

Group Mission

We, the Asahi Kasei Group, contribute to life and living for people around the world.

This is the Asahi Kasei Group's unchanging reason for being.
What we never cease to strive for, though the needs of society change throughout the ages.
It is in our very nature, deriving from a sincere regard for the people of the world.

Group Vision

Providing new value to society by enabling “living in health and comfort” and “harmony with the natural environment.”

Group Values

Sincerity—Being sincere with everyone.

Challenge—Boldly taking challenges, continuously seeking change.

Creativity—Creating new value through unity and synergy.

Group Slogan

Creating for Tomorrow

The commitment of the Asahi Kasei Group:
To do all that we can in every era to help the people of the world make the most of life and attain fulfillment in living.
Since our founding, we have always been deeply committed to contributing to the development of society, boldly anticipating the emergence of new needs.
This is what we mean by “Creating for Tomorrow.”

Editorial policy

The Asahi Kasei Group is committed to fulfilling its Group Philosophy through our business activities. We also recognize the importance of contributing to sustainability of society and enhancing corporate value for the benefit of our various stakeholders as well as society as a whole.

This report features a description of our initiatives in the three fields of “Environment & Energy,” “Residential Living,” and “Health Care” where we are focusing on growth. We also describe our approach to contributing to the sustainability of society as well as report on various related measures. The Asahi Kasei Group will continue to actively communicate with our stakeholders through accurate and highly transparent information disclosure. We welcome the opinions of our readers so that we may continually improve the content of future CSR reports.

Period under review

The primary focus of the report is fiscal 2011 (April 2011 – March 2012), and all data shown corresponds to this period unless otherwise indicated.

Some qualitative information pertaining to events from April to June 2012 has also been included.

Organizational scope

The scope of the report is Asahi Kasei Corp. and its consolidated subsidiaries, except with respect to Responsible Care, in which case the scope is operations in Japan which implement Asahi Kasei Group's Responsible Care program.

Asahi Kasei has eight operating segments corresponding to its main fields of business and an Others category for the remainder of operations. Unless otherwise specified, the titles and positions of the corporate officers and other personnel shown in this report are current as of August 2012.

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Guidelines consulted

The Global Reporting Initiative's Sustainability Reporting Guidelines 3.1, ISO 26000, and other guidelines were consulted during the preparation of this report.

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Creating for Tomorrow

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Since our founding, we have always been deeply committed to contributing to the development of society, boldly anticipating the emergence of new needs.

This is what we mean by “Creating for Tomorrow.”



Taketsugu Fujiwara

President, Asahi Kasei Corp.

A paradigm shift in society

The world faces many challenges today, including global warming, resource depletion, human rights, and poverty. In Japan, we have challenges related to energy, the low birthrate and aging population, and contracting markets, with no clear national vision for the future. The Great East Japan Earthquake, from which reconstruction is still just beginning, shook our values to the very core and cast a number of challenges into sharp relief.

We are now at a turning point in our outlook and way of living. Corporate enterprises now feel an ever greater responsibility to develop business models that balance economic, environmental, and social performance.

Our mission and our objectives

A diverse array of technologies is needed to respond to the needs of society. This gives rise to technological innovation as well as new combinations of technology from different fields, ultimately contributing to the advancement and development of Japan's overall technological and industrial strength. Our founder Shitagau Noguchi built Asahi Kasei based on this concept, and this has been an essential part of our corporate heritage for a century.

In April 2011, the Asahi Kasei Group adopted a new statement of our Group Mission as contributing to life

and living for people around the world together with a Group Vision of providing new value to society by enabling *living in health and comfort and harmony with the natural environment*. The word *life* in our Group Mission means a society where each and every person can live a healthy and comfortable life, while the word *living* means a society that thrives in harmony with the natural environment. Our vision is thus to operate various businesses that contribute to society's environmental compatibility, and contribute to health and comfort. We take this responsibility very seriously.

I believe that having this vision to guide our personnel, and gaining the understanding and support of the people around us, will enable the Asahi Kasei Group to thrive more than ever as a global enterprise.

CSR at Asahi Kasei

We consider our business operations themselves to be the core of CSR.

We divide specific aspects of CSR into two categories: CSR Fundamentals, which support our business operations, and CSR in Action, by which we contribute to society through business. As a corporate enterprise, we can help society overcome challenges such as the environment as we create useful new products and services, heightening corporate value and contributing to the sustainability of society.

We also need to operate our business in way that continually earns the trust of our various stakeholders,

including shareholders, consumers, employees and local communities.

The key to upholding our CSR commitments is the attitude of our personnel. If each and every employee takes pride in their work, and is able to find fulfillment in their jobs, it will give rise to outstanding products and services and enhanced corporate value.

Creating new value for society

In 2011, the Asahi Kasei Group launched “For Tomorrow 2015” as a five-year strategic management initiative for completion in fiscal 2015. In order to fulfill our Group Vision of providing new value to society by enabling *living in health and comfort and harmony with the natural environment*, we are concentrating management resources on expansion in the three fields of Environment & Energy, Residential Living, and Health Care. The implementation of our management initiative will thus result in a further evolution of the Asahi Kasei Group's CSR.

Leveraging the diverse strengths of the Asahi Kasei Group, we launched three projects that combine different business units for the creation of new businesses in these fields, Environment & Energy for Tomorrow, Residential Living for Tomorrow, and Health Care for Tomorrow.

Each of these projects is not limited to our own in-house technology and know-how, but also incorporates outside resources. For example, our Residential Living for Tomorrow project works to

swiftly identify emerging needs of society and create innovative residential proposals that combine energy, electronics, and health care technologies. We are not only combining various leading technologies from within the Asahi Kasei Group, but are also integrating leading technologies for other companies and research organizations.

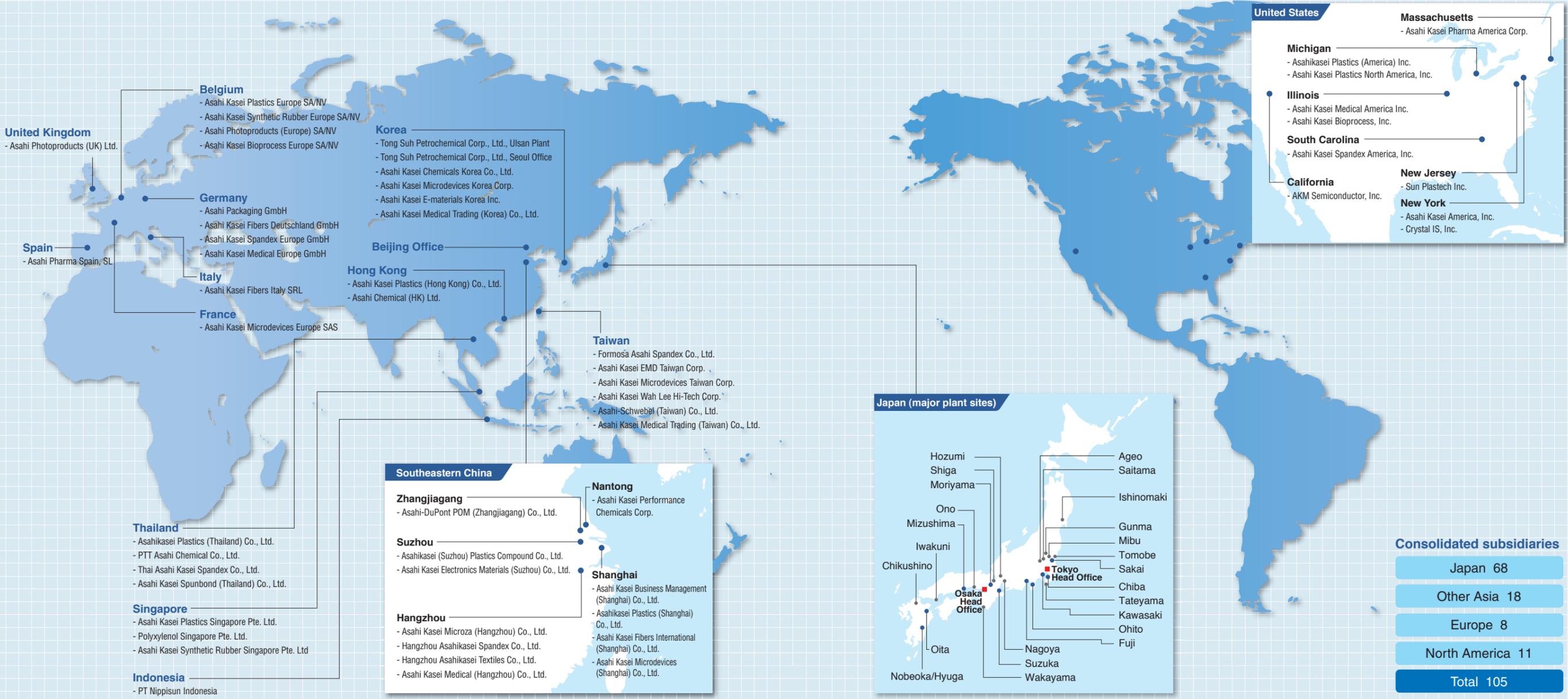
Continuously maintaining trust

Since I became President of Asahi Kasei, I have spent most of my time meeting and talking with people. Not only in the workplace but in general as well, the key to maintaining positive relationships with the people around us lies in sound interpersonal communication and mutual trust.

As globalization continues to advance, we deal with more and more people who hold different values, and our company has relationships with an ever wider range of stakeholders. We not only need to constantly enhance the provision of information on our products and services, but also work to heighten our overall dialogue and two-way communication. In addition to communicating specific plans and concrete results, we proactively disseminate information on the direction we are moving in, and our perspective as we advance. With greater collaboration and closer coexistence with society, I believe we can develop as an enterprise group that will be truly trusted and relied on over the long term.

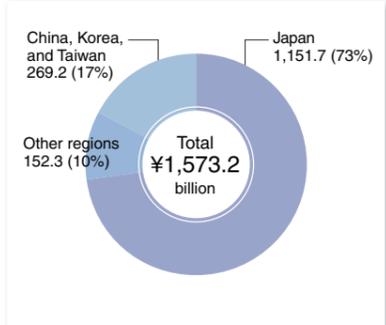
We have a wide variety of businesses in various locations around the world

We have more than 20 major production locations in Japan, including Nobeoka, Miyazaki Prefecture, the location of our historic roots. Our rapidly expanding international business is supported by some 60 operating bases, including affiliated companies and sales offices.

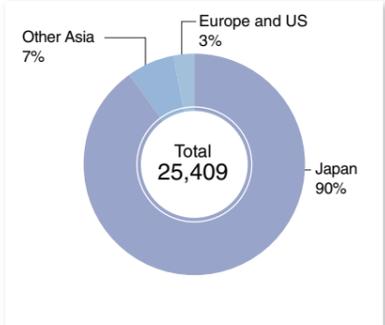


Consolidated Results

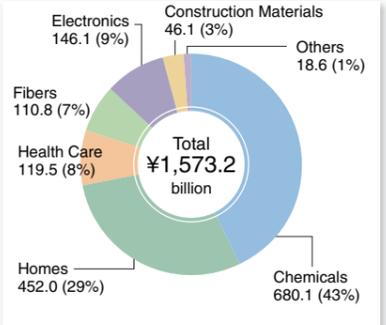
FY 2011 sales by region



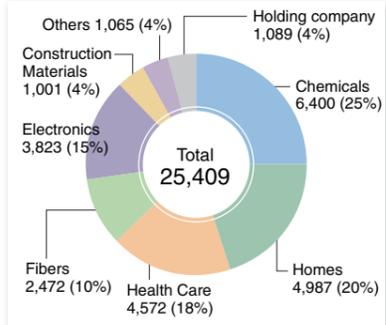
Employees by region (as of March 31, 2012)



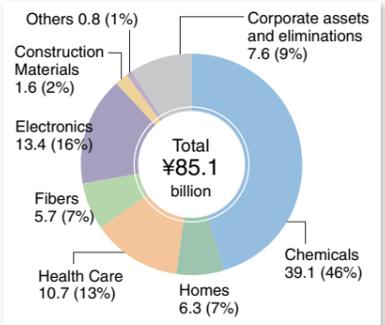
FY 2011 net sales



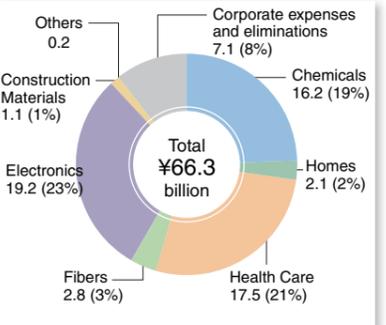
Employees (as of March 31, 2012)



FY 2011 capital expenditure



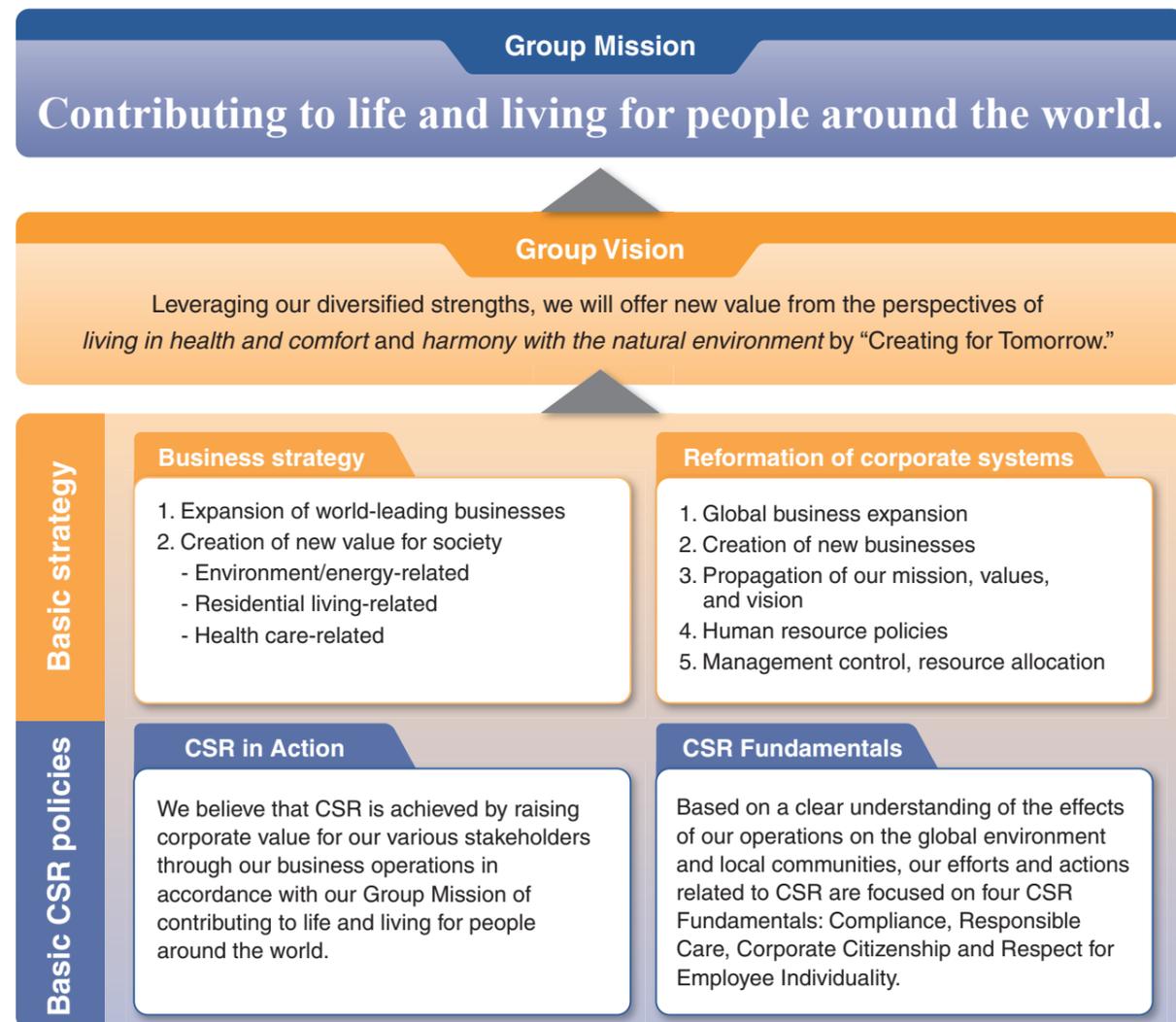
FY 2011 R&D expenditure



Business activities and CSR

We believe that corporate social responsibility (CSR) is achieved by addressing a wide range of social challenges through the advancement of our diversified businesses in accordance with our Group Mission of contributing to life and living for people around the world.

Group Philosophy and CSR



Message from the Executive for CSR



Koji Fujiwara
Secretariat, CSR Council
Director, Primary Executive Officer
Asahi Kasei Corp.

The Asahi Kasei group believes that CSR is achieved through our diversified businesses in accordance with our Group Mission of contributing to life and living for people around the world. The CSR Council guides measures throughout the Asahi Kasei Group to advance our CSR Fundamentals of Compliance, Responsible Care, Corporate Citizenship, and Respect for Employee Individuality through our business activities. We are also committed to appropriate information disclosure to enhance our relationship of trust with our stakeholders.

In accordance with our mid-term management initiative "For Tomorrow 2015," launched in fiscal 2011, we are leveraging the collective strengths of the Asahi Kasei Group to expand our business activities with the perspectives of our Group Vision, *living in health and comfort and harmony with the natural environment.*

Business Activities

Group vision and new mid-term management initiative of the Asahi Kasei Group

In fiscal 2011, the Asahi Kasei Group launched a new mid-term management initiative, "For Tomorrow 2015," to guide our creation of new value in anticipation of emerging changes in society, based on the perspectives of *living in health and comfort* and *harmony with the natural environment.*

"For Tomorrow 2015" and its basic strategy

The operating environment for the Asahi Kasei Group is a world facing many challenges, in both environmental issues such as global warming, resource depletion, and pollution, and social issues such as labor conditions, human rights, and emerging market challenges. In Japan, we face challenges, related to recovery from the Great East Japan Earthquake as well as an aging population and declining birthrate.

The Asahi Kasei Group tackles these issues through our diversified businesses ranging from chemicals and fibers to homes and construction materials, electronics and health care, which we operate in accordance with our Group Mission of *contributing to life and living for people around the world.*

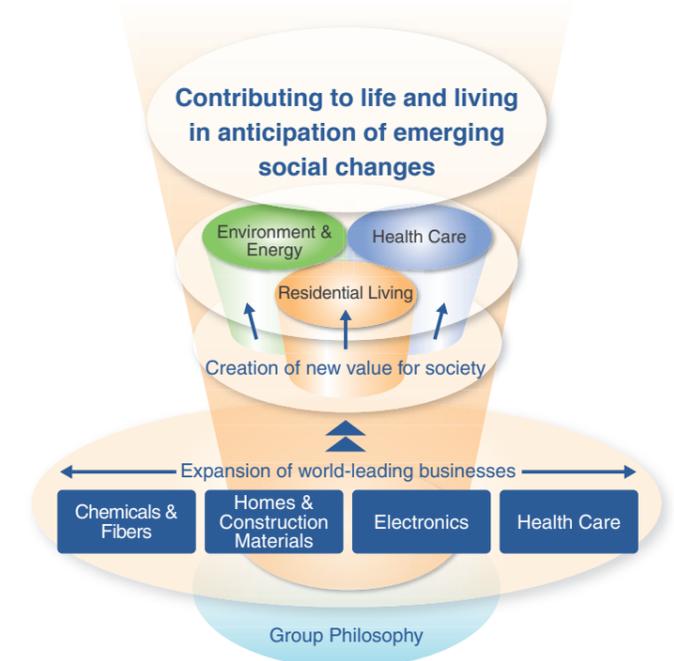
One objective of our mid-term management initiative "For Tomorrow 2015" is to fulfill our Group Slogan of *Creating for Tomorrow* from the perspectives of *living in health and comfort* and *harmony with the natural environment.* Our key business strategies to achieve this are the *expansion of world-leading businesses* and *creation of new value for society.*

For the expansion of world-leading businesses, we are proactively developing global businesses to build market leadership in growing markets.

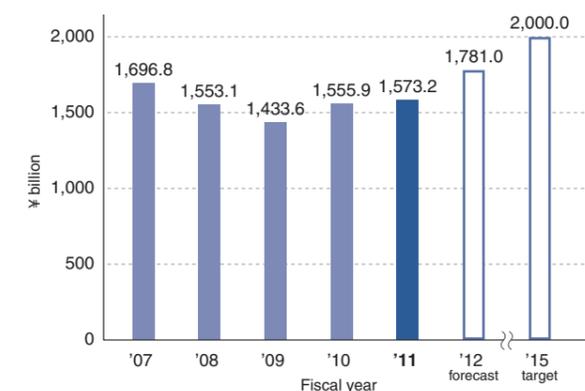
For the creation of new value for society, we are concentrating resources on expanding businesses in fields related to the three fields of *the environment & energy, residential living, and health care* to meet

emerging social needs for *living in health and comfort* and *harmony with the natural environment.* To coordinate the creation of new businesses in these fields which combine different business units, we launched three new "For Tomorrow" projects.

"For Tomorrow" projects

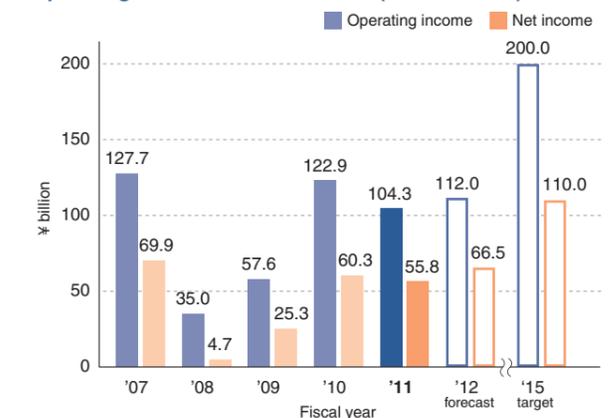


Net sales (consolidated)



Note: Results for FY10 have been revised to reflect a changes in the accounting policy for naphtha resale.

Operating income and net income (consolidated)



CSR at the Asahi Kasei Group

Our efforts and actions related to CSR are focused on our four CSR Fundamentals: Compliance, Responsible Care, Corporate Citizenship and Respect for Employee Individuality.

Supporting The UN Global Compact

The UN Global Compact

Asahi Kasei supports the UN Global Compact and its ten universal principles

Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.
	Principle 5: Businesses should uphold the effective abolition of child labor.
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

The ten principles of the UN Global Compact

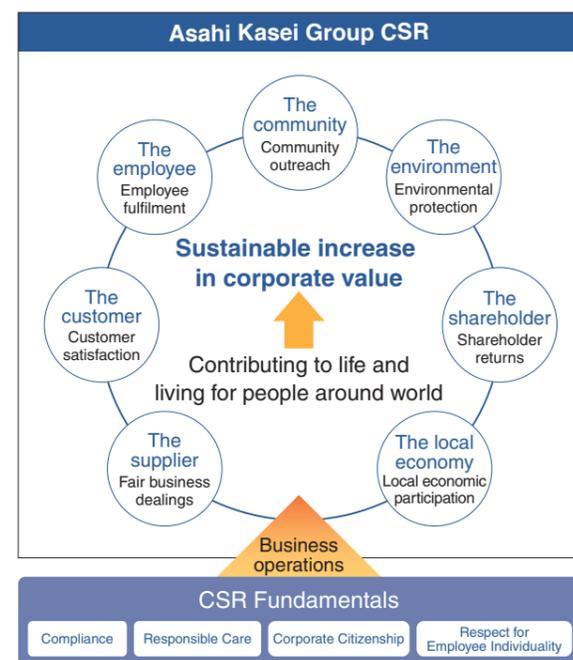
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Relationships with Stakeholders

We believe that CSR is achieved by raising corporate value for our various stakeholders through our business operations in accordance with our Group Mission of contributing to life and living for people around the world.

In addition, based on a clear understanding of the effects of our operations on the global environment and local communities, our efforts and actions related to CSR are focused on four CSR Fundamentals: Compliance, Responsible Care, Corporate Citizenship and Respect for Employee Individuality.



Structure and organization for CSR

The CSR Council, formed in April 2005 with the holding company President serving as chair, formulates CSR policy and guides the CSR effort throughout the Asahi Kasei Group. At the same time, it monitors specific CSR initiatives implemented by its seven committees, including the Corporate Ethics Committee to ensure regulatory compliance and the Responsible Care Committee to guide efforts for environment, health, and safety.

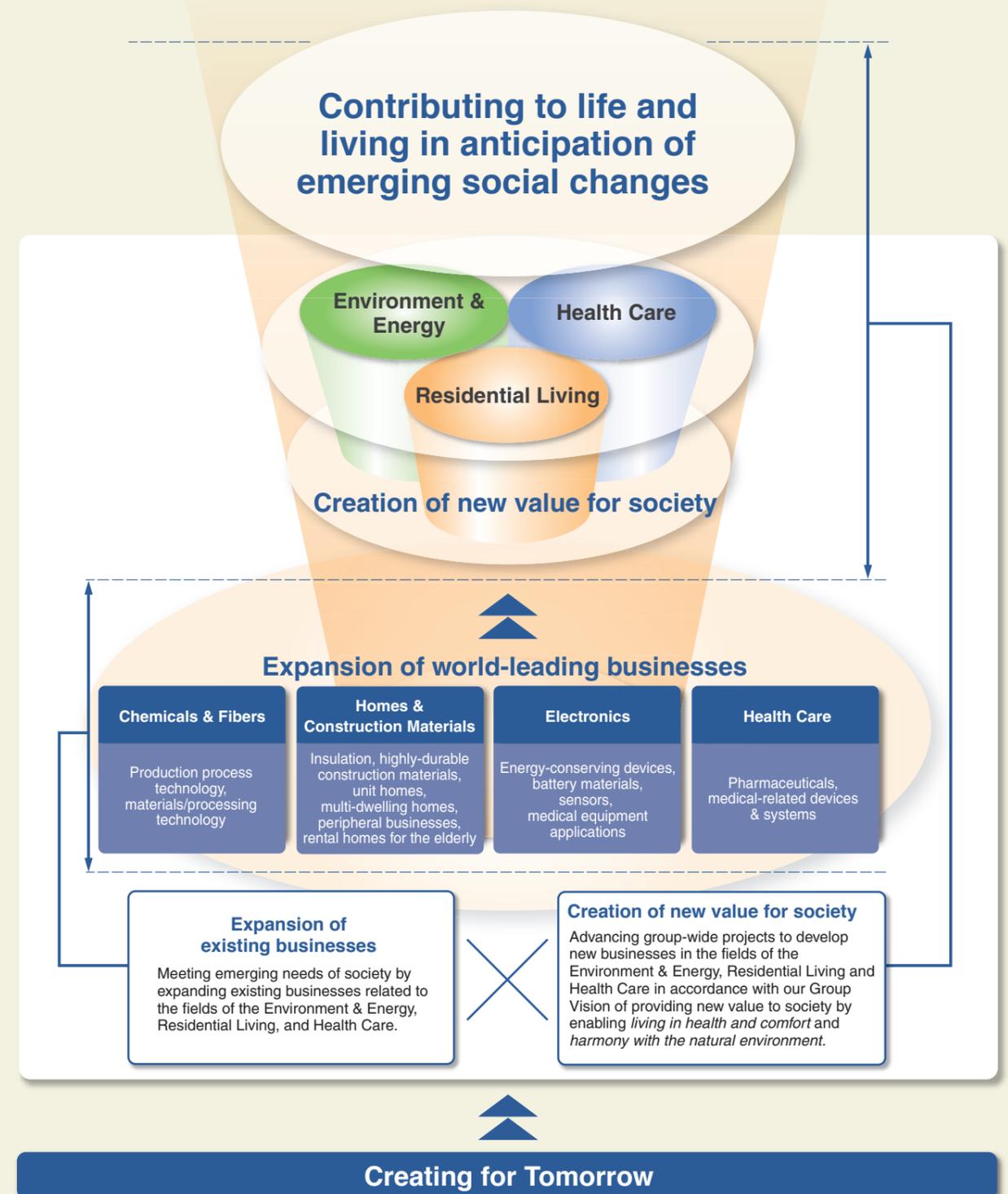
Note: The Export Control Committee did not meet in fiscal 2011, as there were no matters warranting discussion. Regular duties related to export control are performed by our Export Control Dept.

Framework for advancement



Past, present, and future— Asahi Kasei continually creating new value for society

We are advancing group-wide projects to develop businesses that create new value in anticipation of emerging needs of society.



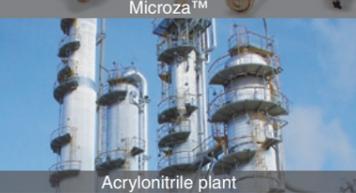
The Asahi Kasei Group is working to create new value through businesses that help society overcome various challenges.

The operations of the Asahi Kasei Group span from petrochemicals, fibers, homes, and construction materials, to electronic materials and devices, pharmaceuticals, and medical devices. In various ways, each of these businesses is in a position to help resolve many of the challenges the world faces today. We believe that helping resolve such challenges through our existing businesses as well as newly developed businesses is the clearest way to meet society's expectations, and we are committed to fulfilling this responsibility.

Challenges in the social environment

 <ul style="list-style-type: none"> • Global warming 	<ul style="list-style-type: none"> • Resource depletion  <ul style="list-style-type: none"> • Water resources 	<ul style="list-style-type: none"> • Aging population and declining birthrate  <ul style="list-style-type: none"> • Natural disasters 	 <ul style="list-style-type: none"> • Poor housing conditions • Residential energy efficiency • Intractable diseases 	<ul style="list-style-type: none"> • Rising health care costs  <ul style="list-style-type: none"> • Areas with poor access to health care 	<ul style="list-style-type: none"> • At-home medical care 
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Value provided in the past and present

Environment & Energy	Residential Living	Health Care
 <p>Hipore™ lithium-ion battery separator Hipore™ supports the high performance of lithium-ion batteries (LIBs), which power the mobile devices that are indispensable for today's way of life. As LIBs are increasingly used in electric vehicles and residential power storage systems, Hipore™ will be a core technology that contributes to a low-carbon society.</p>  <p>Sensors/power-saving LSIs Hall elements are magnetic sensors that help make motors more energy efficient in air conditioners, washing machines, and many other appliances. Asahi Kasei produces some 70% of the world's Hall elements.</p>  <p>Microza™ Microza™ water filtration systems developed with Asahi Kasei's proprietary hollow-fiber membrane technology and membrane module technology enable the effective use of our limited water resources with stable filtration performance.</p>  <p>Acrylonitrile Acrylonitrile is an intermediate used to manufacture synthetic resin and fiber. Asahi Kasei developed the world's first commercial propane process for acrylonitrile production, enabling the use of feedstock derived from natural gas instead of petroleum.</p>	 <p>Hebel Haus™ homes Exterior walls of Hebel™ AAC enable durability of over 60 years. With steel frames and seismic damping devices, the homes provide outstanding safety and earthquake resistance.</p>  <p>Neoma™ foam and Jupii™ floor insulation panels Neoma™ foam exterior-wall insulation panels and Jupii™ floor insulation panels help make homes more energy efficient with their world-leading thermal insulation performance (thermal conductivity: 0.020 W/m·K).</p>  <p>Long Life Homes Asahi Kasei's home construction business is guided by the Long Life Home concept of providing outstanding initial value, following up with systems to maintain and enhance value, and offering a full range of services based on the asset value of the home to ensure that residents can enjoy a rich living environment over the long term.</p>	 <p>Planova™ By ensuring against contamination with viruses, Planova™ virus removal filters play an essential part in the manufacture of biotherapeutics. Planova™ filters are widely used around the world to improve viral safety.</p>  <p>Sepacell™ Sepacell™ leukocyte reduction filters use a fine fiber mesh to trap leukocytes that could cause side effects such as fever or chills during blood transfusion.</p>  <p>Artificial kidneys Asahi Kasei's APS™ polysulfone-membrane artificial kidneys feature superior biocompatibility and permeability, helping to improve the quality of life for dialysis patients around the world.</p>  <p>Therapeutic apheresis In therapeutic apheresis, a patient's blood is passed through a device which removes pathogenic substances by separation or adsorption. The treated blood is then returned to the patient's body. Use of therapeutic apheresis is growing in the field of preventative medicine as well as in the treatment of intractable diseases which cannot be effectively treated using drugs.</p>

Value we will provide in the future

Environment & Energy	Residential Living		Health Care
<p>Our aim</p> <p>Addressing environmental challenges and limitations with diverse technology, for a brighter future</p> <p>We will provide a wide range of distinctive high-value added products and services that enable more efficient power generation, transmission, storage, and consumption.</p>	<p>Our aim</p> <p>Providing a comfortable more customers, more</p> <p>We will propose new residential range of products and services both Kasei Group. Our focus will be on and comfort with their family neighbors in the community, and to neighborhoods in harmony with the</p>	<p>Our aim</p> <p>living environment to quickly</p> <p>living solutions that integrate a wide range of products and services both enabling residents to live in health members and together with live in safe, appealing, and sociable natural environment.</p>	<p>Our aim</p> <p>Unique products & technologies that contribute to a healthy and lively society of longevity</p> <p>We will utilize a variety of products to help people around the world to live healthy lives as part of our commitment to contribute to a healthy and lively society of longevity. We are focused on the seamless delivery of advanced health care from acute critical care to chronic care, not only for patients but also for their families and communities.</p>

Hipore™ is a key component of the LIBs that provide power for mobile electronic devices and are increasingly helping to resolve energy issues

Our commitment

Creating products that support living and fulfill the needs of society

Mobile telephones, laptop computers, and portable music players have become an essential part of our lives. The development of such mobile electronic devices required high capacity, lightweight rechargeable batteries. The LIB, invented at Asahi Kasei in 1985, made the development and evolution of these devices possible. The battery separator plays a key role in maintaining the safe performance of LIBs, which require care in handling due to their high energy density.

The separator helps to ensure safety while maintaining high battery performance under a wide range of operating conditions. This is the role of Hipore™.

Our solution

Utilizing exceptional technology for nanometer-scale formation

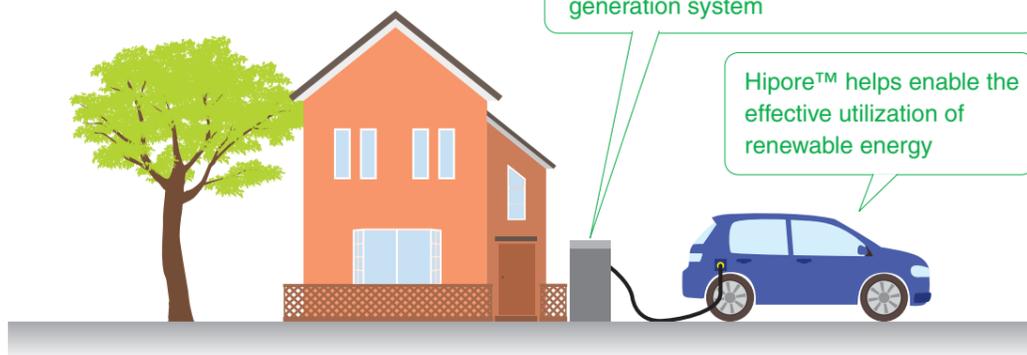
Microporous membrane formation technology is the key to Hipore™ production. Hipore™ is a thin sheet of microporous polyolefin with pore sizes ranging from 0.05 to 0.5 μm. Hipore™ provides electrical isolation between the positive and negative electrodes of the LIB while allowing lithium ions to pass through. A wide range of Hipore™ products with different pore sizes and membrane thicknesses is available to meet different needs in a variety of applications. With its high performance and versatile adaptability, Hipore™ is the world's largest selling LIB separator.



Hipore™ LIB separator

Hipore™ helps enable the efficient storage and use of power from a solar generation system

Hipore™ helps enable the effective utilization of renewable energy



Hipore™ contributes to high LIB performance in mobile phones, laptop computers, and other devices that have become indispensable for modern life. As LIBs are increasingly used in electric vehicles and residential power storage systems, Hipore™ is playing a key role in helping to resolve environmental and energy issues.

Making a difference

Proprietary technology and forward-thinking ingenuity

In 1981 I began the development work which would lead to the LIB. It was known that polyacetylene, the conductive polymer discovered by Hideki Shirakawa, Professor Emeritus of Tsukuba University and Nobel Laureate in Chemistry, could be used as a battery electrode. We initially focused developing a battery using polyacetylene as negative electrode. We assembled the first working prototype in 1983, and in 1985 adopted a new negative electrode which marked the completion of the LIB as we know it today.



Dr. Akira Yoshino
Asahi Kasei Fellow

The LIB quickly drew attention as a breakthrough new rechargeable battery system, featuring high capacity, light weight, and compact size. In 1995, with the launch of Windows 95, the IT revolution really began to take off, and the market for mobile devices such as cell phones and laptop computers using LIBs grew at a terrific pace. I believe the development of the LIB was possible due to Asahi Kasei's combination of advanced proprietary technology together with forward-thinking ingenuity.

Moving forward, LIBs will likely be needed in fields that we cannot even imagine today. I hope that in the future LIBs will be used in all-new applications as a key technology that continues to provide new value to society.

Our ambition

Leveraging Hipore™ in the field of the environment and energy



With their high energy density, LIBs are increasingly used not only in small batteries for mobile electronics, but also in large battery arrays for electric vehicles and residential power storage systems.

Automotive applications in particular are expected to grow rapidly, creating strong growth in demand for Hipore™. Used in LIBs for large power storage systems with smartgrid technology, Hipore™ will also serve as a core technology to enable a low-carbon society.

Asahi Kasei will continue to contribute to the enhancement of LIB technology through advanced development of new Hipore™ products, helping to resolve a range of global environmental, energy, and resource issues, contributing to a low-carbon society.



Long Life Homes featuring 60-year durability provide residents with a rich living environment

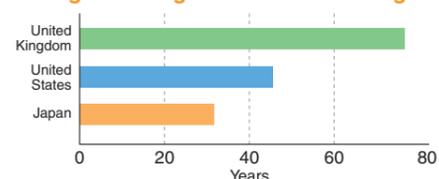
A home is the basis for living in health and comfort. Hebel Haus™ Long Life Homes are designed in pursuit of the ideal modern residence. That is, a home that offers an urban lifestyle and harmony with the environment, while also being safe and secure, with earthquake and fire resistance.

Our commitment

Providing a home that will be loved for generations

A major reason that Long Life Homes are needed in Japan is because of the country's aging population and declining birthrate, diversification of family composition and lifestyles, greater awareness toward protecting the environment, and the social need for a sound housing infrastructure. Today, when people prefer quality over quantity, we are committed to building Long Life Homes that realize the full potential of a place to be called home. Since 1998, Asahi Kasei has advocated its Long Life Home Declaration that states, "We must no longer be a society that relies on disposable homes that are built only to be leveled again, but rather one that values homes as true assets that can be lived in for generations." Our focus is to provide safe and secure homes where multiple generations can live in a rich and comfortable environment for 60 years into the future.

Average home age at time of rebuilding



Source: Ministry of Land, Infrastructure, Transport and Tourism (estimates)
International Comparison of Average Elapsed Age of Totally Demolished Homes

Our solution

Working together with the family to take care of the home for 60 years



A Long Life Home—the Hebel Haus™ Cubic

The basic enabler of the Long Life Home is Hebel™ AAC. Asahi Kasei has produced Hebel™ AAC panels in Japan since 1967, based on a technology license from Germany. The material features fire resistance, moisture absorbency, soundproofing, and thermal insulation. Hebel™ has continued to be the top AAC brand in Japan ever since, thanks to our continuous efforts to improve quality and develop new product innovations.

In addition to the features inherent with construction using Hebel™ panels, Hebel Haus™ homes feature flexibility in design, innovations to maximize the utilization of natural energy, and advanced anti-burglary features. Our goal is to provide homes that will remain safe, secure, and comfortable throughout their extended term of use.

We also provide the Long Life Program, a unique maintenance program that looks 60 years into the future. Through this program we prepare a 60-year inspection system for each component of the home, together with a comprehensive home maintenance service in the 30th year. This ensures that not only comfort but also the asset value of the home is maintained over the long term, for true peace of mind in ownership.



AAC panels

Making a difference

Hebel Haus™ homes that outlast their designers, builders, and owners

The story of Mr. F, Chairman of the Hebelian Club (Tokyo)

Some 31 years have passed since we built our Hebel Haus™ home in 1981. This is the home that my wife and I built in order to live together with her elderly father who had become ill. It was tough going for a while, taking care of her father and our two children while paying the mortgage. But now it's just the two of us. The house is very solid, so there has been no need to rebuild or renovate. Although, I am now thinking of how to make the most of this house, which will outlast the both of us. For example, I could rent out the second floor, or lease it back to Asahi Kasei and move somewhere else. I could also install an elevator to make things easier as my wife and I get older.

The Hebelian Club, of which I currently serve as Chairman, was created by Asahi Kasei to help enhance service offerings for Hebel Haus™ owners. Creating a network of people is nice because residents can share the great experiences they've had living in their Hebel Haus™. This is why I look forward to continuing to help make the Hebelian Club fun and interesting over the years ahead.

What is the Hebelian Club?

Hebelian Club is a club for Hebel Haus™ home owners (Hebelians) that provides a wide range of useful information on the homes and living in them. Through a variety of events, the club also seeks to provide a safe and secure living environment for owners, as well as opportunities for fellow Hebelians to meet and interact. Hebelian Club also offers support services that make living in a Hebel Haus™ more enjoyable and rewarding.

Our ambition

Being the market leader in Japanese urban homes



Hebel Haus™ featuring semi-outdoor space integrated with second-story living room



Hebel Maison™ apartment building

The floor plan of a Hebel Haus™ home can be freely designed in increments of 305 mm. The design may incorporate verandas, a sloped roof, an atrium to let in more sunlight, or even an inner garden. This enables Hebel Haus™ to make the most of urban setting where there are many building restrictions to construction. We are constantly focused on providing new value with Hebel Haus™ homes, in terms of both the physical structure and intangible features, with emphasis on the environment, interaction, health care access, and lifestyle support.

A home is the basis for life and living. Hebel Haus™ homes showcase Asahi Kasei's diverse strengths, seamlessly integrating our expertise in the environment and energy as well as health care. Asahi Kasei is focused on being the leading urban homebuilder in Japan, providing a better future for our customers.



Hebel Haus™ with a third-floor patio for family gathering

Working incessantly as a company providing products essential to patient's lives around the world

Our commitment

Enabling a better quality of life (QOL)

Patient with chronic renal failure require hemodialysis to take the place of the kidney function of removing waste products and excess water from the blood. The dialyzer, also called artificial kidney, is the medical device at the core of hemodialysis. Today, there are some 300,000 patients in Japan and 1.8 million patients around the world receiving hemodialysis treatment. In a single year, some 80 million dialyzers are used.

The stable supply of safe dialyzers is therefore essential to sustain the lives of these patients. Hemodialysis is typically performed for three to five hours at a time, two to three times a week. We are committed to maintaining an uninterrupted supply of safe, high-quality, high-performance dialyzers that help enhance the quality of life for hemodialysis patients.

Number of hemodialysis patients in Japan



Source: Japanese Society for Dialysis Therapy "Current Status of Dialysis Therapy in Japan" (reformatted)

Our solution

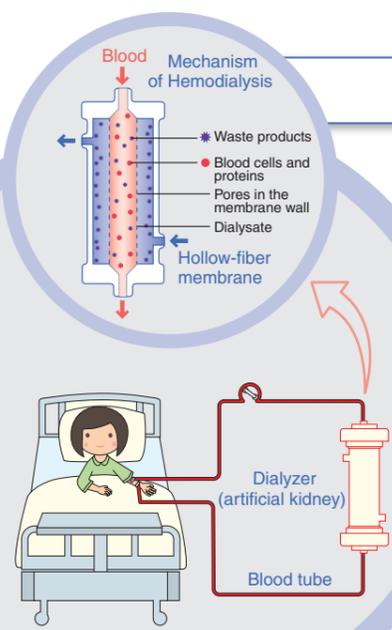
Hollow-fiber membranes with a long track record

Asahi Kasei began developing dialyzers based on its proprietary cellulose fiber technology built up over many years of experience in the fields of fibers and chemicals. In 1974, we developed Japan's first dialyzer with hollow-fiber cellulose membranes.

Within the dialyzer, blood drawn from the patient flows through the inside of the hollow-fiber membranes, while dialysate solution flows on the outside of the membranes. Larger matter in the blood, such as blood cells and proteins, are then returned to the patient, while waste products such as urea, potassium, and phosphorous pass through small pores in the membrane wall to enter the dialysate, and are discarded. In 1994 we launched our first dialyzers made with polysulfone hollow-fiber membranes, featuring outstanding performance and biocompatibility, and suitability for a wide range of different patients.

What is hemodialysis?

Hemodialysis is a therapy that involves circulating a patient's blood through a dialyzer. Waste products are removed from the blood in the dialyzer, and the treated blood is returned to the patient.



This therapy is often abbreviated as "dialysis."

Some 300,000 people in Japan require hemodialysis therapy. Asahi Kasei's technology for hemodialysis enables the safe and stable therapy that sustains man of their lives.

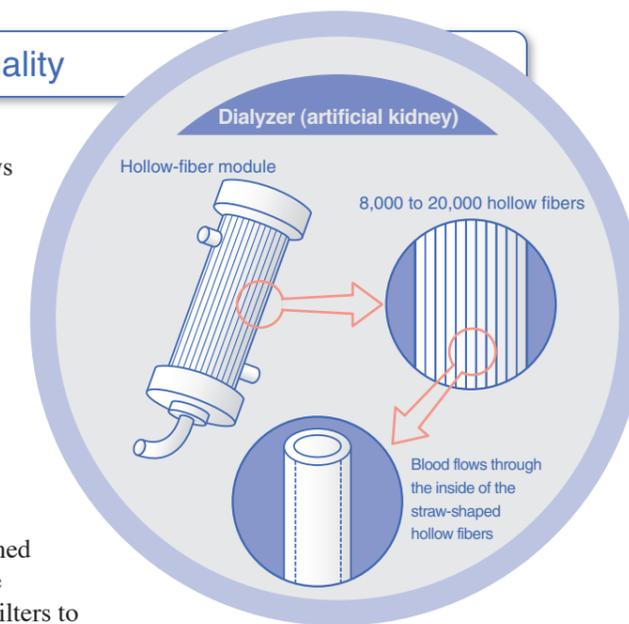
Making a difference

Core technologies that deliver superior quality

The development of our hollow-fiber dialyzers was enabled by our core technology for membrane separation. Artificial kidneys made with high-performance, biocompatible polysulfone hollow-fiber membranes have become the mainstream. Asahi Kasei consistently maintains the leading share of the market for dialyzers in Japan, and our dialyzers are used in more than 70 countries around the world.

Based on four decades of experience and know-how, we manufacture a wide range of superior quality dialyzers that meet the various needs of different patients. We constantly work to make further improvements to our dialyzers to meet emerging needs as hemodialysis therapy becomes increasingly available to more people around the world.

The separation and adsorption technology and know-how gained through dialyzer research and development has also enabled the development of therapeutic apheresis devices as well as blood filters to improve the safety of transfusions.



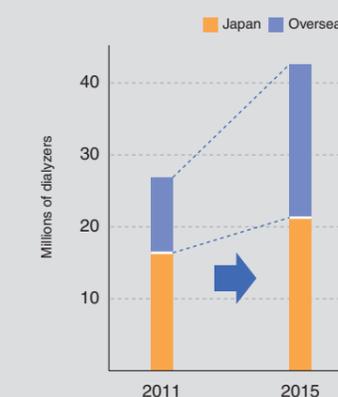
Our ambition

Making our products available to patients in need anywhere in the world

Today some 1.8 million people around the world receive hemodialysis therapy, and this is expected to rise to between 2.5 and 3.0 million by 2020. We are continuously expanding our international operations to make our dialyzers available in more countries and regions throughout the world. We develop products suited to overseas demand, such as lightweight dry-pack dialyzers and dialyzers with vitamin E-coated membranes, and have a growing overseas manufacturing infrastructure.

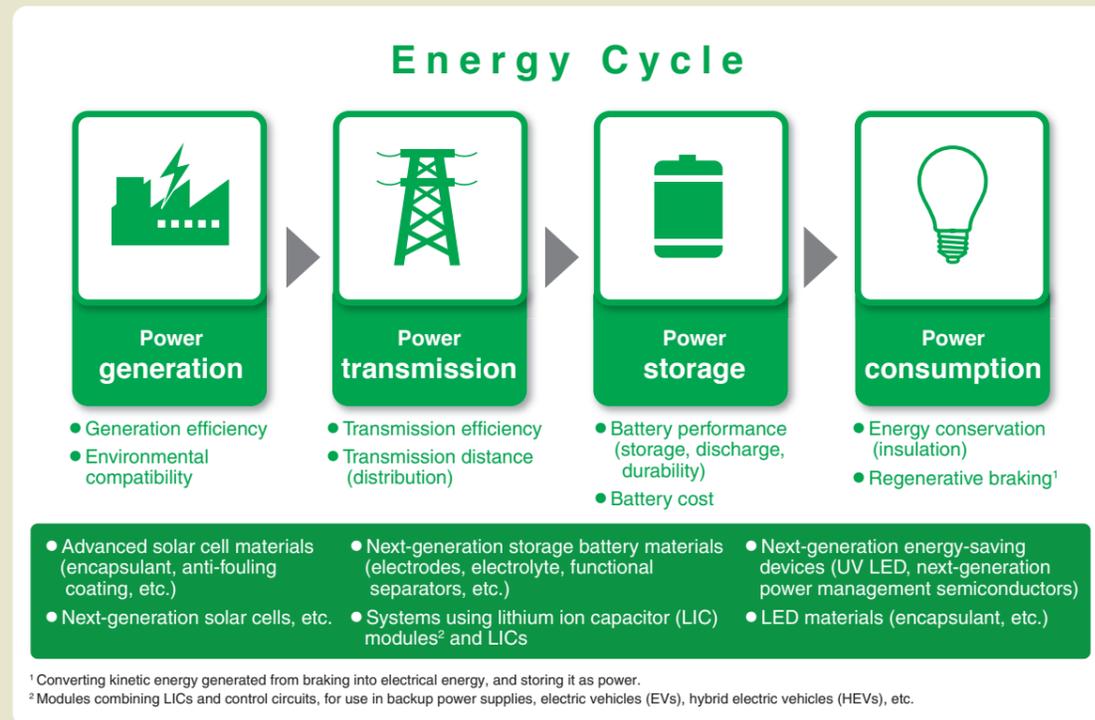
By leveraging our experience and know-how in this way, we look forward to helping to sustain the lives of more people in more places all around the world.

Sales growth outlook



Environment & Energy for Tomorrow

In order to support the utilization of diverse energy sources, the Asahi Kasei Group develops innovative products and services used at each stage of energy cycle from power generation to transmission, storage, and consumption.



Next-generation energy storage device: Lithium ion capacitor (LIC)

Leveraging lithium-ion battery technology, LICs feature rapid charge and discharge at high current, high capacity, long life, and outstanding safety. With these advantages, the LIC is expected to enable more efficient use of electrical energy in the near future.

Major applications are for electrical storage devices, power assistance for electric vehicles, and backup power for computers, etc. Demand is also anticipated to grow in load levelling for renewable energy.

In order to accelerate the development of business related to the LIC, we established a joint venture with FDK Corp. By combining FDK's technology for



integrated manufacture of cells and modules together with the Asahi Kasei Group's basic cell technology, the joint venture will accelerate product commercialization as well as enhance our R&D and manufacturing capability.

Development of ultraviolet light emitting diodes

Ultraviolet light emitting diodes (UV LEDs) are next-generation disinfection and sterilization devices used for water, air, and objects such as medical devices. Featuring low power consumption, compact size, and long service life, UV LEDs are expected to facilitate the development of portable disinfection equipment.

In order to facilitate the swift development of a new business for the device, the Asahi Kasei Group acquired full ownership of Crystal IS, Inc., a US-based venture specialized in the development of high performance UV LEDs, in December 2011.

Residential Living for Tomorrow

The Asahi Kasei Group offers innovative proposals for new styles of residential living. Our proposals are based on new concepts that focus on the environment as well as the needs of individuals, families, and local communities. The new styles of residential living are enabled with our wide range of products and services developed from synergy among various operations within the Asahi Kasei Group as well as outside entities. We are also building demonstration homes to make the new lifestyle concepts easy to visualize.



"HH2015" demonstration house

In February 2012, the Asahi Kasei Group opened its demonstration house "HH2015" in Fuji, Shizuoka, Japan, to promote our unique new concepts of residential living.

The concepts are based on important perspectives such as safety and security of individuals and families, a comfortable community that provides sense of security, and harmony with the natural environment through energy conservation and utilization. The demonstration house represents these perspectives with cutting-edge technologies and functions that emphasize environmental friendliness, human interactions, easily accessible health care, and lifestyle support services. By embodying these concepts, the Asahi Kasei Group is aiming to provide healthy and comfortable living while supporting the establishment of interactive urban communities. Seven focused aspects of the new style of residential living are demonstrated as seven separate zones in the facility: energy-saving, low-carbon, exterior zone, natural energy zone,

shared-house zone, home health care zone, plant-growing zone, low-carbon zone, and pet dwelling zone.

The Asahi Kasei Group continues to develop and showcase new styles of residential living by adopting innovative technologies, products, and systems from our Environment & Energy for Tomorrow project and Health Care for Tomorrow project into the demonstration house. We also utilize this facility as a venue to create synergy among various operations within and outside the Asahi Kasei Group.

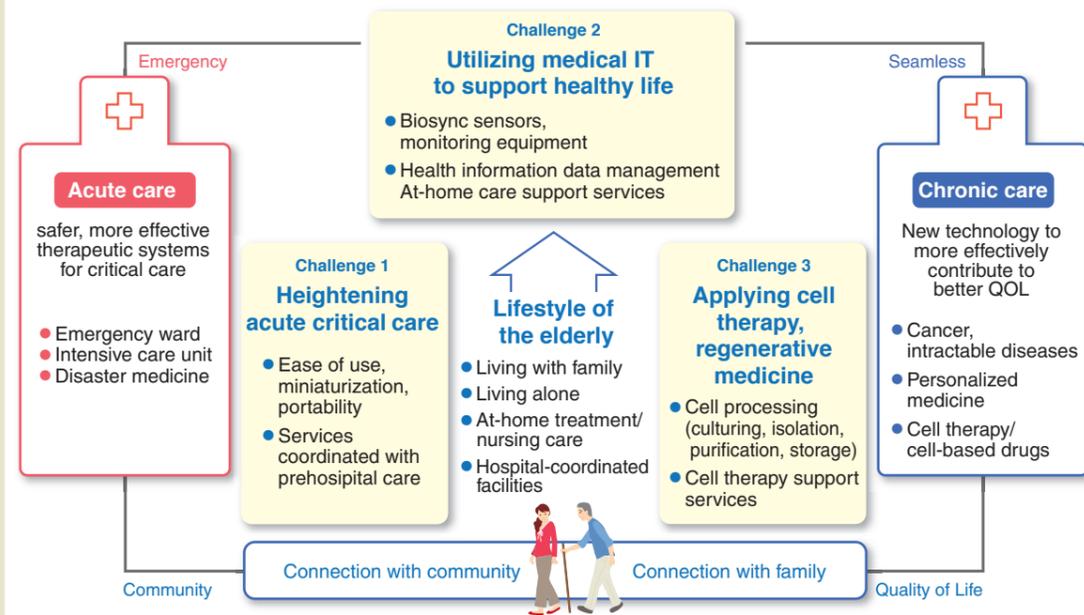
"HH2015" demonstration house



Health Care for Tomorrow

To help contribute to a healthy and lively society of longevity, the Asahi Kasei Group is taking on the three challenges of “heightening acute critical care,” “utilizing medical IT to support healthy life,” and “applying cell therapy and regenerative medicine.” Our major focus is to contribute to seamless and advanced health care, spanning from acute critical care to chronic care that firmly supports families and the local community.

Three challenges for a healthy and lively society of longevity



Advancement to the critical care field

In April 2012, Asahi Kasei acquired ZOLL Medical Corporation, a major US manufacturer of critical care devices, to enter the business of critical care devices and systems. ZOLL has a broad lineup of innovative products based on its world-leading core technology of resuscitation, including a new type of defibrillator for patients at high risk of sudden cardiac arrest. In August 2011, the Asahi Kasei Group began exclusive sales in Japan of ZOLL AED Plus™, an automated external defibrillator which provides real-time audiovisual feedback to help rescuers reach the proper depth and rate of chest compressions.

Critical care is at the front line of health care, the first treatment that patients receive before entering the hospital. This acquisition is our first significant step in this vital area which supports the social infrastructure that enables lives to be saved in crisis so that people may ultimately return them to their normal routines.

Launch of a new osteoporosis drug

The number of osteoporosis patients in Japan is rising as the population ages. Osteoporosis carries an increased risk of bone fracture, with a high probability of resulting in confinement to bed, so effective treatment has become an important social challenge to address.

In our pharmaceuticals business, we have been working to help resolve unmet medical needs (medical needs for which no effective treatment exists) especially in the fields of orthopedics and urology by developing and marketing number of advanced products. In September 2011, we obtained marketing and manufacturing approval for a new osteoporosis drug that facilitates bone formation with enhanced strength, and consequently helps to prevent bone fracture. This drug is expected to provide a valuable contribution to the treatment of osteoporosis.

Objectives and results

Based on the Asahi Kasei Group’s corporate governance foundation, we focus on four CSR Fundamentals: Compliance, Responsible Care, Corporate Citizenship and Respect for Employee Individuality throughout our business activities.

Specific actions in each of these areas are advanced in accordance with an annual plan formulated during the previous fiscal year.

Notable CSR actions, results, and plans

		Notable actions and results in FY 2011	Plans for FY 2012
General, Compliance		<ul style="list-style-type: none"> Measures to enhance understanding of the Group Philosophy Operation of Compliance Hotline Revision of <i>Corporate Ethics – Basic Policy and Code of Conduct</i> (including Chinese language version) Effective operation of safety confirmation system Revision of earthquake response regulations 	<ul style="list-style-type: none"> Measures to enhance understanding of the Group Philosophy Measures to enhance understanding of <i>Corporate Ethics – Basic Policy and Code of Conduct</i> Completion of review and revision of earthquake-related regulations
Responsible Care		See p. 29	
Corporate Citizenship	Information disclosure	<ul style="list-style-type: none"> Meetings with securities analysts and institutional investors with cumulative attendance of 1,813 Seminars for 2,102 individual investors in total Periodic meetings with community members in each major production site Publication of CSR Report and Annual Report in Japanese and English 	<ul style="list-style-type: none"> Sustaining and enhancing communication with stakeholders Publishing CSR Report and Annual Report in Japanese and English
	Community fellowship	<ul style="list-style-type: none"> Our engineers gave guest lectures at middle schools for 1,900 students Our engineers gave guest lectures in disaster-afflicted areas (Fukushima Prefecture) Internships for college/graduate students Participation in tree-planting project 	<ul style="list-style-type: none"> Science laboratories and guest lectures at schools Seminars for students in disaster-afflicted areas Participation in tree-planting project
Respect for Employee Individuality		<ul style="list-style-type: none"> Revision of the system for leave of absence for family care Enhancement of programs that support independent study 	<ul style="list-style-type: none"> Implementation of programs for supporting employees in balancing between work and family care Promotion of balance between work and private life Enhancement and advancement of education and development of the next generation



Corporate governance

We work to heighten corporate value by enhancing the efficiency and transparency of management.

Corporate governance

Basic Concept

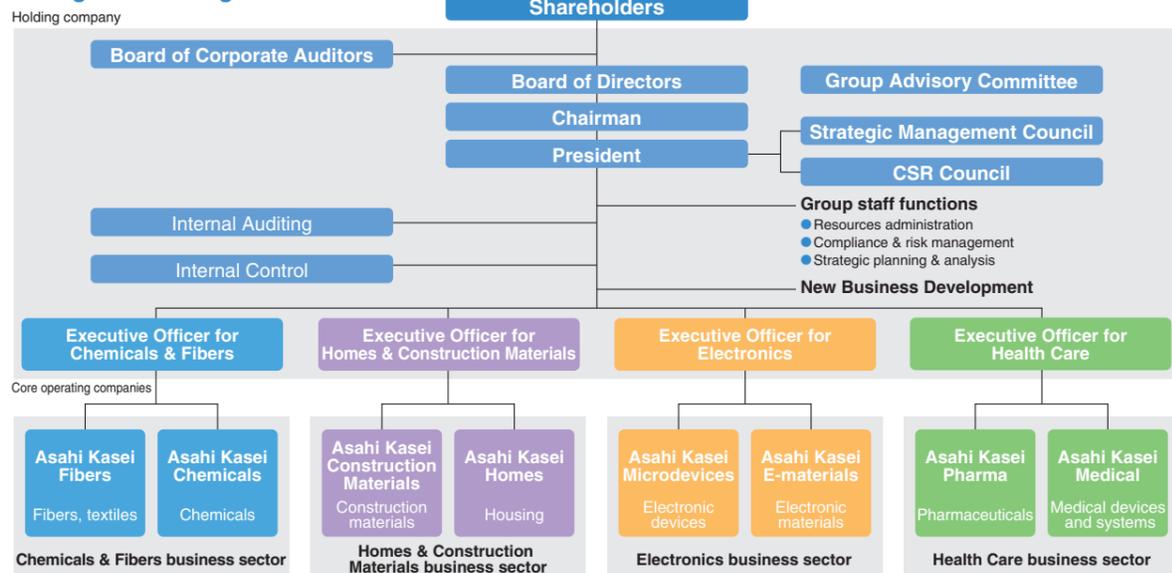
We believe that constant effort to increase the efficiency and transparency of management is essential for continuous enhancement of the corporate value of the Asahi Kasei Group. Under the structure of a holding company and core operating companies, the Asahi Kasei Group exercises corporate governance based on the following two principles.

- 1) Based on the structure of a holding company and core operating companies, the core operating companies are responsible for business execution and the holding company is responsible for oversight.
- 2) The Group Approval Authority Regulations are positioned as the highest ranking among all the regulations governing the overall Group for decision making in executing business. Authority is distributed to each organ of the holding company and the core operating companies in accordance with the degree of influence on management.

In this context, corporate governance is further enhanced by implementing various measures, including the election of multiple Outside Directors and the institutionalization of Internal Auditing and Internal Control.

We will continue to advance measures to heighten corporate governance for the further enhancement of corporate value.

Management Configuration



(As of April 1, 2012)

Corporate Governance System

An outline of the corporate governance system of the Asahi Kasei Group is as follows (see charts below and on p. 25).

- 1) Asahi Kasei Corporation is a holding company and has elected to take the form of a company with a Board of Corporate Auditors.
- 2) Two Outside Directors were elected in June 2007 to enable oversight of the management of the Asahi Kasei Group based on their wealth of experience and broad range of insight, for the further strengthening of the management oversight function of the Board of Directors. Furthermore, an additional Outside Director was installed in June 2008 and the Company currently has three Outside Directors out of ten Directors.
- 3) The company has a Group Advisory Committee as an advisory body to the Board of Directors, enabling the receipt of various advice and recommendations of knowledgeable persons from outside the Company for the benefit of the overall management of the Asahi Kasei Group.
- 4) Internal Auditing serves as the corporate organ for internal audits of the execution of duties in the Asahi Kasei Group in accordance with basic corporate regulations for internal audits. Results of the internal audits conducted by each group staff function are also reported to Internal Auditing, so that all information regarding results of internal audits in the Asahi Kasei Group are centralized at Internal Auditing.

- 5) In accordance with the audit policy adopted by the Board of Corporate Auditors, each Corporate Auditor audits Directors in the discharge of their duties by attending Board of Directors' meetings and examining business performance. Corporate Auditors of the Company and Corporate Auditors of the core operating companies exchange information on a regular basis. Our Corporate Auditors Office has multiple dedicated personnel who, independently from Directors, support the Corporate Auditors in their duties.
- 6) PricewaterhouseCoopers Aarata performs financial audits of the Company and the core operating companies in accordance with the Corporation Law and the Financial Instruments and Exchange Act.
- 7) Company standards stipulate that as a general rule a Director is not to concurrently serve as Director at four or more other companies whose shares are stock market listed.
- 8) The Company has a performance-linked remuneration system as stated above, and remuneration of Directors is determined by the Board of Directors within the range stipulated therein.

Group organization

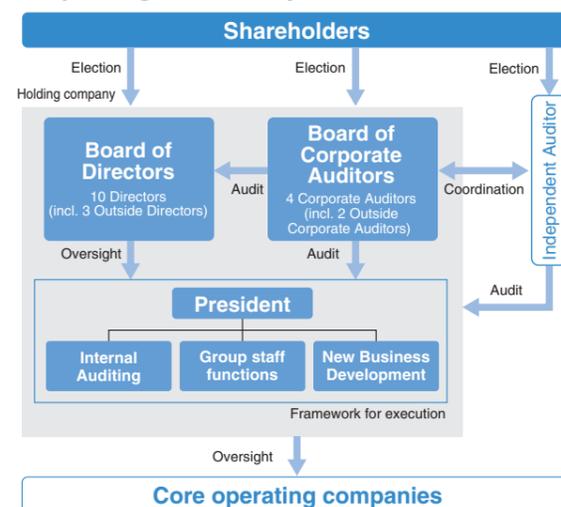
Board of Directors

Oversees group management, and deliberates and decides on basic group policy and strategy, and on substantive proposals by the Strategic Management Council. The Chairman of the holding company chairs meetings of the Board of Directors. Meets once or twice per month.

Strategic Management Council

Deliberates and decides on substantive matters relating to the operation of the holding company and of the group. Its decisions are made by the President of the holding company, who chairs meetings of the council, after deliberation by the attending constituent members. Meets twice per month.

Corporate governance system



(As of April 1, 2012)

Group Advisory Committee

The advisory body to the holding company's Board of Directors, comprises Chairman, President and knowledgeable persons from outside the Group. Meets twice per year.

Board of Corporate Auditors

Comprises four Corporate Auditors, two of whom are Outside Corporate Auditors. Corporate Auditors exchange views, deliberate, and decide on substantive matters relating to auditing. Meets at least once per quarter.

Executive Officer system

We employ an Executive Officer system under which the Presidents and Executive Officers of the core operating companies hold authority and responsibility for management execution within their respective companies, and the President and Executive Officers of the holding company hold authority and responsibility for management execution of the holding company as well as of the whole Asahi Kasei Group. The President of the holding company oversees the state of business execution at the core operating companies while Board of Directors of the holding company oversees the performance of the holding company President and the state of business execution of the Asahi Kasei Group.

Audits

Internal Auditing is a corporate organ under the direct authority of the President of the holding company. Each year, Internal Auditing prepares plans for an internal audit in accordance with basic corporate regulations for internal audits, obtains the President's approval for these plans, and then performs the internal audit.

In accordance with the audit policy adopted by the Board of Corporate Auditors, each Corporate Auditor attends meetings of the Board of Directors and audits Directors in the discharge of their duties through examination of business performance. The Corporate Auditors Office provides staff to support Corporate Auditors in their duties.

PricewaterhouseCoopers Aarata is contracted as the Independent Auditors to perform financial audits in accordance with the Companies Act and Financial Instruments and Exchange Act.

Internal Auditing, the Board of Corporate Auditors, and the Corporate Auditors of core operating companies and other subsidiaries regularly meet to confirm the effectiveness of internal governance systems for legal compliance and risk management. The Board of Corporate Auditors provides counsel to the Independent Auditors with respect to its audit plan, and receives the results of the consolidated financial audit of Asahi Kasei each quarter and each fiscal year.

Corporate governance

Compliance

Responsible Care

Corporate citizenship

Respect for employee individuality

Environmental and safety data



Compliance

The ongoing trust of people throughout the world is earned by compliance with law, social norms, and internal corporate regulations, by respect for local culture and customs, and for human rights, and by conduct based on high ethical values.

Framework for compliance

Corporate Ethics – Basic Policy and Code of Conduct

Our *Corporate Ethics – Basic Policy and Code of Conduct* is the standard and guide for ethical conduct throughout the day-to-day work of each and every member of the Asahi Kasei Group.

It has been translated into English and Chinese, and it or an equivalent standard applies to all companies in which our ownership exceeds fifty percent.

Corporate Ethics – Basic Policy

1. Creating value, contributing to society
2. Caring for environment, health, and safety
3. Honoring law and norms of society
4. Excluding subversive elements
5. Respecting the individual
6. Ensuring transparency
7. Respecting information and intellectual property
8. Practicing corporate ethics

Compliance monitoring by the Corporate Ethics Committee

Monitoring of compliance and oversight of education and training for compliance throughout the Asahi Kasei Group are performed by the Corporate Ethics Committee, which was formed in July 1998. Where shortcomings are discovered, the committee formulates and implements measures for improvement.

At its meeting in May 2011, the committee discussed priority issues and policies at each group company for ensuring compliance, the state of compliance with laws and regulations, handling of personal information, measures for prevention of sexual harassment and abuse of authority, and operation of the Compliance Hotline.

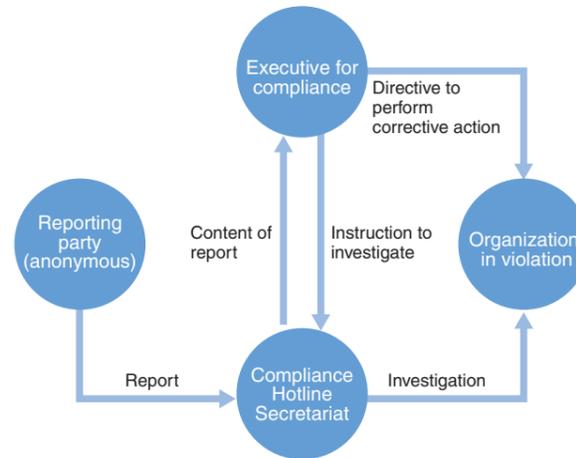
Compliance Hotline

The Asahi Kasei Group began employing a Compliance Hotline in April 2005 to ensure that any possible ethical lapses which employees may encounter or observe are dealt with swiftly and appropriately. Reports can be made through the corporate intranet or by post (to a specified law firm), in the name of the reporting party or anonymously.

Structures are in place to ensure that the reporting party incurs no disfavor or disadvantage as a result of having made a report.

Compliance Hotline Flow

Example: Anonymous intranet report, violation confirmed.



Market Compliance Committee

The Market Compliance Committee, which was formed in 1976, oversees compliance with antimonopoly law. To ensure against any violation of antimonopoly law such as participation in a price cartel, all across-the-board price increases require the approval of the committee before they can be implemented. The committee met twenty times in fiscal 2011, reviewing fifty-one cases.

Information protection and management

Protection of personal information

Asahi Kasei is committed to the proper handling and use of personal information, in accordance with our basic policy. Education and training for all employees—including the distribution of an information security handbook which describes our rules for handling information, and the provision of education via e-learning—is monitored by the Corporate Ethics Committee.

Protection of intellectual property

The Asahi Kasei Group implements strict measures to prevent unauthorized or unintentional outflow of technological information and know-how in accordance with its basic policy and management standards for prevention of technology outflow. The Asahi Kasei Group also applies internal guidelines summarizing related precautions to take when entering business overseas as well as procedures to ensure the preservation of prior-use rights in China.



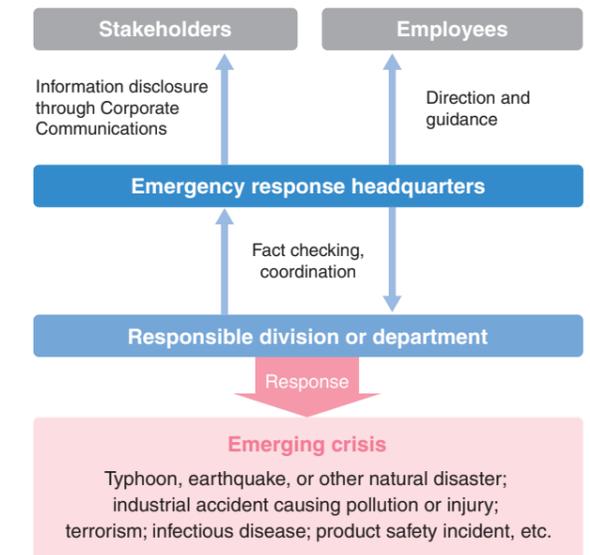
For more information about our intellectual property, please refer to **Asahi Kasei Group Intellectual Property Report**.
http://www.asahi-kasei.co.jp/asahi/en/r_and_d/intellectual_asset_report.html

Risk management

Our Risk Management Committee, under the authority of the CSR Council (see p. 10) serves to enhance the risk management system of the Asahi Kasei Group. Its basic mission is to prevent operational crises and to minimize the effects should a crisis occur. Since fiscal 2007, we have operated with Basic Risk Management Regulations, authorized by the Board of Directors, which provide clear guidelines to heighten the capability and effectiveness of risk management and emergency response throughout the Asahi Kasei Group, as a key aspect of fulfilling our social responsibility.

In the event of any major accidents, incidents, or problems which cause significant damage to Asahi Kasei Group operations or which may foreseeably cause our operations to have adverse effects on the general public, we establish a group emergency response headquarters headed by the President of Asahi Kasei Corp., and the headquarters works with various divisions and departments to guide the proper response to be taken.

Emergency response system





Responsible Care



The program of Responsible Care is a key element in management of the Asahi Kasei Group, comprising the six pillars of environmental protection, product safety, operational safety, workplace safety & hygiene, health maintenance, and community outreach.

Message from the Executive for RC



Hiroshi Kobayashi
Director
Lead Executive Officer
Asahi Kasei Corp.

RC is an essential element in our strategic vision to contribute to "living in health and comfort" and "harmony with the natural environment" through our business operations. The spirit of RC is autonomy, responsibility, and open disclosure. At the Asahi Kasei Group, we go beyond mere compliance with laws and regulations as we operate our businesses with due consideration for all matters related to the environment, health, and safety. In fiscal 2011, a wide range of RC efforts including training and education were advanced at all organizational levels. The objectives we held and the results we achieved are shown on the following page. Notably, we actively utilized new quantitative indexes and targets for reduction of greenhouse gas emissions based on life cycle assessment (LCA) of our products and technologies. In certain areas where we can perform better, we are redoubling our efforts to raise results in line with our commitment to prevent accidents and disasters, maintain product safety, and promote employee health, for complete achievement of all RC objectives.

Responsible Care at Asahi Kasei

Responsible Care (RC) represents the commitment and initiative to secure and improve safety and environmental protection at every step of the product life cycle through the individual determination and responsibility of each firm producing and handling chemical products, together with measures to gain greater public trust through disclosure and communication. RC was conceived in Canada in 1985, and was strengthened on a global scale with the establishment of the International Council of Chemical Associations (ICCA) in 1990. In 1995, the chemical industry in Japan began implementing RC with the establishment of the Japan Responsible Care Council (JRCC¹). Asahi Kasei was among the founding members of the JRCC, and played a leading role in the expansion and development of RC in Japan. RC at the Asahi Kasei Group is not limited to chemicals-related operations but encompass operations in all fields, including housing, healthcare, fibers, electronics, and construction materials.

Responsible Care at the Asahi Kasei Group



Asahi Kasei Group RC Principles

Throughout the product life cycle from R&D to disposal, utmost consideration is given to environmental preservation, product safety, operational safety, and workplace hygiene and health as preeminent management tasks in all operations worldwide.

- **Environmental preservation is achieved by ameliorating the environmental burden of operations while giving full consideration to the environment in the development of new technologies and products.**
- **Product safety is ensured by evaluating the safety of products and providing safety information.**
- **The safety of personnel and members of the community is secured through endeavors to maintain stable operation and improve technologies for safety and disaster prevention.**
- **Workplace accidents are prevented through improvements to the workplace environment and plant modifications to achieve inherent safety.**
- **Maintenance and promotion of employee health is supported by efforts to achieve a comfortable workplace environment.**

In addition to maintaining legal compliance, continuous improvement is pursued through attainment of self-imposed targets based on results of risk assessment. Public understanding and trust is gained through proactive communication and information disclosure.

June 4, 2002

RC objectives and results

★★★Complete ★★Satisfactory ★Unsatisfactory

	FY 2011 RC Objectives	FY 2011 Results	Attainment	FY 2012 RC Objectives
General	Enhance RC compliance	General improvement	★★	Enhance RC compliance
	Advance RC education and training	The textbook for RC education and training revised RC education for EHS ¹ personnel and candidates to be Manager	★★	Advance RC education and training Enhance RC at affiliates
	Enhance RC at affiliates	RC advancement in affiliates was confirmed at auditing	★★★	Enhance dialog with the public
	Enhance dialog with the public	Satisfactory RC reports published in 4 core operating companies and 8 plant complex sites	★★★	
Environmental Protection	Avoid all polluting accidents	No polluting accidents, but two minor incidents occurred	★★	Avoid all polluting accidents
	Promotion of recycling-oriented society	Zero emission of industrial waste maintained	★★★	Promotion of recycling-oriented society: - Final disposal of 0.5% or less of generated industrial waste, recycling rate of over 83%
	Curtailing greenhouse gas emissions:			Curtailing greenhouse gas emissions: - Reduce CO ₂ emissions by 1.0% - Reduce greenhouse gas emissions by 2.0% - LCA contribution ratio of 4.2
	- Reduce CO ₂ emissions by 0.5%	CO ₂ emissions reduced by 9.3% from FY 2005 level		- Reduce FY 2008 - 2012 average unit energy consumption by 20% from FY 1990 level
	- Reduce greenhouse gas emissions by 1.0%	Greenhouse gas emissions reduced by 14.7% from FY 2005 level	★★★	Reduction of chemical release: - Prioritize the items to reduce
	- LCA contribution ratio ² of 3.7	LCA contribution ratio of 5.4		Preserving biodiversity: - Implement measures in line with the priorities - Give consideration to biodiversity
	- Reduce FY 2008 - 2012 average unit energy consumption by 20% from FY 1990	FY 2007 - 2011 average unit energy consumption reduced by 23.6% from FY 1990 level, exceeding target of 19%		Advance CSR procurement
	Reduction of chemical release	Release of PRTR-specified substances and emission of VOCs reduced by 86% and 76% respectively from FY 2000 level	★★★	
	Preserving biodiversity: - Understand impact of our business activities on biodiversity - Give consideration to biodiversity	Investigated impact of our business activities on biodiversity	★★	
	Advance CSR procurement	Implement CSR procurement	★★★	
Operational safety	Avoid all industrial accidents	No industrial accidents	★★★	Avoid all industrial accidents
	Control changes to equipment and operating conditions	Safety management system improved Thorough training for maintenance provided	★★★	Control changes to equipment and operating conditions Enhance risk assessment
	Enhance risk assessment	Instructions on proper assessment provided and assessment capabilities evaluated	★★★	Monitor for fire, explosion, and leak hazards; implement remediation
	Monitor for fire, explosion, and leak hazards; implement remediation	Training to enhance abilities to make proper assessment RC audits at Nobeoka, Kawasaki, Wakayama, and Moriama Workshops at Kawasaki, Fuji, Morioka, and Nobeoka	★★★	Enhance emergency response systems Monitor for items in need of replacement and uninspected items, implement remediation:
	Enhance emergency response systems	Improvement confirmed at RC audits	★★★	- Implement seismic retrofitting for specific buildings as planned for FY 2012 - Completion of the evaluation of seismic capacity for non-specific buildings
	Monitor for items in need of replacement and uninspected items; implement remediation	Establishment of a seismic retrofitting plan for specific buildings and start of evaluations of seismic capacity for non-specific buildings	★★★	
Workplace safety and hygiene	Avoid all workplace injuries:			Avoid all workplace injuries - Achieve frequency rate of 0.1 or less - Achieve severity rate of 0.005 or less
	- Achieve frequency rate ³ of 0.1 or less	0.36	★	Enhance utilization of OHSMS: - Reduce latent risks at workplace - Enhancement of internal audits - Make the effects of OHSMS more visible
	- Achieve severity rate ⁴ of 0.005 or less	0.165		Avoid all accidents in "caught in/between" category: - No work place injury
	Enhance utilization of OHSMS:			Enhance safety management guidance of on-site contractors: - Enhance safety management structure as the contracting manufacturer - Enhance safety management of on-site contractors
	- Reduce latent risks at workplace	Four "caught in/between" accidents Special management procedures confirmed at audit with reference to registered list	★★	Eliminate severe accidents at firms contracted to work on equipment - Enhance implementation of safety management standards
	- Enhancement of internal audits	Improvement confirmed at audit with reference to internal audit records		
	- Make the effects of OHSMS more visible	Reduction confirmed at audit with reference to risk level changes		
	Complete compliance with safe operation standards:			
	- Risk prediction before operation, coordinated activities to ensure compliance	Satisfactory compliance confirmed at audit with reference to compliance check sheets Innovations to prevent mindless routine work were observed	★★★	
	Enhance safety management guidance for on-site contractors:			
- Enhance safety management structure as the contracting manufacturer	Satisfactory improvement confirmed at audit with reference to check sheets at each site	★★★		
- Enhance safety management of on-site contractors	Self-evaluation results and safety management guidance at each site confirmed at audit			
Enhance safety management guidance of firms contracted to work on equipment:				
- Survey on the state of safety management	A check-sheet survey was performed and the results aggregated	★★★		
Health maintenance	Reduce proportion of personnel from whom health warning signs are found	Proportion of personnel from whom health warning signs are found increased from FY 2010	★★	Reduce proportion of personnel from whom health warning signs are found Early discovery and treatment of employees with mental issues Enhance health management framework
	Early discovery and treatment of employees with mental health issues	Proportion of personnel with mental health issues increased from FY 2010	★★	
Product safety and management of chemical substances	Avoid serious product safety incidents	No product safety incidents	★★★	Avoid serious product safety incidents Enhance management of chemical substances - Promote compliance with laws and regulations on management of chemical substances in Japan and overseas - Encourage JIPS activities - Promote JAMP tools
	Enhance management of chemical substances	Trial of risk assessment Provide information through MSDSplus	★★★	
Living in health and comfort	Number of people our health care business contributed to	FY 2011 target: 7% increase over FY 2010	★★★	Number of people our health care business contributed to FY 2012 target: 14% increase over FY 2010
	Number of residents in Hebel Haus™ homes	FY 2011 target: 4% increase over FY 2010	★★★	Number of residents in Hebel Haus™ homes FY 2012 target: 7% increase over FY 2010

¹ Environment, health, and safety.

² See p. 33.

³ Number of accidental deaths and injuries resulting in the loss of one or more workdays, per million man-hours worked.

⁴ Lost workdays, severity-weighted, per thousand man-hours worked.

¹ JRCC: Operating as the RC Committee of Japan Chemical Industry Association from April 2011.

RC Management System

The efficiency and effectiveness of Asahi Kasei Group RC is maintained in accordance with its RC Management Guidelines and other internal standards, with the President of the Asahi Kasei Corp. serving as chair of our RC Committee. As shown in the diagram below, continuous reevaluation and improvement are systematically pursued with “plan-do-check-act” (PDCA) cycles—for the Asahi Kasei Group as a whole, within each core operating company and Region¹, and within individual plants and facilities.

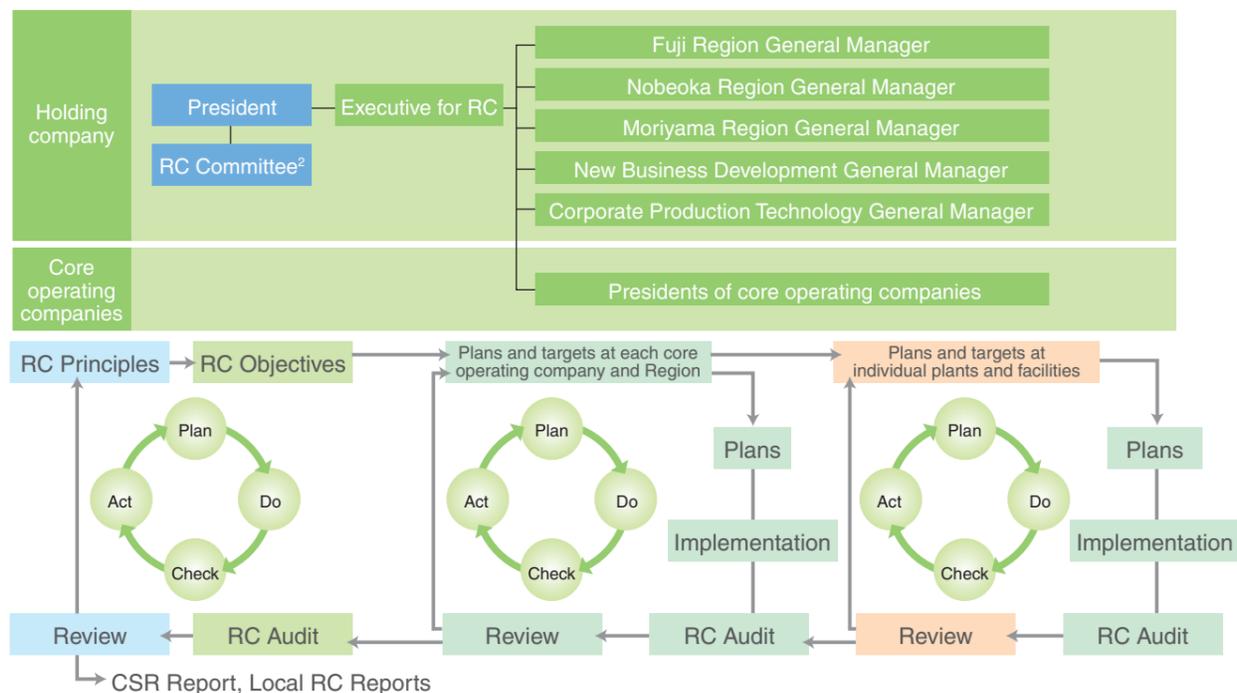
Certified compliance with internationally standardized management systems is obtained for the RC Management System of the Asahi Kasei Group. We have obtained ISO 14001 environmental management

system certification for environmental protection and ISO 9001 quality management system certification for product safety. An Occupational Health & Safety Management System (OHSMS) is adopted for workplace safety, hygiene, and health.



RC Committee meeting

PDCA flow for RC



RC education and training

In order to further heighten the effectiveness of our RC initiative, a new textbook was produced, which provides a general overview of RC, covers environmental protection and employee health, describes the fundamentals and principles of operational safety and workplace safety, and includes a large number of actual examples to learn from. Using this textbook, we conducted education and training courses for production managers and EHS managers, as well as candidates for those positions, group leaders of research departments, and EHS personnel.

In fiscal 2011, we held RC training courses for seventy section managers. Six hundred and seventy personnel have taken the courses over the five years since the training began in 2007. A trial course for assistant chiefs was also held in fiscal 2011, with

formal implementation scheduled in fiscal 2012.

We will continue to hold such courses for assistant chiefs, production managers, and EHS managers.



RC training lecture

¹ A site or group of sites consisting of several plants and facilities of various core operating companies. Each Region General Manager is responsible for the unified implementation of RC in the respective Region.

² The RC Committee is chaired by the President of the holding company, and its members include Presidents of the core operating companies, the New Business Development General Manager, the Corporate Production Technology General Manager and General Managers of the Nobeoka, Moriyama, and Fuji Regions. The RC Committee meets once each year.

Overseas RC activities

The Asahi Kasei Group has been expanding world-leading businesses as a major focus of growth under our “For Tomorrow 2015” mid-term management initiative, with a particular focus on growth potential in emerging markets. “OneAK” management, which enhances unified strength of the whole group, is not only a key for the dynamic growth strategy but also a foundation for our RC activities overseas.

In overseas subsidiaries and affiliates, RC officers of the corresponding core operating company regularly carry out RC audits following the same procedure used for Japanese subsidiaries and affiliates. When considering entering a new location overseas, we

carefully plan appropriate RC measures to comply with the applicable laws and regulations on chemical substances and the environment. We will continue to support overseas expansion on a group-wide level, including measures to enhance RC in each country and region, and reinforcement of overseas RC audits. In China, we have joined the Association of International Chemical Manufacturers (AICM), comprised of foreign chemical companies in China. This helps us to quickly gather relevant information for swift and appropriate response in this rapidly changing country.

Examples of RC audits and RC activities in Asian subsidiaries are shown below.

RC activities at overseas subsidiaries and affiliates (RC audits)

Overseas RC audits by Asahi Kasei Chemicals

In fiscal 2010, Asahi Kasei Chemicals performed its second consecutive annual compliance audits at operations in China. The effort was supported by local Chinese consultants familiar with Chinese law and regulations, who interviewed the Asahi Kasei personnel. This procedure was found effective for confirming legal compliance and so we are planning to repeat the audit periodically.

Overseas RC activities and audit by Asahi Kasei E-materials in China

Asahi Kasei E-materials performs an RC audit of Asahi Kasei Electronics Materials (Suzhou) every year. In fiscal 2011 a very active implementation of RC was confirmed, including industrial accident prevention, environmental safety, and product safety. The subsidiary also achieved strong results with its well-developed 3S program, and enhanced its RC program with education to prevent “caught in/between” accidents.

Overseas RC audit by Asahi Kasei Fibers in Thailand

The RC audit of the Thai plant of Asahi Kasei Fibers confirmed that the plant has a competent RC system organized by the current Thai RC chief. Currently, the authority for everyday RC activities has been gradually shifted to Thai managers, while the local Japanese managers are focusing on activities relating

to the prevention of industrial accidents and severe injuries among workers. During discussions, Thai employees asked insightful questions regarding the REACH response program.



Training to prevent “caught in/between” accidents at Asahi Kasei Electronics Materials (Suzhou) Co., Ltd.



The RC audit at the Asahi Kasei Fibers Thai plant

RC Symposiums

Every year, RC Symposiums are held at our major production Regions such as Nobeoka, Moriyama, and Fuji, with awards presented to plants which have outstanding safety performance records. In fiscal 2011, RC Symposiums were held by three Regions and four core operating companies. To share information and maintain the vitality of the initiative, RC results are reported, seminars are held, and Safety Awards are presented at the symposiums.

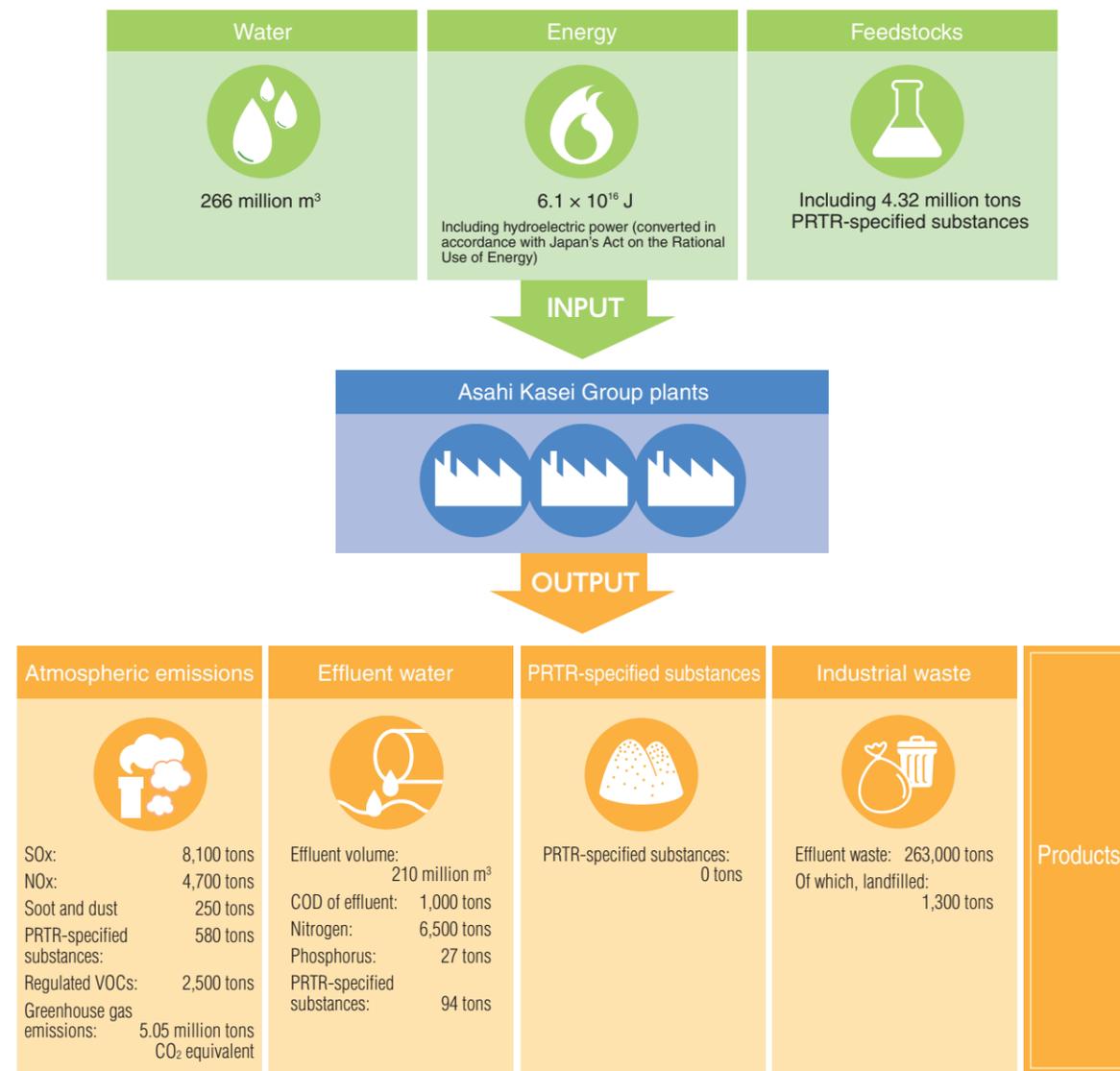


Nobeoka RC Symposium (October 2011)

Overview of environmental impacts

The diagram below describes the environmental impacts of business activities at Asahi Kasei Group plants. As in our Group Vision of “harmony with the natural environment,” the Asahi Kasei Group considers environmental preservation as one of the most important tasks. Our major focuses are on 1) prevention of global warming, 2) reduction of environmental wastes, 3) management of chemical substances, and 4) preservation of biodiversity. For prevention of global warming, we have established new indexes and targets to curtail greenhouse gas emissions to be achieved by fiscal 2020 (see p. 33). Regarding reduction of environmental wastes, we achieved zero emissions in fiscal 2010 and are working to maintain this. Furthermore, as a chemical company, we are working to promote safe handling of chemical substances and actively provide safety information. Finally, we are making efforts to reduce the impact of our business activities on biodiversity.

The Asahi Kasei Group's major environmental impacts (FY 2011)



Environmental protection

The Asahi Kasei Group's business operations involve the use of large amounts of chemical substances. We implement measures under our ISO 14001 environmental management system to prevent pollution-causing accidents. In addition to our efforts toward the achievement of a low-carbon society and toward the establishment of a recycling-oriented society, we also take measures to help preserve biodiversity.

Quantitative indexes and targets to curtail global warming

The Asahi Kasei Group has formulated new initiatives to reduce greenhouse gas emissions through discussions at meetings of our Global Environment Committee, held once every six months. Quantitative indexes and targets were established in March 2010 in order to clearly visualize and confirm ongoing progress in accordance with the new initiatives.

Initiatives for curtailing greenhouse gas emissions

- 1) Curtailing emissions of greenhouse gases from production processes
- 2) Performing life cycle assessment (LCA) to study the reduction of CO₂ emissions enabled over the full life cycle of our products and technologies, including those under development, and seeking further reduction.

Quantitative indexes and targets for the curtailment of greenhouse gas emissions

CO ₂	5% reduction below FY 2005 levels by FY 2020
Greenhouse gases	10% reduction below FY 2005 levels by FY 2020
LCA contribution ratio ¹	Achieving 8.0 by FY 2020 (3.2 in FY 2010)

¹LCA contribution ratio: LCA is used to determine the amount of reduction in CO₂ emissions enabled by Asahi Kasei products and technologies in comparison with conventional products and technologies. The ratio is calculated by dividing this amount by the total amount of CO₂ emissions throughout the Asahi Kasei Group.

Curtailing greenhouse gas emissions

The Asahi Kasei Group is an active participant in the voluntary programs for greenhouse gas emissions reduction by the Japan Chemical Industry Association (JCIA) and the Japan Business Federation (Nippon Keidanren), and our efforts have brought significant results.

To achieve further significant reductions in greenhouse gases, we continue to promote measures in line with our initiatives described above.

Notable actions for reduction of greenhouse gas emissions

- Establishment of indexes and targets
- Measures to determine and curtail CO₂ emissions from the perspective of life cycle assessment (LCA)
 1. Formulation of internal guidelines for calculating CO₂ reduction amounts based on LCA
 2. Evaluation of LCA-based CO₂ reduction volume for certain products and objective third-party assessment
 3. Participation in the establishment of calculation guidelines by the JCIA
- Implementation of an LCA-based system to evaluate prospective new businesses
- Creation of new businesses under the “Environment and Energy for Tomorrow” project (launched in May 2011)

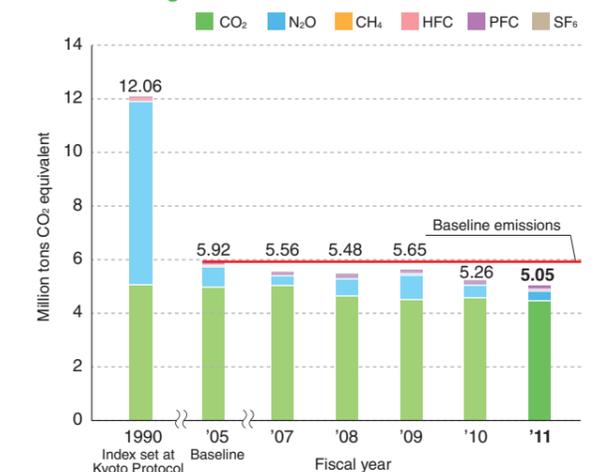
The Asahi Kasei Group's framework for the reduction of greenhouse gas emissions

Global Environment Committee	This committee deliberates and adopts group-wide measures to counter global warming. It is chaired by the holding company Executive for RC, and has the presidents of the core operating companies and the General Manager of New Business Development as members.
LCA Committee	This committee consists of personnel responsible for advancing LCA at the holding company and core operating companies. It promotes LCA throughout the Asahi Kasei Group, performs LCA for the Group's products and technologies, including those under development.

Curtailment of emissions of greenhouse gases from production processes

The Asahi Kasei Group has achieved a significant reduction in greenhouse gas emissions. Our emissions in fiscal 2011 were equivalent to 5.05 million tons of CO₂, as we continued to maintain a reduction of over 14.7% from the baseline emissions of 5.92 million tons in fiscal 2005. Notable measures which contributed to this reduction include improved operation of equipment for the thermal decomposition of nitrous oxide (N₂O) byproduct generated during adipic acid production. The lower level of operation at our Mizushima plant complex also contributed to reduced emissions. Further reduction is expected in fiscal 2012 due to the newly built biomass power generation facility in Nobeoka, Miyazaki Prefecture. Compared to the emission level in 1990, the index year set under the Kyoto Protocol, we have achieved a 50% reduction, enabled by the development of proprietary technology to reduce greenhouse gases.

Greenhouse gas emissions

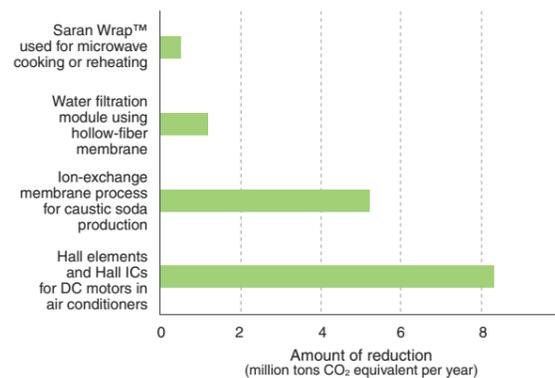


Life cycle assessment of reduced CO₂ emission

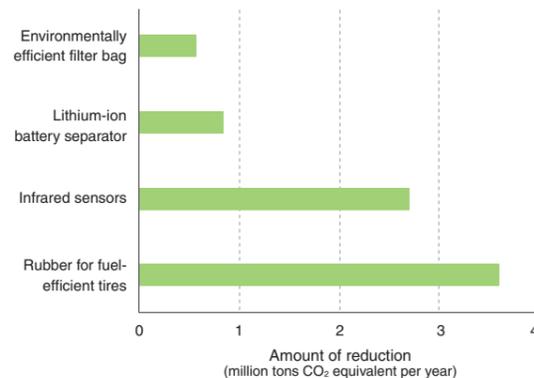
Although CO₂ is generated during the manufacture of materials and intermediate products in the Asahi Kasei Group, there are also many examples of products which contribute to reduced CO₂ emissions during use. LCA calculation takes such contribution into account and determines the amount of CO₂ reduction achieved over the product life cycle. By expanding sales of such products and commercializing new products and technologies that enable significant reduction of CO₂ emission based on LCA, we contribute to the overall reduction of greenhouse gas emission throughout the supply chain.

Some examples are shown in the figure below. Using Saran Wrap™ to reheat or prepare food by microwave produces less CO₂ than cooking with a stove.

Contribution of Asahi Kasei products and technologies to reduced CO₂ emissions, calculated by LCA (at present)



Projected contribution of Asahi Kasei products and technologies to reduced CO₂ emissions, calculated by LCA (in around 2020)



The Asahi Kasei Group's efforts to reduce CO₂ emissions

Energy conservation

To reduce CO₂ emissions from power generation, we target improved unit energy efficiency. Unit energy consumption in fiscal 2011 increased by 1% from the previous year. However, the average annual rate of improvement for the past five years improved by 1%.

Alleviating the environmental effects of physical distribution

Product shipments for Asahi Kasei Group operations in Japan amounted to some 1.3 billion ton-kilometers in fiscal 2011, generating approximately 90 thousand tons of CO₂ emissions—a 1% decrease from fiscal 2010. In cooperation with the transport firms contracted for shipment, a wide range of measures are employed to reduce energy consumption and alleviate the environmental effects of physical distribution.

Both Asahi Kasei Chemicals and Asahi Kasei Fibers have received Eco-Rail Mark certification in recognition of their preferential shipment of products by rail, an ecological mode of transport which results in lower CO₂ emissions for a given weight and distance than many other means of transportation.

Use of low-emission vehicles

The Asahi Kasei Group is phasing in low-emission vehicles for use in marketing and within plant grounds. In fiscal 2011, some 80% of company-owned vehicles were low-pollution vehicles.

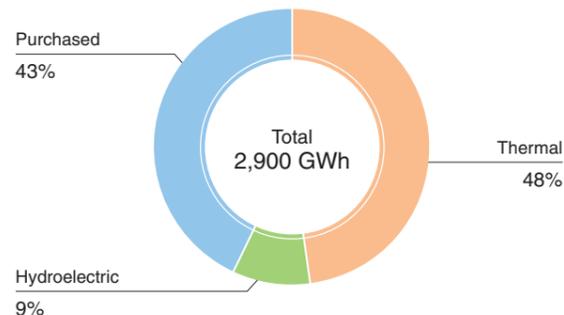
Renewable energy

The Asahi Kasei Group has seven hydroelectric power generation plants in Nobeoka Region which meet 9% of our electricity needs. Generation of the equivalent amount of power at thermoelectric plants would result in approximately 150 thousand tons* of CO₂ emissions annually.

Furthermore, the biomass power generation facility in Nobeoka started operation in July 2012, which will reduce CO₂ emissions by 170,000 tons per year.

* Using Japan's Ministry of Economy, Trade and Industry and the Ministry of the Environment standard of 559 g CO₂/kWh.

Electricity sources, FY 2011



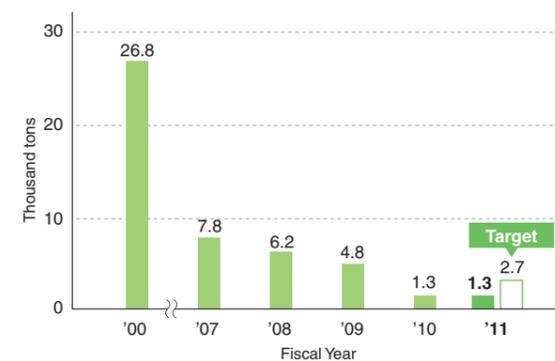
Industrial waste

The Asahi Kasei Group is working toward zero emission¹ of industrial waste through the “3-Rs” of reduction, reuse, and recycling.

In fiscal 2010, we increased on-site waste separation and recycling to reduce the volume of industrial waste transferred off-site for final disposal, and surpassed our target of 90% reduction from the level in fiscal 2000. The same extent of reduction was maintained in fiscal 2011.

Where we consign the off-site treatment of industrial waste, records are kept in waste disposal manifests to prevent illegal dumping, and the consigned firms and disposal sites are periodically inspected to ensure that proper disposal is performed in accordance with sound systems of control.

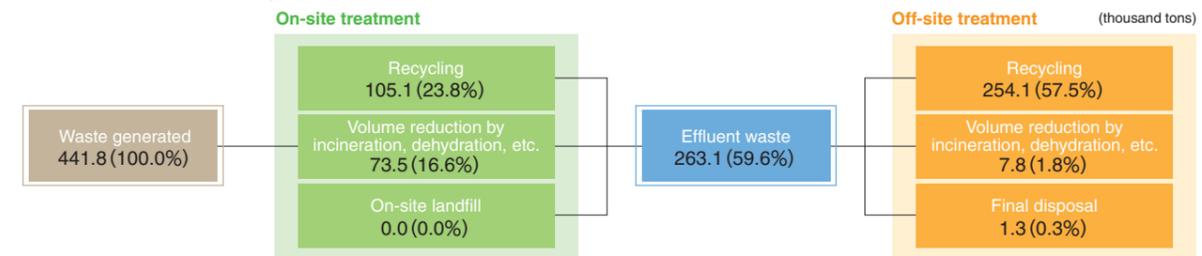
Off-site final disposal volume, FY2011



Off-site final disposal by category of waste, FY2011



Flow of industrial waste, FY 2011*



* Excluding waste generated from the home construction business.

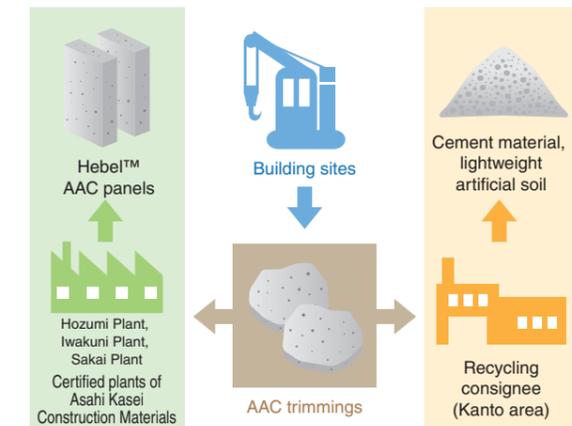
¹ Zero emission of industrial waste: Reducing final landfill disposal volume toward zero involves measures to minimize the amount of industrial waste generated, and reusing or recycling industrial waste as material or energy. The “zero emission” target for the Asahi Kasei Group is to reduce final disposal volume to one tenth or less than that of fiscal 2000, which results in final disposal of less than one percent of the waste generated.

² Certificate for wide-area recycling: For certain parties, who perform recycling in wide-area, Japan's Minister of the Environment eliminates the need to obtain separate waste transport permits for each area. The system was established to promote further recycling of industrial waste.

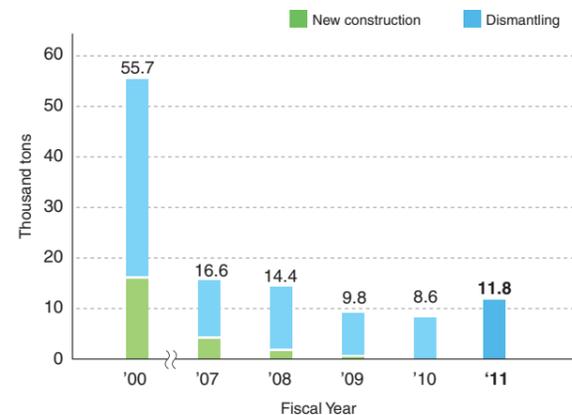
Reducing waste from construction materials and housing businesses

Asahi Kasei Construction Materials recycles trimmings of Hebel™ autoclaved aerated concrete (AAC) panels in its own plants and others, utilizing its certification for “wide-area recycling”² which permits the transport of waste from different construction sites. Asahi Kasei Homes is also reducing the volume of waste as well as implementing sorted waste collection at housing construction sites. With these measures, waste for final disposal has been reduced to zero at new construction sites.

Recycle flow for trimmings of Hebel™ AAC panels



Final disposal industrial waste generated at construction sites



Management and disposal of polychlorinated biphenyls (PCBs¹)

Disused condensers, fluorescent lamp ballasts, and other devices that contain PCBs are emplaced in stainless steel vessels, recorded in a ledger, and stored under strict control.

These are scheduled to be disposed of by July 2016, the legal deadline, through consignment to specified sites such as Japan Environmental Safety Corp. (JESCO) facilities equipped to render them harmless. In addition to the disposal of condensers and transformers, we have begun disposing fluorescent lamp ballasts.

Soil and groundwater contamination

The Asahi Kasei Group employs a range of measures to prevent soil and groundwater contamination. In the event that soil or groundwater contamination is discovered at any of our sites, we promptly act to prevent effects on the surrounding area, report the matter to the local community, relevant authorities, and the media, and implement remediation in consultation with the authorities and independent specialists.

In fiscal 2011, we established a guideline for management of effluent water which outlines our basic policy as well as, equipment standards, and management methods. Based on this guideline, we will review and improve our effluent water management at plants.

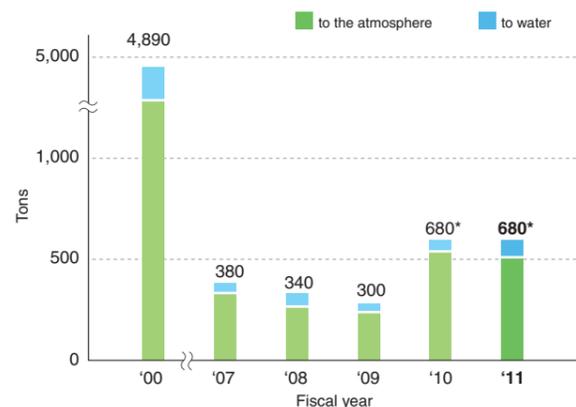
Reduction of hazardous chemicals

The Asahi Kasei Group applies a variety of measures to reduce the release of hazardous chemicals to the environment. These chemicals include substances specified in the Air Pollution Control Act, Water Pollution Control Act, and the PRTR² Law, and other substances which we have voluntarily designated for reduction. Priority for reduction is based on the degree of hazardousness and amount of release.

As shown in the graph below, release of PRTR-specified substances and VOC³ emission were reduced by 86% and 76%, respectively from fiscal 2000.

Release of substances regulated by the Air Pollution Control Act and the Water Pollution Control Act were maintained below the permissible limits (see p. 64).

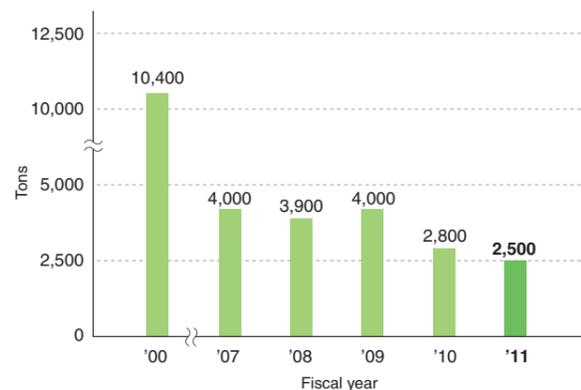
Releases of PRTR-specified substances



Note: No release to soil

* The figures reflect the change in number of PRTR-specified substances due to a regulatory revision in 2010.

Releases of VOCs



¹ PCBs (polychlorinated biphenyls) are persistent and pose a risk to the living environment and human health. Their manufacture and use is essentially prohibited in Japan.

² PRTR: Pollutant release and transfer register. Under the PRTR Law, releases to the environment and off-site transfers of specific hazardous chemical substances must be monitored and recorded for each production facility and operating site. Results are reported to the government, which publishes aggregate results.

³ VOC: Volatile organic compound. Although the term generally applies to any organic compound which is in gaseous state at the time of release, regulations for the control of their release exclude methane and some fluorocarbons which do not form oxidants.

Preservation of biodiversity

Basic policy

To ensure the sustainable utilization of living resources, due consideration is given to reducing the impact of our business activities on biodiversity and we have established guidelines for the preservation of biodiversity. In fiscal 2011, as part of the Responsible Care program, the Asahi Kasei Group began examining the impact of our business activities on biodiversity. In order to promote business activity with due concern for biodiversity, we are working to raise awareness among personnel by various means including our RC education program.

Notable actions in fiscal 2011

Through the examination of the impact of our business activities on biodiversity, we came to realize the extreme importance of biological resources and the ecosystem for our operations. So our plants and offices have been undertaking variety of initiatives to preserve biodiversity in each location.

In Nobeoka, as part of a reforestation program organized by Miyazaki Prefecture, we are engaged in the regeneration of a broad-leaf forest called the Asahi Forest in an area where cedar and cypress had been cultivated previously. We are also working with other companies performing tree-planting programs in the Gokase River watershed area for coordinated biodiversity preservation.

Our initiatives in Moriyama focus on preserving the nature of Lake Biwa through exterminating alien species and recreating the natural environment for native species.

In Fuji, we created a local biotope called the Asahi Woods of Life at our plant and laboratory complex, recreating the ecosystem of the local area. Many of our employees and local residents participate in biodiversity-related activities such as planting trees, planting and harvesting rice, and watching fireflies.



The Asahi Woods of Life



Firefly festival

Future initiatives

We continue examining the impact of our business activities on biodiversity, and adopt measures that contribute to environmental preservation.

We are also considering the registration of our sites in Fuji and Moriyama as Ikimono Kyosei Jigyosho®, which is the subject area for a project to enhance the harmony between the corporate activities and the natural environment, proposed by the Japan Business Initiative for Biodiversity (JBIB), and the General Incorporated Association.

A project under the International Partnership for the Satoyama Initiative

As a founding member of the International Partnership for Satoyama Initiative (IPSI) which was established at the COP10 biodiversity conference, the Asahi Kasei Group is proactively involved in this initiative to preserve biodiversity.

In July 2012, Asahi Kasei Chemicals started operation of a power generation plant which utilizes the forest resources of the Gokase River watershed area as biomass fuel. This project is considered as part of the Satoyama Initiative, and monitored as a case study. The project helps to preserve the watershed area and is expected to help revitalize the forestry industry in the region. In order to achieve more sustainable forestry in Nobeoka, we are studying the effective use of thinned wood and forest trimmings together with the local forestry groups.

Cooperating with Nobeoka City, we have also been

monitoring the impact of forest thinning on biodiversity in the area. Our progress so far was presented at the IPSI meeting held in Nairobi in March 2012.



Presentation of the case study at the 2nd IPSI regular meeting

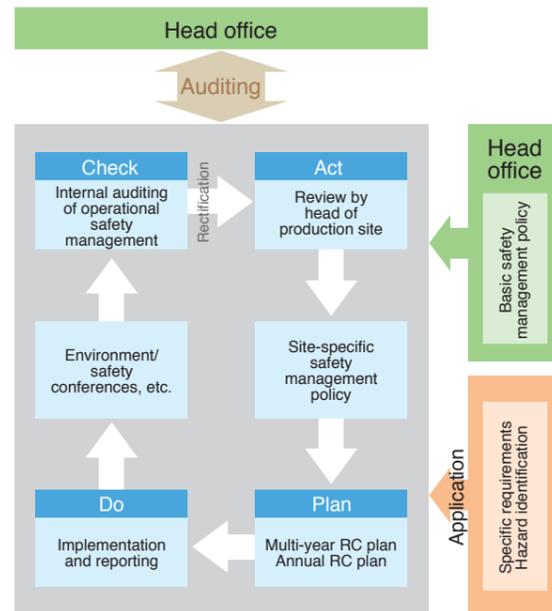
Operational safety

To achieve safe operation and prevent plant accidents, it is essential to design and construct highly safe plants and to perform effective maintenance of equipment and processes. The Asahi Kasei Group avoids industrial accidents through risk assessments prior to the construction of new plants and periodic inspections of existing plants performed by auditors specialized in fire and explosion prevention, as well as process reviews corresponding to the age of facilities. In order to enable swift and appropriate response to any accidents or natural disasters which may occur, and to prevent any damage from spreading, we also carry out training drills at each plant. We had no industrial accident in fiscal 2011.

Management of operational safety

Our ongoing, autonomous program to ensure operational safety includes safety assessment and hazard identification in accordance with a basic safety management policy, and specific plans are implemented on both annual and multi-year cycles.

Operational safety management system at Asahi Kasei Chemicals

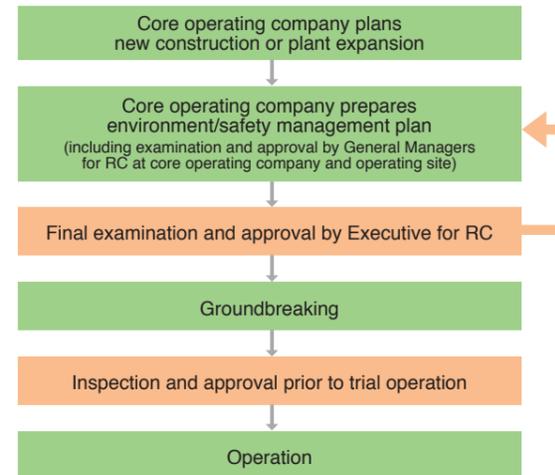


Pre-investment inspection system

Internal regulations require a pre-investment inspection to verify plant safety when there are plans to invest in new plant, plant expansion, or plant modification. Inspection and approval prior to trial operation provides an additional confirmation of plant safety before commercial operation begins.

Safety assessment is performed as part of the pre-investment inspection. Ranks are assigned based on the degree of hazard, with methods such as HAZOP¹ utilized in the risk assessment of high hazard facilities, and methods such as "what if" analysis² utilized for low-risk plants which are deemed to be vital.

System for inspection prior to capital investment



Safe, stable plant operation

Given our diverse range of operations, the Asahi Kasei Group has plants with a wide variety of different characteristics. No single approach to safety would be appropriate for all plants.

We employ a systematic process to tailor the safety effort to each plant's specific requirements. This includes the use of PDCA cycles to ensure the appropriateness of the maintenance standards for each individual unit of equipment.

In addition, safety information and know-how are shared across the Asahi Kasei Group through group-wide plant engineering conferences with four specialist panels: Formulation of optimum systematic maintenance programs, establishment of standards and criteria, formulation of training systems for maintenance engineers, and sharing engineering information.

Training for maintenance

Maintenance procedures are not only instrumental for the upkeep and modification of facilities, but also serve as a vital key to ensuring stable, safe operations by enabling abnormalities to be detected and rectified before problems occur.

In fiscal 2009, we launched a training program throughout the Asahi Kasei Group to nurture the skills of maintenance personnel. The program is focused on three areas: 1) performance of planned maintenance, 2) recognition of hazards and determination to eliminate them, and 3) identification of the underlying causes of problems, and formulation and application of countermeasures.



A training session

Training for operational safety

At our petrochemical sites in Mizushima and Kawasaki, the Asahi Operation Academy (AOA) serves as the training center to cultivate the skills necessary to operate petrochemical plants.

AOA teaches the principles and structures of equipment, heightening the ability to identify the cause of equipment failure. Miniature plants and simulators are used at AOA to provide hands-on experience with controls and instrumentation. Operators thereby gain the technical skills and practical understanding of chemical engineering necessary for safe and reliable plant operation, with the ability to respond appropriately in the event of any abnormality.



Training session for liquid containment

Preparation for emergency situations

A comprehensive set of internal regulations guides the proper response to any industrial accidents or natural disasters which may occur.

The smooth operation of the emergency response system ensures that personal safety is secured, that effects of the situation are prevented from spreading to surrounding areas, and that damage is held to a minimum, through close communication between the plants, regional management, and the head office.

Our operations located in industrial petrochemical districts have cooperative arrangements with nearby petrochemical manufacturers for mutual emergency assistance, and joint training drills are performed regularly. Such drills confirm the effective operation of the systems of communication within the plant site and between the site and the head office, and the ability of on-site personnel to react swiftly with proper response measures.



Emergency response training at a port facility

Physical distribution safety

Chemical products handled by Asahi Kasei Chemicals include highly hazardous substances that could cause significant environmental or health damage, and therefore require the utmost care in handling. The company works in close cooperation with logistics companies contracted for storage, loading, unloading, and transportation to ensure the safe delivery of such products. The effort includes physical distribution safety symposiums, safety liaison conferences, safety evaluations of logistics companies, on-board ship safety assessments, and many other safety measures from day to day.

In addition, individual production sites hold joint training drills for physical distribution safety together with logistics companies, police departments, and fire departments to ensure that the damage from any accident is minimized.



Training drill for physical distribution safety with a vinyl chloride tank truck



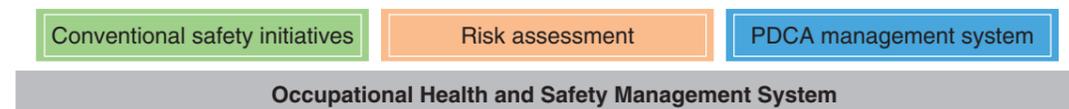
¹ Abbreviation of "hazard and operability study", a method of identifying and dealing with potential problems in industrial processes by assuming deviations from design intentions. This highly exhaustive method is widely utilized throughout the process industries.

² A method of identifying and dealing with potential problems based on "what if" questions. It is widely utilized where a simplified method is appropriate.

Workplace safety and hygiene

The effort to prevent workplace accidents is integrated in a comprehensive OHSMS¹ program that combines conventional safety initiatives—such as tidiness/orderliness/cleanliness, reporting of near-accidents and potential hazards, hazard prediction analysis, safety patrols, and case studies—with risk assessments and a prevention-oriented plan-do-check-act (PDCA) system.

Integration of workplace safety initiatives



Approach to workplace safety

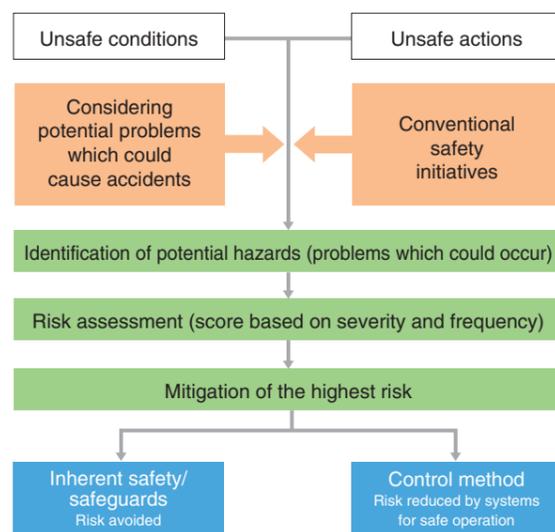
Identification of potential hazards

Effective prevention of workplace accidents requires the identification of all potential hazards in a workplace. In addition to conventional safety initiatives, it is important to consider safety from the perspective of the problems which conceivably arise in a wide variety of situations—as a result of both potentially unsafe physical conditions (hazardous working environment due to equipment, materials, noise, etc.) and potentially unsafe actions of personnel.

Risk assessment

Priority for mitigating the potential workplace hazards thus identified is assigned based on a scoring system that combines the severity of the impact of problems which could occur and the frequency with which such problems would be likely to occur.

Schematic image for prevention of workplace accidents



Mitigation of the highest risks

Measures to achieve inherent safety by eliminating unsafe conditions (by eliminating dangerous procedures, automation, eliminating sources of problems, changeover to safe materials, etc.) and the application of safeguards are extremely effective in the effort to avoid risks. We focus on achieving inherent safety and applying safeguards to avoid risks associated with the use of machinery and equipment to prevent the “caught in/between” category of accident, which can easily result in severe injury.

Inherent safety, safeguards

Measures to achieve inherent safety and the application of safeguards to avoid risks are generally considered to provide the greatest level of safety, as shown in the following table. We incorporate such measures in the construction of new or replacement facilities, upon safety reviews of existing facilities, and to prevent the recurrence of accidents.

Formulation of safety measures

Safety measures	Degree of safety achieved
1 Inherent safety	100%
2 Safeguards	80%
3 Control method	20%
4 Indications, warnings, etc.	20%
Manuals, approved systems, etc.	

Source: Japan Industrial Safety and Health Association, “Shokuba no Risk Assessment no Jissai” (Realities of Workplace Risk Assessment), 1999, p.26

Systems for safe operation

Operations for which the elimination of risks through equipment modification is impractical are classified as operations requiring special control. In such cases, risks are reduced through compliance with safe operating standards². In addition to double-checking that proper procedures are followed, a range of creative measures are employed to ensure that safe operating standards are observed from day to day.

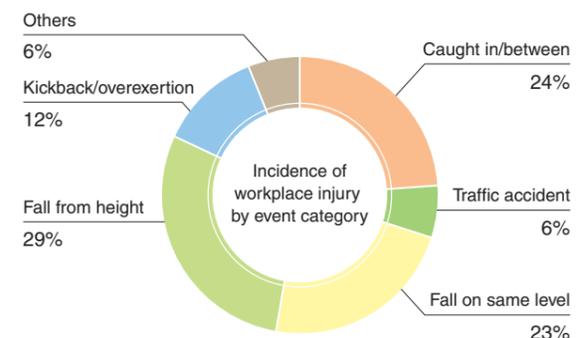
¹ Occupational Health and Safety Management System. A standardized management system used to confirm that continuous improvement is being applied to measures to minimize the risks of workplace injuries and to prevent the emergence of future risks.

² Rather than individual rules for specific procedures, safe operating standards are a system of safety principles which define common safety practices that apply to categories of operation based on similarity of risk. For example, to prevent entanglement in machinery, our standard stipulates not to touch any exposed moving parts.

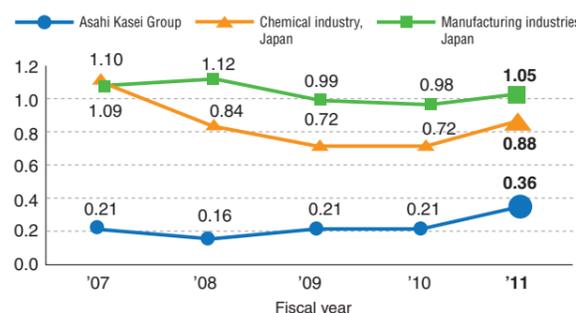
Occurrence of workplace injuries

Of the 17 workplace injuries that occurred during fiscal 2011, 24% fell into the “caught in/between” category, which easily result in severe injury. The proportion is slightly lower than the 26%, average of fiscal 2001 to 2010. We continue to strive to reduce accidents in the “caught in/between” category by eliminating sources of danger and enhancing safeguards.

Incidence of workplace injury by event category, FY 2011



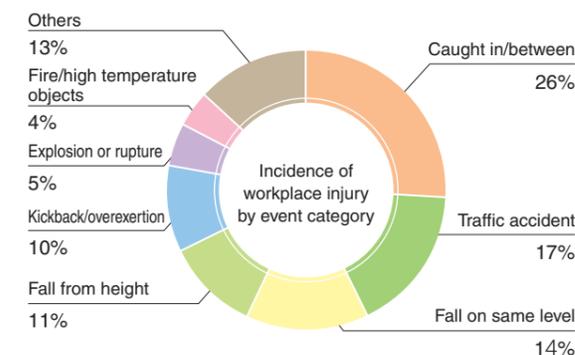
Frequency rate¹



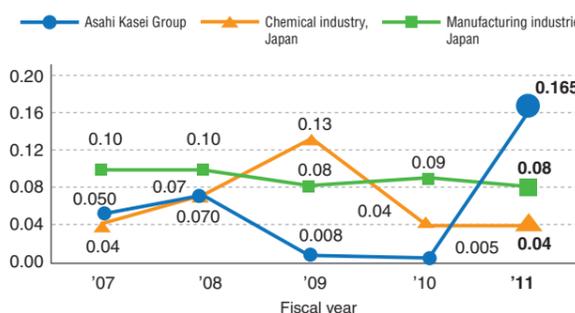
Note: Fiscal years for the Asahi Kasei Group, calendar years for the chemical industry and manufacturing industries in Japan.

More than 50% of the total number of accidents was attributable to falling from height or on same level. We continue to enhance safety promotion activities not only in manufacturing sites but also in non-manufacturing sites such as sales departments and headquarters.

Incidence of workplace injury by event category, FY 2001–2010



Severity rate²



Notes:
1. Fiscal years for the Asahi Kasei Group, calendar years for the chemical industry and manufacturing industries in Japan.
2. The severity rate increased in fiscal 2011 due to the occurrence of one fatal accident.

Occupational Health and Safety Management System (OHSMS)

In fiscal 2002, we began applying OHSMS in accordance with OHSAS 18001³ standards. In fiscal 2009, OHSMS was implemented at 90% of all plants and laboratories.

Maintaining workplace hygiene

Each autumn we hold a group-wide Workplace Hygiene Week, during which workplace environments are reviewed and plans for improvement are prepared. Workplaces where potential health hazards are present

are subject to regular monitoring under the Working Environment Measurement Law.

Where radioisotopes are present, radiation dose rates are maintained below regulatory limits, with measurement results reported each year to Japan’s Office for Radiation Regulations. Noise and heat exposure data are recorded and maintained for all relevant personnel to enable each individual’s exposure to be managed and minimized. We are advancing plant modification and reviewing work procedures to reduce exposure to noise and heat.

¹ Frequency rate: Number of accidental deaths and injuries resulting in the loss of one or more workdays, per million man-hours worked. Our goal of 0.1 or less is extremely ambitious. At a plant with 100 workers, it would mean only one worker in 50 years suffered from a workplace injury which resulted in a day off.

² Lost workdays, severity-weighted, per thousand man-hours worked.

³ Occupational Health and Safety Assessment Series, number 18001. A standard for certification of OHSMS.

Health maintenance

In the Asahi Kasei Group's efforts to promote and maintain employee health, we provide both physical and mental health checkups as well as appropriate care. Our framework for health management was enhanced in fiscal 2011 with the appointment of a chief occupational medical officer, stationed at the Tokyo Head Office.

Enhanced health management framework

Our chief occupational medical officer visited independent plants and smaller offices to examine their circumstances and study how employee health can best be managed. In addition, our health management guidelines have been revised to allow for consistent application throughout the Asahi Kasei Group. The health management framework for overseas personnel has also been reviewed and a health management guide for this purpose was established accordingly.

Reducing health warning signs

The ongoing effort to reduce the proportion of our personnel for whom health warning signs are found includes the use of our internet-based personal diet management system and the provision of guidance on exercise and health by specialist health management personnel and external lecturers at our various operating sites. In addition, our employee health insurance association began providing specified health guidance in fiscal 2008 under the Act of Assurance of Medical Care for Elderly People. Since fiscal 2010, this guidance has been extended to include independent plants and smaller offices in addition to major manufacturing sites and offices. The results of the participants' annual checkups the year after the guidance began showed a decrease in the number of personnel who required management for health warning signs related to hyperlipidemia and hypertension.

Mental health and care

The maintenance of employees' mental health and care is advanced in tandem with our physical health and fitness programs. The corporate Mental Health Guideline provides for measures to improve the workplace environment together with four complementary approaches to care: by the individual employee, by line of authority, by industrial medical staff, and by specialists. To promote self-awareness and care, we have performed the Japan Mental Health Inventory (JMI) survey for all personnel on three-year cycles since fiscal 2001. To ensure early identification and treatment, we also include a simple stress survey as part of the regular health checkups at all major plants and office sites. In fiscal 2012, we will be introducing an internal system for electronic diagnosis that was tested at the Tokyo head office. In addition to contributing to individual diagnoses, the results of the JMI survey are analyzed by workplace unit to help guide improvements in the workplace environment.

A provision for shortened working days is available for personnel returning from leave of absence for psychiatric convalescence as well as for any other injury or illness, enabling a gradual recovery of a full work load. Nearly all those who used this provision have successfully returned to full-time work. Provision of training sessions by external lecturers, introduction of counseling services, and other related activities are proactively implemented at various plant sites and office locations with the support of our employee health insurance association.

Four approaches to emotional care

Self-care by individual employee	Prevention and alleviation of one's own stress
Care by industrial medical staff	Consultation with the individual or supervisor, support for improvement of the workplace environment
Care by line of authority	Consultation of the employee with the supervisor, improvement of the workplace environment
Care by specialists	Care by specialist institutions and specialist physicians

Product safety

To ensure the provision of products that the customer can use safely and reliably, we at the Asahi Kasei Group constantly strive to improve product safety and product quality, while maintaining consistent production control. In fiscal 2011, we once again met our target of no serious product safety incidents.

Prevention of product safety incidents

Consumer satisfaction and safety

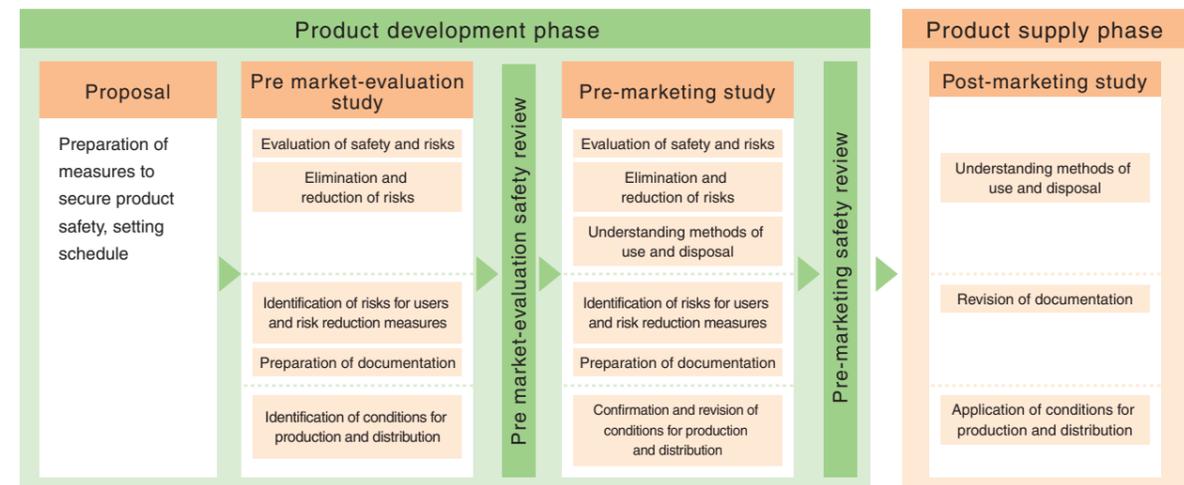
Products sold by the Asahi Kasei Group range from industrial materials to consumer products. Many of the materials we sell are used in products which are purchased by ordinary consumers. Consumer satisfaction is therefore the ultimate measure of our success in the provision of safe, high-quality products.

We strive to maintain product quality and safety through continual attention to production control to ensure that the products used by consumers are completely free of safety defects.

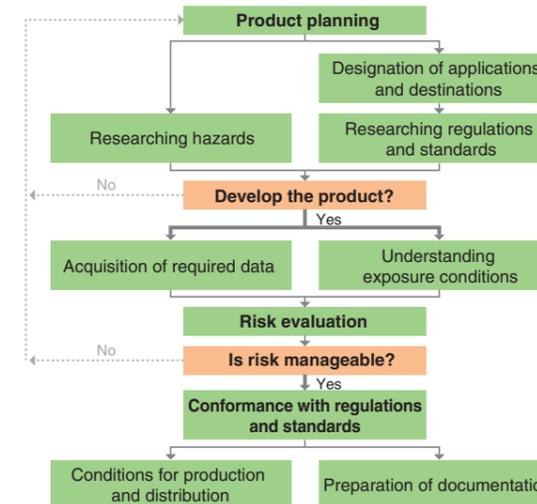
Product safety guidelines

Group-wide product safety guidelines have been prepared to secure product safety and prevent the occurrence of product safety incidents. The guidelines specify matters to be controlled throughout the process from material purchase through use and disposal. The guidelines are centered on risk assessment during the development stage to ensure product safety prior to marketing. Specific product safety measures for individual products are applied by each core operating company in accordance with the guidelines. Products are classified as either "chemicals" or "equipment," with separate procedures to ensure product safety as shown below.

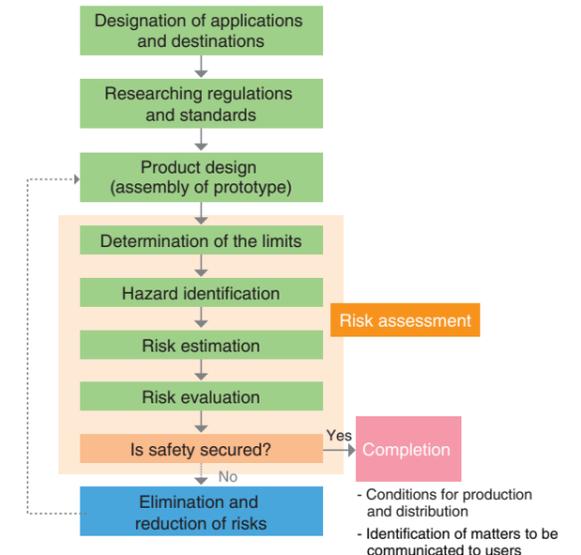
Flow of product safety measures



Product safety procedure for chemicals



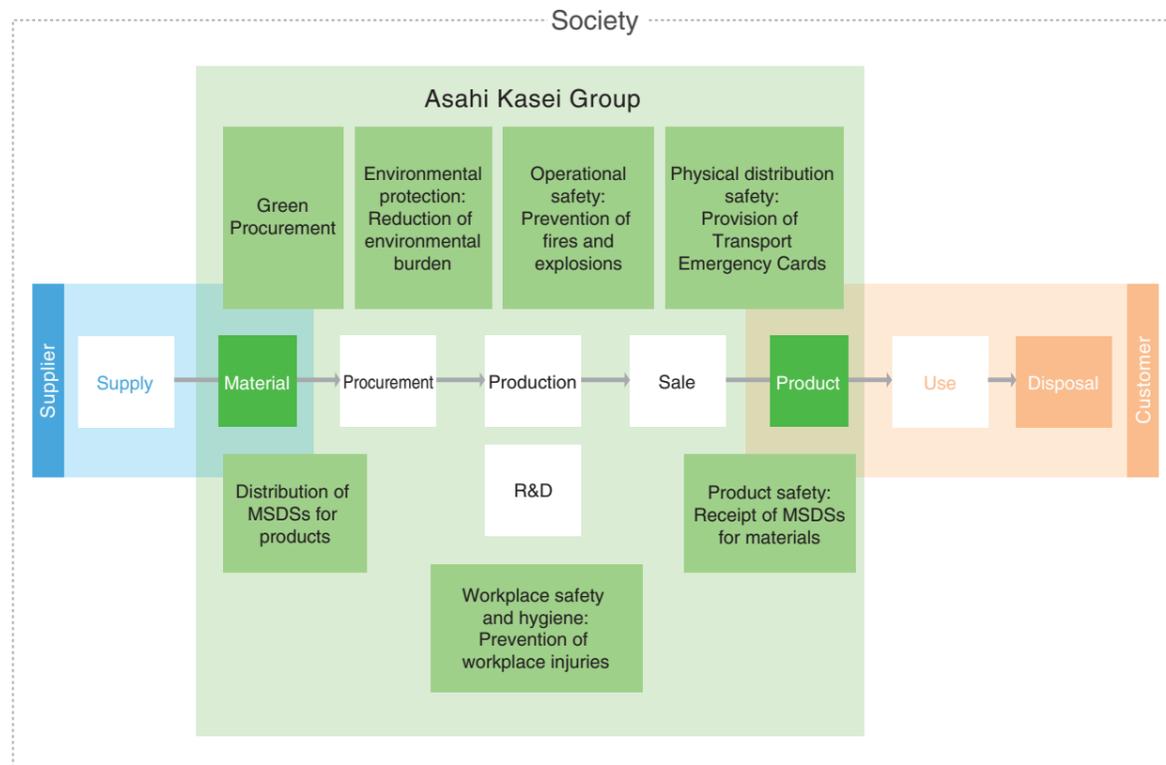
Product safety procedure for equipment



Managing chemical substances

To ensure the safety of products and production processes in the Asahi Kasei Group, we maintain awareness of the properties of the chemical substances we use, and manage them strictly and appropriately throughout each phase from materials procurement to production, use, and disposal.

Chemical substance management flow



The Asahi Kasei Group's effort

Strict management and control of chemical substances is a key element in the effort to ensure environmental protection, operational safety, workplace safety and hygiene, health maintenance, and product safety. Chemical substances are managed at each stage from development to use and disposal, as shown above.

Materials purchase

When purchasing materials, information related to the safety of chemical substances is received from the supplier. This information serves as a guide to safe storage and handling.

Production

The safety of the local community and the protection of the environment are secured by proper handling of chemical substances to suppress environmental release (see p. 33-37) and to prevent fires, explosions, and leaks (see p. 38-39). The health of employees is protected by preventing workplace exposure to hazardous substances.

Use and disposal

Guidance for proper use and disposal of chemical substances and chemical products is provided in Material Safety Data Sheets (MSDSs), technical bulletins, and product brochures.

Transport Emergency Cards are issued to guide the proper environmental and safety response in the event of an accident during physical distribution.

Research and development

The management of chemical substances begins with R&D, which is guided throughout every stage by a commitment to developing products and process characterized by safe, environmentally sound production, handling, and use.

At Asahi Kasei E-materials, the Product Safety Committee meets four times each year, in recognition of the importance of product safety in the R&D phase. The committee shares the progress of product safety activities among different product categories, to present of study results concerning product safety systems in different departments, and to provide information on controlling chemical substances to R&D personnel.



A Product Safety Committee meeting at Asahi Kasei E-materials

Education and training

The Asahi Kasei Group conducts extensive education and training on the management and control of chemical substances for all personnel in research, manufacturing, and sales. This includes intensive study on the Chemical Substance Control Law and the Industrial Safety and Health Law, and is an inherent part of our pervasive corporate-wide chemical substances management.

In fiscal 2011, we advanced preparations to ensure compliance with the revised Chemical Substance Control Law, including distributing the latest information on the revisions throughout the group and encouraging participation in related seminars and briefings. The intermediate education on product liability began in Asahi Kasei Chemicals last fiscal year was also continued to heighten the level of knowledge on the subject.



Product liability education at Asahi Kasei Chemicals

Global trends on management of chemical substances

The Asahi Kasei Group is enhancing the management of chemical substances in accordance with relevant global trends. Many international organizations and private-sector associations are promoting chemical management based on risk assessment and advancing product stewardship (PS) in supply chains.

Developments in management of chemical substances

Organization	Related items	Development
UN	Resolutions at international conferences concerning global environment	<ul style="list-style-type: none"> Resolution to minimize adverse effects on human health and environment due to production, handling, and use of chemical substance; implementation of Action Plans to achieve certain targets by 2020 Implementation of Globally Harmonized System (GHS) for the classification and labeling of chemicals
OECD	Safety checks on existing chemicals	<ul style="list-style-type: none"> Collection of safety data under the High Production Volume (HPV) Chemicals initiative by each member country and its chemical industry
EU	Implement new regulation on chemicals	<ul style="list-style-type: none"> REACH Regulation for the registration, evaluation, authorization and restriction of chemicals RoHS Directive for the restriction of the use of certain hazardous substances in electrical and electronic equipment

Committing to the RC Global Charter

On May 30, 2008, the President of Asahi Kasei Corp. signed a letter of commitment to the Responsible Care Global Charter (RCGC) on behalf of the Asahi Kasei Group, indicating our recognition of the importance of RC and especially chemical substance control. The RCGC was launched by the International Council of Chemical Associations (ICCA) with a UN resolution.

HPV and LRI

The Asahi Kasei Group is a leading participant in the Japan Challenge Program, which was launched in 2005 as a nation-wide public/private sector alliance to accelerate the collection of safety information on high production volume (HPV) chemicals for public disclosure.

Further, we take part in ICCA-LRI¹ of The Japan Chemical Industry Association (JCIA) to advance study on the long-term effects of chemical substances on health and the environment. The Asahi Kasei Group also participates in the Science Task Force committee and committees for specialized areas.

Japan Initiative of Product Stewardship

The Japan Initiative of Product Stewardship (JIPS) is a voluntary program by the JCIA to promote voluntary risk assessment and management of chemical substances and to encourage enhanced product stewardship. Under JIPS, a Japanese version of the ICCA Product Stewardship Guideline has been prepared, including a Japanese version of risk assessment guidance and product stewardship guidance for communication of risk information throughout supply chains. Efforts are now focused on promoting these as an industry standard for product stewardship activities. Asahi Kasei has been actively involved in the JCIA's enhancement of voluntary product stewardship activities, and participated in seminars for practical implementation and for the preparation of safety documents in accordance with the JCIA's global product strategy (GPS).

GPS and JIPS related documents have been made available to personnel on our corporate intranet to facilitate adoption throughout the company.

We will work to extend adoption of the guidance internally and begin to carry out risk assessments as well as publish safety documents as full implementation of the product stewardship activities is initiated.

Globally Harmonized System (GHS)

We are advancing a program to classify the hazards of all of our chemical products in accordance with GHS categories, revise our MSDS's, and label our products with clear safety information.

REACH² compliance

In fiscal 2011, we prepared for the second round of REACH registrations. Relevant core operating companies conducting internal education and training on REACH requirement and gathers affiliated organizations periodically to hold meetings. At the same time, we continue to move forward with preparations for CLP regulations³. Since transmission of information and notifications of substances with very high concern (SVHC) is now obligatory, we continue to gather and provide information on chemical substances. Preparations are also continuing for the second and third rounds of REACH registrations, while compliance with all relevant requirements is maintained.

Joint Article Management Program (JAMP)

As an active member of JAMP, we participate in the development of systems to manage chemical substance information as well as revision of the list of applicable substances. As an upstream company, we also convey relevant information throughout the supply chain to help establish JAMP as a widely used tool.

In fiscal 2011, Asahi Kasei extended the JAMP-IT infrastructure within the Asahi Kasei Group, and enhanced information provision through JAMP tools via JAMP-IT.

At Asahi Kasei Chemicals Performance Plastics Division in particular, all JAMP tools can now be requested or provided via JAMP-IT.

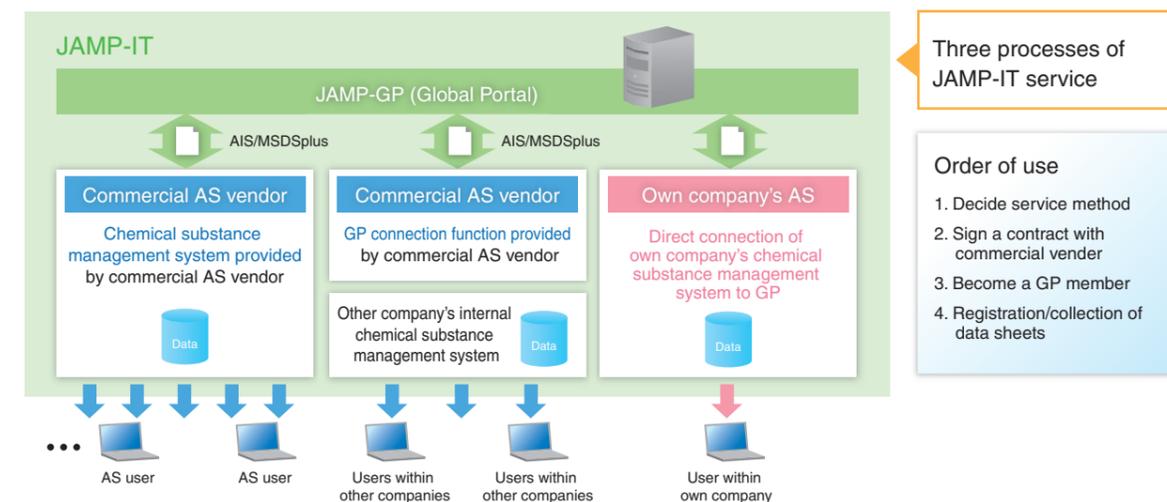
Personnel who work with the system took part in an implementation briefings event, which was supported by our AS vendors¹. To promote the dissemination of JAMP-IT, the JAMP Office is working in tandem with an upstream company to broaden implementation.



JAMP implementation briefing at Asahi Kasei Chemicals

The JAMP-IT framework is shown in the figure below.

JAMP-IT framework



¹ Commercial AS vendor: A company providing application services (AS) with database functions.

¹ ICCA-LRI: The ICCA Long-range Research Initiative seeks to deal with unresolved issues regarding the impact of chemical substances on human health and the environment, and to develop new safety assessment technologies. The JCIA has ongoing research projects in five areas: effect on organisms in the environment, neurotoxicity, carcinogenicity, immunotoxicity, and improvement of the precision of risk evaluation.

² REACH compliance: Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) is a European Union (EU) regulation on chemical substances. It applies to all chemicals imported or produced in the EU, including solvents, detergents, fibers, and components, and requires companies to conduct safety assessments of such chemicals.

³ CLP regulations: CLP is a regulation of the European Parliament and European Council on classification, labeling and packaging of substances and mixtures in accordance with the Globally Harmonised System of Classification and Labelling of Chemicals (GHS).

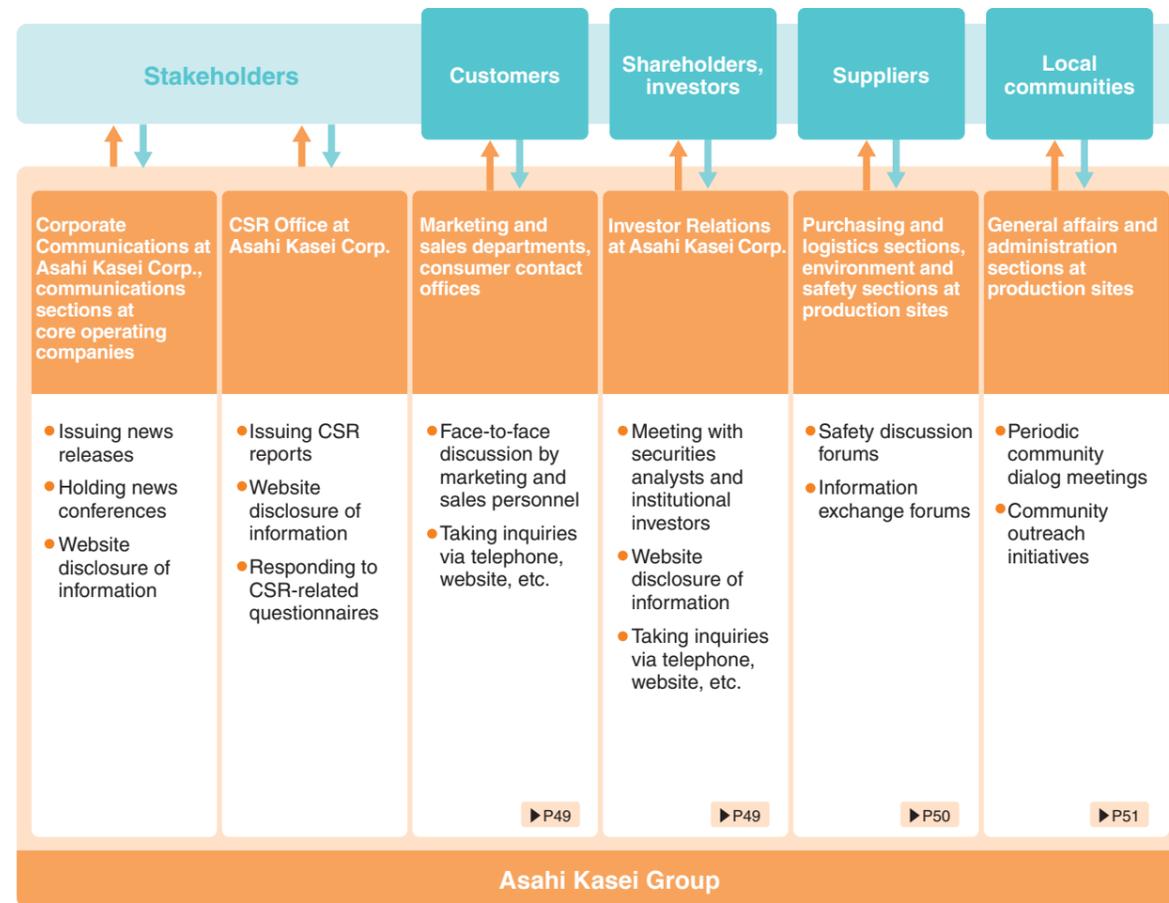


Corporate citizenship

We are committed to advancing in harmony with society from a global perspective through fair information disclosure and the proactive employment of management resources for corporate responsibility and citizenship.

Stakeholder dialog

Different corporate organs hold responsibility for fair and open dialog with each of our different groups of stakeholders.



Information Disclosure Policy

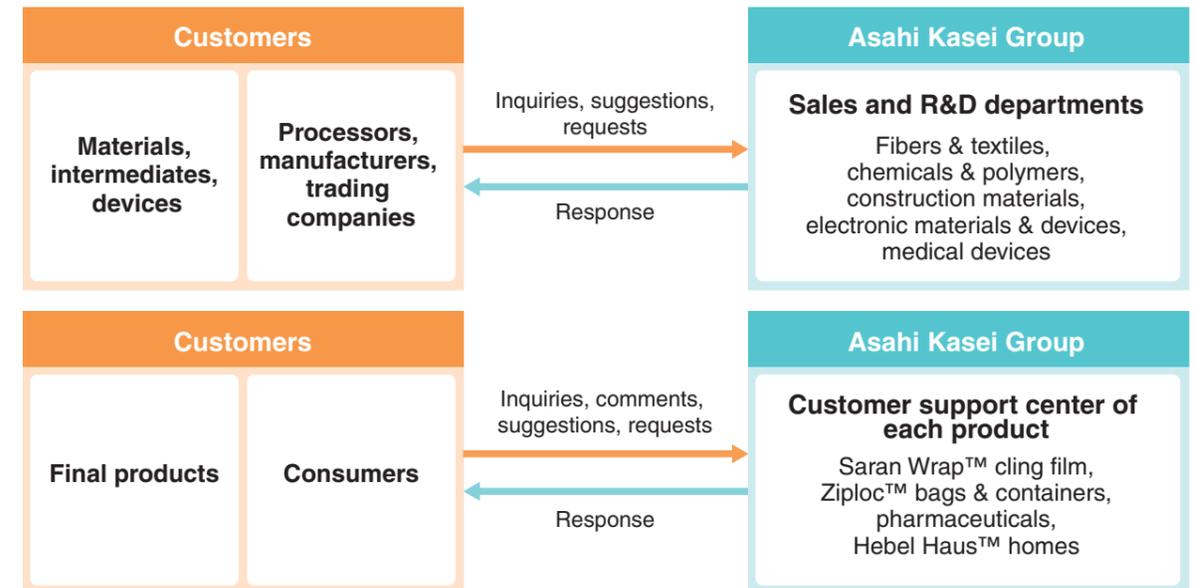
Effective and strategic information disclosure which contributes to greater corporate value is performed in accordance with our Information Disclosure Policy.

Information Disclosure Policy
<http://www.asahi-kasei.co.jp/asahi/en/ir/disclosure.html>

Customer relations

We highly appreciate frank and honest feedback from the customer, considering it vital to our effort to enhance the quality and value of our products and services. We believe that it is by maintaining customer satisfaction that our products and services contribute to society.

Communication with customers



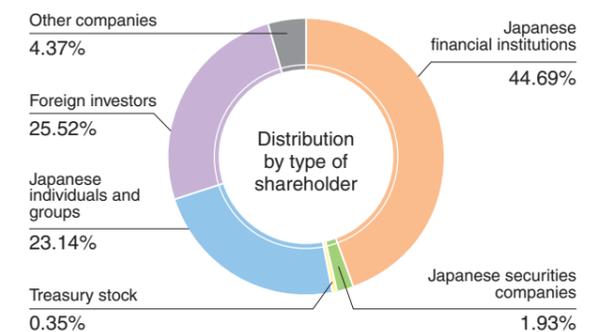
Investor relations

We strive to disclose information in a timely and fair manner to enable our investors to gain an accurate understanding of the Asahi Kasei Group.

Shareholder distribution

Asahi Kasei Corp. has some 120 thousand shareholders. At the end of March 2012, approximately 45% of our shares were held by Japanese financial institutions, 23% by Japanese individuals and groups, and 26% by foreign investors.

Distribution by type of shareholder (as of March 31, 2012)



Corporate governance
Compliance
Responsible Care
Corporate citizenship
Respect for employee individuality
Environmental and safety data

Meetings with institutional investors and securities analysts

In fiscal 2011, Investor Relations (IR) held 278 meetings in Japan with institutional investors and securities analysts, including large conferences to discuss quarterly financial results, and conferences focused on our Health Care and Homes segments to provide investors with a deeper understanding of these businesses. Furthermore, 113 meetings were held with investors and analysts overseas. In fiscal 2011, the President and the General Manager of IR attended an increased number of meetings following the announcement of our new mid-term management initiative.

In total, 391 meetings were held to directly provide information to institutional investors and securities analysts during the year, with a cumulative attendance of 1,813. We also provide a wide variety of information for investors on our website.

Seminars for individual investors

To provide individual investors with a better understanding of the operations of the Asahi Kasei Group, 20 seminars were held in fiscal 2011, with total attendance of 2,102 individual investors¹.

Although the effects of the Great East Japan Earthquake and inclement weather resulted in a slight drop in the total number of participants, we did increase the number of seminars for individual investors by holding more of them at the branch offices of securities companies in many locations around Japan.



Presentation by the President at a seminar for individual investors

Principled supplier relationships

A relationship of mutual trust with our suppliers is fostered through fair and principled purchasing practices based on regulatory compliance and respect for the environment and human rights.

Focus on CSR in purchasing and procurement

Purchasing departments throughout the Asahi Kasei Group regard suppliers as important partners and work to build relationships of trust based on sincerity in accordance with our Group Philosophy. In order to promote CSR-focused purchasing and procurement, we have been advancing a program of discussions with suppliers to explain the Asahi Kasei Group Purchasing and Procurement Policy. In fiscal 2011, the coverage of these discussions increased to some 80 percent of our suppliers.

The Asahi Kasei Group Purchasing and Procurement Policy

Basic Policy

1. Compliance

We uphold all laws relevant to purchasing transactions as well as the Asahi Kasei Group's internal regulations.

2. Fairness and impartiality

Selection of bids and conclusion of contracts are performed in a fair and impartial manner.

3. Open door principle

We provide fair opportunities to any potential supplier, both domestic and overseas.

4. CSR-focused procurement

We perform purchasing in close coordination with our group-wide activities for CSR.

5. Partnership

We strive to deepen mutual understanding and build relationships of trust with our suppliers.

Supplier relations at production sites

Safety seminars are periodically held at our principal production sites to discuss accident prevention and exchange information with suppliers.



Safety seminar in Kawasaki

Public outreach

We work to honor and respect the local culture of each community where our operations are based, and to maintain effective dialog and communication with community members.

Dialog and interaction

Measures for community dialog and interaction include regularly held forums and meetings with representative of local government and members of local residents associations, opening gymnasiums, playgrounds, parking lots, and other facilities for public use and enjoyment, and hosting a variety of events.



Community dialog meeting with local residents in Ohito



Exhibiting at a local event in Moriyama

Plant tours

We offer plant tours to provide better understanding of our operations and the measures we implement for the environment and safety. (Tours are not available at all plants.)



High school students on a tour of the Mizushima Works



Members of a local residents association on a plant tour in Moriyama

Neighborhood clean-up and planting greenery

Employees at our main production sites periodically clear the plant vicinities and nearby areas of litter, rubbish, and weeds as part of our interaction with the surrounding communities. We also participate in a variety of projects for planting of trees and greenery.



Neighborhood clean-up in Fuji



Neighborhood clean-up in Kawasaki

Local emergency response initiative

In Nobeoka, Miyazaki, we have a disaster volunteer organization consisting of our personnel and retirees to perform disaster drills and emergency response support for the local community.

Asahi Kasei Chemicals has installed independent drinking water supply systems at four Asahi Kasei Group plant sites: Moriyama, Suzuka, Nobeoka, and Kawasaki. The systems utilize our microfiltration membranes to purify deep well water. While serving to supply drinking water to personnel working at these sites on a daily basis, these systems also provide a vital independent backup as a secure source of safe drinking water for local communities in the event of a disaster.



Disaster response drill with local residents in Nobeoka



Independent drinking water supply system in Moriyama

¹ Excluding participants of 120th Ordinary General Meeting of Shareholders.

Community fellowship

The Asahi Kasei Group is involved in a wide range of community-focused activities that support education, the environment, international fraternity, sports, and culture, in accordance with our Community Fellowship Policy.

Community Fellowship Policy

1. Fulfilling our roles and responsibilities as a good corporate citizen.
2. Effective utilization of management resources to advance community fellowship based on the unique characteristics of the Asahi Kasei Group.
3. Striving for meaningful community fellowship actions with a constant awareness of our objectives and effectiveness.
4. Supporting and nurturing participation in community fellowship by all who work in the Asahi Kasei Group, encouraging volunteerism and individual initiative.
5. Proactive information disclosure, both internally and externally.

Basic Framework

Education and development of the next generation

Education and development of the next generation

School visits and science lab for students

The Asahi Kasei Group conducts school visits to promote understanding and heighten interest in science and technology among elementary, junior high, and high school students. Our personnel

visit schools to give explanations and demonstrations of science and technology and on environmental issues.



Nobeoka City, Miyazaki Prefecture



Moriyama City, Shiga Prefecture



Fuji City, Shizuoka Prefecture



Izunokuni City, Shizuoka Prefecture



Shibuya Ward, Tokyo

Holding exhibits and sponsoring science-related events

The Asahi Kasei Group provides sponsorship for science-related events that give children and their parents an opportunity to learn about science and chemistry in a fun way. In fiscal 2011, we exhibited at a children's chemistry experiment show and the 2011 Science Festival for Youth.

We also sponsored the Japan Science and Technology Agency's first high-school chemistry tournament, in which representative high school students from each of Japan's prefectures compete in chemistry knowledge and skills. We recognized excellent students with Asahi Kasei Award.



Exhibit at the children's chemistry experiment show in Tokyo



Exhibit at the 2011 Science Festival for Youth in Okayama



The award ceremony at the high-school chemistry tournament in Hyogo

Sponsoring educational programs on science and the environment by newspaper companies

The Asahi Kasei Group sponsors educational events organized by newspaper companies that

provide children an opportunity to learn about science and the environment.

Supporting the Japan Student Science Awards

The Asahi Kasei Group is the sole sponsor of The Yomiuri Shimbun newspaper's Japan Student Science Awards, including the Asahi Kasei Award, which are given in recognition of outstanding study of science at junior high schools and high schools.



Presentation of the Japan Student Science Awards in Tokyo

Planet Earth Classroom

We provide sponsorship for "Planet Earth Classroom," a series of environmentally themed events for elementary school students planned and managed by the Asahi Shimbun newspaper. In fiscal 2011, we supported the events by editing an environmental study textbook for distribution to elementary schools nationwide, giving lectures at elementary schools, and dispatching personnel as instructors for environmental study events for families.



Environmental study textbook

An environmental study event for families in Tokyo

Sponsored university course

The Asahi Kasei Group sponsors a course at Fuji Tokoha University in Fuji, Shizuoka. Our scientific personnel give lectures in the course entitled "The Prospects of Modern Science," for which we dispatched seven personnel for six lectures.



Lecture at Fuji Tokoha University

Miraikan corporate partnership

Since fiscal 2008, the Asahi Kasei Group has been a corporate partner of the National Museum of Emerging Science and Innovation (Miraikan) led by scientist and former astronaut Dr. Mamoru Mohri. As a corporate partner, we work together with Miraikan to help cultivate interest in science and technology among children and other visitors. Our cooperation in fiscal 2011 includes support for a scientific experiment demonstration by a Nobel laureate Dr. Hideki Shirakawa.



Miraikan, in Tokyo

Disaster Relief

Support for areas affected by the Great East Japan Earthquake

Monetary donations

On March 14, 2011, three days after the earthquake, we donated ¥100 million through the Japan Red Cross.

Goods donations

In addition to the monetary donations, 500,000 rolls of Asahi Kasei's Saran Wrap™ were distributed to Iwate, Miyagi, and Fukushima Prefectures on March 22 and 24. On April 11, an additional delivery of 60,000 sets of Ziploc™ containers and 60,000 Ziploc™ freezer bags was arranged for affected areas.

In order to help people combat the summer heat, we gave away 1,000 hand fans, originally made for product promotions, to people in evacuation centers in Fukushima and Iwate Prefectures.

Support for temporary housing

Asahi Kasei Power Devices Corp., a subsidiary of Asahi Kasei Microdevices, loaned a plot of land in Ishinomaki City, Miyagi Prefecture, to the municipal government at no charge for use as a site for temporary housing. Currently two-hundred housing units have been built on this site, providing homes to evacuees.

School visits and science lab for children in disaster-affected areas

In January and February 2012, three former employees of Asahi Kasei visited three elementary schools in Iwaki City, Fukushima Prefecture, to provide lectures and science experiment demonstrations. In the classes, children made *tofu* to observe substance change, and created bookmarks with pressed leaf veins to observe fiber structure. Iwaki is a twin city of Nobeoka, Miyazaki Prefecture, the location of a major production base of the Asahi Kasei Group. The school visit activities developed from the established relationship between the two cities.



Iwaki City, Fukushima Prefecture

Contributions to local communities for living in harmony with the natural environment

Exhibiting at "Eco-Products 2011"

In December 2011, the Asahi Kasei Group exhibited original products at "Eco-Products 2011" organized by the Environmental Management Association for Industry and Nikkei Inc. We showcased energy-saving products and technologies in a booth with a Hebel Haus™ theme to demonstrate features of energy-efficient homes and ecological lifestyles.



The Asahi Kasei Group's exhibit at "Eco-Products 2011"

Japan-China Green Expo 2011

In June 2011, at the Japan-China Green Expo in Beijing, the Asahi Kasei Group exhibited environmentally conscious products and technologies, such as water treatment membranes and sensors that contribute to energy conservation.



The Asahi Kasei Group's exhibit at Japan-China Green Expo 2011

Publishing a brochure on ecological lifestyle

Based on original research, the Lifestyle R&D Laboratory of Asahi Kasei Homes published a brochure providing information and tips on how to enjoy an ecological lifestyle. The brochure contains friendly illustrations and clear data to help readers utilize nature to achieve a comfortable and environmentally friendly lifestyle. The brochures are available for free at housing exhibits of Asahi Kasei Homes. While the first edition published in July 2011 focused on lifestyle in summer, the second edition published in March 2012 was expanded to cover all seasons, making it useful as a year-round reference.



Ecological lifestyle brochure, second edition

Overseas activities

Many offices and production sites of the Asahi Kasei Group in the United States, Europe, China, Korea, Taiwan, and Southeast Asia, engage in a variety of community fellowship activities as suited to their individual circumstances and locations. These include neighborhood clean-up, blood donation, support for welfare and education, and donation to local organizations and schools.

Asahi Kasei Water Environment Preservation Foundation

The Asahi Kasei Group established this foundation to promote youth education in China with regard to the water environment and to support research in China related to the water environment. On December 8, the foundation presented awards to ten individuals and ten Chinese companies which made significant contributions to water conservation in China.



2011 Award presentation from the Asahi Kasei Water Environment Preservation Foundation (Beijing, China)

Forest planting in China

Since June 2011, the Asahi Kasei Group and China Business Network, a leading Chinese media group, have jointly advanced an environmental public service project in China to heighten people's awareness for the preservation of natural forest and water environments. As a part of the project, the Asahi Kasei Group participated in an afforestation program in the Horqin Desert of Inner Mongolia, planting 8,300 trees on April 10, 2012.



Forest planting in Inner Mongolia, China

Sports

Asahi Kasei has long supported athletic activity and maintains top-tier judo and track teams, with nearly 40 employees having competed in the Olympics over the years. Support for sports and athletics also includes sponsorship of the Golden Games in Nobeoka, a notable long-distance track competition in Japan, and provision of judo and track lessons for elementary, junior high, and high school students by members of our corporate judo and track teams.



Track lesson for students in Nobeoka



Judo lesson for students in Nobeoka

Culture

Asahi Himuka Cultural Foundation

The Asahi Himuka Cultural Foundation was established in 1985 to enrich the environment of day-to-day life and culture in Miyazaki Prefecture, the cradle of Asahi Kasei. A wide range of cultural activities include musical and dramatic events, support for local cultural promotion, and fostering familiarity with and understanding of folk culture. As a celebration of 25th anniversary of the foundation, *Romance of the Three Kingdoms* was performed with large puppets in Nobeoka and Hyuga Cities, in November 2011.



Impressively powerful performance with more than 60 puppets, weighing eight kilograms each (Photo by Yukan Daily)



Respect for employee individuality

The Asahi Kasei Group considers fulfilling and satisfying working conditions and workplace culture, in which personnel feel motivated to achieve and take pride in their career, to be a key to business performance.

Message from the Executive for Human Resources



Yoshihiro Wada
Executive Officer,
Asahi Kasei Corp.

Our Human Resources Principles define our behavioral standards based on our Group Values of Sincerity, Challenge and Creativity. In putting these values and principles into practice, we also highly value the diversity and individuality of personnel, which is absolutely vital to the management of a globalized business. Fiscal 2012, the second year of our "For Tomorrow 2015" initiative, will be an important year for making progress toward our goals.

To support this progress, we will continue to advance discussions to deepen appreciation of our Group Values and enhance understanding of our Human Resources Principles through various training programs during the new fiscal year.

Human Resources Principles

The Human Resources Principles of the Asahi Kasei Group are a distillation of the values and beliefs held in common by all employees, a key aspect of a corporate culture where personal growth and corporate development are mutually reinforcing.

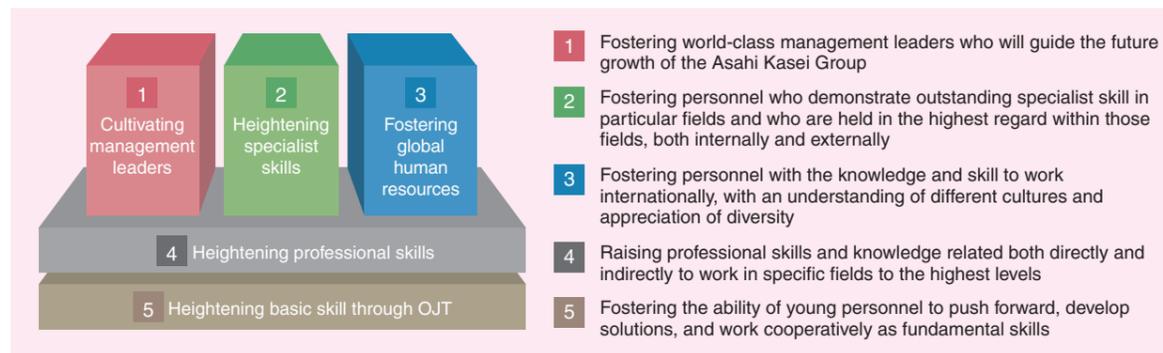
Corporate Commitment	Basic Expectations	Expectations of Leaders
The basic commitment to human resources is to provide the venue for a dynamic and fulfilling career as a part of a lively and growing corporate group.	<ul style="list-style-type: none"> Enterprise and growth through challenge and change Integrity and responsibility in action Respect for diversity 	<ul style="list-style-type: none"> Building the team, heightening performance and achievement Going beyond conventional boundaries, in thought and action Contributing to mutual development and growth

Established in March 2006

Human resources development

The human resources development program in the Asahi Kasei Group is structured with heightening basic skills through OJT and heightening professional skills as a two-layer foundation, with three pillars of cultivating management leaders, heightening specialist skills, and fostering global human resources.

Two-foundation, three-pillar structure



Career development training and support

A wide range of training programs

Employees are given a wide range of training to develop the skills needed to successfully advance their careers. A regular program of training is applied throughout the Asahi Kasei Group at key career steps—upon hiring, promotion to manager, promotion to department general manager, promotion to division general manager, and assumption of an executive position. Other individual training programs such as for global management are implemented according to business need. Each core operating company also implements training programs to support the development of employee skills required for its specific field of business.

Group Masters

The Asahi Kasei Group employs a "Group Masters" program to recognize employees who have developed and exercised extraordinary expertise and skills that hold universal value, and to facilitate their application throughout the Group. As of April 2012, 119 Group Masters are designated: three as Group Fellows, thirty as Senior Group Experts, and eighty-six as Group Experts, with rank and remuneration commensurate with division general manager, department general manager, and section manager, respectively.

Development of global human resources

To support the expansion of world-leading businesses under the mid-term management initiative "For Tomorrow 2015" from the perspective of human resources, we are implementing measures such as internship programs for young personnel, expanding overseas study programs, holding training programs in each geographic area, and appointing new personnel and managers at overseas subsidiaries and affiliates.

Development of engineers and technical specialists

Under "For Tomorrow 2015," we are accelerating creation of new businesses, which provide new value for society. Engineers and technical specialists in R&D and manufacturing are essential human resources for successful business development, and therefore we are reinforcing measures to create better, more vibrant workplaces for them as well as examining programs that provide a wide range of career opportunities to enable their personal and professional growth.

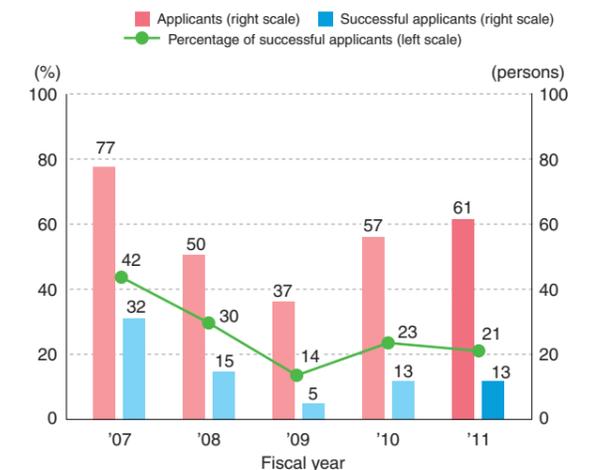
Independent study

In October 2003, the Asahi Kasei Group instituted a program to support independent study by employees. To encourage employees to acquire high level specialist or technological ability, the company will pay part of the cost of attending courses or lectures. In fiscal 2011, the program was expanded and the available support was enhanced.

Available position postings

In October 2003 we began a system for business units to post available positions on the corporate intranet. Personnel in other business units who are eligible for transfer can apply. So far, a total of 157 employees have been transferred through this system to other divisions and departments within the Asahi Kasei Group.

Position postings and transfers*



*Results for personnel employed by Asahi Kasei Corp., Asahi Kasei Chemicals Corp., Asahi Kasei Homes Corp., Asahi Kasei Pharma Corp., Asahi Kasei Fibers Corp., Asahi Kasei Microdevices Corp., and Asahi Kasei Construction Materials Corp. for FY07, by Asahi Kasei Medical Co., Ltd. in addition to these companies from FY08, and by Asahi Kasei E-materials Corp. in addition to these companies from FY09.

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Valuing diversity

Basic policy

Corporate HR & Labor Relations leads the effort to ensure that there will be no unreasonable discrimination on the basis of gender, nationality, age or otherwise, to maintain a lively workplace culture which enables personnel to perform at their best, to advance employment of persons with disability, and to rehire personnel after mandatory retirement.

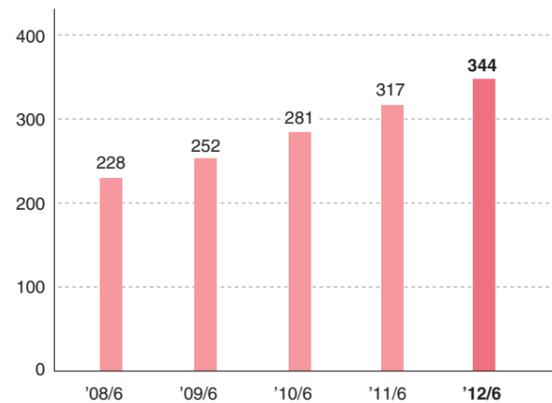
Fiscal 2012 hiring

In April 2012, 572 new graduates were hired: 440 men and 132 women. In addition, 144 persons were hired in mid-career between April 2011 and March 2012.

Expansion of opportunities for women

We established EO Promotion in 1993 as a corporate organ to ensure equal opportunity (EO), and have proactively increased the proportion of women hired and expanded the distribution of job assignments for women. In 1993, only five employees at the rank of manager or above were women. This has risen to 344 in June 2012, and the variety of posts where women are assigned continues to expand.

Number of women as managers*



* Results as of June 30 for personnel employed by Asahi Kasei Corp., Asahi Kasei Chemicals Corp., Asahi Kasei Homes Corp., Asahi Kasei Pharma Corp., Asahi Kasei Fibers Corp., Asahi Kasei Microdevices Corp., Asahi Kasei Construction Materials Corp., and Asahi Kasei Medical Co., Ltd., and by Asahi Kasei E-materials Corp. in addition to those companies from 2009.

Preventing sexual harassment

Sexual harassment is clearly prohibited in the Asahi Kasei Group by our *Corporate Ethics – Code of Conduct* and by our corporate employment regulations. Prevention is reinforced through training at each level of promotion in rank and through periodic company-wide training within each core operating company for conformance with corporate ethics.

EO Promotion in Human Resources serves as a central point for consultation about related issues and concerns in the Asahi Kasei Group.

Training and consultation are also provided for staff from placement agencies and employees of affiliated companies, as part of a comprehensive effort to prevent the occurrence of sexual harassment.

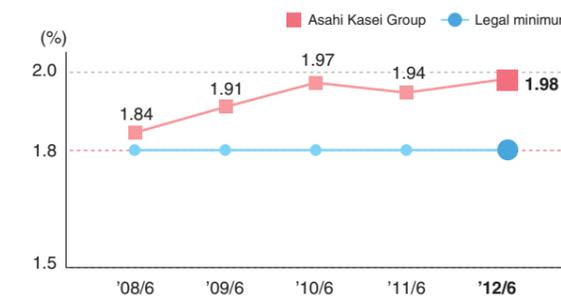
Employment of persons with disability

Asahi Kasei Ability Corp. was established in 1985 for the employment of disabled persons, performing a wide range of services for the Asahi Kasei Group, including website design, document printing and binding, copying, mounting and framing, dispatch of sample products, and cleaning.

Our employment of disabled persons stood at 457 employees as of June 1, 2012, or 1.98%, exceeding the legal minimum of 1.8%.

We continue recruitment activities to further increase such employment at other subsidiaries and affiliates as well.

Rate of employment of disabled persons at applicable Group companies*



* Results as of June 1 each year at applicable Group companies. For June 1, 2012, results for Asahi Kasei Corp., Asahi Kasei Chemicals Corp., Asahi Kasei Homes Corp., Asahi Kasei Pharma Corp., Asahi Kasei Fibers Corp., Asahi Kasei Microdevices Corp., Asahi Kasei Construction Materials Corp., Asahi Kasei E-materials Corp., Asahi Kasei Medical Co., Ltd., Asahi Kasei Amidas Co., Ltd., Asahi Kasei Engineering Corp., Asahi Kasei Electronics Co., Ltd., Asahi Kasei Microsystems Co., Ltd., and Asahi Kasei Ability Corp. Calculation based on total employment of 23,050 persons in these 14 companies. The number of disabled persons employed by Asahi Kasei Ability Corp. stood at 268 as of June 1, 2012, out of the total 457 disabled employees. Calculated in accordance with the Act on Employment Promotion etc. of Persons with Disabilities.

Special Award at the 2011 International Abilympics in Seoul

The 8th International Abilympics, a skills competition for people with disabilities, was held in Seoul, Korea, in September 2011. An employee of Asahi Kasei Ability, Ms. Tomoe Hashino, received the Special Award for her performance in computerized type setting.

At the 2012 prefectural Abilympics in Miyazaki and Okayama, Asahi Kasei personnel from Nobeoka and Mizushima won four gold medals, qualifying to participate in the national competition in Nagano Prefecture in October 2012. At the Okayama Abilympics, an Asahi Kasei Ability employee gave the competitors' oath as the representative of all sixty-six competitors.



Ms. Tomoe Hashino performing the computerized type setting at the International Abilympics

Mr. Yuuichi Sato giving the competitors' oath at the 2012 Okayama Abilympics



At the 2011 International Abilympics in Seoul

Balancing work and family life

Basic policy

We encourage personnel to reevaluate their working habits from the perspective of balancing work and family life, to raise productivity to enable excessive working hours to be avoided and paid days off to be utilized.

In fiscal 2010 we adopted a system for paid holidays to be used in two-hour units, allowing personnel to utilize paid leave more flexibly.

Helping employees balance work and family life

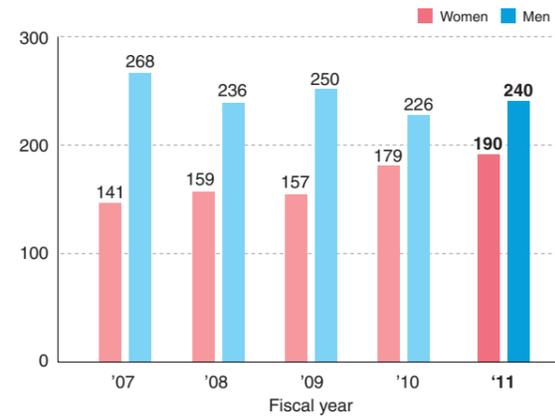
We encourage personnel to take advantage of a full complement of provisions and benefits to enable the flexibility to maintain a career while raising a family. The corporate intranet is used to raise awareness of the provisions and benefits, and to support managers whose personnel utilize them.

Parental leave

Our parental leave is available through the fiscal year in which the child turns three years old.

In fiscal 2011, 430 personnel utilized parental leave. This is included 240 men, 40% of those who were qualified, and 190 women.

Employees using parental leave*



* Results for personnel employed by Asahi Kasei Corp., Asahi Kasei Chemicals Corp., Asahi Kasei Homes Corp., Asahi Kasei Pharma Corp., Asahi Kasei Fibers Corp., Asahi Kasei Microdevices Corp., and Asahi Kasei Construction Materials Corp. for FY07, by Asahi Kasei Medical Co., Ltd. in addition to those companies from FY08, and by Asahi Kasei E-materials Corp. in addition to those companies from FY09.

Shortened working hours for childrearing

Personnel are able to utilize shortened working hours for rearing preschoolers, with the working day shortened by up to two hours until the child enters elementary school. In September 2007, a provision called "Kids Support" was added to enable personnel with children in the first and second grades to work shortened hours as well. These provisions may be used concurrently with a "flex-time" system for flexible working hours.

Utilization of shortened working hours and Kids Support for child-rearing*



* Results for personnel employed by Asahi Kasei Corp., Asahi Kasei Chemicals Corp., Asahi Kasei Homes Corp., Asahi Kasei Pharma Corp., Asahi Kasei Fibers Corp., Asahi Kasei Microdevices Corp., and Asahi Kasei Construction Materials Corp. for FY07, by Asahi Kasei Medical Co., Ltd. in addition to those companies from FY08, and by Asahi Kasei E-materials Corp. in addition to those companies from FY09.

Support for family care

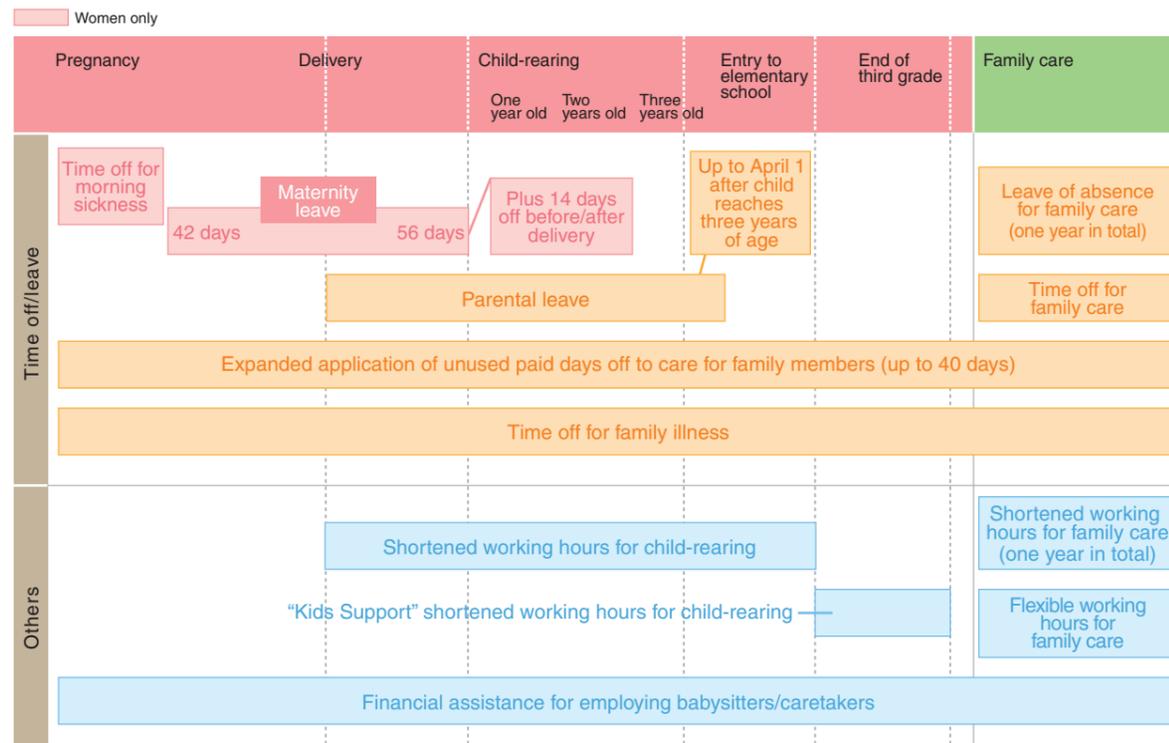
In fiscal 2011, six personnel utilized leave of absence for family care. Our personnel are allowed to take leave up to one year for the purpose of attending to any family member who requires care. Enhanced provisions for days off and flexible working hours are also available to help personnel continue working while providing care for family members. Information about these provisions and how to balance work and family care is provided through our enhanced corporate intranet as well.

In October and December 2011, we held seminars on caring for family members led by a specialist on care provision.



At the nursing care seminar

Main provisions to support balance in work and family life



Communication between management and labor

Discussions between management and labor union representatives are held on a regular basis to ensure that a constructive partnership and mutual understanding is maintained. In July 2011, annual discussions were held between management of the

holding company and labor union representatives. Discussions between management of the core operating companies and representatives of the labor unions are held on a regular basis.

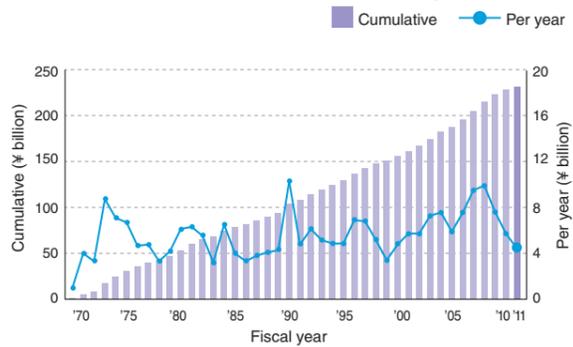


Environmental and safety data

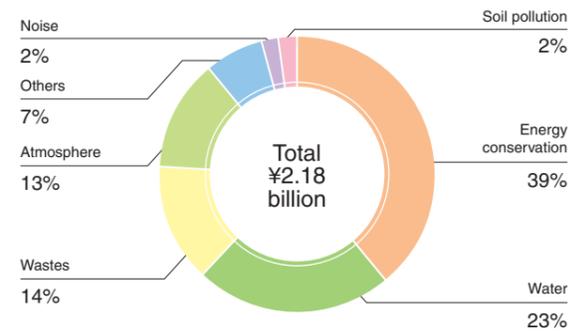
Expenditure for environment and safety

Investments in modification for environmental protection and safety in fiscal 2011 were as shown below.

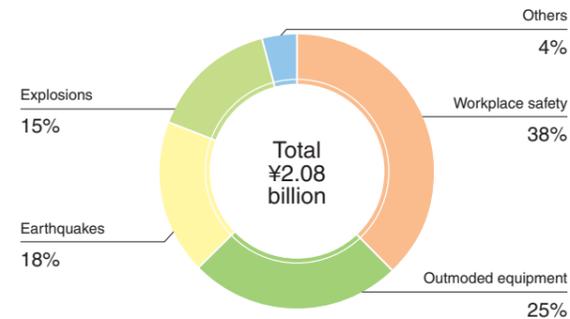
Investment in environmental and safety modification



FY 2011 environmental investment



FY 2011 safety investment



Breakdown of investment

Fiscal year	2007	2008	2009	2010	2011
Environmental	2.35	3.18	2.98	1.96	2.18
Safety	7.15	6.74	4.55	3.63	2.08
Total	9.50	9.92	7.54	5.59	4.26

Environmental accounting

We classify the cost of our measures for environmental protection in accordance with cost classification standards promulgated by the Ministry of the Environment. The table below shows fiscal 2011 environmental accounting for Asahi Kasei Chemicals, Asahi Kasei Fibers, Asahi Kasei Microdevices, and Asahi Kasei E-materials.

Notable measures in fiscal 2011 included the

curtailment of release of PRTR-specified substances to air, curtailment of VOC emissions, and energy conservation. Notable results included reductions of VOC emissions by 300 tons and of greenhouse gases by 210,000 tons CO₂ equivalent. We also advanced the use of renewable energy sources such as biomass fuel and solar power.

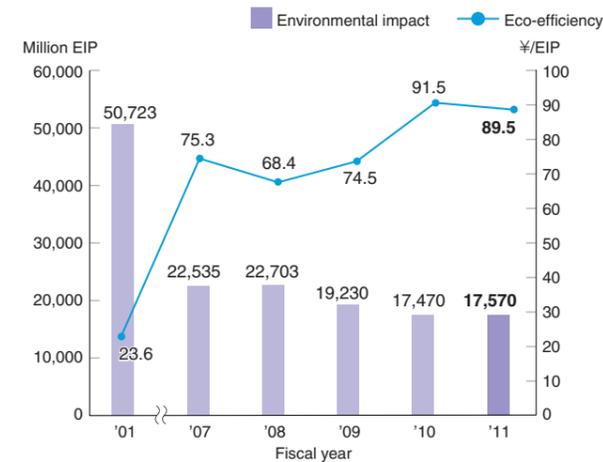
Environmental accounting

Cost class	Asahi Kasei Chemicals		Asahi Kasei Fibers		Asahi Kasei Microdevices		Asahi Kasei E-materials	
	Investment (¥ million)	Expense (¥ million)	Investment (¥ million)	Expense (¥ million)	Investment (¥ million)	Expense (¥ million)	Investment (¥ million)	Expense (¥ million)
Combined operating area	1,326	5,326	202	1,618	83	6,487	145	1,165
Pollution prevention	521	4,089	155	1,264	74	112	50	302
Global environmental protection	521	160	5	76	9	3	75	37
Resource circulation	284	1,077	42	278	0	6,373	20	827
Upstream and downstream	0	35	0	7	0	0	0	65
Management	17	2,168	0	150	0	1,022	0	61
Research and development	30	706	0	30	39	6	165	2,493
Community outreach	5	68	0	8	0	0	0	0
Environmental damage	0	223	0	0	0	0	0	0
Total	1,378	8,525	202	1,812	122	7,515	311	3,784

Note: Sums may not equal totals due to rounding.

Environmental performance data

JEPIX performance¹



¹ Japan Environmental Policy Index, developed by teams under the leadership of Prof. Nobuyuki Miyazaki at the Japan Science and Technology Agency and Sustainable Management Forum Japan. Environmental performance data are converted to an environmental impact point (EIP) scale and aggregated to determine total environmental impact. Eco-efficiency is determined by dividing an economic indicator, in our case consolidated net sales, by total EIP. Eight aspects of environmental impact (including chemical releases, greenhouse gas emissions, landfill wastes, and COD load) are evaluated. A new accounting policy is applied to fiscal 2011 net sales. (Applied retroactively, this accounting policy would result in fiscal 2010 net sales of ¥1,555,945 million.)

JEPIX-method ecoefficiency

Fiscal year	2001	2007	2008	2009	2010	2011
Environmental impact (million EIP)	50,723	22,535	22,703	19,230	17,470	17,570
Sales (¥ million)	1,195,393	1,696,789	1,553,108	1,433,595	1,598,387	1,573,230
Ecoefficiency (¥/EIP)	23.6	75.3	68.4	74.5	91.5	89.5

Treatment and disposal of industrial waste* by business unit

Segment	(thousand tons)							
	Waste generated	Recycling	Volume reduction	Landfill	Effluent	Recycling	Volume reduction	Final disposal
Asahi Kasei Chemicals	277.6	46.2	73.5	0.0	157.8	152.0	5.0	0.8
Asahi Kasei Homes	5.9	0.0	0.0	0.0	5.9	5.9	0.0	0.0
Asahi Kasei Pharma	0.6	0.0	0.0	0.0	0.6	0.5	0.1	0.0
Asahi Kasei Medical	5.7	0.0	0.0	0.0	5.7	5.6	0.1	0.0
Asahi Kasei Fibers	40.8	4.6	0.0	0.0	36.2	36.2	0.0	0.1
Asahi Kasei Microdevices	3.5	0.0	0.0	0.0	3.5	3.4	0.1	0.0
Asahi Kasei E-materials	20.6	0.0	0.0	0.0	20.6	18.2	2.4	0.0
Asahi Kasei Construction Materials	85.9	54.2	0.0	0.0	31.6	31.3	0.0	0.3
Others	1.2	0.0	0.0	0.0	1.2	1.1	0.0	0.1
FY 2011	441.8	105.1	73.5	0.0	263.1	254.1	7.8	1.3
FY 2010	474.0	99.9	74.5	0.0	299.6	286.6	11.8	1.3
FY 2009	315.7	47.9	73.1	0.0	194.7	179.7	10.1	4.8
FY 2008	251.9	33.0	10.0	0.0	209.0	186.4	15.2	6.2
FY 2007	317.8	41.5	79.0	0.0	197.3	172.7	16.8	7.8
FY 2000	361.9	3.5	187.5	0.1	170.8	122.0	21.9	26.8

* Not including waste generated from non-recurring events such as dismantling closed plants or waste generated from dismantling old homes when constructing new homes. Note: Figures shown for Asahi Kasei Medical include results for Asahi Kasei Kuraray Medical. All figures in this report exclude data for divested fertilizer plant in Fuji from fiscal year 2007 onward. Sums may not equal totals due to rounding.

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FY 2011 off-site final disposal by category of waste*

Category	Sludge	Plastic waste	Controlled mixed waste	Debris	Others	Total
Volume (thousand tons)	0.3	0.2	0.2	0.1	0.4	1.3
Percent of total	26.5	19.3	15.9	7.8	30.5	100.0

* Excluding waste generated from at the construction sites of Asahi Kasei Homes

Final disposal of industrial waste generated at construction sites of Asahi Kasei Homes (thousand tons)

Fiscal year	2000	2007	2008	2009	2010	2011
New construction	16.6	3.1	1.6	0.1	0	0
Dismantling	39.1	13.5	12.7	9.6	8.6	11.8
Total	55.7	16.6	14.4	9.8	8.6	11.8

ALC trimmings recycled by Asahi Kasei Construction Materials (tons)

Fiscal year	2007	2008	2009	2010	2011
Hebel™ panels	420	620	740	460	450
Cement material	6,700	5,900	4,700	4,300	4,700
Lightweight artificial soil	55	110	54	20	0
Total	7,200	6,600	5,500	4,800	5,200

Release and transfer of PRTR-specified substances by fiscal year (tons)

Fiscal year	2000	2007	2008	2009	2010	2011
Air	4,720	320	270	250	620 [260]	580 [240]
Water	170	54	66	42	58 [41]	94 [63]
Soil	0	0	0	0	0 [0]	0 [0]
Total	4,890	380	340	300	680 [300]	680 [300]
Transfer	2,100	4,600	3,700	1,600	4,400 [3,100]	4,200 [2,700]

* Figures in brackets do not include substances newly included.

Release of air and water pollutants by fiscal year

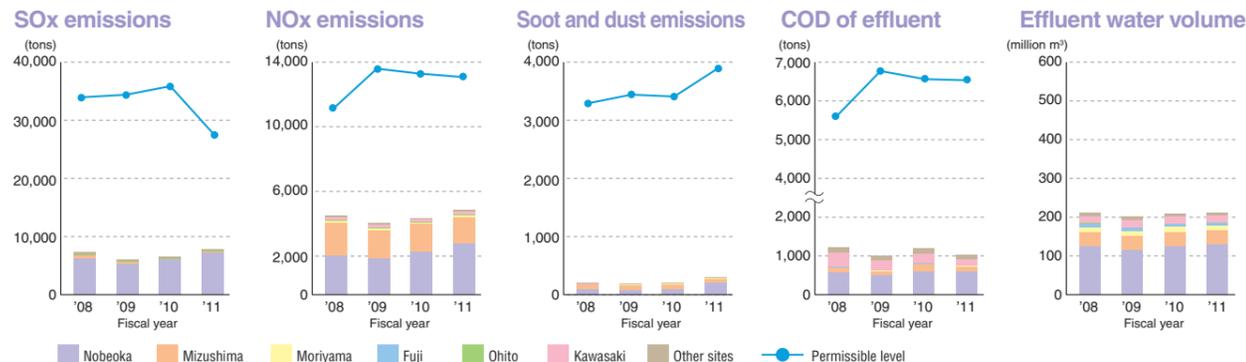
Category	Unit	2007	2008	2009	2010	2011
SOx ²	tons	7,600	7,600	6,200	6,800	8,100
NOx ³	tons	5,700	4,500	4,000	4,300	4,700
Soot and dust ⁴	tons	200	170	160	230	250
Waste water effluence ⁵	million m ³	210	210	200	210	210
COD	tons	1,400	1,200	1,000	1,200	1,000
Nitrogen	tons	6,000	5,800	5,400	6,500	6,500
Phosphorus	tons	27	30	24	27	27

² Sulfur oxides are formed when crude oil, fuel oil, or coal containing sulfur are used as fuel, or when industrial wastes containing sulfur are incinerated. Sulfur dioxide (SO₂) is most common, but some sulfur trioxide (SO₃) also forms. The term SOx is inclusive of both of these.

³ Nitrogen oxides are formed in nature and during combustion at thermal power plants, factory boilers, internal combustion engines, and incinerators. The term NOx is inclusive of both nitric oxide (NO) and nitrogen dioxide (NO₂).

⁴ Soot and dust are fine particles formed in the combustion of fuel and other materials.

⁵ Chemical oxygen demand. An indicator of water pollution by organic substances, COD is expressed in terms of the amount of oxygen required by an oxidizer to chemically oxidize the organic substances contained in the water.



Note: At some sites, regulation by total pollutant amount applies for some pollutants in addition to concentration limits. Permissible levels shown are the sums of gross emission limits where they apply and concentration limits times the amount of discharged water where they do not. Permissible levels therefore fluctuate from year to year with fluctuations in production volumes.

FY 2011 release and transfer of PRTR-specified substances (tons)

Core operating company	Sites	Substance	Release to:			Total	Transfer
			Air	Water	Soil		
Asahi Kasei Chemicals	Nobeoka	1,1-Dichloroethylene (vinylidene chloride)	25	0	0	25	219
		Toluene	8	1	0	9	5
		Boron compounds	0	8	0	8	0.3
		Chloroethylene (vinyl chloride)	7	0	0	7	58
		Chlorodifluoromethane (HCFC-22)	6	0	0	6	0
	n-Hexane	5	0	0	5	7	
	Mizushima	n-Hexane	245	0	0	245	28
		Styrene	35	0	0	35	40
		Molybdenum and its compounds	0	22	0	22	3
		Vinyl acetate	6	0	0	6	5
Acrylonitrile		6	0	0	6	12	
Kawasaki	n-Hexane	71	0	0	71	15	
	Methyl methacrylate	21	0	0	21	77	
	Inorganic cyanide compounds (except complex salts and cyanates)	6	1	0	6	0	
	Molybdenum and its compounds	0	6	0	6	0	
	Xylene	10	0	0	10	0	
Asahi Kasei Homes	Shiga	Xylene	10	0	0	10	0
Asahi Kasei Fibers	Nobeoka	Water-soluble copper salts (except complex salts)	0	11	0	11	0
Asahi Kasei E-materials	Moriyama	Dichloromethane(methylene chloride)	14	0	0	14	0.8
Asahi Kasei Medical	Nobeoka	N,N-dimethylacetamide	3	30	0	33	721

Note: Substances listed are those of which total release was 5 tons or more. Amounts of one ton or more are rounded to the nearest ton; those less than one ton are rounded to the nearest tenth of a ton.

VOC¹ emissions

Fiscal year	2000 baseline year	2007	2008	2009	2010	2011
Volume (tons)	10,400	4,000	3,900	4,000	2,800	2,500
Reduction rate (%)	—	62	63	62	73	76

¹ Volatile organic compound. Although the term generally applies to any organic compound which is in gaseous state at the time of release, regulations for the control of their release exclude methane and some fluorocarbons which do not form oxidants.

FY 2011 release of air and water pollutants by site

Category	Unit	Nobeoka	Mizushima	Moriyama	Fuji	Ohito	Kawasaki	Others	Total
SOx	tons	7,400	340	0	12	5	5	330	8,100
NOx	tons	2,800	1,520	76	16	43	150	91	4,700
Soot and dust	tons	160	66	2	1	1	12	10	250
Waste water effluence	million m ³	130	37	11	9	0	18	8	210
COD	tons	590	120	16	15	0	150	150	1,000
Nitrogen	tons	5,800	340	12	55	1	280	6	6,500
Phosphorus	tons	16	4	2	2	0	4	1	27

Greenhouse gas emissions by fiscal year

Category	Baseline*	(thousand tons CO ₂ equivalent)				
		2007	2008	2009	2010	2011
Carbon dioxide	5,060	5,050	4,650	4,520	4,590	4,470
Nitrous oxide	6,820	350	650	910	460	380
Methane	0	2	2	2	2	2
HFCs	160	10	30	30	20	30
PFCs	10	130	130	160	150	140
Sulfur hexafluoride	0	20	20	30	30	30
Total	12,060	5,560	5,480	5,650	5,260	5,050

* FY 1990 for carbon dioxide, nitrous oxide, and methane; FY 1995 for HFCs, PFCs, and sulfur hexafluoride.

Note: Our target is to maintain average greenhouse gas emissions at 50% of the baseline level from FY 2008-2012. Figures for past years have been revised to reflect business transfers, revisions of the CO₂ emissions coefficient, and other relevant changes. All figures except those for methane are rounded to the nearest ten thousand. Figures for methane are rounded to the nearest thousand.

Unit energy consumption

Fiscal year	Energy consumed (million L crude oil equivalent)	Product output, as converted to benchmark product (thousand tons)	Unit energy consumption	Change from previous year
2010	1,440	5,070	0.285	0.98
2011	1,380	4,800	0.287	1.01

Note: Calculated in accordance with the Energy Conservation Law.

CO₂ emissions from product shipment

Core operating companies	FY 2008		FY 2009		FY 2010		FY 2011	
	Shipment volume (million ton-km)	CO ₂ emissions (tons)	Shipment volume (million ton-km)	CO ₂ emissions (tons)	Shipment volume (million ton-km)	CO ₂ emissions (tons)	Shipment volume (million ton-km)	CO ₂ emissions (tons)
Asahi Kasei Chemicals	809	47,100	827	45,500	903	48,900	932	50,400
Asahi Kasei Homes	164	20,200	161	19,100	171	20,000	193	22,900
Asahi Kasei Pharma	7	700	7	800	7	700	7	700
Asahi Kasei Medical	-	-	24	1,200	31	1,700	23	1,100
Asahi Kasei Fibers	42	3,100	46	3,300	48	3,700	50	3,900
Asahi Kasei Microdevices	9	5,900	5	6,100	5	5,400	2	1,000
Asahi Kasei E-materials	-	-	8	1,700	15	1,800	6	1,200
Asahi Kasei Construction Materials	131	12,700	98	9,100	112	10,600	116	10,900
Total	1,163	89,700	1,176	86,800	1,292	92,800	1,264	92,000

Lost workday injury indices

Frequency rate	(Calendar year)				
	2007	2008	2009	2010	2011
Asahi Kasei Group	0.21	0.16	0.19	0.27	0.23
Chemical industry, Japan	1.1	0.84	0.72	0.72	0.88
Manufacturing industries, Japan	1.09	1.12	0.99	0.98	1.05
Severity rate	0.05	0.070	0.008	0.006	0.003
Chemical industry, Japan	0.04	0.07	0.13	0.04	0.04
Manufacturing industries, Japan	0.1	0.1	0.08	0.09	0.08

Note: Results for the Asahi Kasei Group are revised from fiscal year to calendar year. The severity rate was revised as an accident in 2010 was found to have caused lasting injury.

* Hybrid-electric vehicles, low-emission vehicles, fuel-efficient vehicles, and all-electric vehicles.

FY 2011 greenhouse gas emissions by business unit

Category	(thousand tons CO ₂ equivalent)									
	Asahi Kasei Chemicals	Asahi Kasei Homes	Asahi Kasei Pharma	Asahi Kasei Medical	Asahi Kasei Fibers	Asahi Kasei Microdevices	Asahi Kasei E-materials	Asahi Kasei Construction Materials	Others	Total
Carbon dioxide	3,680	8	30	140	310	100	90	100	10	4,470
Nitrous oxide	380	0	0	0	3	0	0	0	0	380
Methane	0	0	0	0	0	0	0	0	2	2
HFCs	30	0	0	0	0	1	0	0	0	30
PFCs	0	0	0	0	0	140	0	0	0	140
Sulfur hexafluoride	3	0	0	0	0	20	0	0	0	30
Total	4,090	8	30	140	310	260	90	100	20	5,050

Note: Sums may not equal totals due to rounding.

Estimated CO₂ emissions by overseas affiliates (FY 2011)

Business Unit	Asahi Kasei Chemicals	Asahi Kasei Medical	Asahi Kasei Fibers	Asahi Kasei E-materials	Total
Energy consumed (thousand GJ)	12,900	160	1,900	830	15,790
CO ₂ emissions (thousand tons)	680	10	110	40	840

Note: The figures above are for 18 overseas affiliates with production plants, and the calculation is based on the amount of consumption of fuel, electricity, etc. using Japan's CO₂ emission coefficient.

Low-pollution vehicles*

Frequency rate	(Calendar year)				
	2007	2008	2009	2010	2011
Asahi Kasei Group	0.21	0.16	0.19	0.27	0.23
Chemical industry, Japan	1.1	0.84	0.72	0.72	0.88
Manufacturing industries, Japan	1.09	1.12	0.99	0.98	1.05
Severity rate	0.05	0.070	0.008	0.006	0.003
Chemical industry, Japan	0.04	0.07	0.13	0.04	0.04
Manufacturing industries, Japan	0.1	0.1	0.08	0.09	0.08

Third-party awards and recognitions in fiscal 2011

Award/recognition	Awarded/certified by	In recognition of	Recipient*
National Invention Award 2011	Japan Institute of Invention and Innovation (JIJI)	Polysulfone membrane dialyzer	Asahi Kasei Kuraray Medical
Inoue Harushige Prize 2011	Japan Science and Technology Agency (JST)	Recombinant thrombomodulin as a novel DIC therapy	Asahi Kasei Pharma (together with researcher at Suzuka University of Medical Science)
Lifetime Sports Contributor 2011	Ministry of Education, Culture, Sports, Science and Technology	Contribution to the healthy growth and expansion of sports in both community and workplace, as well as significant promotion of sports in local area	Asahi Kasei
Special Award at the 8th International Ability Awards	International Ability Awards (IA)	English desktop publishing (computer type) category	Asahi Kasei Ability
Local Region Invention Award 2011, Kanto Area	Japan Institute of Invention and Innovation (JIJI)	Design method for living climate based on sunlight simulation	Asahi Kasei Homes
Good Design Award 2011	Japan Institute of Design Promotion	1) Radiation panel for cooling and heating, 2) Two-generation home in Urawa	Asahi Kasei Homes (award for radiation panel shared with Sankyo Tsubayama Aluminium, Inc. and Mitsubishi Plastics Marketing Co., Ltd.)
Good Disclosure Award 2011	Security Analysts Association of Japan	1) First ranking in chemicals/fibers category (8th consecutive year), 2) Category of information provision for individual investors	Asahi Kasei
The 11th Yamazaki Teiichi Award	Foundation for Promotion of Material Science and Technology of Japan	Development and commercialization of the lithium-ion rechargeable battery	Asahi Kasei
The 50th Business Advertising Award	Fuji Sankei Business Eye	The 50th Business Advertising Award	Asahi Kasei
The 8th LCA Japan Forum Encouraging Prize	Japan Environmental Management Association for Industry (JEMAI)	Application of LCA (life cycle assessment) from basic technology development up to the actual product, preparation of guidelines, incorporating LCA during commercialization, etc.	Asahi Kasei
C&C Prizes 2011	NEC C&C Foundation	Development and commercialization of the lithium-ion rechargeable battery	Asahi Kasei
The 60th NIKKEI Advertising Awards	Nikkei Inc.	IR advertising award, category H award	Asahi Kasei
Japan Industrial Advertising Awards 2011	Nikkan Kogyo Shimbun, Ltd	The category of newspaper, series 1, the first prize	Asahi Kasei
The Japan Association of Athletics Federations (JAAF) Athletic Award 2011, New Face Award	The Japan Association of Athletics Federations (JAAF)	New Face Award	Asahi Kasei
The 42nd Senken Synthetic Award, Special Award	Senken Shimbun Co., Ltd.	The 80th anniversary of Bemberg™ cupro fiber and the expansion of business domain using this technology	Asahi Kasei, Asahi Kasei Fibers

* Some awards were received by organizations or individuals within the companies shown.

Organizations implementing Responsible Care

Prefecture	Location	Operating Segment	Company	Plant, laboratory, or department	Main products/business line			
Miyagi	Ishinomaki	Electronics	Asahi Kasei Power Devices Corp.	Ishinomaki Plant	Assembly and inspection of semiconductors			
Gunma	Ota	Chemicals	Asahi Kasei Pax Corp.	Gunma Plant	Molded plastic containers			
Ibaraki	Kasama	Chemicals	Asahi Kasei Metals Ltd.	Tomobe Plant	Aluminum paste			
			Asahi SKB Co., Ltd.	-	Shotgun cartridges, igniters, civil engineering materials			
	Sakai	Construction Materials	Asahi Kasei Construction Materials Corp.	Sakai Plant	Autoclaved aerated concrete panels			
			Sakai Kako Co., Ltd.	Neoma Foam Plant	Phenolic foam insulation panels			
Tochigi	Mibu	Chemicals	Asahi Kasei Color Tech Co., Ltd.	Mibu Plant	Plastic coloring & compounding			
Saitama	Kamisato	Chemicals	Asahi Kasei Techno Plus Co., Ltd.	Saitama Plant	Molded plastic products			
	Ageo	Chemicals	Asahi Kasei Pax Corp.	Ageo Plant	Film lamination			
Yamanashi	Fujiyoshida	Fibers	Fuji Seisen Co., Ltd.	-	Dyeing and finishing of yarns and fabrics			
	Chiba	Chemicals	Asahi Kasei Chemicals Corp.	PMMA Prod. Dept.	Acrylic resin			
Chiba	Chiba	Chemicals	Asahi Kasei Chemicals Corp.	Chiba Power Supply Dept.	Utilities (electricity, steam, water)			
			Asahi Kasei Chemicals Corp.	Compound Prod. Coordination Dept.	Development of compound production technology, support for processing facilities			
			Asahi Kasei Chemicals Corp.	Performance Plastics Dev. Dept.	Applied research for performance plastics and plastic processing			
			Asahi Kasei Color Tech Co., Ltd.	Sodegaura Plant	R&D for plastic compounding technology			
			PS Japan Corp.	Chiba Plant	Polystyrene			
			Asahi Kasei Energy Service Corp.	-	Operation of power plant of Nakasode Clean Power Corp.			
			Asahi Kasei E-materials Corp.	Plastic Optical Fibers Dept.	R&D for plastic optical fiber			
			Asahi Kasei EMS Co., Ltd.	Chiba Plant	Plastic optical fiber			
			Asahi Kasei Power Devices Corp.	Tateyama Plant	Semiconductors			
			Asahi Kasei Geotechnologies Co., Ltd.	-	Sale of civil engineering materials			
			Asahi Kasei Home Products Corp.	-	Development and sale of cling film and other household products			
			Sun Delta Corp.	-	Sale of synthetic resin products			
			Asahi Kasei Foundation Systems Co., Ltd.	-	Installation of piles			
			Asahi Kasei Extech Corp.	-	Installation of exterior wall panels			
			Sun Associates Co., Ltd.	-	Patent-related subcontracting			
Sun Trading Co., Ltd.	-	Sale of fibers, chemicals, and medical devices						
Asahi Kasei Create Co., Ltd.	-	Real estate brokerage, subcontracted office work						
Asahi Kasei Amidas Co., Ltd.	-	Personnel placement, agency and training; ISO consulting						
Asahi Kasei Ability Corp.	-	Printing, bookbinding, and office work						
Asahi Kasei Engineering Corp.	-	Plant, equipment, process engineering, and related work/development						
Asahi Finance Co., Ltd.	-	Investment, finance						
Asahi Research Center Co., Ltd.	-	Information and analysis						
Asahi Kasei Benefits Management Corp.	-	Company housing, recreational facilities						
Asahi Kasei Trading Co., Ltd.	-	Sale of Asahi Kasei Group products						
Asahi Kasei Life Support Corp.	-	Personal diet management system, etc.						
Kanagawa	Kawasaki	Chemicals	Asahi Kasei Chemicals Corp.	Monomers Prod. Dept.	Acrylonitrile, methyl methacrylate, cyclohexyl methacrylate, acetonitrile			
			Asahi Kasei Chemicals Corp.	ABS & SB Latex Prod. Dept.	Styrene-acrylonitrile resin, styrene-butadiene latex			
			Asahi Kasei Chemicals Corp.	Synthetic Rubber Prod. Dept.	Synthetic rubber			
			Asahi Kasei Chemicals Corp.	Acrylic Plastics Prod. Dept.	Polymethyl methacrylate			
			Asahi Kasei Chemicals Corp.	Ion Exchange Membranes Prod. Dept.	Ion-exchange membranes			
			Asahi Kasei Chemicals Corp.	Power Supply Dept.	Utilities (electricity, steam, water)			
			Asahi Kasei Chemicals Corp.	R&D units	Creation of new high performance materials, R&D for performance products and systems, applied research for plastics and plastic processing			
			Nippon Crenol Co., Ltd.	-	2,6-xyleneol			
			PS Japan Corp.	R&D Dept.	Polystyrene R&D			
			Kawasaki Sun Business Co., Ltd.	-	Contract work			
			Asahi Kasei E-materials Corp.	New Business Dev.	Development of energy-related materials			
			Asahi Kasei Engineering Corp.	-	Development, design, installation, inspection, and maintenance of equipment and systems			
			Atsugi	-	Asahi Kasei Corp.	Information Tech. Lab.	Establishment of new solution-oriented businesses	
			Shizuoka	Fuji	Chemicals	Asahi Kasei Chemicals Corp.	Microza Plant	Filtration membranes and modules
						Asahi Kasei Chemicals Corp.	Fuji Power Supply Dept.	Utilities (electricity, steam, water)
Asahi Kasei Clean Chemical Co., Ltd.	-	Environmental chemicals, water treatment equipment						
Homes	Health Care	Asahi Kasei Homes Corp.		Housing Tech. R&D Labs.	Long Life Home R&D			
		Asahi Kasei Pharma Corp.		Fuji Pharmaceuticals Plant	Bulk pharmaceuticals			
Electronics	Asahi Kasei E-materials Corp.	Asahi Kasei E-materials Corp.		Bioprocess Prod. Dev. Dept.	Development of filters and absorbents for separation and purification used in manufacturing process of bio pharmaceuticals			
		Asahi Kasei E-materials Corp.		Electronics Materials Plant	Photosensitive polyimide			
		Asahi Kasei E-materials Corp.		Electronics Interconnecting Materials Plant	Dry film photoresist			
		Asahi Kasei E-materials Corp.		Photoproducts Plant	Photopolymer			
		Asahi Kasei E-materials Corp.		New Business Dev.	R&D for semiconductor and packaging materials			
		Asahi Kasei E-materials Corp.		WGF Business Development	Display materials			
		Asahi Kasei E-materials Corp.		Compound Semiconductor Dev. Dept.	R&D for compound semiconductors			
		Asahi Kasei Epoxy Co., Ltd.		Fuji Plant	Epoxy curing agent			
		Asahi Kasei Electronics Co., Ltd.		Fuji Plant	Hall elements			
		Asahi Kasei Engineering Corp.		-	Development, design, installation, inspection, and maintenance of equipment and systems			
Others	Sun Business Services Co., Ltd.	Asahi Kasei Benefits Management Corp.	-	Subcontracting				
		Asahi Kasei Benefits Management Corp.	-	Management of benefits				
		Toyo Kensa Center Co., Ltd.	-	Measurement, evaluation, analysis				
		Asahi Kasei Corp.	Central R&D Labs.	Development of advanced new interdisciplinary technology				
		Asahi Kasei Corp.	Analysis & Simulation Center	Analysis and computer simulation				
Ohito	Health Care	Asahi Kasei Pharma Corp.	Advanced Battery Materials Dev. Ctr.	Development of battery materials				
		Asahi Kasei Pharma Corp.	Advanced Energy Materials Dev. Ctr.	Development of energy materials				
		Asahi Kasei Pharma Corp.	Corporate Production Technology	Design, construction, and development of facilities and development of information systems				
		Asahi Kasei Pharma Corp.	Fuji Maintenance Management Dept.	Maintenance of equipment and facilities				
		Asahi Kasei Pharma Corp.	Ohito Pharmaceuticals Plant	Pharmaceutical intermediates				
	Others	Asahi Kasei Pharma Support Co., Ltd.	Ohito Diagnostics Plant	Diagnostic enzymes, diagnostic reagent kits				
		Asahi Kasei Pharma Support Co., Ltd.	Pharmaceuticals Research Center	New pharmaceuticals R&D				
		Asahi Kasei Pharma Support Co., Ltd.	-	On-site contract work				
		Asahi Kasei Benefits Management Corp.	-	Welfare-related services				
		Toyo Kensa Center Co., Ltd.	-	Measurement, evaluation, analysis, clinical testing				
Asahi Kasei Create Co., Ltd.	-	Management and sales of real estate, insurance agency, and subcontracting for handling general affairs						
Aichi	Miyoshi	Health Care	Asahi Kasei Pharma Corp.	Nagoya Pharmaceuticals Plant	Pharmaceuticals			
Gifu	Hozumi	Construction Materials	Asahi Kasei Construction Materials Corp.	Hozumi Plant	Autoclaved aerated concrete panels			
			Hozumi Kako Co., Ltd.	-	Construction materials processing			
Fukui	Echizen	Fibers	Kyokujitsu Textile Mills Co., Ltd.	-	Woven fabrics			

Prefecture	Location	Operating Segment	Company	Plant, laboratory, or department	Main products/business line	
Shiga	Moriyama	Chemicals	Asahi Kasei Chemicals Corp.	Moriyama Power Supply Dept.	Utilities (electricity, steam, water)	
			Asahi Kasei Chemicals Corp.	Spunbond Plant	Spunbond	
		Fibers	Asahi Kasei Fibers Corp.	Roica Plant	Elastic polyurethane filament	
			Asahi Kasei Fibers Corp.	R&D Lab. for Applied Product	Evaluation of new fibers, R&D for fiber processing technology	
			Asahi Kasei Fibers Corp.	Electronics Materials Plant	Photosensitive polyimide	
	Others	Asahi Kasei E-materials Corp.	Hipore Plant	Microporous membrane		
		Asahi-Schwebel Co., Ltd.	Moriyama Plant	Glass fabric		
		Asahi Kasei Amidas Co., Ltd.	Moriyama Office	Contract work		
		Asahi Kasei Engineering Co., Ltd.	-	Development, design, installation, inspection, and maintenance of equipment and systems		
		Asahi Kasei Engineering Co., Ltd.	-	Development, design, installation, inspection, and maintenance of equipment and systems		
Mie	Suzuka	Chemicals	Asahi Kasei Jyuko Co., Ltd.	Shiga Plant	Steel frames	
			Asahi Kasei Chemicals Corp.	Suzuka Plant	Cling film, plastic foam and film	
Wakayama	Gobo	Chemicals	Asahi Kasei Chemicals Corp.	Suzuka Sun Business Co., Ltd.	Plastic processing	
			Asahi Kasei Chemicals Corp.	Sundic Inc.	Mie Plant	Polystyrene sheet
			Asahi Kasei Chemicals Corp.	Wakayama Plant	Acrylic latex, performance paper	
			Asahi Kasei Finechem Co., Ltd.	Osaka Plant	Specialty chemicals	
			Asahi Kasei Trading Co., Ltd.	-	Sale of Asahi Kasei Group products	
	Others	Asahi Kasei Pax Corp.	Ono Plant	Molded plastic containers		
		Asahi Kasei Chemicals Corp.	Basic Petrochemical Prod. Dept.	Ethylene, benzene		
		Asahi Kasei Chemicals Corp.	1st Monomers Prod. Dept.	Cyclohexanol, ammonia		
		Asahi Kasei Chemicals Corp.	2nd Monomers Prod. Dept.	Acrylonitrile, methacrylonitrile, sodium cyanide, acetonitrile, styrene, polycarbonatediol		
		Asahi Kasei Chemicals Corp.	1st Polymers Prod. Dept.	Acrylonitrile-butadiene-styrene, styrene-butadiene latex, epoxy		
Osaka	Osaka	Chemicals	Asahi Kasei Chemicals Corp.	2nd Polymers Prod. Dept.	High density polyethylene, low density polyethylene, polyacetal	
			Asahi Kasei Chemicals Corp.	Polyolefins Development Dept.	Research on polyolefins	
			Asahi Kasei Chemicals Corp.	Power Supply Dept.	Utilities (electricity, steam, water)	
			Asahi Kasei Chemicals Corp.	Chemistry & Chemical Process Lab.	Research on chemical processes and functional products	
			Asahi Kasei Chemicals Corp.	Catalyst Lab.	Research on monomers and catalysts	
	Others	PS Japan Corp.	Mizushima Plant	Polystyrene		
		Mizushima Sun Business Co., Ltd.	-	Subcontracting		
		Asahi Kasei Epoxy Co., Ltd.	Mizushima Plant	Epoxy		
		Asahi Kasei Engineering Corp.	-	Development, design, installation, inspection, and maintenance of equipment and systems		
		Asahi Kasei Engineering Corp.	-	Development, design, installation, inspection, and maintenance of equipment and systems		
Yamaguchi	Iwakuni	Construction Materials	Asahi Kasei Construction Materials Corp.	Iwakuni Plant	Autoclaved aerated concrete panels	
Fukuoka	Chikushino	Chemicals	Asahi Kasei Chemicals Corp.	Kyowa Kogyo Co., Ltd.	Construction materials processing	
			Asahi Kasei Chemicals Corp.	Chikushino Plant	Metal cladding	
Oita	Oita	Health Care	Asahi Kasei Chemicals Corp.	Oita Plant	Explosives	
			Asahi Kasei Medical Co., Ltd.	Oita Plant	Synthetic rubber	
			Asahi Kasei Medical Co., Ltd.	Sepacell Plant	Leukocyte reduction filters	
			Asahi Kasei Medical Co., Ltd.	Planova Oita Plant	Virus removal filters	
			Asahi Kasei Medical Co., Ltd.	Dialyzer Plant	Artificial kidneys and other medical devices	
Kumamoto	Miyazaki	Chemicals	Asahi Kasei Chemicals Corp.	Apheresis Plant	Therapeutic apheresis devices	
			Asahi Kasei Chemicals Corp.	-	Stockings and innerwear	
			Asahi Kasei Chemicals Corp.	Atago Plant	Nitric acid, caustic soda, chlorine, hydrochloric acid, vinylidene chloride resin and latex	
			Asahi Kasei Chemicals Corp.	Electrolysis Systems Plant Tech. Dept.	Electrolyzers for chlor-alkali	
			Asahi Kasei Chemicals Corp.	Ceolus Plant	Microcrystalline cellulose	
			Asahi Kasei Chemicals Corp.	Leona Plastics & Materials Plant	AH salt, adipic acid, hexamethylenediamine, polyamide 66	
			Asahi Kasei Chemicals Corp.	Fastening Prod. Planning & Tech. Dept.	Resin anchors	
			Asahi Kasei Chemicals Corp.	Hyuga Chemicals Plant	Coating materials	
			Asahi Kasei Chemicals Corp.	Nobeoka Power Supply Dept.	Utilities (electricity, steam, water)	
			Asahi Kasei New Port Terminal Co., Ltd.	-	Receiving and storage of fuel and feedstocks	
			Nobeoka Plastic Processing Co., Ltd.	-	Polyamide 66 compounding	
			Asahi Chemtech Co., Ltd.	-	Resin anchors, detonator housings/leads	
			Asahi Kasei NS Energy Corp.	-	Electricity and steam	
			Asahi Kasei Finechem Co., Ltd.	Nobeoka Plant	Specialty chemicals	
			Asahi Kasei Finechem Co., Ltd.	Nobeoka Pharmaceuticals Plant	Bulk pharmaceuticals	
Health Care	Kayaku Japan Co., Ltd.	Health Care	Asahi Kasei Aime Co., Ltd.	Tohmi Plant	Industrial explosives	
			Asahi Kasei Aime Co., Ltd.	Detonator Plant	Detonators	
			Asahi Kasei Aime Co., Ltd.	-	Contact lenses	
			Asahi Kasei Medical Co., Ltd.	Tsunetomi Plant	Artificial kidneys and other medical devices	
			Asahi Kasei Medical Co., Ltd.	Okatomi Plant	Artificial kidneys and other medical devices	
	Fibers	Asahi Kasei Fibers Corp.	Fibers	Asahi Kasei Fibers Corp.	EV Plant	Hollow fiber for artificial kidneys and plasma component separators
				Asahi Kasei Fibers Corp.	Planova Plant	Virus removal filters
				Asahi Kasei Fibers Corp.	Medical Material Laboratory	R&D for medical materials
				Asahi Kasei Fibers Corp.	Leona Filament Plant	Nylon 66 filament
				Asahi Kasei Fibers Corp.	Bemberg Plant	Cuprammonium rayon, nonwoven cellulose filament
Electronics	Asahi Kasei E-materials Corp.	Electronics	Asahi Kasei E-materials Corp.	Nonwovens Plant	Artificial suede, melt-blown and spunlace nonwovens	
			Asahi Kasei E-materials Corp.	R&D Lab. for Fibers & Textiles Tech.	R&D for new fibers	
			Asahi Kasei E-materials Corp.	-	Spunbond	
			Asahi Kasei E-materials Corp.	-	Cellulosic filament, synthetic nonwovens	
			Asahi Kasei E-materials Corp.	-	Nylon 66 filament	
	Others	Asahi Cord Co., Ltd.	-	Processing of nylon 66 filament		
		Nobeoka Kakoshi Co., Ltd.	-	Subcontracted work at Nonwovens Plant		
		Asahiozu Corp.	-	Processing of nonwoven cellulosic filament		
		Asahi Kasei E-materials Corp.	Pellicle Dept.	Pellicles		
		Asahi Kasei E-materials Corp.	Hipore Hyuga Plant	Microporous membrane		
Others	Asahi Kasei Microsystems Co., Ltd.	Electronics	Asahi Kasei Microsystems Co., Ltd.	Nobeoka Manufacturing	LSIs	
			Asahi Kasei Microsystems Co., Ltd.	Nobeoka Plant	Plant diagnostic and environmental surveillance devices	
			Asahi Kasei Microsystems Co., Ltd.	Nobeoka Manufacturing	Hall elements	
			Asahi Kasei Microsystems Co., Ltd.	Hyuga Plant	Fine-pattern coils	
			Asahi Kasei Microsystems Co., Ltd.	Nobeoka Plant	Pellicles	
	Toyo Kensa Center Co., Ltd.	Asahi Kasei Benefits Management Corp.	Others	Asahi Kasei Kankyojigyo Co., Ltd.	-	Disposing of Asahi Kasei Group industrial waste
				Asahi Kasei Office One Co., Ltd.	-	Utilization of Asahi Kasei Group assets, subcontracting
				New Asahi Services Co., Ltd.	-	Insurance agency, cellular phone sales, bowling center
				Asahi Kasei Engineering Corp.	-	Development, design, installation, inspection, and maintenance of equipment and systems
				Asahi Kasei Engineering Corp.	-	Development, design, installation, inspection, and maintenance of equipment and systems
Toyo Kensa Center Co., Ltd.	Asahi Kasei Benefits Management Corp.	Others	Asahi Kasei Ability Corp.	Nobeoka Office	Measurement, evaluation, analysis	
			Asahi Kasei Ability Corp.	-	Company housing, recreational facilities	
			Asahi Kasei Networks Corp.	-	Printing, bookbinding, and office work	
			Asahi Kasei Networks Corp.	-	IT-related business	
			Cable Media Waiwai Co., Ltd.	-	Cable TV	

Corporate governance

Compliance

Responsible Care

Corporate citizenship

Respect for employee individuality

Environmental and safety data

Correspondence with GRI 3.1 and ISO 26000

Category	Indicator	Corresponding page	ISO 26000 Core Subjects and Issues
1 Strategy and Analysis			
1.1	Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	2-3	6.2
1.2	Description of key impacts, risks, and opportunities.	2-3, 8-10, 11-22	6.2
2 Organizational Profile			
2.1	Name of the organization.	71	
2.2	Primary brands, products, and/or services.	4-5, 11-22	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	4-5, 6-7, 66-67, 71	6.2
2.4	Location of organization's headquarters.	71	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	6-7	
2.6	Nature of ownership and legal form.	24, 71, Back cover	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	4-5, 6-7, 12-13	
2.8	Scale of the reporting organization, including: • Number of employees; • Number of operations; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided.	6-7	
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).	Not applicable	
2.10	Awards received in the reporting period.	65	
3 Report Parameters			
Report Profile			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	inside cover	
3.2	Date of most recent previous report (if any).	inside cover	
3.3	Reporting cycle (annual, biennial, etc.)	inside cover	
3.4	Contact point for questions regarding the report or its contents.	Back cover	
Report Scope and Boundary			
3.5	Process for defining report content, including: • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report.	inside cover, 10	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	inside cover	
3.7	State any specific limitations on the scope or boundary of the report.	inside cover	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	inside cover	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	62-67	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Not applicable	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Not applicable	
GRI content index			
3.12	Table identifying the location of the Standard Disclosures in the report.	68-69	
Assurance			
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	70	7.5.3
4 Governance, Commitments, and Engagement			
Governance			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	24-25	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	24-25	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	26	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	24-25	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	24-25	6.2
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	inside cover, 8-10, 11-13, 20-22, 26, 28, 48, 50, 52, 56	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	10, 23	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	24-25	
Commitments to External Initiatives			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	10, 26-27, 28-31	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	10, 37, 46	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic.	28, 46	6.2
Stakeholder Engagement			
4.14	List of stakeholder groups engaged by the organization.	10, 48	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	48	6.2
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	48-55	
5 Management Approach and Performance Indicators			
Economic			
Disclosure on Management Approach			
8-9			
6.2, 6.8			
ASPCECT: Economic Performance			
EC1	CORE Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	6-7	6.8, 6.8.3, 6.8.7, 6.8.9
EC2	CORE Financial implications and other risks and opportunities for the organization's activities due to climate change.	33-34	6.5.5
EC3	CORE Coverage of the organization's defined benefit plan obligations.	Not applicable	
EC4	CORE Significant financial assistance received from government.	Not applicable	
ASPCECT: Market Presence			
EC6	CORE Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	50	6.6.6, 6.8, 6.8.5, 6.8.7
EC7	CORE Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Not applicable	6.8, 6.8.5, 6.8.7
ASPCECT: Indirect Economic Impacts			
EC8	CORE Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	51-55	6.3.9, 6.8, 6.8.3, 6.8.4, 6.8.5, 6.8.6, 6.8.7, 6.8.9
Environmental			
Disclosure on Management Approach			
28-31			
6.2, 6.5			
ASPCECT: Materials			

Category	Indicator	Corresponding page	ISO 26000 Core Subjects and Issues
EN1	CORE Materials used by weight or volume.	32	6.5
EN2	CORE Percentage of materials used that are recycled input materials.	35	6.5.4
ASPCECT: Energy			
EN3	CORE Direct energy consumption by primary energy source.	32	
EN4	CORE Indirect energy consumption by primary source.	32	
EN5	ADD Energy saved due to conservation and efficiency improvements.	33-34	6.5
EN6	ADD Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	34	6.5.4
EN7	ADD Initiatives to reduce indirect energy consumption and reductions achieved.	34	
ASPCECT: Water			
EN8	CORE Total water withdrawal by source.	32	6.5, 6.5.4
ASPCECT: Biodiversity			
EN12	CORE Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	37	
EN13	ADD Habitats protected or restored.	37	
EN14	ADD Strategies, current actions, and future plans for managing impacts on biodiversity.	37	
ASPCECT: Emissions, Effluents, and Waste			
EN16	CORE Total direct and indirect greenhouse gas emissions by weight.	32, 33-34, 64-65	6.5
EN18	ADD Initiatives to reduce greenhouse gas emissions and reductions achieved.	32, 33-34, 64-65	6.5.5
EN19	CORE Emissions of ozone-depleting substances by weight.	Not applicable	
EN20	CORE NO, SO, and other significant air emissions by type and weight.	32, 36, 64	
EN21	CORE Total water discharge by quality and destination.	32, 64	6.5
EN22	CORE Total weight of waste by type and disposal method.	35-36, 63-64	6.5.3
EN23	CORE Total number and volume of significant spills.	Not applicable	
EN24	ADD Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not applicable	
EN25	ADD Identify, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not applicable	6.5, 6.5.4, 6.5.6
ASPCECT: Products and Services			
EN26	CORE Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	34	6.5, 6.5.4, 6.6.6, 6.7.5
EN27	CORE Percentage of products sold and their packaging materials that are reclaimed by category.	35, 63-64	6.5, 6.5.4, 6.7.5
ASPCECT: Compliance			
EN28	CORE Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	Not applicable	6.5
ASPCECT: Transport			
EN29	ADD Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	34	6.5, 6.5.4, 6.6.6
ASPCECT: Overall			
EN30	ADD Total environmental protection expenditures and investments by type.	62	6.5
Labor Practices and Decent Work			
Disclosure on Management Approach			
40, 56			
6.2, 6.4, 6.3.10			
ASPCECT: Employment			
LA1	CORE Total workforce by employment type, employment contract, and region, broken down by gender.	6-7	6.4, 6.4.3
LA2	CORE Total number and rate of new employee hires and employee turnover by age group, gender, and region.	58	
LA3	ADD Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	56-57, 60-61	6.4, 6.4.3, 6.4.4
LA15	CORE Return to work and retention rates after parental leave, by gender.	60	
ASPCECT: Occupational Health and Safety			
LA7	CORE Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, by region and by gender.	41	6.4, 6.4.6
LA8	CORE Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	41, 43	6.4, 6.4.6, 6.8, 6.8.3, 6.8.4, 6.8.8
LA9	ADD Health and safety topics covered in formal agreements with trade unions.	40	6.4, 6.4.6
ASPCECT: Training and Education			
LA11	ADD Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	56-57	6.4, 6.4.7, 6.8.5
ASPCECT: Diversity and Equal Opportunity			
LA13	CORE Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	58-59	6.3.7, 6.3.10, 6.4, 6.4.3
Human Rights			
ASPCECT: Security Practices			
HR8	ADD Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not applicable	6.3, 6.3.5, 6.4.3, 6.6.6
ASPCECT: Indigenous Rights			
HR9	ADD Total number of incidents of violations involving rights of indigenous people and actions taken.	Not applicable	6.3, 6.3.6, 6.3.7, 6.3.8, 6.6.7
ASPCECT: Remediation			
HR11	CORE Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Not applicable	
Society			
Disclosure on Management Approach			
48			
6.2, 6.6, 6.8			
ASPCECT: Local Communities			
S01	CORE Percentage of operations with implemented local community engagement, impact assessments, and development programs.	51-55	6.3.9, 6.8, 6.8.5, 6.8.7, 6.6.7
ASPCECT: Corruption			
S04	CORE Actions taken in response to incidents of corruption.	Not applicable	
ASPCECT: Anti-Competitive Behavior			
S07	ADD Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	26	6.6, 6.6.5, 6.6.7
Product Responsibility			
Disclosure on Management Approach			
44			
6.2, 6.6, 6.7			
ASPCECT: Customer Health and Safety			
PR1	CORE Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	44	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5
PR2	ADD Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	44	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5
ASPCECT: Product and Service Labeling			
PR3	CORE Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	45	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9
PR5	ADD Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	49	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9
ASPCECT: Marketing Communications			
PR6	CORE Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	49	6.7, 6.7.3, 6.7.6, 6.7.9
PR7	ADD Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not applicable	6.7, 6.7.3, 6.7.6, 6.7.9
ASPCECT: Customer Privacy			
PR8	ADD Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not applicable	6.7, 6.7.7
ASPCECT: Compliance			
PR9	CORE Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	Not applicable	6.7, 6.7.6

* The table is made to compare GRI G3.1 with ISO 26000, based on the existing GRI G3 and ISO 26000.

Corporate governance
Compliance
Responsible Care
Corporate citizenship
Respect for employee individuality
Environmental and safety data

Asahi Kasei Group CSR Report 2012

Independent Review

July 3, 2012

Taketsugu Fujiwara

President
Asahi Kasei Corporation

Junji Takase

Chief Director
Responsible Care Verification Center
Japan Chemical Industry Association

■ Objectives of Verification

Responsible Care Report Verification was performed by the Responsible Care Verification Center with respect to the *Asahi Kasei Group CSR Report 2012 Edition* (the "Report") prepared by Asahi Kasei Corporation, with the objective of expressing an opinion as a chemical industry specialist on the matters as stated below.

- 1) Reasonableness of methods of calculation and aggregation of performance metrics (numerical values), and the accuracy of numerical values.
- 2) Accuracy of reported information other than numerical values.
- 3) Evaluation of Responsible Care and Corporate Social Responsibility (CSR) activities.
- 4) Characteristics of the Report.

■ Verification Procedure

- At the head office: Examination of the reasonableness of methods to aggregate numerical values reported from each site (office, plant) and examination of the accuracy of reported information other than numerical values were performed through interviews of responsible parties and compilers of the Report as well as receipt of internal documents explanations from each of the responsible parties and compilers.
- At the company's sites: Examination of the reasonableness of methods of calculation and aggregation of numerical values reported to the head office, examination of the accuracy of numerical values, and examination of the accuracy of reported information other than numerical values were performed through interviews of responsible parties and compilers of the Report, receipt of internal documents and explanations thereof from these responsible parties and compilers, and cross-check of reported information with supporting materials.
- Numerical values and reported information were verified by sampling.

■ Opinion

- 1) Reasonableness of methods of calculation and aggregation of performance metrics (numerical values); accuracy of numerical values
 - Numerical values at the head office and the Iwakuni Plant have been calculated and aggregated using a reasonable method.
 - Numerical values within the scope of examination have been calculated and aggregated accurately.
- 2) Accuracy of reported information
 - Information contained in the report was confirmed to be accurate. Some minor issues related to appropriateness of expression and ease of understanding were identified in the draft stages, but these have been revised in the present Report.
- 3) Evaluation of Responsible Care (RC) and CSR activities
 - It is noteworthy that the company's effort to reduce its greenhouse gas emissions comprises a wide range of initiatives, such as the utilization of biomass power generation using wood from forest thinning.
 - In subsequent reports, we recommend the inclusion of more negative information such as compliance violations and complaints.
 - It is noteworthy that the company implements a substantial plan, and that textbook-based Responsible Care education as well as operational safety training are firmly advanced.
 - It is noteworthy that the causes of workplace injuries are properly analyzed and appropriate countermeasures are taken at the Iwakuni Plant. Furthermore, it is noteworthy that the causal analysis method used throughout the entire group is excellent.
- 4) Characteristics of the Report
 - A comparison table with the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) is included in the Report.
 - The Report places emphasis on communication with stakeholders, such as shareholders, customers, suppliers, and local communities.
 - The Report describes the company's response to international trends within its promotion of Responsible Care.

Corporate profile (as of March 31, 2012)

Company Name	Asahi Kasei Corp.
Date of Establishment	May 21, 1931
Paid-in Capital	¥103.3 billion
Stock Listings	Tokyo, Osaka, Nagoya, Fukuoka, Sapporo

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Asahi Kasei Pharma Corp.

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