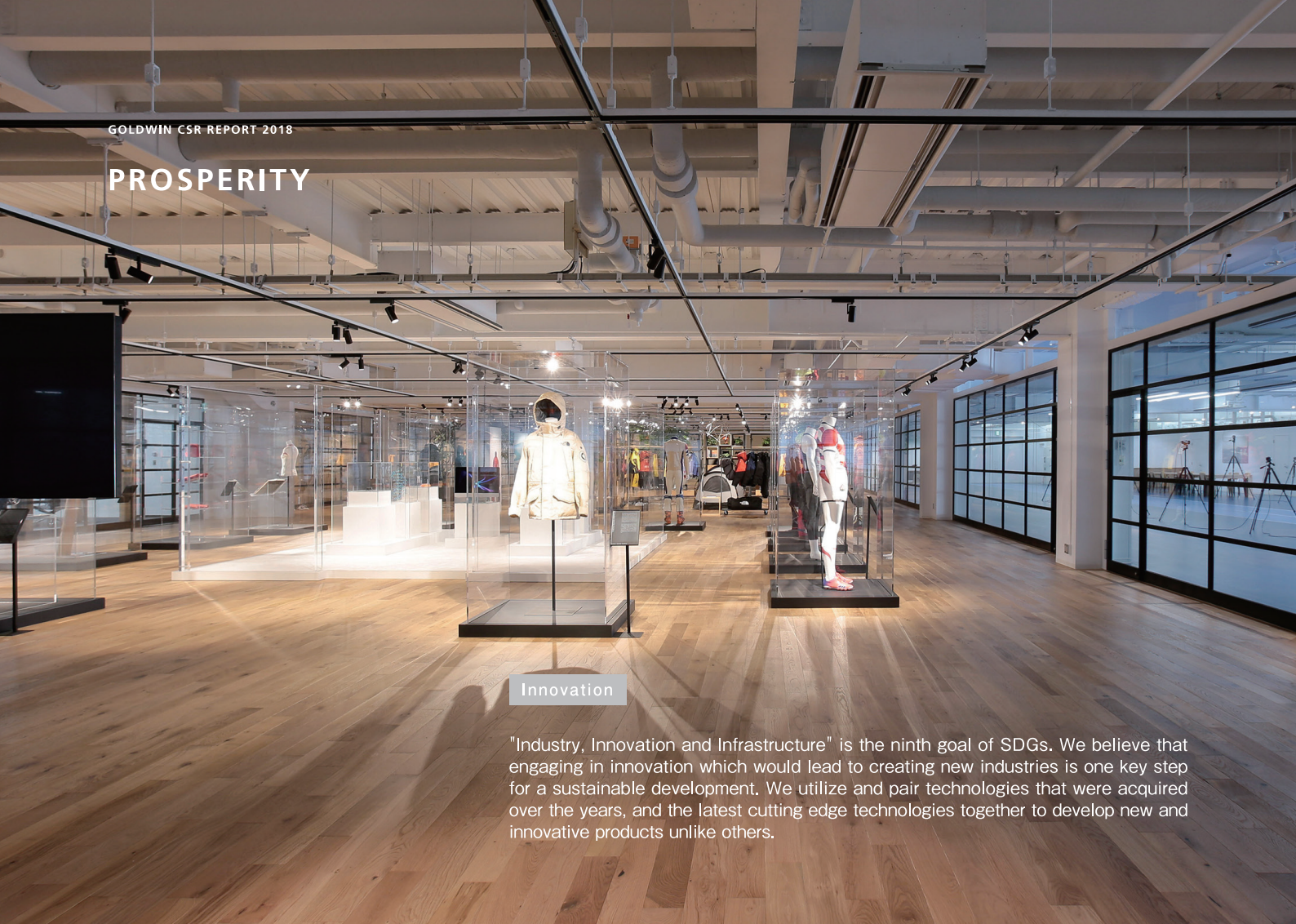
Around 70 people attended the very entertaining talk show and 16 children took part in the tennis lesson. All children seemed to have lots of fun at the event.



PROSPERITY

GOLDWIN is pursuing technological advances as a manufacturing company to better provide prosperity to our customers. We are also working on improving our work environment and our training systems so that employees have a better workplace and to optimize their personal growth. We make contribution through sports to local communities in hope for their prosperity. We keep thriving, and will continue our efforts toward a sustainable well-being from a variety of perspectives.

PROSPERITY



Innovation

"Industry, Innovation and Infrastructure" is the ninth goal of SDGs. We believe that engaging in innovation which would lead to creating new industries is one key step for a sustainable development. We utilize and pair technologies that were acquired over the years, and the latest cutting edge technologies together to develop new and innovative products unlike others.

GOLDWIN TECH LAB R&D Facility Opened at Founding Location

In November of 2017, GOLDWIN opened GOLDWIN TECH LAB R&D Facility in Oyabe, Toyama Prefecture, where the company was first founded. The aim is to develop products with new, unimaginable value by integrating human and IT intelligence, enabled by this state-of-the-art facility, and by enacting the high-level quality control with a unique inspection system. We are also working closely with Spiber Inc. on developing our next core business and carrying out a variety of different trainings to further enhance our company's unique initiatives for everything from manufacturing to sales.

[Facility Background]

GOLDWIN's R&D has been taken place at the GOLDWIN Technical Center (GTC), established in 1989. As GTC was welcoming its 30th year, we've decided to open a tech lab on its first floor to create a place where engineers could further exercise their ideas into use for R&D, which further enhances GOLDWIN's strength for the future.

Additionally, some main office functions were transferred from Tokyo to Toyama due to the creation of the tech lab. Having facilities in both Tokyo and Toyama has also allowed us to strengthen our business continuity plan (BCP.)

[Architect Features]

The most striking architectural feature is its expansive glass enclosure, and most of the space is open to visitors. The design of this building reflects our intention to innovate and share such information with others as we build our future.

PROSPERITY

Main Research Facilities & Equipment

GOLDWIN TECH LAB is equipped with research facilities and equipment to enhance and bolster our company's technical development capabilities.



Archives Exhibit

This exhibit displays 12 machines and products that symbolize our product development history and conveys the future that GOLDWIN is striving to achieve. The exhibit expresses the connection between the past and the future, harmony between technology and nature, our growth from Toyama to Japan, and our desire to spread worldwide.



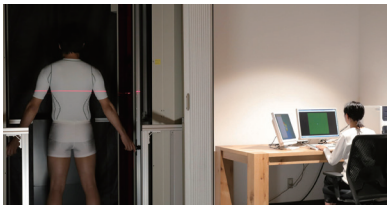
Quality Inspection Room

This facility performs product quality inspections and testing. It is the core of our quality assurance system and assures the level of quality control is at a level that meets customer needs as well as the market.



Constant Temperature and Humidity Room

Here we carry out performance testing and evaluations for products and materials under constant temperature and humidity conditions.



Scanner and CAD

Pattern designs are created here using three-dimensional measurement equipment and three-dimensional CAD tools. The visualization of three-dimensional information makes it possible to develop products that move more easily and are more comfortable.



Sample & Prototype Room

This is where we gather our manufacturing and processing technologies to turn new ideas into reality on the spot. We are also hard at work developing new processing technologies.



Training Room

This is an educational and training room for the purpose of improving techniques, skills, and knowledge of our employees. Practical training such as for sewing and paper stenciling can also be performed here.



Motion Research Room

This room is for the development of product materials and patterns and is used to perform motion measurements by motion capture, perform science-based analysis using kinetics and physiology, and improve motion performance and comfort from the results of these measurements and analyses.



Artificial Weather Room / Artificial Rain Room

This room can artificially recreate a variety of weather conditions for product testing. Tests can be performed to see if products live up to the desired functionality, and the information can be used for further improvements.
(Artificial Weather Room / Temperature: -30 - +50°C, Humidity: 20%RH - 95%RH)



Meeting & Presentation Room

This room serves as a base for providing information to accelerate high quality and high added value product development. There is also a virtual store for sales staff training and practical VMD training.

PROSPERITY

Verification Testing for MOON PARKA® at the GOLDWIN TECH LAB

In 2015, GOLDWIN concluded a business alliance agreement with Spiber Inc in the sports apparel field. And subsequently worked jointly to develop MOON PARKA® outdoor apparel. Since November of 2017, we have been conducting a variety of verification tests at the GOLDWIN TECH LAB in preparation for commercialization of the product.

[Outdoor Apparel Made with Synthetic Spider Fibers]

The MOON PARKA®, made with Q/QMONOS® synthetic spider fiber-based materials developed through the use of our unique Spiber technology, will be the first outer jacket in the world to be manufactured on an actual apparel assembly line. Since revealing the prototype in October of 2015 there have been a number of improvements made in the material and prototypes developed in order to improve material quality stability.

Currently, the aim is to bring the product to market and it is undergoing testing in the artificial weather room at the GOLDWIN TECH LAB to confirm its insulating capabilities, its functionality, and its durability under cold weather conditions.

Additionally, through our joint development work we have been able to contribute to the attainment of a sustainable society by developing a structural protein material that is not dependent on fossil fuels such as oil, that is biodegradable, and that has superior biocompatibility but which is also still strong.

Q/QMONOS® is a registered trademark of Spiber Inc. (Registration nos. 5618107 and 5625912).



PROSPERITY

The 11th goal of SDG is the creation of "sustainable cities and communities." GOLDWIN is committed to developing the local community of its origin, Toyama, through active efforts involving sports for this area.

Special Gold Partner Sponsor in the Toyama Marathon 2017

GOLDWIN was a gold partner sponsor for the Toyama Marathon 2017 held on October 29 in Toyama Prefecture. We've provided marathon staff wear and supported the event in a variety of ways. GOLDWIN has been a gold partner and special sponsor since the first competition in 2015 and this is our third year supporting the event.

During the Toyama Marathon 2017, 35 staff members volunteered at official water stations, handing out water and sports drinks to runners. There were even some staff volunteers that set up a private aid station to cheer for the runners.



Special Sponsor for the Prince Tomohito Memorial Cup 19th Hokuriku Welfare Golf Tournament

The Prince Tomohito Memorial Cup 19th Hokuriku Welfare Golf Tournament was held on October 19, 2017 at the GOLDWIN Golf Club in Oyabe City, Toyama. GOLDWIN returned as a special sponsor for the event and had employees support the event as management staff.

The purpose of the event is to promote a better understanding of welfare programs for the people with disability through golf, and GOLDWIN is involved in hosting of the event each year. Portions of the event proceeds are donated to local welfare organizations and facilities, and these funds are then used to refurbish facilities, purchase equipment, and to operate.

This year 120 golfers, mainly from the Hokuriku region, participated and made donations in proportion to their score over four short holes. The donations and proceeds of the tournament were presented to the NPO Smile Network Sakai (Sakai, Fukui Prefecture).



PROSPERITY

In line with the eighth SDG, GOLDWIN aims to promote sustainable economic growth through productivity improvements and technical innovation. We strive to create an environment where employees feel satisfaction and fulfillment through their work.

Introducing Employees Who Exemplify “Sports First” and Employee Awards

GOLDWIN publishes SPORTS FIRST MAG, an online magazine showcasing employees engaging in sports and utilizing their experiences playing sports in the development of products and services. The in-company SPORTS FIRST AWARD award system has been put in place to allow employees to select the employee that most exemplifies “Sports First,” whom will appear in the magazine. Winners are given a certificate, a prize, and paid leave to promote sports.

We believe that having employees participate in sports helps the development of better products and increase their credibility in the field. This is the reason why our company support employees who engage in sports.



New Businesses and Store Developments Generated by Employees

GOLDWIN is working to develop not only new products but also a variety of new businesses and services to meet ever-changing needs of our customers so we can further enrich lives.

The North Face Play is a new business that has opened in the Tokyo Midtown Hibiya commercial facility on March 29, 2018. The North Face Play proposes “playfulness” to customers in addition to products. We must continue to fine-tune our unique offerings at a right timing without losing playfulness in order to appeal to customers with unique values and eyes on new items and trends.

We see our stores not only as places to offer products, but also as places to communicate with customers. Therefore, we provide a variety of services at different stores, including trekking and climbing experience workshops.



PROSPERITY

Sales Convention to Challenge Customer and Sales Skills

GOLDWIN hosts a sales convention (a customer service role-playing contest) to improve customer communication skills and also to improve customer service and sales skills. In FY2017, this convention was held on November 21 and nine employees who advanced at the preliminary competition in nine areas of favorability, greetings, word usage, product information and technical knowledge, conversational skills, understanding customer needs, persuasiveness, closings, and salutations competed to prove their customer service skills from the time when the customer entered the store to when the customer left. The judges, which included the president, the vice president, and representatives from each store, awarded a grand prize, a runner up award, two special judge's awards, a hospitality award, and a fighting spirit award.



Being Certified for "White 500," a Program Recognized by the Health and Productivity Management Organization

On February 20, 2018, GOLDWIN was recognized under FY2018 Certified Health and Productivity Management Organization Recognition Program (White 500) for the large enterprise category by the Ministry of Economy, Trade and Industry of Japan. The program recognizes large enterprises as well as small and medium-sized companies that are actively working on community health issues and those that promote healthy business practices in line with the recommendations of the Nippon Kenko Kaigi.

We take our employees' mental and physical wellbeing as a strategic priority for our company. In this regard, a wide spectrum of programs has been implemented to ensure a safe and healthy work environment. This includes; an annual physical checkup for all employees, a non-smoking rule on company premises, stress checks, encouraging reduced overtime and the use of paid vacations to ensure better work-life balance, education about healthier lifestyles and mental health, support for employees with young children (including maternity and paternity leave,) and more. We are also implementing work style reforms, such as a ban on taking home laptop computers and an 8 p.m. lights-out policy to prevent employees from working late. In addition, we are working to make fundamental changes in employee awareness itself as to how they approach work.



PROSPERITY

Initiatives of Female Employees

GOLDWIN has a large number of female employees, especially in sales. The percentage of women working in sales positions is 59%, compared to 50.7% overall. At GOLDWIN, gender is not a factor in reaching a higher position. In FY2016, there were 38 female store managers, and the number has grown to 39 in FY2017.

However, GOLDWIN has low percentage of women in management positions. We see this current situation as a pressing issue to improve, and will foster a work environment where women can continue their career regardless of their life stage. For this reason, we are planning periodic discussions with female employees who are currently raising children.

Thus far we have implemented a number of support systems for employees with children, such as a double daycare fee support system (babysitter aid) for employees with children in the third grade or earlier, a parking fee assistance system to allow employees with children in daycares far from their homes to drive to work and have their parking fees subsidized, and annual paid time off granted for hours worked where employees can take flexible paid leave when they feel it necessary. GOLDWIN will continue to implement systems that make it easier for employees with children to work at our company.



PLANET

The beautiful nature is our field to play sports, and all businesses are responsible for preserving the environment by operating in a harmonic manner with nature. In our environmental policy, we set forth our goal of being a company that coexists with the local community and we continue working to proactively preserve the environment. We pledge to pass on to the next generation a vibrant, natural environment where everyone can enjoy sports.

PLANET

GOLDWIN is doing what it can for the environment as a sports product manufacturer under the GREEN IS GOOD concept. A wide range of initiatives are underway to protect the fragile Earth at every phase of production, from product manufacturing to salvage and reuse, under the keywords of “recycling,” “selective use,” and “long term use.” In this way we are seeking to contribute to the 12th SDG, “responsible consumption and production.”

What We Can Do for The Environment as a Sports Product Manufacturer Under the GREEN IS GOOD Concept

GOLDWIN is doing what it can for the environment as a sports product manufacturer under the GREEN IS GOOD concept through the development of environmentally-conscious products and ideas that are fun yet also reduce our impact on the environment.

Our initiatives are taking place based on the three pillars of “GREEN CYCLE,” a recycling system, “GREEN MATERIAL,” which means selecting materials that reduce our environmental burden, and” GREEN MIND,” which means wearing and using products for longer periods of time.



GREEN CYCLE (Recycle and Reuse) Campaign: Strengthening the Recycling System

GREEN CYCLE is a recycling system that collects used products to remake new products.

GOLDWIN started GREEN CYCLE in 2009. At first the system was for collecting and chemically recycling polyester and nylon products. Starting in 2013, we collected and recycled down clothing and in 2015, we started a partnership with I:Collect Japan to collect other clothing brands regardless of their condition. It is possible to return products to a highly pure raw material similar to their original state if manufactured using petroleum and this makes it possible to significantly reduce energy usage and CO2 output as we can sustainably create new products from currently existing products without relying on limited fossil fuels.

In February 2018 we formed a partnership with Japan Environment Planning and introduced the BRING system which recycles all the polyester products collected into polyester resin.



[A New GREEN CYCLE Structure]

Products collected at our stores are separated and used by I:Collect Japan. Polyester products that I:Collect Japan can't make use of as used clothing are handed over to Japan Environment Planning where they are recycled into new polyester resin. GOLDWIN will continue to build a recycling system that manufactures and sells new sportswear using recycled polyester.

[Clothing Collected Between April 1, 2017 & March 31, 2018]

No. of Articles Collected: 3,858 (181% increase over the previous year)
 Weight Collected: 2,400.5 kg (157.2% increase over the previous year)
 Reduction in CO2 Emissions: 18,055.5 kg of CO2 (157.2% increase over the previous year / According to the Ministry for Environment 3R Visualization Tools Simplified Version)

PLANET

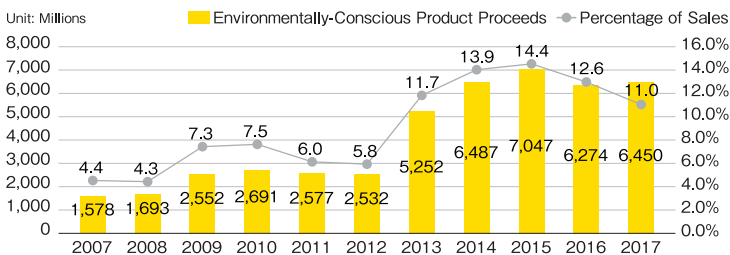
Collecting and Recycling Unneeded School Gym Uniforms

GOLDWIN has been collecting unneeded school gym uniforms every year since FY2012. These are gym uniforms that we planned, manufactured, and sold and which can be recycled into new material. After collection, the material is recycled into the raw material for polyester through the GREEN CYCLE recycling program. In FY2017 we set up three collection boxes at high schools in Toyama Prefecture and received 54 uniforms.



Recycling-Oriented Social Initiatives

Sales for Environmentally-Conscious Products



[Developing and Selling Environmentally-Conscious and Healthy Products]

The GOLDWIN environmental policy states that we will develop and sell environmentally-conscious and healthy products. We set a goal of 13% or higher for the percentage of environmentally-conscious products to be sold in FY2017 as an operational guide and unfortunately we only reached 11.0%, just short of our goal. While there was a 97% decrease compared to the previous year for sales revenue, there was a marginal increase in sales for products using environmentally-friendly materials. We have taken these results to heart and will be further ramping up our environmental initiatives, such as in the development and sale of environmentally-conscious products, product recycling, the installation of collection boxes at stores, the GREEN DOWN recycling project, and product collection and recycling through our partnership with I:Collect Japan.

GREEN MATERIAL (Selective Use) Initiative: Sports Apparel Made Using the Outer Skin of Onions as a Dye

GOLDWIN and Komatsu Matere, Co., Ltd. were the first to successfully bring to market dyed sports apparel made from merino wool dyed in a hybrid chemical and natural dye that uses the outer skin of onions, by employing jointly developed specialized technology. This product has been sold under our Icebreaker brand since January 2018.

While naturally dyed products are beautiful, they can easily fade and it was traditionally difficult to use them for sports apparel. However, our newly developed dyeing technology allows the dye to retain its color and have a beautiful hue. We were also able to use the outer skins of onions that would otherwise be thrown away and this furthers our goal of being environmentally-conscious and coexisting with the natural world.



PLANET

We must change our socio-economic system of mass production, mass consumption, and mass disposal to a system of sustainable production and consumption. GOLDWIN has been working for 40 years on its repair system for The North Face products so that customers will be able to use their products for years to come.



GREEN MIND (Longer Use) Initiative: Repair Service

For 40 years, since when we began selling The North Face products in 1978, we have followed through with our repair service policy which states that "We will not accept any payment if the cause of a defect is the material or manufacturing process. In other cases, we will offer repairs for a fair price." We currently apply this policy not only to outdoor brand products, including The North Face products, but also to motorcycle apparel, ski apparel, athletic apparel, and more.

There is a trend towards using products for longer periods of time as people became more conscious about an environment. The number of repair requests has been increasing and we experienced 3.6 times increase from 3,500 requests per year in 2004 to 12,600 requests in 2017.

[GOLDWIN Technical Center]

The GOLDWIN Technical Center, located in Oyabe, Toyama Prefecture, has the facilities and technology to produce some of our company's products and it performs repairs for The North Face products as well as new product development.

PLANET



Techniques of Skilled Craftsmen

At the Toyama GOLDWIN Technical Center, our expert staff use the latest equipment to sew, weld, and repair. To achieve higher level of functionality and attention to detail with material created using the latest technologies requires, not a machine, but skills of these expert craftsmen at Toyama. We have a number of staff that are multi-talented and are able to make skillful use of many different types of sewing machines. Our repair work in particular are handled by these skilled specialists. In general, one craftsman is responsible for repairing one garment. Such experienced staff members understand the structure for each product and how it's made and they have the skill to make a garment from scratch.

[Repair Sample 01]
Tear in the GORE-TEX shell on the right back shoulder area.



BEFORE



AFTER

[Repair Sample 02]
Damage to the cuff and the adjuster on an insulating jacket



BEFORE



AFTER

Report on Environmental Activities

GOLDWIN thrives for a continuous improvement on its environmental performance by establishing fundamental environmental principles and policies, and by preparing action plans in the aim to realize a sustainable society.

Building a Sustainable Society

Basic Principles of Environmental Protection

All of us should embark on the noble mission of living and prospering in harmony with nature. The GOLDWIN Group aims to reduce environmental impact through our planning, manufacturing, and selling of sportswear and other types of functional wear. At the same time, we strive to make a positive impact on the environment by offering environmentally-friendly products. Below you will find the basic environmental policies that we have set forth for ourselves.

GOLDWIN's Environmental Policies

1. Strive to prevent environmental contamination and protect the environment by complying with all laws, regulations, and other requirements applicable to GOLDWIN's corporate activities and facilities, and to establish voluntary standards that are as extensive as possible.
2. Protect our green planet by recognizing the potential harm our corporate activities could do to the environment and minimizing the impact of our activities through the collective effort of all employees.
3. Set and review objectives and targets for reducing our environmental impact and engage in activities to improve the environment on an ongoing basis.
4. Use limited natural resources effectively and reduce industrial waste with a full awareness of the amount of energy and resources used and CO2 emitted.
5. Advance the development of health-conscious and environmentally responsible products by gathering all available corporate resources and developing proprietary technologies.
6. Continue to be a company capable of operating in harmony with nature and coexisting with local communities in order to support the health of the natural environment and of all forms of life.

ISO 14001 Certification

In November 1999, GOLDWIN's Toyama facilities obtained certification under ISO 14001, the international standard for environment management systems, making GOLDWIN the first company in the sportswear industry to receive this certification. To further develop its conservation programs and environmentally-friendly products while improving the efficiency of its operations through energy-saving measures, all of GOLDWIN's offices and its Dye Processing Center obtained ISO 14001 certification in February 2006. GOLDWIN Logitem followed suite in July 2008 and Canterbury of New Zealand Japan and Black & White Sportswear were next in August 2011 and September 2013 respectively. GOLDWIN will continue to implement one of its core business principles, "Clean Management," by providing environmentally-friendly products and services, in addition to implementing responsible employment and economic practices.

ISO 14001 Certified Offices



Report on Environmental Activities

Effective use of limited resources

The effective utilization of limited resources is one of the pillars of our environmental policy and we strive to reduce the use of raw materials. In FY2017 we reduced raw material losses, made design improvements using feedback from complaints and repair work, implemented thorough management of our equipment and manufacturing processes, reduced the amount of distribution and packaging materials, and improved efficiency and management by revising how we conduct our work. In FY2017 we were able to collect 2.4 tons of product thanks to our system for reusing collected old products and to improvements in product collection techniques (in collaboration with I:Collect Japan).

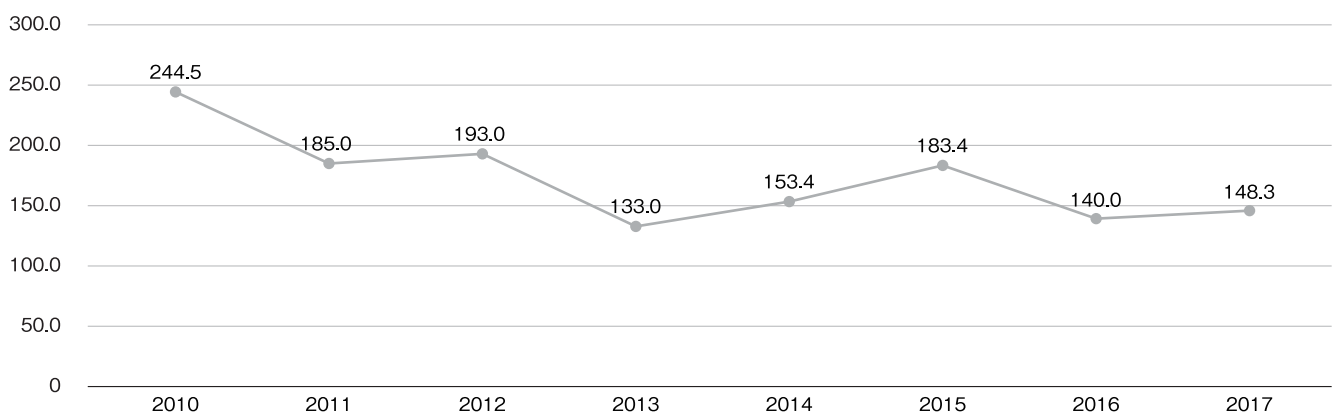
1. Reducing Industrial Waste

Reducing Industrial Waste

GOLDWIN's environmental policies also include the reduction of waste from products and raw materials. To this end, the company has strived not only to reduce waste but also to promote the reuse of products. In 2017 we had 148 tons in waste, achieving our improvement objective relative to the base year. We will continue our efforts to reduce industrial waste by encouraging programs that produce

less waste, through order-product flow control, through the effective use of excess materials, by promoting programs to reduce product defects and recalls, by thoroughly eliminating processing losses, by promoting recycling through the classification and sub-classification of waste, and through the promotion of 5S activities.

Industrial Waste (Plastic Waste) (Unit: Tons)



Report on Environmental Activities

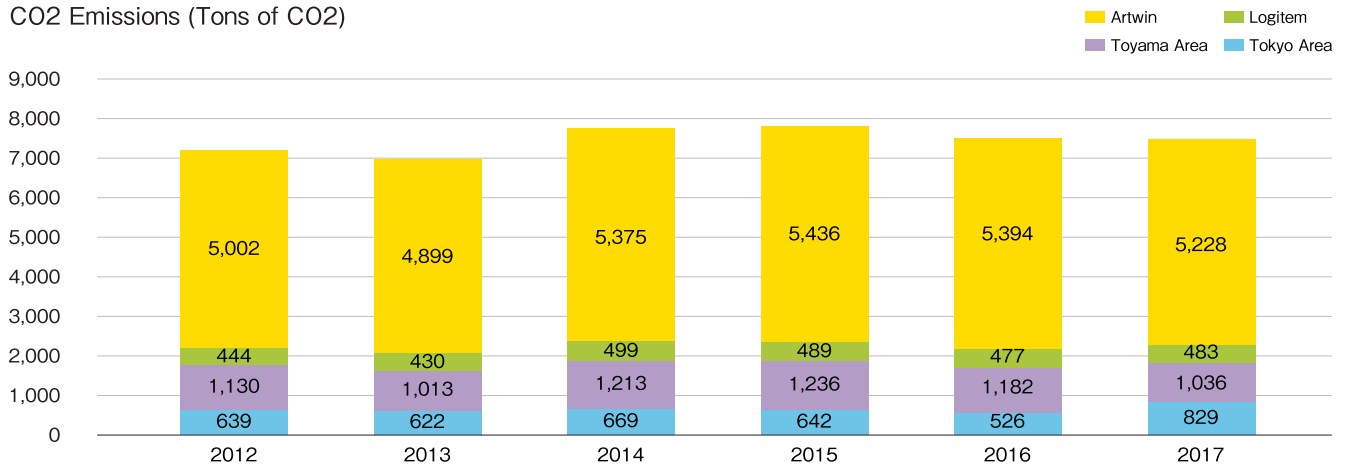
2. Toward a Low-Carbon Society

Pollution Prevention and Environmental Conservation

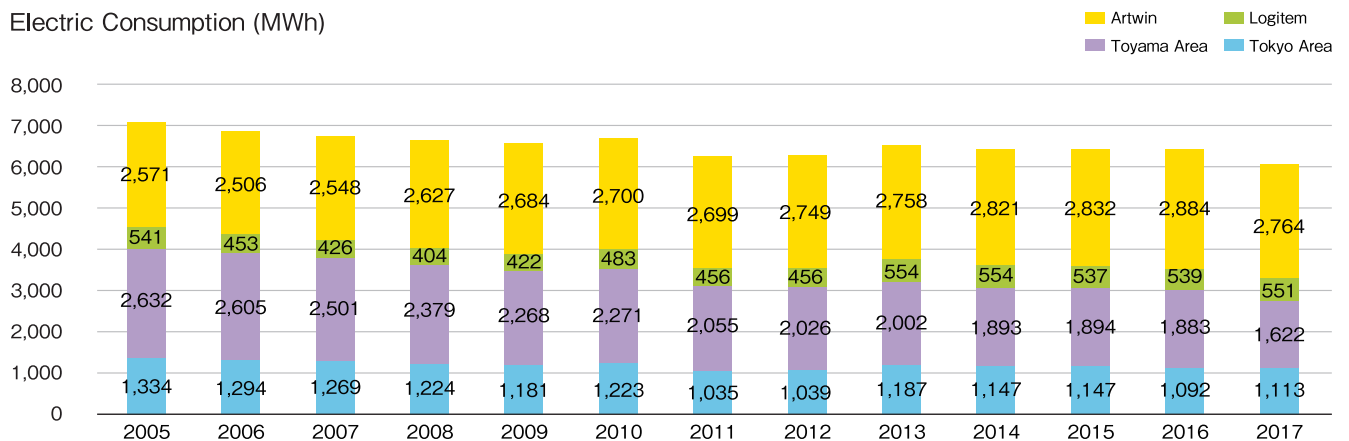
As a part of our efforts under company's environmental policies, GOLDWIN has been making ongoing efforts to reduce CO2 emissions to achieve its goal of preventing pollution and preserving the environment. The company set an emissions target of 7,981 tons for FY2017 and we were able to achieve our objective with our emissions totaling 7,575 tons due to such efforts as replacing conventional lights with LEDs at our facilities in the Toyama area for the

purpose of reducing electricity consumption. We will continue working toward a low-carbon society through such efforts as promoting power-saving activities, improving operations and work efficiency in order to reduce overtime, introducing energy-saving equipment into the production system, maintaining our facilities and carrying out efficient operations, revising shipping routes, increasing loading efficiency, and promoting energy-efficient machine operations by turning off idling engines.

CO2 Emissions (Tons of CO2)



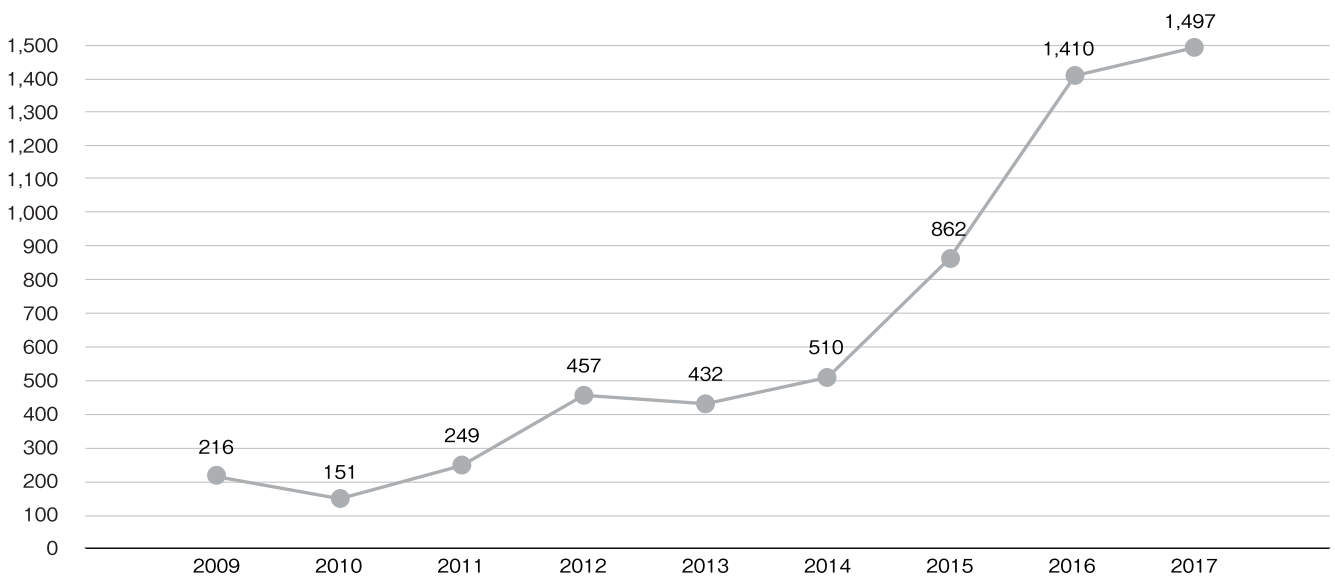
Electric Consumption (MWh)



Report on Environmental Activities



Number of Operational Efficiency Improvement Projects



Corporate Governance

Practicing Transparent Management and Corporate Governance

Partnering with Our Shareholders and Investors

GOLDWIN will continue the effort to enhance the transparency of its management practices to fulfill corporate social responsibilities with strong ethics. And will achieve fair and efficient corporate management through effective governance and full regulatory compliance.

Corporate Governance

GOLDWIN gives the top priority on an establishment of sound corporate governance in order to achieve fair and efficient corporate management and keep pace with a rapidly changing management environment.

The term of our directors is limited to one year and the scope of their responsibilities is clearly defined. The Board of Directors meets once a month but can meet at any time if necessary.

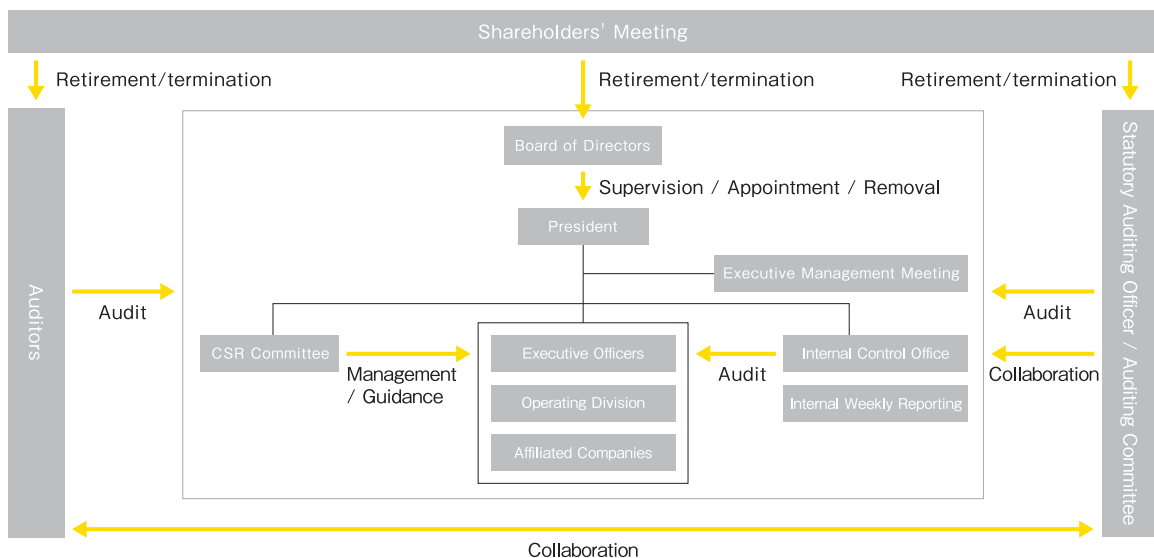
The Board makes decisions on matters prescribed by law and on those matters that are material to the company's operations. It also supervises the company's business performance and prepares a progress report. There are ten directors, two of whom are external. The Board appoints the executive officers for each department, who carry out their responsibilities under the Board's authority in accordance with the management strategies set out by the Board. The executive meeting attended by the directors, full-time statutory auditing of officers and executive officers, is held once a month to discuss and decide on matters concerning business operations.

The Board of Auditors consists of four statutory auditing of

cers, three of whom are external. They monitor the performance of the directors and express their views at board meetings, thereby contributing to sound management and improved public confidence.

The Office of Internal Audit, the department responsible for internal monitoring, is not affiliated with any other operating units or offices. Thus it is able to make an independent and impartial assessment of: compliance with all applicable laws, regulations, and internal bylaws; the improvement in business performance and operating efficiency; a performance of the internal control system. The Office reports its findings to the representative directors, executive directors, and full-time auditing of officers.

The Corporate Governance Code has been established at the Tokyo Stock Exchange and has been applied as a security listing regulation since June 1, 2015. GOLDWIN is committed to enforcing the Code in an appropriate manner, respecting each of its principles. The company's compliance with the Code is disclosed through a corporate governance report from time to time.



Internal Control System: Ensuring Appropriate Operations

GOLDWIN's vision of "Sports First" is expressed through its corporate philosophy, management policy, and code of conduct. Through the united effort of all our management and staff to achieve this vision, we have developed and maintained an internal control system in order to establish an appropriate organizational structure, set up rules and regulations, communicate information, and monitor operational progress. The internal control system is reviewed periodically and improvements are made to ensure that all company operation remains compliant and efficient.

Basic Policies on Internal Control System:

<https://www.goldwin.co.jp/corporate/info/csr/open#section-C>

Corporate Code of Conduct / Employees' Code of Conduct:

<https://www.goldwin.co.jp/corporate/info/csr/open#section-E>

Compliance System

GOLDWIN and Group companies follow our internal whistleblowing system and ensure that our external directors and auditors are able to express their opinions from an independent and objective point of view at Board of Directors and Board of Auditors meetings. By doing so, the company solidifies its compliance system and ensures that its directors and auditing officers perform their duties in a lawful manner. The company also conducts compliance workshops designed for all employees every year (in FY2017, 61 workshops attended by 95.1% of our employees were held). In addition, at various other workshops held throughout the year we ensure that all of our employees have a complete understanding of relevant laws and regulations, the company's corporate philosophy, and our code of conduct. Through internal auditing and internal control evaluation we verify that our operational procedures and manuals are adhered to at the main offices in each business area. GOLDWIN distributes to all employees a "Compliance Card," a portable guide on the company's internal whistleblowing system, code of conduct, and standards of conduct, and requires them to carry it at all times. We also periodically issue a "Compliance Magazine," an internal e-newsletter, to help raise the awareness of our employees regarding compliance issues.

GOLDWIN Group Compliance Card (Portable Guide)

We, all GOLDWIN
executives and employees,
are committed to conducting
ourseleves as per this card.

GOLDWIN

Company Information

GOLDWIN INC.

Detailed Company Information: <https://www.goldwin.co.jp/corporate/info/about>

Tokyo Head Office

2-20-6 Shoto, Shibuya-ku, Tokyo 150-8517, Japan Phone: 03-3481-7201

Head Office

210 Kiyosawa, Oyabe, Toyama 932-0112, Japan Phone: 0766-61-4800

Establishment	December 22, 1951
Capital	7,079 million yen (As of March 31, 2018)
Annual Turnover (Consolidated)	70,420 million yen
Annual Turnover (Non-consolidated)	60,288 million yen
Employees	1,569 (2,330 for the Group)
Offices	Head Office, Tokyo Head Office, Osaka Branch, Sapporo Sales Office, Nagoya Sales Office, Fukuoka Sales Office (as of March 31, 2018)
Detailed Company Information	https://www.goldwin.co.jp/corporate/info/about
Website	https://www.goldwin.co.jp/
Financial Summary / Quarterly Results	https://www.goldwin.co.jp/corporate/info/ir

Management Policy

1. Robust

We will strengthen our management to increase corporate value through optimal cash-flow management with enhanced selectivity and focused allocation of management resources.

2. Fast

We will be agile in responding to changes in customer needs by implementing an optimum process of product development, procurement, and marketing, thereby shortening turnaround time.

3. Transparent

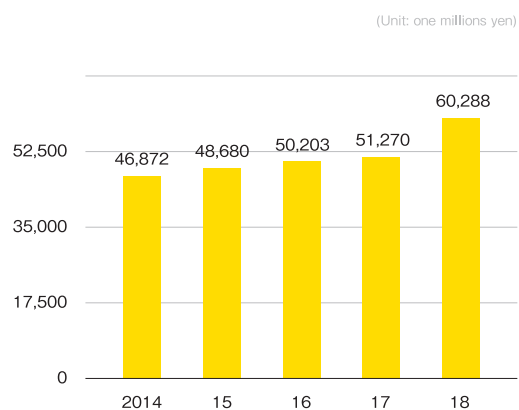
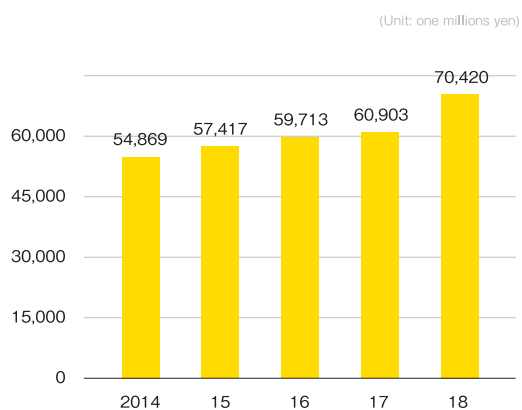
We will strive to become an integral member of the community by ensuring the transparency of our corporate activities and meeting our environmental responsibilities.

Financial Information

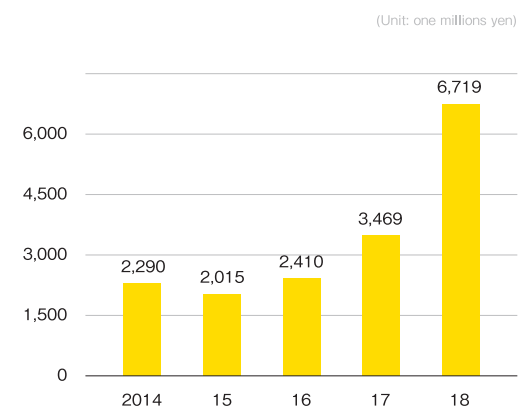
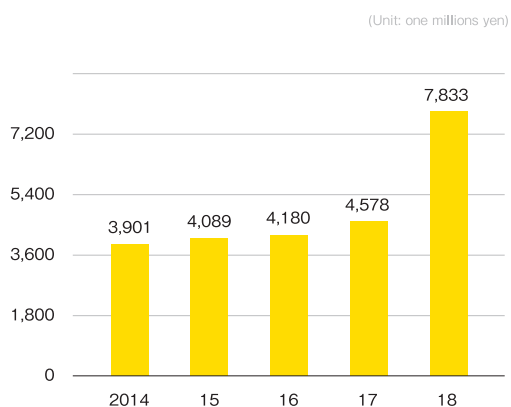
Consolidated

Non-consolidated

Net Sales



Ordinary Income



Current Net Income

