



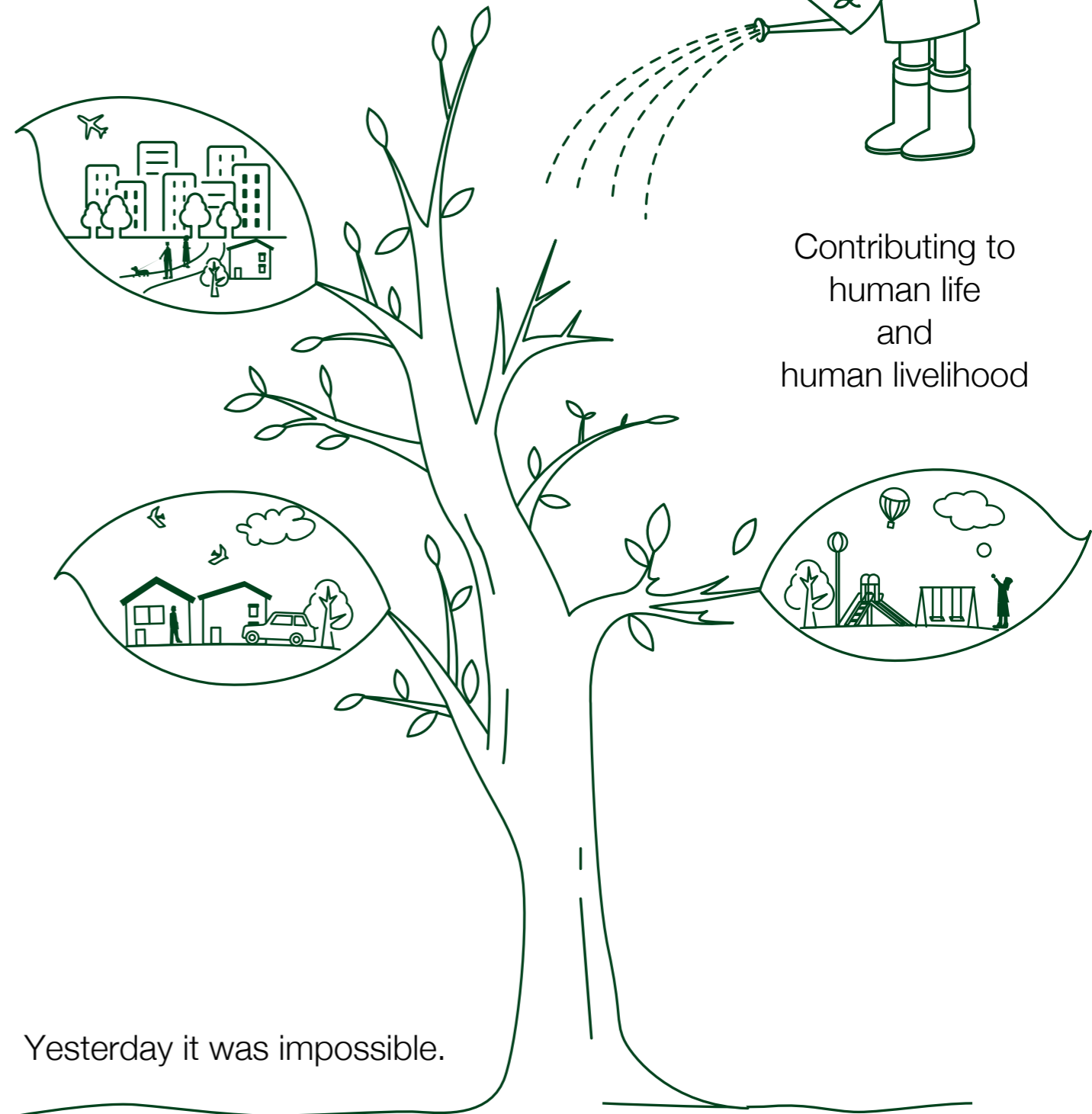
CSR Report 2009

Asahi Kasei Group

Asahi Kasei Group CSR Report 2009



Contributing to
human life
and
human livelihood



Yesterday it was impossible.

ASAHI KASEI CORPORATION

CSR Office

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www.asahi-kasei.co.jp/asahi/en/csr/



Basic Credo of the Asahi Kasei Group

Basic tenets

We the Asahi Kasei Group, through constant innovation and advances based in science and the human intellect, will contribute to human life and human livelihood.

Guiding precepts

- We will . . .
- ... create new value, thinking and working in unison with the customer, from the perspective of the customer.
 - ... respect the employee as an individual, and value teamwork and worthy endeavor.
 - ... contribute to our shareholders, and to all whom we work with and serve, as an international, high earnings enterprise.
 - ... strive for harmony with the natural environment and ensure the safety of our products, operations, and activities.
 - ... progress in concert with society, and honor the laws and standards of society as a good corporate citizen.

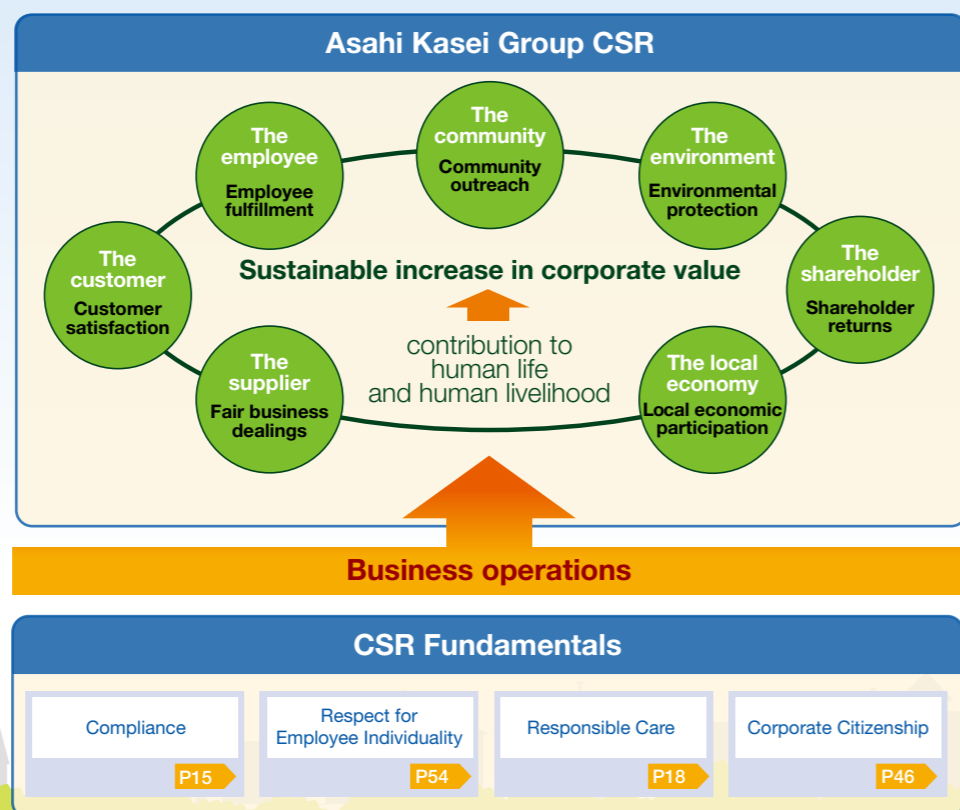
CSR at the Asahi Kasei Group

CSR in Action

We believe that CSR is achieved through the sustainable expansion of operations effecting increased corporate value, enabling fulfillment of the needs and expectations of our various stakeholders, in accordance with our basic tenets of contribution to human life and human livelihood through constant innovation and advances based in science and the human intellect.

CSR Fundamentals

Based in an understanding of the effects of our operations on the global environment and the global community, efforts and actions related to CSR are based in our four CSR Fundamentals: Compliance, Respect for Employee Individuality, Responsible Care*, and Corporate Citizenship.



* Responsible Care 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. As of October 2008, fifty-three countries throughout the world have a Responsible Care program.

Purview of report

● Period under review

The primary focus of the report is fiscal 2008 (April 2008 – March 2009), and all data shown corresponds to this period unless otherwise indicated. Some information pertaining to events subsequent to the end of the fiscal has also been included.

● Organizational scope

The scope of the report is Asahi Kasei Corporation and consolidated subsidiaries, except with respect to Responsible Care, in which case the scope is the Asahi Kasei Responsible Care Group shown on pp. 65–66.

As shown below, Asahi Kasei has six operating segments corresponding to its main fields of business and a seventh operating segment, Services, Engineering and Others, 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 2009.

Operating segment	Consolidated subsidiaries
Chemicals	Asahi Kasei Chemicals Corp. and 26 others
Homes	Asahi Kasei Homes Corp. and 18 others
Health Care	Asahi Kasei Pharma Corp., Asahi Kasei Kuraray Medical Co., Ltd., Asahi Kasei Medical Co., Ltd., and 3 others
Fibers	Asahi Kasei Fibers Corp. and 19 others
Electronics*	Asahi Kasei Microdevices Corp. and 7 others
Construction Materials	Asahi Kasei Construction Materials Corp. and 7 others
Services, Engineering and Others	15 consolidated subsidiaries

* Asahi Kasei E-materials Corp. began operations in April 2009.

● Publication

Published August 2009 in Japanese

● Guidelines consulted

The Global Reporting Initiative's *Sustainability Reporting Guidelines* were consulted during the preparation of this report.

Information and reference

● **Asahi Kasei Group website**
www.asahi-kasei.co.jp/asahi/en/

● **CSR and RC Reports**
www.asahi-kasei.co.jp/asahi/en/csr/

● **Annual Reports**
www.asahi-kasei.co.jp/asahi/en/ir/annual/

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Contributing to human life and human livelihood through environmentally and socially responsible business operations, for sustainable growth of corporate value.

Shiro Hiruta
President, Asahi Kasei
Chair, CSR Council

The Asahi Kasei heritage for CSR

The corporate philosophy adopted at our founding in 1931 was supporting the advancement of general living standards with low-price, large-volume supply of high-quality materials for daily necessities. Operations initially centered in the production of manmade fibers and basic chemicals, utilizing hydroelectric power – a form of renewable energy. Over the following decades, the business portfolio has expanded to include petrochemicals, electronic materials and devices, pharmaceuticals and medical devices, and housing and construction materials.

In 2001 the company name was changed from Asahi Chemical Industry Co., Ltd. to Asahi Kasei Corporation, and “We the Asahi Kasei Group, through constant innovation and advances based in science and the human intellect, will contribute to human life and human livelihood” was adopted as our basic tenets. These basic tenets are at the heart of corporate social responsibility (CSR) for the Asahi Kasei Group.

Environmentally and socially responsible business operations

We have worked to heighten our performance with respect to CSR-related issues for several years. We began implementing our Responsible Care environmental management system in 1995 and established our Corporate Ethics Committee in 1998.

In 2005 the CSR Council, which I, as president of the holding company, chair, adopted the CSR Fundamentals of Compliance, Respect for Employee Individuality, Responsible Care, and Corporate Citizenship as part of our framework for CSR throughout the Asahi Kasei Group.

Tasks ahead

In the midst of a global economic downturn, the world is faced with the serious prospect of global warming. There will be many challenges in the development of products and technologies for energy and resource conservation to enable a rapid shift to a low-carbon society.

Global expansion and a growing contribution to the lives of people around the world are the ultimate objectives of the Asahi Kasei Group’s *Growth Action – 2010* strategic business plan.

Through this initiative and utilizing our diverse range of technologies and R&D capabilities, the Asahi Kasei Group will create the new technologies, products, and services which will enable us to heighten corporate value while contributing to the sustainable growth of society.

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



Asahi Kasei Group overview



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Holding company/core operating company structure

Under the holding company configuration, the Asahi Kasei Group consists of nine core operating companies and Asahi Kasei Corp., which holds ownership of the core operating companies.

The nine core operating companies enjoy broad independence and autonomy to swiftly adapt and respond to changes in the operating environment. The holding company is focused on strategic planning & analysis, administration of resources, oversight of management execution, and development of new businesses which extend beyond the scope of any single operating segment.

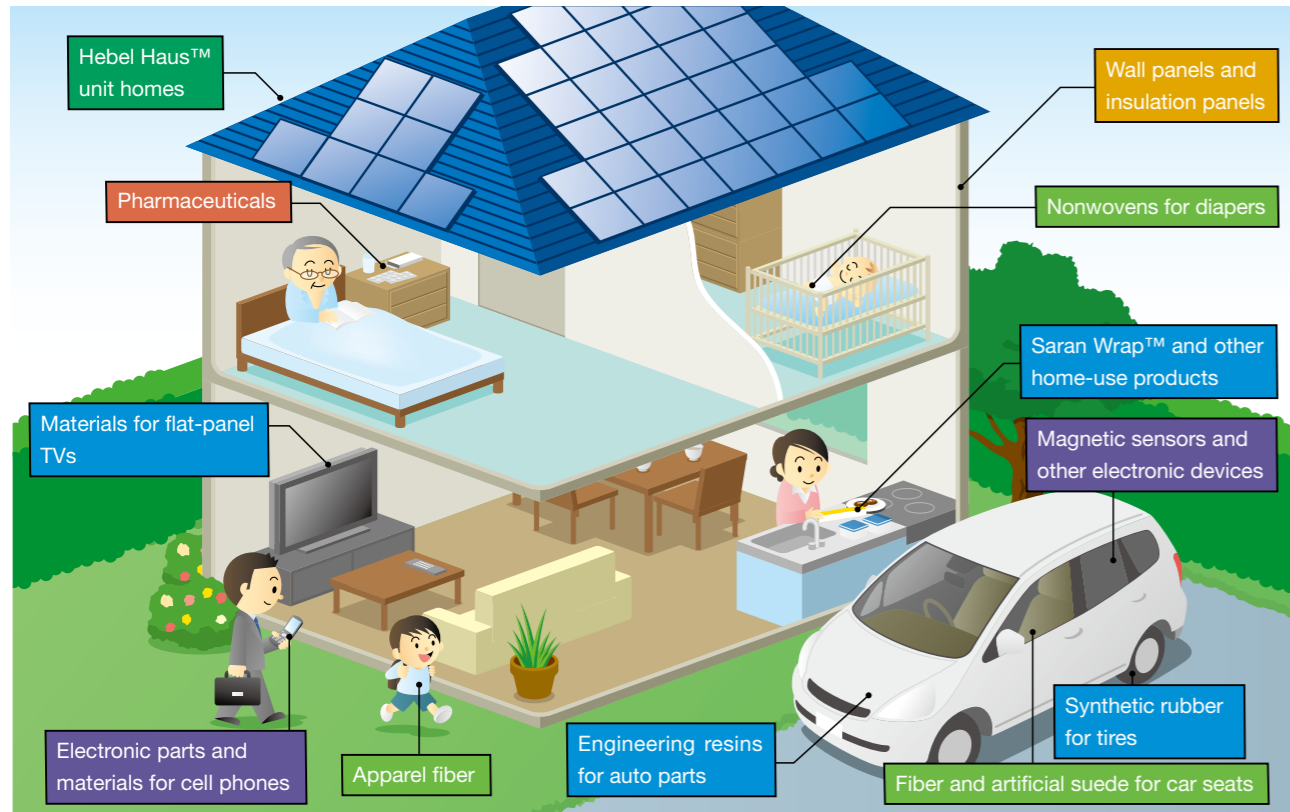


Operating segments

Chemicals	<p>Chemicals and derivative products Ammonia, nitric acid, caustic soda, acrylonitrile (AN), styrene, adipic acid, methyl methacrylate (MMA), Suntec™ polyethylene (PE), synthetic rubber and elastomer.</p> <p>Polymer products Stylac™-AS styrene-acrylonitrile, Stylac™-ABS acrylonitrile-butadiene-styrene, Tenac™ polyacetal, Xyron™ modified polyphenylene ether (mPPE), Leona™ polyamide 66 polymer, Saran Wrap™ cling film, Ziploc™ storage bags, plastic film, sheet, and foam.</p> <p>Specialty products Coating materials, styrene-butadiene latex, Ceolus™ microcrystalline cellulose, explosives, Microza™ UF and MF membranes and systems, ion-exchange membranes and electrolysis systems.</p>
Homes	Hebel Haus™ houses, Hebel Maison™ apartments, condominiums, remodeling, real estate, residential land development, home financing.
Health Care	Elcitonin™, Bredinin™, Flivas™, Toledomin™, Recomodulin™, and other pharmaceuticals, diagnostic enzymes and reagents, APS™ artificial kidneys, Cellsorba™ leukocyte adsorption columns, Planova™ virus removal filters, Sepacell™ leukocyte reduction filters, contact lenses.
Fibers	Roica™ elastic polyurethane filament, Eltas™ spunbond, Lamous™ artificial suede and other nonwovens, Bemberg™ cupro cellulosic fiber, Leona™ nylon 66 filament.
Electronics	Hall elements, LSIs, Hipore™ microporous membrane, photomask pellicles, Luminous™ plastic optical fiber, light-diffusion panels, APR™ photosensitive resin, AFP™ photosensitive plates, printing plate-making systems, epoxy resin, Pimel™ photosensitive polyimide precursor, Sunfort™ dry film photoresist, glass fabric.
Construction Materials	Hebel™ autoclaved aerated concrete (AAC) panels, steel-frame structural components, piles and foundation systems, Neoma™ foam insulation panels.
Services, Engineering & Others	Plant engineering, environmental engineering, personnel staffing and placement, think tank services.

TM: Trademark or registered trademark of Asahi Kasei Corporation, affiliated companies, or third parties granting rights to Asahi Kasei Corporation or affiliated companies.

Asahi Kasei products and technologies in everyday life



History of Asahi Kasei products contributing to human life and human livelihood

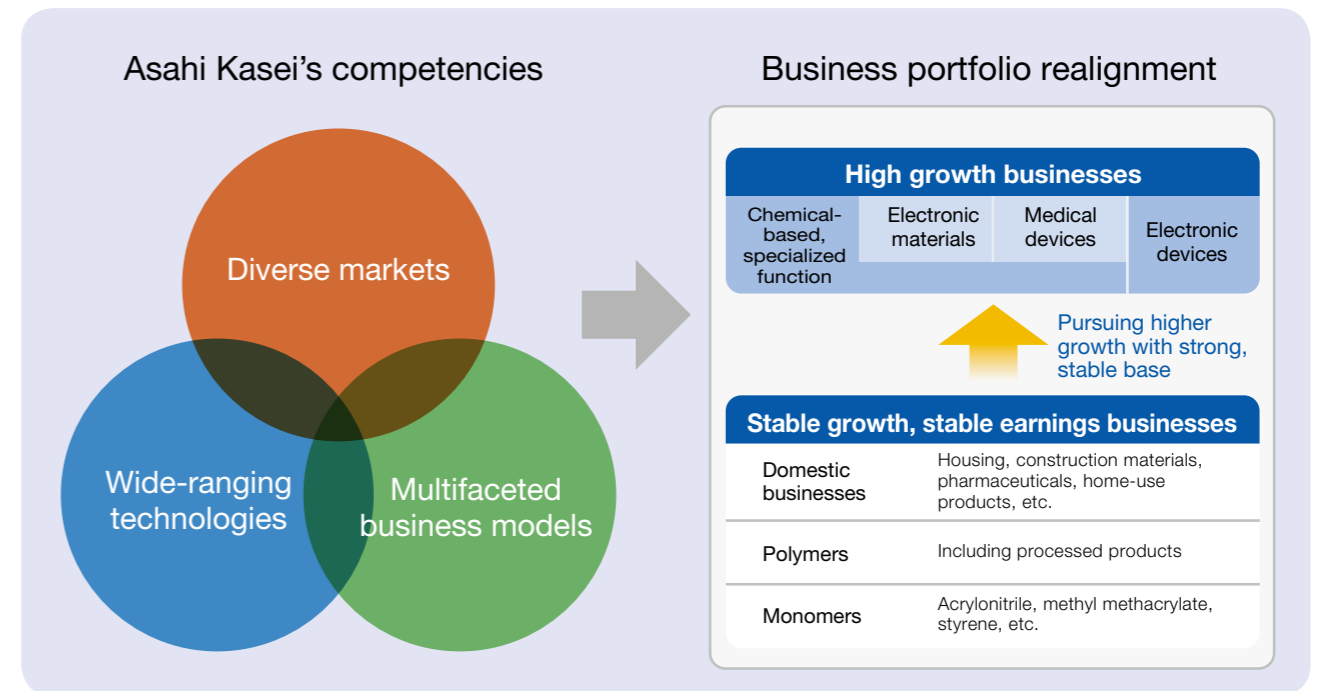
The corporate philosophy adopted at our founding in 1931 was supporting the advancement of general living standards with low-price, large-volume supply of high-quality materials for daily necessities. The initial business portfolio centered on manmade fibers and basic chemicals was expanded over the decades to include petrochemicals, housing and construction materials, and electronics and healthcare products.



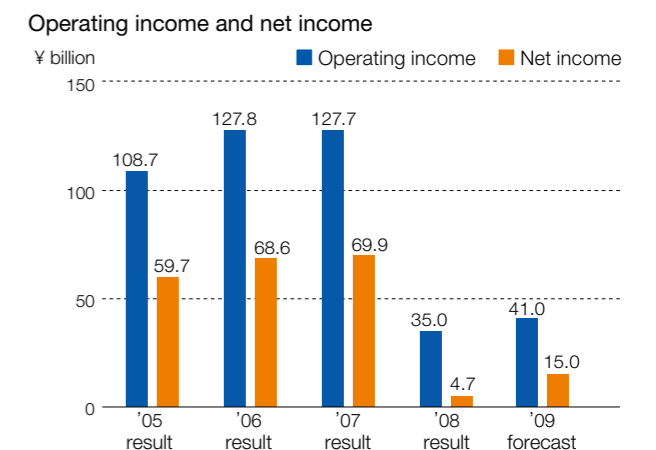
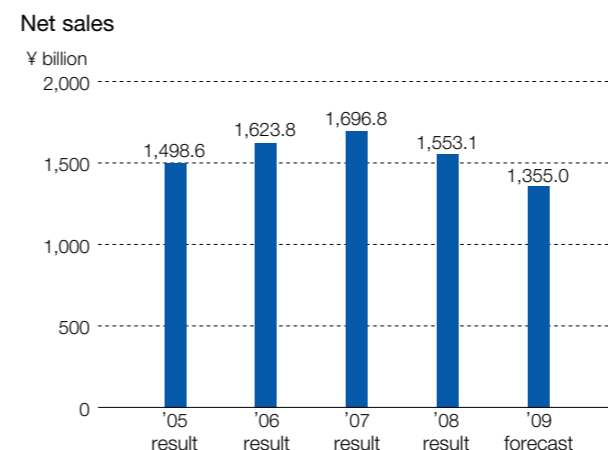
Growth Action – 2010 is our strategic business plan for fiscal 2006–2010. Although the operating climate has seen a drastic transformation since the autumn of 2008, we are continuing to expand global businesses and create new businesses utilizing our competencies in wide-ranging technologies, multifaceted business models and access to diverse markets, while enhancing domestic businesses with additional services and strengthening stable-growth, stable-earnings businesses which form the solid base for growth. We believe this will not only enable us to achieve greater corporate value, but also serve to fulfill our commitment to contributing to sustainable growth for society as a whole.



Ichiro Itoh
 Director, Vice-Presidential Executive Officer
 Strategy, Accounting & Finance, Internal Control
 Asahi Kasei Corp.

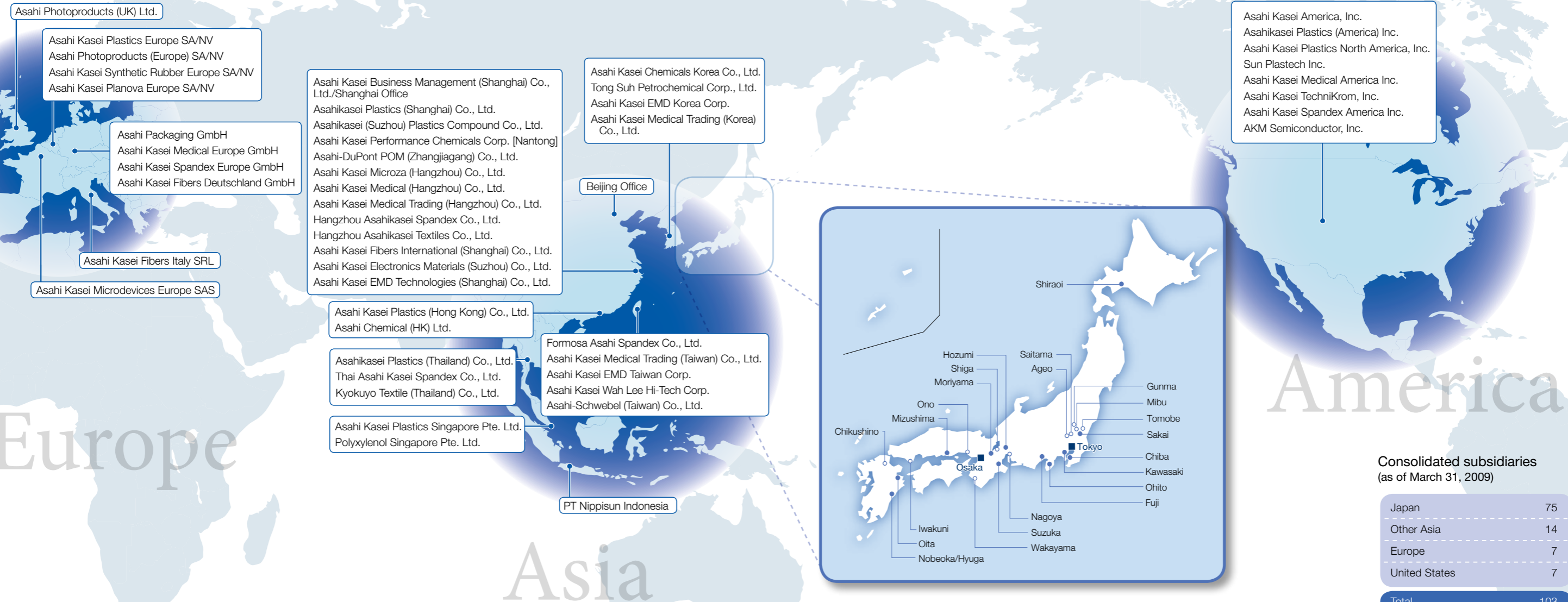


Consolidated sales and income, by fiscal year



Geographical information

We have 23 major production locations throughout Japan, including Nobeoka, Miyazaki Prefecture, the place of our historic roots; Mizushima, Kurashiki, Okayama Prefecture; Fuji, Shizuoka Prefecture; and Kawasaki, Kanagawa Prefecture. Overseas sales were ¥394.0 billion, 25% of total consolidated net sales for fiscal 2008.

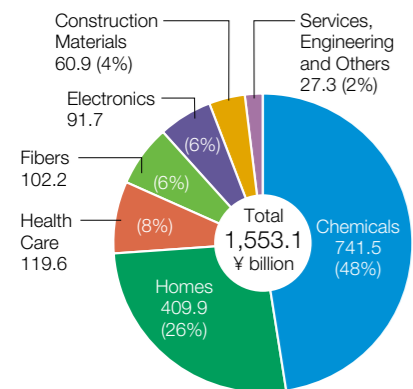


Consolidated subsidiaries (as of March 31, 2009)

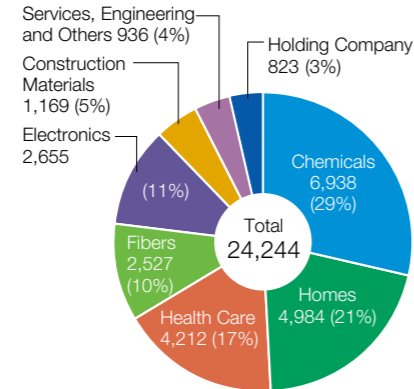
Japan	75
Other Asia	14
Europe	7
United States	7
Total	103

Operating segment information

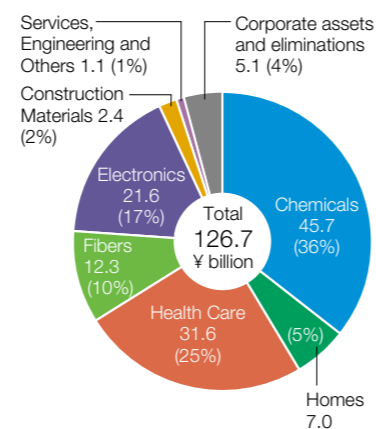
FY 2008 net sales



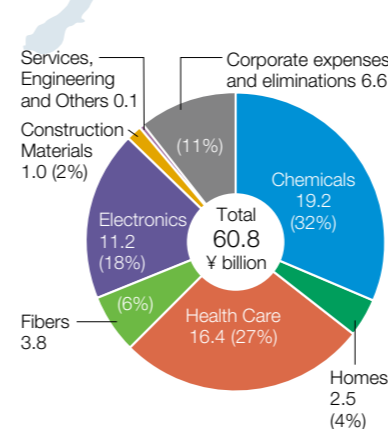
Employees (as of March 31, 2009)



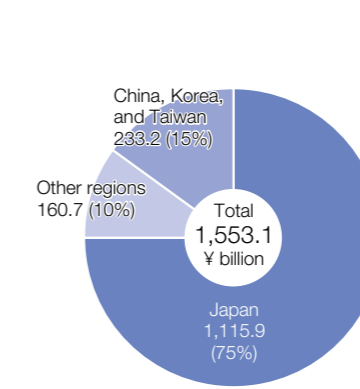
FY 2008 capital expenditure



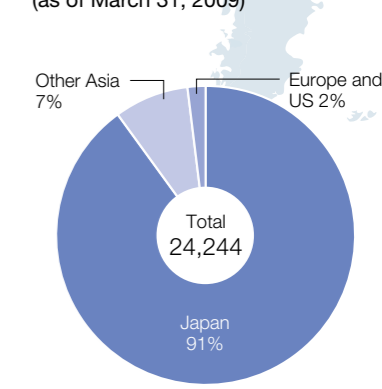
FY 2008 R&D expenditure



FY 2008 sales by region



Employees by region (as of March 31, 2009)

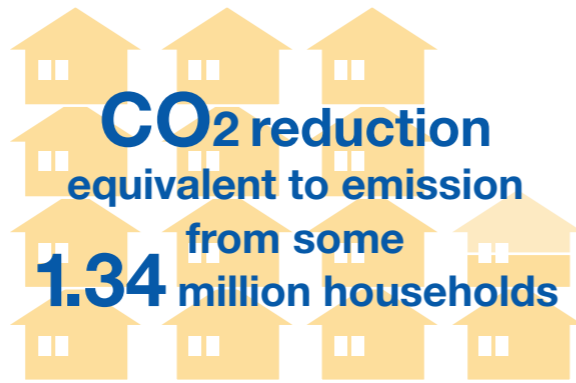


Life-cycle CO₂ emissions reduced by 7.2 million tons/year in three product families

Products and technologies of the Asahi Kasei Group used in production processes of caustic soda, water for injection, colloidal silica, and polycarbonate, enable an annual reduction of CO₂ emissions of approximately 7.2 million tons, as quantified by Life Cycle Assessment, when compared with the CO₂ emissions generated with the conventional production processes.

This reduction is equivalent to the annual CO₂ emissions from some 1.34 million households in Japan (average 5.35 tons/year per household*).

*According to *The GHGs Emissions Data of Japan (1990-2007)* by the Greenhouse Gas Inventory Office of Japan.



Caustic soda production

Conventionally mercury process and diaphragm process

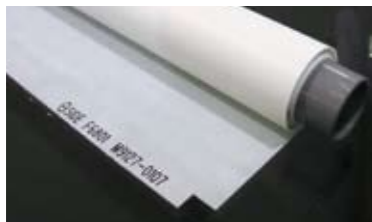
CO₂ reduced by 5.2 million tons/year

Asahi Kasei's ion-exchange membrane process

There are three production processes which are generally employed in the production of caustic soda: The membrane process, the diaphragm process, and the mercury process.

Asahi Kasei Chemicals produces ion-exchange membranes for production of caustic soda by the membrane process.

Among those processes, the ion-exchange membrane process features the highest energy-efficiency and lowest power consumption, thus reducing the CO₂ emissions generated for production of the required electricity.



Ion-exchange membrane

Water treatment in production of water for injection and colloidal silica

Conventionally evaporation and distillation

CO₂ reduced by 1.2 million tons/year

Water treatment with Asahi Kasei's microfiltration membrane

Production of water for injection conventionally requires distillation, and production of colloidal silica conventionally requires concentration of silica sol by evaporation. Each of these processes requires a large amount of energy.

Microfiltration using Microza™ modules from Asahi Kasei Chemicals enables water for injection to be produced without distillation and colloidal silica to be produced without evaporation.

As the process of water circulation and filtration using Microza™ requires much less energy than distillation and evaporation, generation of CO₂ is reduced.



Microza™ microfiltration membrane

Polycarbonate production

Conventionally phosgene process, etc.

CO₂ reduced by 0.8 million tons/year

Asahi Kasei's non-phosgene process

Asahi Kasei Chemicals has developed a phosgene-free polycarbonate production process which uses CO₂ as a starting material, and is licensing the process to polycarbonate producers around the world.

By using CO₂ as a starting material, and by eliminating the need to use phosgene and caustic soda, whose production is energy-intensive, the non-phosgene process results in lower CO₂ release than the conventional processes.



CDs made of polycarbonate

CSR framework for advancement



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CSR Fundamentals

The initiative for CSR is structured around our four CSR Fundamentals: Compliance, Respect for Employee Individuality, Responsible Care, and Corporate Citizenship, informed by an understanding of the effects of our operations on the global environment and our stakeholders around the world.

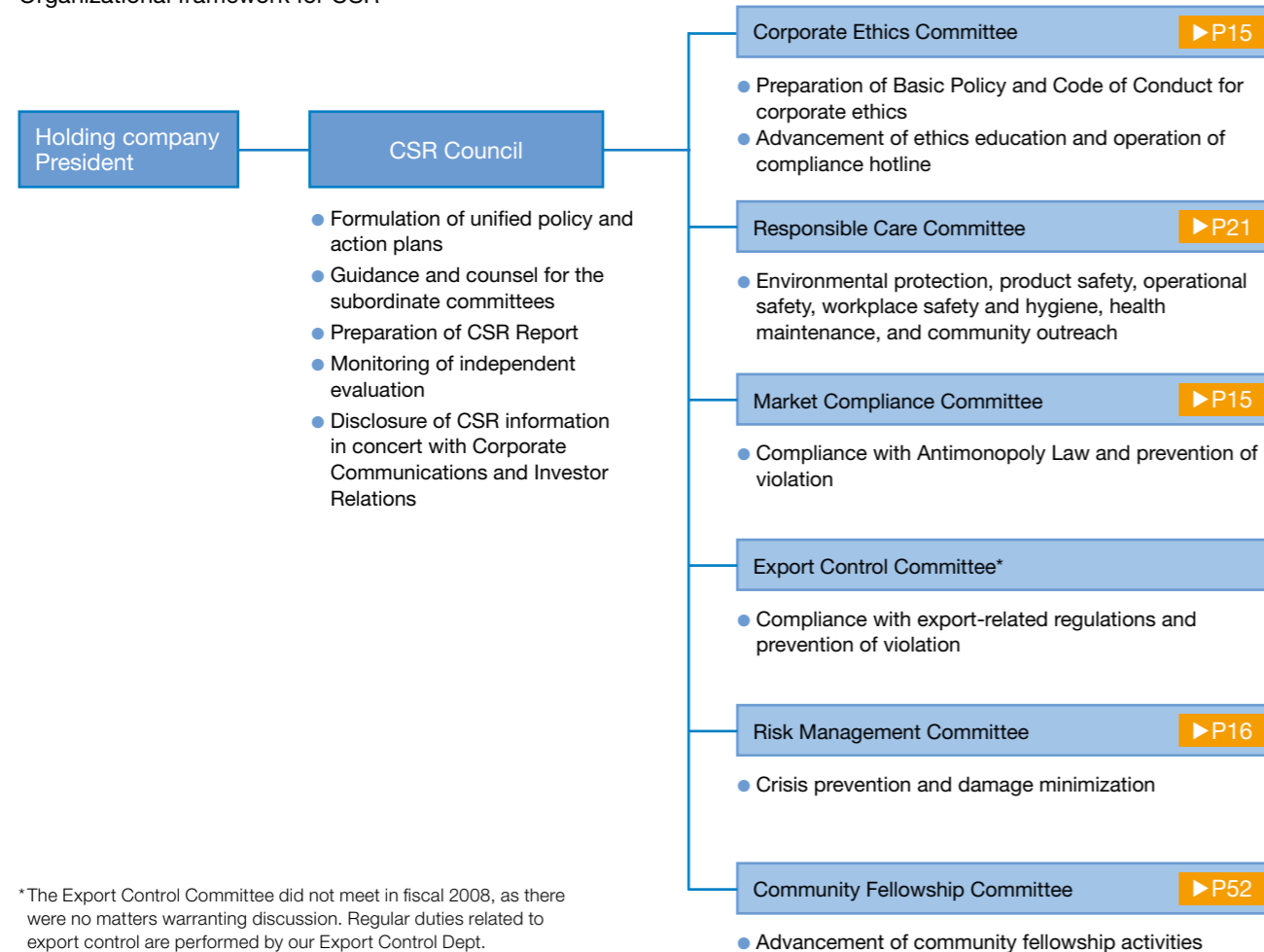
Structure and organization for CSR

The CSR Council was formed in April 2005, chaired by the holding company President. The council serves to formulate policy, to guide the effort for CSR throughout the Asahi Kasei Group, and to monitor performance of the six committees under its authority, including the Corporate Ethics Committee to ensure regulatory compliance and the Responsible Care Committee to guide efforts for environment, health, and safety.



The CSR Council

Organizational framework for CSR



*The Export Control Committee did not meet in fiscal 2008, as there were no matters warranting discussion. Regular duties related to export control are performed by our Export Control Dept.

Our operations have long had a foundation in CSR-related initiatives, ranging from reducing greenhouse gas emissions, strict legal compliance, and community fellowship guided by “education and growth of the next generation” as a Basic Framework.

The CSR Council, established in April 2005, is implementing a comprehensive and strategic approach to CSR, heightening execution with timely disclosure both internally and externally, for a stronger relationship of trust with our stakeholders.

Yuji Mizuno
Secretariat, CSR Council
Director, Lead Executive Officer
Asahi Kasei Corp.

Notable CSR actions, results, and plans

	Notable actions and results in FY 2008	Plans for FY 2009						
General, compliance ▶ P15	<ul style="list-style-type: none"> Preparation of <i>New Influenza Response Manual</i> Stockpiling face masks, etc. at Tokyo head office Operation of Compliance Hotline Response to outbreak of New Influenza (since May 2009) 	<ul style="list-style-type: none"> Operation of internal control system Revision of procedures to respond to a major earthquake in the Kanto area 						
Respect for employee individuality ▶ P54	<ul style="list-style-type: none"> Adoption of new remuneration system for managers Discussions on appropriate working hours by management and labor union representatives; raising awareness through a dedicated intranet website Expanded application of unused paid days off to care for family members Utilization of parental leave by 236 male and 159 female employees Preparation of handbook for management of work, and child-rearing Preparation of brochure of essays encouraging career development Open Office Day held in Tokyo for children of employees to visit the workplace and take part in science experiments 	<ul style="list-style-type: none"> Holding seminars for managers Promotion of balance between work and private life Holding forums to discuss different lifestyles and workstyles Enhancement and advancement of education and development of the next generation; supporting balance between work and family life Holding Open Office Day in Tokyo 						
Responsible care ▶ P18	▶ See p. 20	▶ See p. 20						
Corporate citizenship ▶ P46	<table border="1"> <tr> <td>Information disclosure</td> <td> <ul style="list-style-type: none"> Meetings with analysts and institutional investors with cumulative attendance of 1,466 Seminars for 2,188 individual investors Periodic meetings with community members and suppliers at each production site Publication of CSR report in Japanese and English Publication of Annual Report in Japanese and English </td> <td> <ul style="list-style-type: none"> Sustaining and enhancing of communication with stakeholders </td> </tr> <tr> <td>Community fellowship</td> <td> <ul style="list-style-type: none"> Our engineers performed guest lectures at middle schools for 1,016 students Internships for college/graduate students Masato Uchishiba of our judo team won the men's 66 kg gold medal at the Beijing Olympics Sponsorship of Golden Games in Nobeoka track competition Encouraging employees to reduce CO₂ emissions at home Participation in tree-planting project promoted by Miyazaki Prefecture </td> <td> <ul style="list-style-type: none"> Enhancement of energy conservation at office sites Science laboratories and guest lectures at schools in accordance with the Basic Framework “Education and development of the next generation” </td> </tr> </table>	Information disclosure	<ul style="list-style-type: none"> Meetings with analysts and institutional investors with cumulative attendance of 1,466 Seminars for 2,188 individual investors Periodic meetings with community members and suppliers at each production site Publication of CSR report in Japanese and English Publication of Annual Report in Japanese and English 	<ul style="list-style-type: none"> Sustaining and enhancing of communication with stakeholders 	Community fellowship	<ul style="list-style-type: none"> Our engineers performed guest lectures at middle schools for 1,016 students Internships for college/graduate students Masato Uchishiba of our judo team won the men's 66 kg gold medal at the Beijing Olympics Sponsorship of Golden Games in Nobeoka track competition Encouraging employees to reduce CO₂ emissions at home Participation in tree-planting project promoted by Miyazaki Prefecture 	<ul style="list-style-type: none"> Enhancement of energy conservation at office sites Science laboratories and guest lectures at schools in accordance with the Basic Framework “Education and development of the next generation” 	
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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.

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 majority-held subsidiaries the world over.

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 August 2008, the committee discussed the training programs implemented at each group company, measures for prevention of sexual harassment, environmental countermeasures, the state of compliance with laws and regulations including personal information protection law, and operation of the Compliance Hotline.

Compliance Hotline

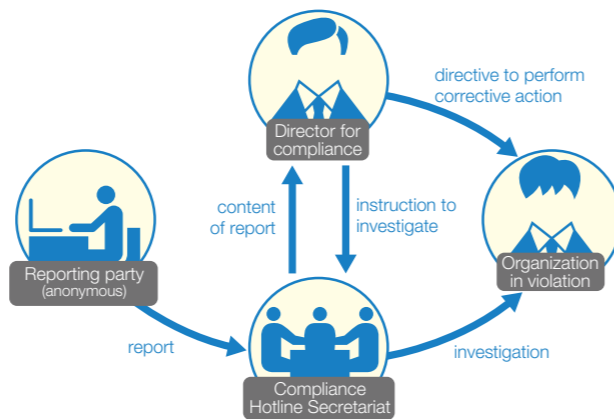
The Asahi Kasei Group began employing a Compliance Hotline in April 2005 to ensure that personnel have secure and trusted recourse to report any possible ethical lapses which may be encountered or observed. Reports can be made

through the corporate intranet or by post, 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.



Prevention of antimonopoly violation by the Market Compliance Committee

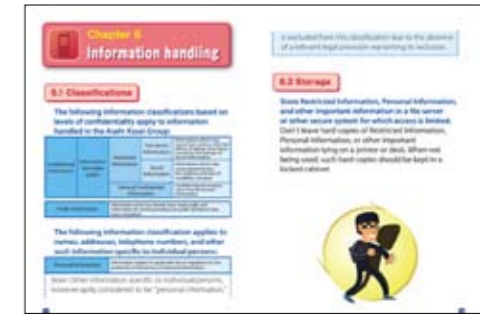
The Market Compliance Committee, which was formed in 1976, oversees compliance with antimonopoly law. To ensure against any violation of antimonopoly law such as participation in a price

cartel, all across-the-board price increases require the approval of the committee before they can be implemented. The committee met thirty-seven times in fiscal 2008, reviewing ninety-three cases.

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 covers issues related to personal information protection, is monitored by the Corporate Ethics Committee.



Information Security Handbook

Risk management

Risk Management Committee

The Risk Management Committee, with the Executive for Corporate Strategy serving as chair, issued a New Influenza Response Manual on October 1, 2008, as a guideline for measures to be implemented throughout the Asahi Kasei Group in response to an outbreak of New Influenza.

After infection with New Influenza in Mexico was confirmed in April 2009, we established a Group Emergency Response Headquarters in accordance with this manual following Alert Phase declarations by the WHO and Japanese Ministry of Health, Labor and Welfare. Action Plans and Infection Prevention Measures (including wearing face masks in certain circumstances) were implemented among our personnel both in Japan and overseas.

When rioting erupted in Bangkok, Thailand, and terrorist attacks occurred in India, the committee



Stockpiling face masks for use as an infection prevention measure

confirmed the safety and well-being of personnel stationed in or traveling on business to those places, and imposed restrictions on overseas business trips.

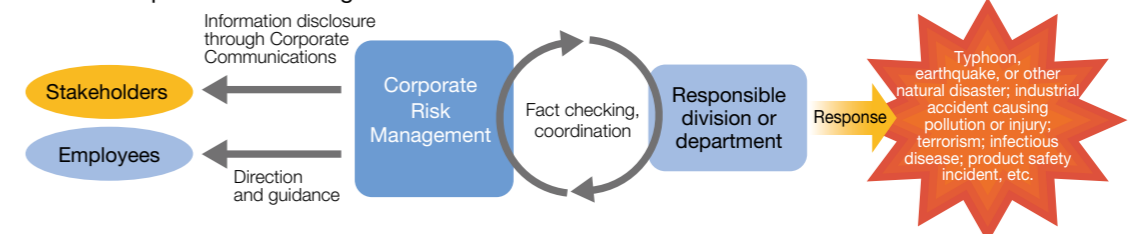
Corporate Risk Management

Corporate Risk Management works with the various divisions and departments to guide the proper response to any major accidents, incidents, or problems which cause significant damage to Asahi Kasei Group operations or which may foreseeably cause Asahi Kasei Group operations to have adverse effects on the general public.

In fiscal 2008, Corporate Risk Management provided guidance to personnel traveling abroad on business or stationed abroad.

In relation to the occurrence of New Influenza in Mexico in April 2009, Corporate Risk Management provided direction and guidance to employees in its function of secretariat to the Risk Management Committee.

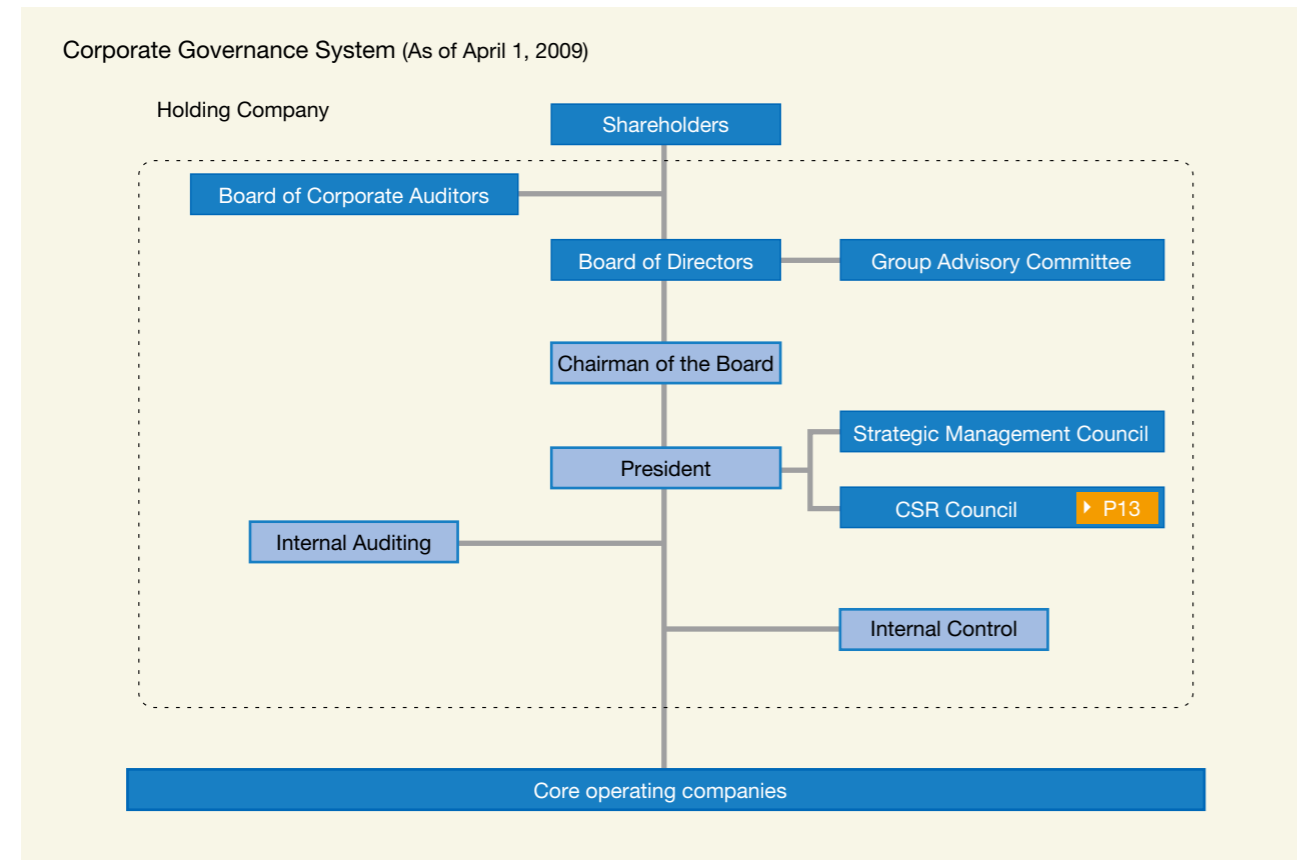
Role of Corporate Risk Management



Corporate governance

The Asahi Kasei Group constantly endeavors to heighten fast-moving and transparent management as essential for maximum corporate value and greater earnings.

The effort for enriched and enhanced corporate governance is ongoing, building on the October 2003 transformation to a holding company configuration with oversight functions which established a management framework with clear delineation of executive authority and responsibility.



Board of Directors

Oversees group management. Deliberates and decides on basic group policy and strategy, and on substantive proposals by the Strategic Management Council. Meets once or twice per month.

Group Advisory Committee

The management advisory body to the holding company Board of Directors. Composed of the Chairman and the President of the holding company and outside advisors. Meets twice per year.

Strategic Management Council

Deliberates and decides on substantive matters relating to the operation of the holding company and of the group. Meets twice per month.

CSR Council

Enhances business operations in concert with environment and society. Meets once to three times per year.

Board of Corporate Auditors

Corporate Auditors exchange views, deliberate, and decide on substantive matters related to auditing. Meets at least once per quarter.

Responsible Care



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Responsible Care

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 communication and dialog.

RC was conceived in Canada in 1985, and in 1995 the chemical industry in Japan began implementing RC with the establishment of the Japan Responsible Care Council (JRCC). Asahi Kasei was among the founding members of the JRCC, and played a leading role in the expansion and development of RC in Japan.

The program of RC at the Asahi Kasei Group, comprising measures for environmental protection, product safety, operational safety, workplace safety, hygiene, and health, and community outreach, is not limited to chemicals-related operations but includes operations in all fields, including housing, healthcare, fibers, electronics, and construction materials.

Responsible Care at the Asahi Kasei Group



The spirit of RC is awareness, autonomy, responsibility, and open disclosure that goes beyond mere compliance with law and regulations, in all environmental, health, and safety related matters throughout operations centered on production. In fiscal 2008 training, education, and a wide range of RC efforts were advanced at all organizational levels. The objectives we held and the results we achieved are shown on the facing page. While our overall achievements were generally good, there are still some areas where we can do better. We are redoubling our efforts to heighten results in those areas, in accordance with our commitment to prevent accidents and disasters, maintain product safety, and promote employee health, with the complete achievement of all RC goals in fiscal 2009.

Taketsugu Fujiwara
Executive for RC
Director, Vice-Presidential Executive Officer
Asahi Kasei Corp.



Asahi Kasei Group Responsible Care 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, results, and goals

Note: The scope of RC reporting includes the holding company, core operating companies, and other subsidiaries in Japan.

	FY 2008 RC Objectives	FY 2008 summary results	Attainment	FY 2009 RC Objectives	Long-term goals
General	<ul style="list-style-type: none"> • Enhance RC compliance • Advance RC education and training • Extend RC to more affiliates • Enhance dialog with the public 	<ul style="list-style-type: none"> • Checklist of regulations related to RC revised (80 laws and ordinances) • RC education for Safety & Environment Managers • RC advanced both in Japan and overseas operations of each core operating company • RC reports published at 6 plant complex sites and 5 independent plants and; dialog enhanced through public forums, plant tours, and school visits by engineers • Participated in dialog with local community in Chiba, organized by JRCC 	<ul style="list-style-type: none"> • Satisfactory • Complete • Satisfactory • Complete 	<ul style="list-style-type: none"> • Enhance RC compliance • Advance RC education and training • Enhance RC at affiliates • Enhance dialog with the public 	<ul style="list-style-type: none"> • Enhance RC compliance • Advance RC education and training • Enhance RC at affiliates
Environmental protection ▶ P23	<ul style="list-style-type: none"> • Avoid all polluting accidents • Reduce final disposal volume of industrial waste by 75% from FY 2000 level • Curtailing greenhouse gas emissions: <ul style="list-style-type: none"> • Reduce unit energy consumption by ≥1% • Maintain average greenhouse gas emissions 50% lower than in baseline year • Monitor and reduce CO₂ emissions from product shipment • Reduction of chemical release: <ul style="list-style-type: none"> • Reduce emission of PRTR-specified substances and VOCs • Prevent air and water pollution • Advance CSR Procurement 	<ul style="list-style-type: none"> • No polluting accidents occurred • Approximately 77% reduction achieved • Target for unit energy consumption not achieved • 50% reduction of greenhouse gas emissions maintained • CO₂ emissions from product shipment reduced by 8% • Release of PRTR-specified substances reduced by 11% • Emission of VOCs on par with previous year • Emissions maintained within control limits • CSR Procurement advanced by Corporate Procurement & Logistics in addition to Green Procurement 	<ul style="list-style-type: none"> • Complete • Complete • Satisfactory • Complete • Complete 	<ul style="list-style-type: none"> • Avoid all polluting accidents • Reduce final disposal volume of industrial waste by 85% from FY 2000 level • Curtailing greenhouse gas emissions: <ul style="list-style-type: none"> - Reduce unit energy consumption by 1% - Maintain greenhouse gas emissions 50% lower than in baseline year - Monitor energy use in administrative offices - Encourage energy conservation at employees' homes - Monitor and reduce CO₂ emissions from product shipment • Reduction of chemical release: <ul style="list-style-type: none"> - Reduce emission of PRTR-specified substances and VOCs - Prevent air and water pollution • Advance CSR Procurement 	<ul style="list-style-type: none"> • Avoid all accidents and incidents • Reduce final disposal volume of industrial waste by 90% from FY 2000 level by FY 2010 • Maintain average greenhouse gas emissions from FY 2008 to FY 2012 at 50% lower than in baseline year • Reduce chemical substance emission • Advance CSR Procurement (quantitative monitoring and setting target)
Operational safety ▶ P31	<ul style="list-style-type: none"> • Avoid all industrial accidents • Control changes to equipment and operating conditions • Enhance risk assessment • Monitor for fire, explosion, and leak hazards; implement remediation • Fully utilize systematic maintenance system for accident prevention • Enhance emergency response systems • Monitor for items in need of replacement and uninspected items; implement remediation 	<ul style="list-style-type: none"> • No industrial accidents occurred • Thorough application of Change Control • Risk assessment advanced • Hazards mitigation advanced • Application advanced • Improvements applied, including in training and drills • Monitoring and inspection performed 	<ul style="list-style-type: none"> • Complete • Satisfactory • Satisfactory • Satisfactory • Complete • Complete • Satisfactory 	<ul style="list-style-type: none"> • Avoid all industrial accidents • Control changes to equipment and operating conditions • Enhance risk assessment • Monitor for fire, explosion, and leak hazards; implement remediation • Enhance emergency response systems • Monitor for items in need of replacement and uninspected items; implement remediation 	<ul style="list-style-type: none"> • Avoid all industrial accidents • Control changes to equipment and operating conditions • Monitor for fire, explosion, and leak hazards; implement remediation • Enhance emergency response systems • Fully utilize systematic maintenance for accident prevention
Workplace safety and hygiene ▶ P35	<ul style="list-style-type: none"> • Avoid all workplace injuries • Achieve frequency rate of 0.1 or less • Achieve severity rate of 0.005 or less • Thoroughly comply with safe operation standards • Enhance utilization of OHSMS • Follow up on asbestos-related measures • Enhance safety management guidance for firms contracted to work within plant grounds 	<ul style="list-style-type: none"> • Seven lost-workday injuries; frequency rate¹ of 0.16, severity rate² of 0.006 • Compliance monitoring system applied at nearly all plants • Utilization of OHSMS enhanced • Continuing follow-up for retirees in each region • Replacement of gaskets containing asbestos • Compliance enhanced 	<ul style="list-style-type: none"> • Satisfactory • Complete • Complete • Complete • Complete • Complete 	<ul style="list-style-type: none"> • Avoid all workplace injuries • Achieve frequency rate of 0.1 or less • Achieve severity rate of 0.005 or less • Thoroughly comply with safe operation standards • Thorough compliance with hazard prediction, etc. • Enhance utilization of OHSMS • Follow up on asbestos-related measures • Enhance safety management guidance for firms contracted to work within plant grounds 	<ul style="list-style-type: none"> • Avoid all workplace injuries • Achieve frequency rate of 0.1 or less • Achieve severity rate of 0.005 or less • Thoroughly comply with safe operation standards • Heighten OHSMS performance • Heighten safety performance of firms contracted to work within plant grounds
Health maintenance ▶ P39	<ul style="list-style-type: none"> • Reduce proportion of employees for whom health warning signs are found • Reduce number of employees on extended leave of absence for emotional convalescence 	<ul style="list-style-type: none"> • No significant change • Emotional care education and improvements of workplace environment performed, but the number of employees on leave of absence remained unchanged 	<ul style="list-style-type: none"> • Satisfactory • Satisfactory 	<ul style="list-style-type: none"> • Reduce proportion of employees for whom health warning signs are found • Reduce number of employees on extended leave of absence for emotional convalescence 	<ul style="list-style-type: none"> • Reduce proportion of employees for whom health warning signs are found • Reduce number of employees on extended leave of absence for emotional convalescence
Product safety ▶ P41	<ul style="list-style-type: none"> • Avoid serious product safety incidents 	<ul style="list-style-type: none"> • No product safety incidents 	<ul style="list-style-type: none"> • Complete 	<ul style="list-style-type: none"> • Avoid serious product safety incidents 	<ul style="list-style-type: none"> • No serious product safety incidents

¹ Number of accidental deaths and injuries resulting in the loss of one or more workdays, per million man-hours worked.
² Lost workdays, severity-weighted, per thousand man-hours worked.

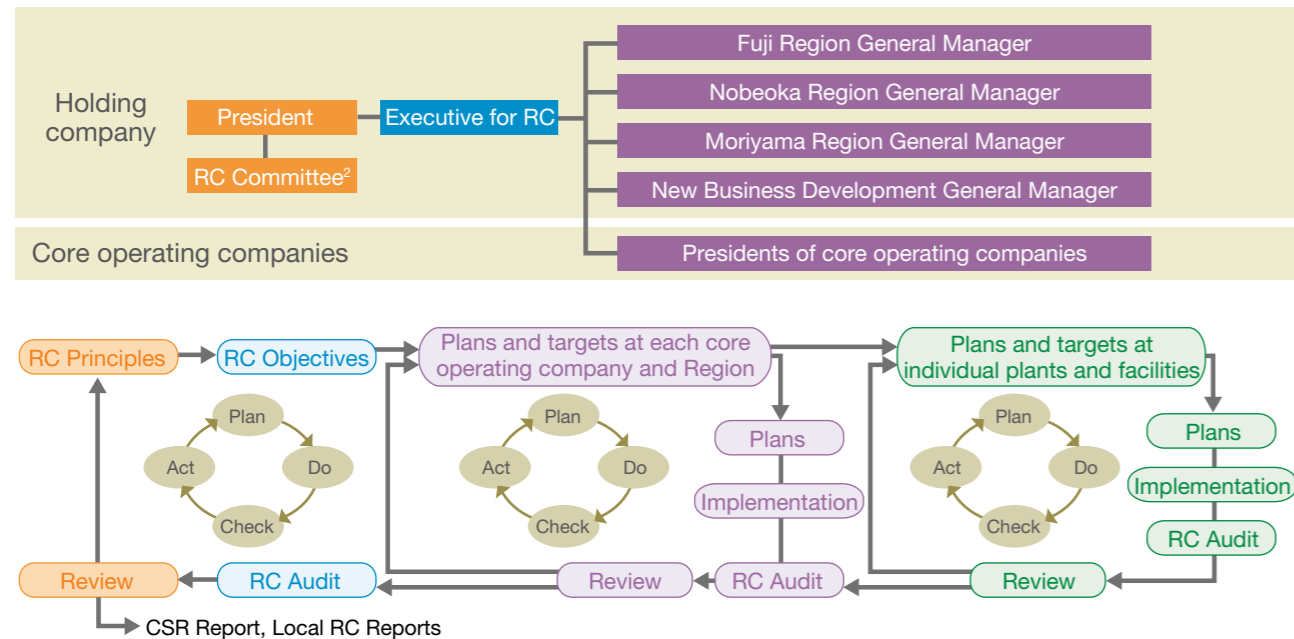


RC Management System

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 Asahi Kasei serving as chair of our RC Committee. As shown in the following diagram, continuous reevaluation and improvement is 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. ISO 14001 environmental management system certification is obtained for environmental protection, ISO 9001 quality management system certification is obtained for product safety, and an Occupational Health & Safety Management System (OHSMS) is adopted for workplace safety, hygiene, and health.

PDCA flow for RC



RC Committee meeting



RC Audit at the Moriyama Region (Shiga)

RC education and training

Our program for RC education and training was revised to further heighten the effectiveness of our RC initiative. In fiscal 2007, a new textbook was produced that 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. In fiscal 2008, a course using this textbook was held for Production Managers, and such courses will be held for EHS personnel and candidates for the positions of Production Manager and EHS Manager over the coming years.



RC training session

RC Symposiums

Every year, RC Symposiums are held at the Nobeoka, Moriyama, and Fuji Regions, and by core operating companies, with awards presented to plants with outstanding safety performance records. In FY 2008, RC Symposiums were held by three 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.



Nobeoka RC Symposium

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, with Presidents of the core operating companies, the New Business Development General Manager, and General Managers of the Nobeoka, Moriyama, and Fuji Regions serving as members. The RC Committee meets once each year.

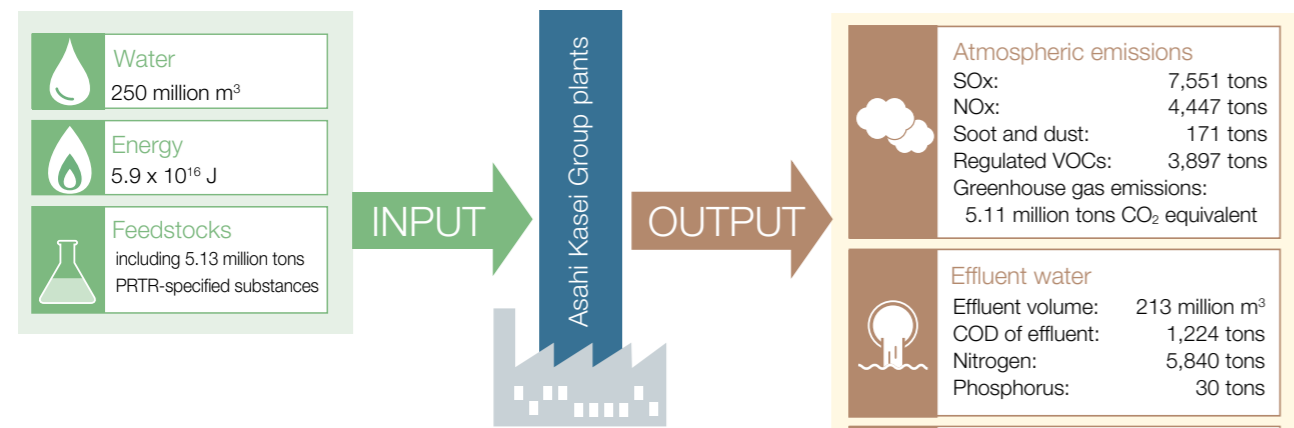


Environmental protection

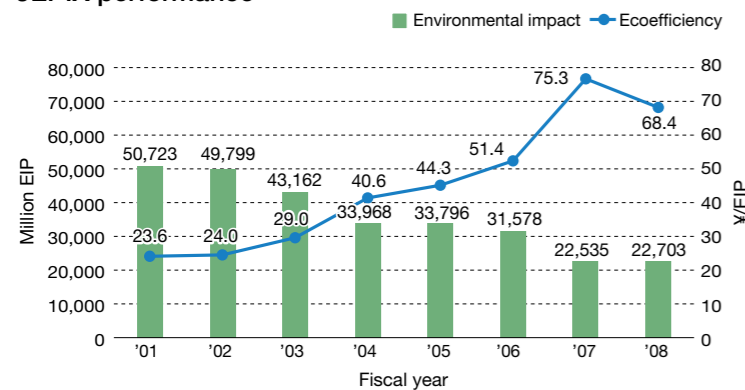
FY 2008 RC Objectives	FY 2008 summary results
<ul style="list-style-type: none"> • Avoid all environmental pollution from accidents • Reduce final disposal volume of industrial waste by 75% from fiscal 2000 level • Reduce unit energy consumption by $\geq 1\%$ • Maintain greenhouse gas emissions 50% lower than in baseline year • Monitor and reduce CO₂ emissions from product shipment • Reduce emission of PRTR-specified substances and VOCs • Prevent air and water pollution • Advance CSR Procurement 	<ul style="list-style-type: none"> • No polluting accidents occurred • Approximately 77% reduction of industrial waste from fiscal 2000 level achieved • Unit energy consumption increased by 5% from fiscal 2007 level • Greenhouse gas emissions maintained 50% lower than in baseline year • CO₂ emissions from product shipment reduced • Release of PRTR-specified substances reduced by 11% from fiscal 2007 level • Emission of VOCs on par with previous year • Chemical emissions maintained within control limits • CSR Procurement advanced by Corporate Procurement & Logistics in addition to Green Procurement

Throughout the Asahi Kasei Group we strive to alleviate the environmental impact of our activities ranging from procurement and use of raw materials to disposal. Our environmental impact point (EIP) score and our rate of ecoefficiency using the JEPIX¹ methodology are shown in the graph below. With improvements by reducing emissions of greenhouse gases, ozone-depleting substances, and air and water polluting substances, and reducing the volume of industrial waste for landfill, our rate of efficiency in fiscal 2008 was raised to some three times that in fiscal 2000. While our EIP score for fiscal 2008 was on par with the previous year, our rate of ecoefficiency declined due to lower sales.

Main environmental aspects, FY 2008



JEPIX performance



Atmospheric emissions	SOx: 7,551 tons
	NOx: 4,447 tons
	Soot and dust: 171 tons
	Regulated VOCs: 3,897 tons
	Greenhouse gas emissions: 5.11 million tons CO ₂ equivalent
Effluent water	Effluent volume: 213 million m ³
	COD of effluent: 1,224 tons
	Nitrogen: 5,840 tons
	Phosphorus: 30 tons
PRTR-specified substances	Releases: 269 tons to air
	66 tons to water
	None to soil
Industrial waste	Effluent waste: 209,000 tons
	Of which, landfilled: 6,200 tons

Note: Data for plants and laboratories in Japan.

Curtailing greenhouse gas emissions

Asahi Kasei has played a leading role in the preparation and institution of the targets of the Japan Chemical Industry Association (JCIA) and the Japan Business Federation (Nippon Keidanren) for reduction of greenhouse gas¹ emissions. We promote emission reductions in the following four areas.

1. Curtailment of emissions from power generation.
2. Curtailment of emissions of greenhouse gases from production processes.
3. Phase-out of greenhouse gases as process materials.
4. Enabling life-cycle emissions reduction through our products and technologies.

Although unit energy consumption² in fiscal 2008 increased by 5% from the previous year, we have achieved an average annual reduction of approximately 1% over the past five years.

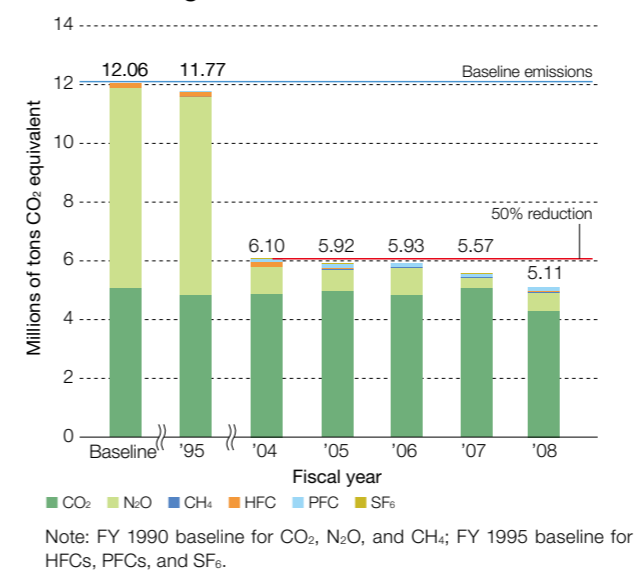
Our greenhouse gas emissions in fiscal 2008 were a 5.11 million tons CO₂ equivalent, as we continued

to maintain our achievement of a reduction of over 50% from the baseline. Notable examples of measures which contribute to this reduction include thermal decomposition of nitrous oxide (N₂O) byproduct from adipic acid production, resulting in an annual reduction of roughly 6 million tons CO₂ equivalent, and substitution of foaming agent used at the Suzuka Plant, resulting in an annual reduction of some 180 thousand tons CO₂ equivalent.

We have also begun utilizing wood biomass fuel for power generation in Nobeoka, Miyazaki, with a phased expansion of application in progress, and are participating in a domestic emissions trading trial that began in December 2008.

Life Cycle Assessment has determined that just three of our product families combine to enable annual CO₂ emissions reduction amounting to 7.2 million tons (see p. 11). With these and other products and technologies, we enable a large contribution to emissions reduction in addition to the reductions achieved in our own operations.

Greenhouse gas emissions

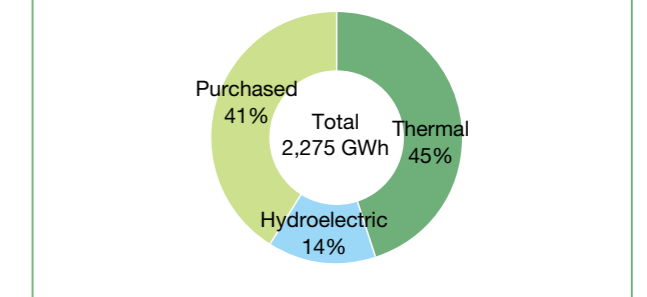


Note: FY 1990 baseline for CO₂, N₂O, and CH₄; FY 1995 baseline for HFCs, PFCs, and SF₆.

Renewable energy

The Asahi Kasei Group has seven hydroelectric power generation plants which meet 14% of our electricity needs. Generation of the equivalent amount of power at thermoelectric plants would result in approximately 180,000 tons of CO₂ emissions annually.³

Electricity sources, FY 2008



¹ Japan Environmental Policy Index, developed by the Japan Science and Technology Agency and the Sustainable Management Forum of Japan. Environmental performance data are converted to an environmental impact point (EIP) scale and aggregated to determine total environmental impact. Ecoefficiency is determined by dividing an economic indicator, in our case consolidated net sales, by total EIP.

² Carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).

³ In terms of kiloliters crude oil equivalent per tons product output, as converted to benchmark product in accordance with Japan's Act on the Rational Use of Energy.

⁴ Using Ministry of the Environment standard of 555 g CO₂/kWh.



Alleviating the environmental effects of physical distribution

Product shipments for Asahi Kasei Group operations in Japan amounted to some 1.2 billion ton-kilometers in fiscal 2008, generating approximately 90 thousand tons of CO₂ emissions – an 8% reduction from fiscal 2007. In cooperation with the transport firms contracted for shipment, a wide range of measures are employed to reduce energy consumption and moderate the environmental effects of physical distribution.

Both Asahi Kasei Chemicals and Asahi Kasei Fibers

have been awarded Eco-Rail Mark certification in recognition of their preferential shipment of products by rail, an ecological mode of transport which results in one-eighth the CO₂ emissions of truck transport for a given weight and distance.

Measures to alleviate environmental effects of physical distribution

Improving unit energy consumption in shipment	<ul style="list-style-type: none"> Increasing shipment lot sizes Transport mode changeover to roll-on/roll-off ships, ferries, and rail Mixed loading of materials for home construction
Reduction of energy consumption by shortening shipment distances	<ul style="list-style-type: none"> Product swaps with other producers Repositioning of stock points for optimal distribution Sharing of pallets with other producers to shorten empty pallet return distances
Reduction of energy consumption in storage	<ul style="list-style-type: none"> Direct shipment to users Direct reloading from large trucks to smaller trucks, without temporary warehousing
Use of returnable packaging to reduce material waste	<ul style="list-style-type: none"> Shipment of resins in flexible containers or bulk Use of intermodal containers, owned by Asahi Kasei and by shippers
Promotion of energy conservation by firms contracted for physical distribution through physical distribution safety conferences and inspections	<ul style="list-style-type: none"> Compliance with environmental laws and regulations Advancement of ISO certification Promotion of energy-efficient driving practices Conversion to energy-efficient transportation modes Promotion of efficient loading

Company-owned vehicles

The phased transition to low-pollution vehicles for use in marketing and within plant grounds continues to advance. In fiscal 2008, some 74% of company-owned vehicles were low-pollution vehicles, up from some 71% in the previous year.

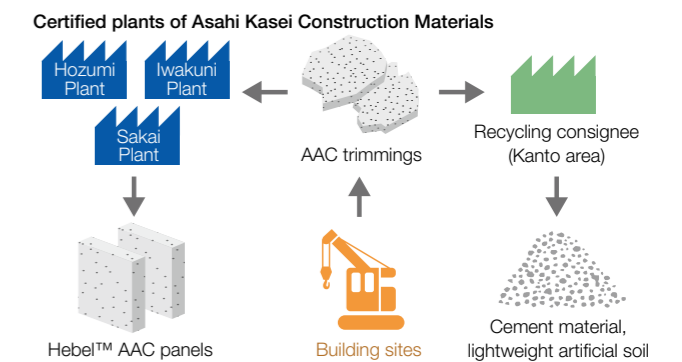
Industrial Waste

The Asahi Kasei Group is working toward zero emission¹ of industrial waste through the “3-Rs” of reduction, reuse, and recycling. In fiscal 2008 the volume of industrial waste transferred off-site for disposal was 76% lower than in fiscal 2000, achieving our target of a 75% reduction, through increased on-site waste separation and recycling.

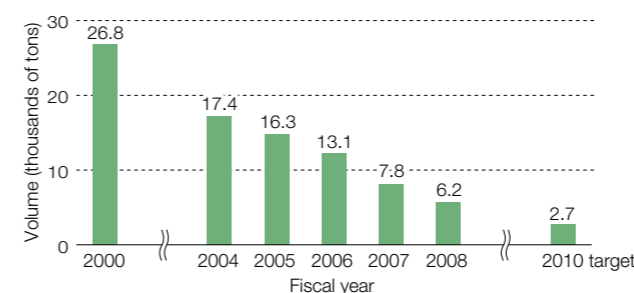
Where we consign the off-site treatment of industrial waste, records are kept in waste disposal manifests, and the consigned firms and disposal sites are periodically inspected to ensure that proper disposal is performed in accordance with sound systems of control.

In one notable example of recycling, Asahi Kasei Construction Materials has received the Environment Minister’s certification for “wide-area recycling,” enabling the recycling of waste from autoclaved aerated concrete (AAC) panels from different construction sites without the need to obtain separate waste transport permits.

Recycle flow for trimmings of Hebel™ AAC panels

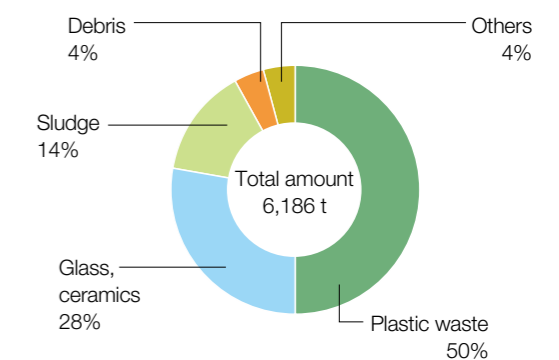


Off-site final disposal waste volume

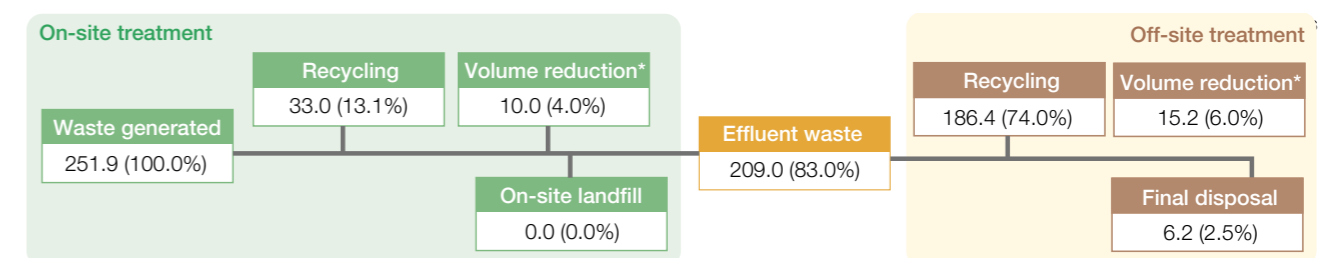


Note: Not including waste generated from non-recurring events such as dismantling closed plants or waste generated from dismantling old homes when constructing new homes sold by Asahi Kasei Homes.

Off-site final disposal waste by category, FY 2008



Flow of industrial waste, FY 2008



* By incineration, dehydration, etc.

¹ 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 a final disposal volume in fiscal 2010 which is one tenth or less than that of fiscal 2000, which would mean final disposal of less than one percent of the waste generated.



Waste reduction in housing operations

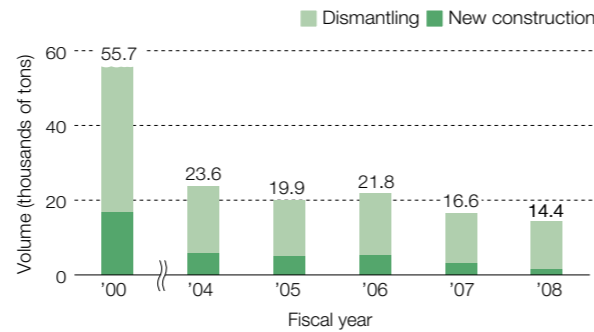
Industrial waste generated from housing operations includes leftover materials, packing materials, and trimmings from new construction, and waste generated from the dismantling of old homes to be replaced. In each case, Asahi Kasei Homes has long worked to reduce the amount of waste for final disposal, both by curtailing the amount of waste generation and by increasing the amount of waste recycled.

The company has received the Environment Minister's certification for "wide-area recycling" and established a recycling system using its own recycling center to enable all industrial waste generated in new construction to be recycled. Ongoing efforts include the reduction of on-site waste generation by pre-cutting materials at the factory and the employment of returnable packing materials in cooperation with suppliers of fixtures and building materials in a system utilizing RFID tags for packing material tracking.

To reduce waste disposal, the sorting of waste

to facilitate recyclability is vital, and a policy of thorough waste sorting has been instilled among personnel and contracted firms involved. In fiscal 2008, the volume of waste for final disposal from construction of new homes and dismantling of old homes decreased by some 14%.

Final disposal of industrial waste generated at construction sites



Polychlorinated biphenyls (PCBs)

Disused condensers, transformers, and fluorescent lamp ballasts which contain PCBs are employed in stainless steel vessels, recorded in a ledger, and stored under strict control.

These are scheduled to be disposed of by July 2016 through consignment to Japan Environmental

Safety Corp. (JESCO) facilities equipped to render them harmless. Of the 781 condensers and transformers that we registered with JESCO, three condensers were disposed of in fiscal 2008.

Prevention of polluting accidents¹

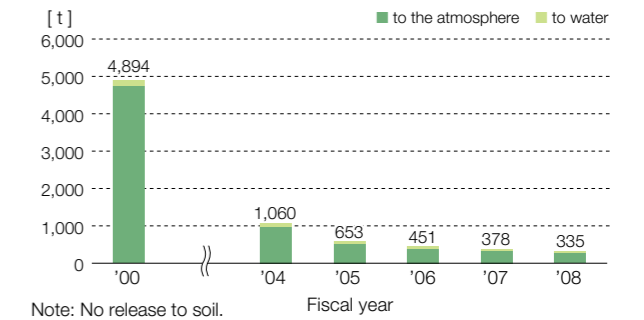
The Asahi Kasei Group continues to increase the number of plants with ISO 14001 certification, evaluates the environmental risks that may lead to polluting accidents, and implements measures to ameliorate such risks and measures to prevent such accidents. No polluting accident occurred in fiscal 2008.

Reduction of hazardous chemical release

The Asahi Kasei Group monitors the release and transfer of PRTR¹-specified substances defined by the PRTR Law and substances designated for PRTR by the Japan Chemical Industry Association (JCIA). Priority for reduction is based on degree of hazardousness and amount of release. As shown in the graph below, release of PRTR-specified substances was reduced by 11% from the fiscal 2007 level.

Emission of VOCs² in fiscal 2008 was on par with the previous year, but 63% lower than in the baseline year of fiscal 2000. Modifications to plant and equipment which will enable further reduction are planned.

Releases of PRTR-specified substances

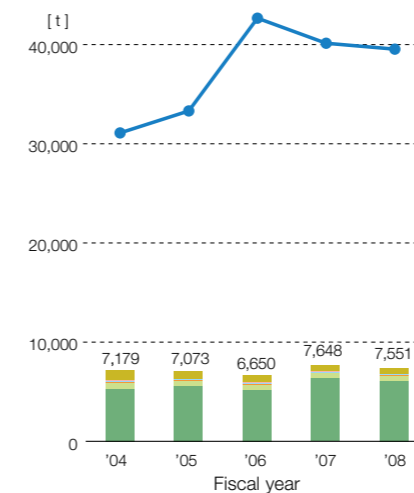


Preventing air pollution

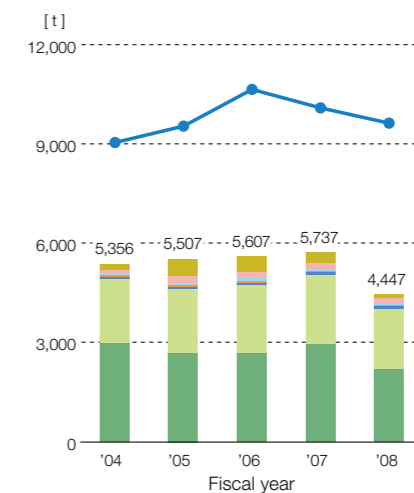
The Asahi Kasei Group undertakes a number of measures to curtail emissions of sulfur oxides (SOx³), nitrogen oxides (NOx⁴), and soot and dust⁵. While emissions are consistently maintained well below regulatory limits, as shown below, we also

have more stringent emissions standards as set forth in accords with local authorities and our own voluntary targets.

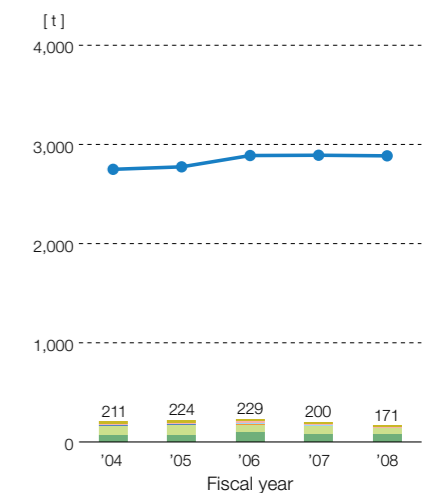
SOx emissions



NOx emissions



Soot and dust emissions



Legend: Nobeoka, Mizushima, Moriyama, Fuji, Ohito, Kawasaki, Other sites, Permissible level

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 amount of emitted gas where they do not. Permissible levels therefore fluctuate from year to year with fluctuations in production volumes.

¹ The Asahi Kasei Group classifies as a "polluting accident" any incident of atmospheric emission, effluent water quality, groundwater contamination, or soil contamination in violation of regulatory limits, and any case of illegal waste disposal, etc. which affects a local community.

¹ 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.

² 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.

³ 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.

⁴ 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).

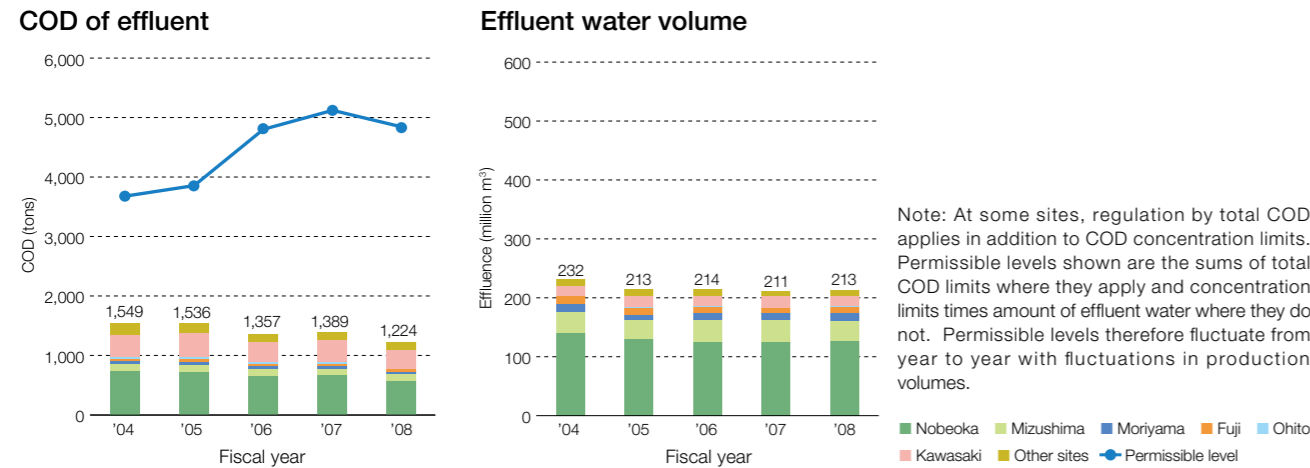
⁵ Soot and dust are fine particles formed in the combustion of fuel and other materials.



Preventing water pollution

Measures implemented throughout the Asahi Kasei Group have resulted in a significant reduction in the amount of pollutants in effluent water. As shown below, COD¹ of effluent has been maintained well

below permissible levels at all sites in terms of both COD concentrations and total COD.



Soil and groundwater contamination

A range of measures including covering floors to ensure against soil and groundwater contamination are employed at plants where hazardous chemicals are handled. In the event that soil or groundwater contamination is discovered at one of our sites, we promptly act to ensure against 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 2008, soil contamination was discovered in the Shimura lot formerly used by Asahi Kasei Homes as a Laboratory and in the Takatsuki lot formerly used by Asahi Kasei Fibers for its R&D

Laboratory for Applied Product. Contamination by lead compounds was found in the soil at the Shimura lot, and the contaminated soil was removed by excavation in accordance with instructions from governmental authorities. At the Takatsuki site, soil and groundwater contamination with tetrachloroethylene and related compounds, and on March 31, 2009, one portion of the lot was specified as a Designated Area under the Soil Contamination Countermeasures Act. A program for decontaminating the soil and groundwater has been formulated, and measures for remediation are being implemented in accordance with instructions from governmental authorities.

Stratospheric ozone layer-depleting substances

Stratospheric ozone layer-depleting substances used in the Asahi Kasei Group include freezer refrigerants and solvents. Refrigeration equipment is being replaced or modified with the best practical

technology for operation without refrigerants specified as ozone-depleting, and ozone-depleting solvents are being replaced with substitutes which are not thus specified.

CSR Procurement

CSR Procurement is implemented with purchasing priority for office supplies, feedstocks, materials, and services based on both environmental impact and evaluation of suppliers in matters of social responsibility. (See p. 50)

Biodiversity

We are advancing activities for preservation of biodiversity, as well as for extension of the amount of greenery and gardening space at our plant grounds and participation in a variety of tree-planting initiatives.

Measures to promote preservation of biodiversity include participation in a Miyazaki Prefecture reforestation program by planting trees for the Asahi Forest in Nobeoka, and the creation of a 10,000 m² biotope called the Asahi Woods of Life at the Asahi Kasei Group plant and laboratory complex in Fuji.

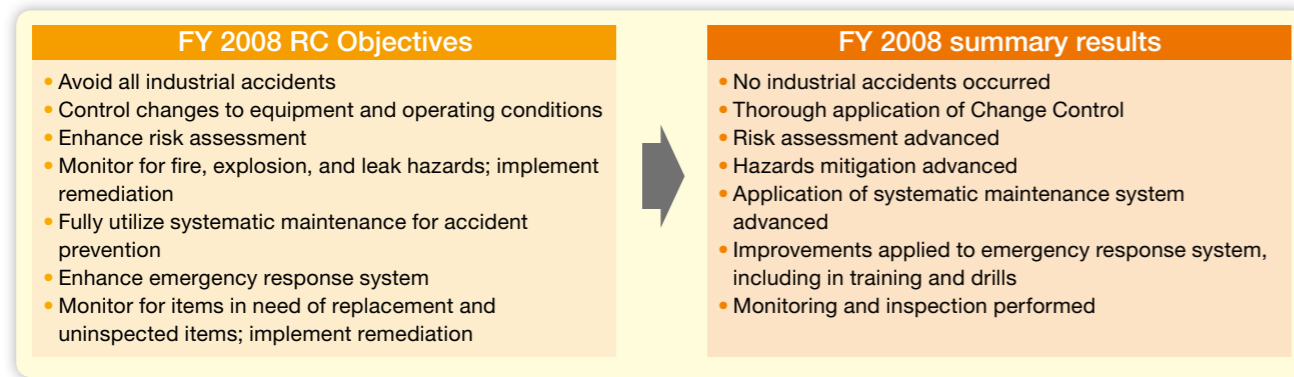


The third round of tree-planting for the Asahi Forest

¹ 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.



Operational safety



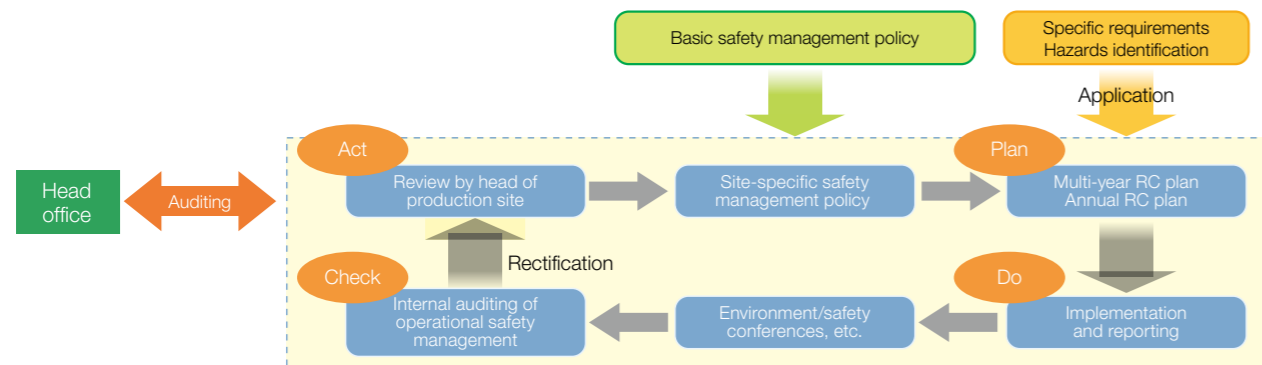
Our effort to prevent industrial accidents includes performing risk assessments of our facilities and continuous process review to ensure against fires, explosions, leaks, and breakdowns. We also have measures in place to ensure that a swift and appropriate response is taken to contain and minimize any damage in the event that an accident or natural disaster occurs.

Management of operational safety

Our ongoing, autonomous program to ensure operational safety includes safety assessments and hazards identification in accordance with a basic

safety management policy, with specific plans implemented on both annual and multi-year cycles.

Operational safety management system at Asahi Kasei Chemicals



Pre-investment inspection system

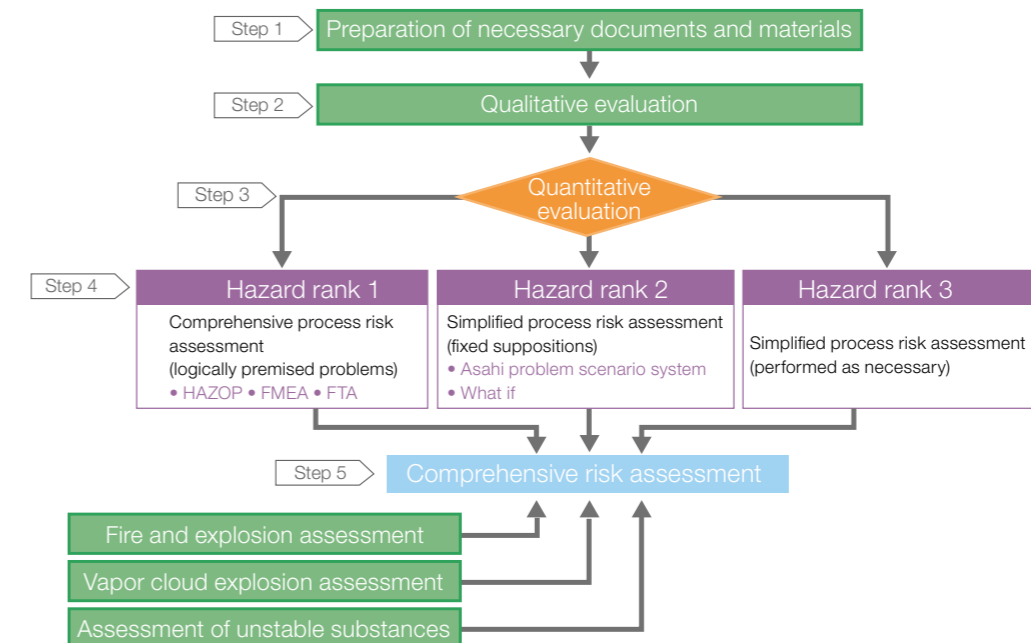
Internal regulations require a pre-investment inspection to verify plant safety when there are plans to invest in new plant, plant expansion, or plant modification. Inspection and approval prior to trial operation provides an additional confirmation of plant safety before commercial operation begins.

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

System for inspection prior to capital investment



Safety assessment



¹ Abbreviation of “hazard and operability studies,” a method of identifying and dealing with potential problems in industrial processes by assuming deviations from design intentions. This highly exhaustive method is widely applied throughout the process industries.
² A method of identifying and dealing with potential problems based on “what if” questions. It is widely applied where a simplified method is appropriate.



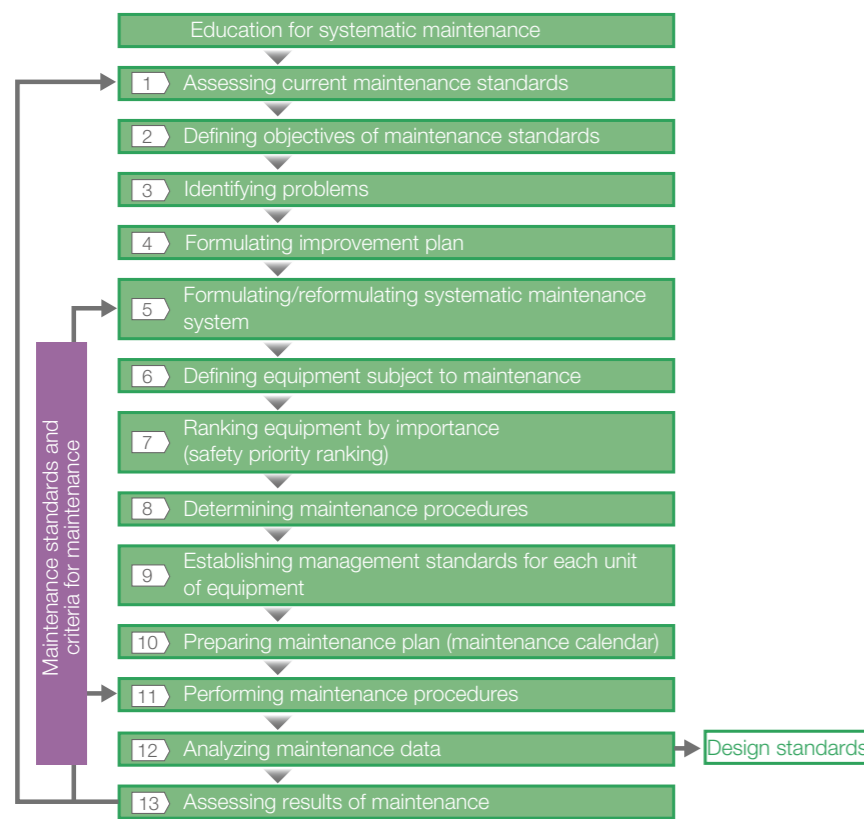
Safe, stable plant operation

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 that the appropriateness of the maintenance standards for each individual unit of equipment.

To ensure that information and know-how is shared throughout the Asahi Kasei Group, we have a group-wide plant engineering conference with four specialist panels: Formulation of optimum systematic maintenance systems, establishment of standards and criteria, formulation of training systems for maintenance engineers, and sharing engineering information.

Systematic maintenance system



Preparation for emergency situations

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

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. Miniature plants and simulators are used at AOA

to provide hands-on experience with controls and instrumentation, for the technical skills and practical understanding of chemical engineering necessary for safe and reliable plant operation.

Physical Distribution Safety at Asahi Kasei Chemicals

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, on-board ship safety assessments, and many other safety measures from day to day.



Workplace safety and hygiene

FY 2008 RC Objectives	FY 2008 summary results
<ul style="list-style-type: none"> Achieve frequency rate¹ of 0.1 or less Achieve severity rate² of 0.005 or less Enhance utilization of OHSMS³ where it is implemented Thoroughly comply with safe operation standards Follow up on asbestos-related measures 	<ul style="list-style-type: none"> Frequency rate of 0.16 Severity rate of 0.006 Utilization of OHSMS enhanced Compliance monitoring system applied at nearly all plants Ongoing asbestos-related assistance for retirees, replacement of gaskets containing asbestos

The effort to prevent workplace accidents is integrated in a comprehensive OHSMS³ 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 system.

Integration of workplace safety initiatives



Approach to workplace safety

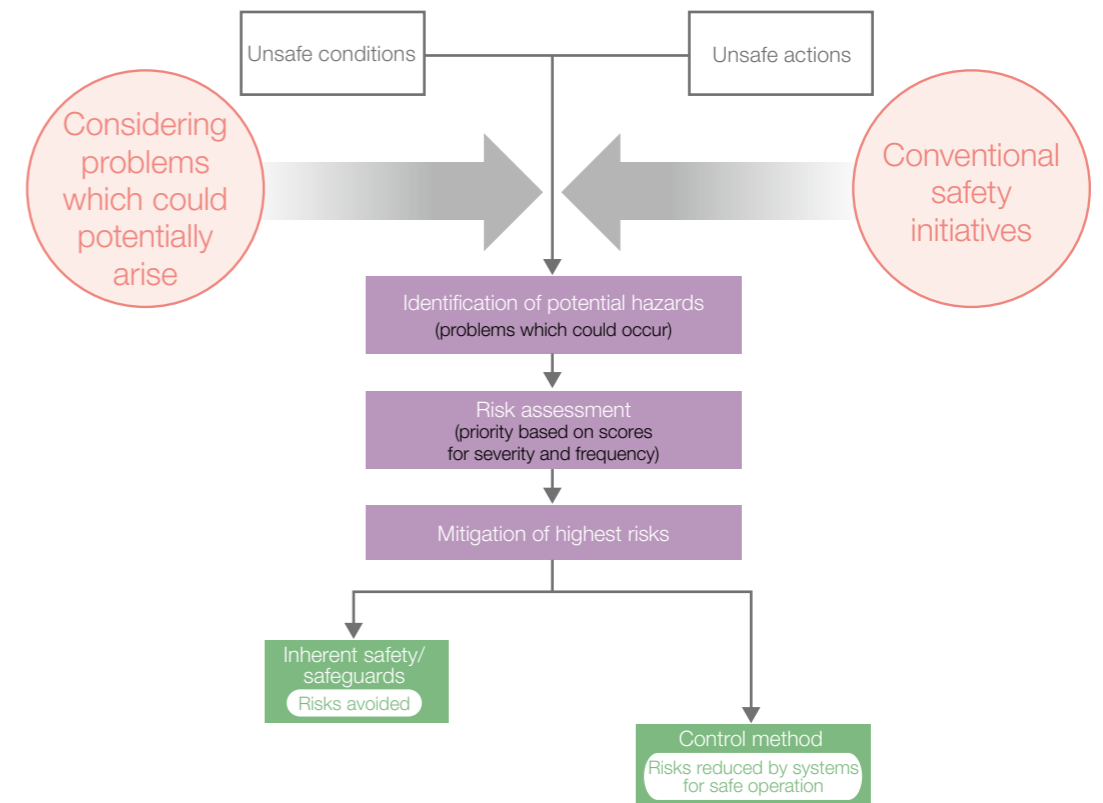
Identification of potential hazards

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 what problems could conceivably arise in a wide variety of situations due to both possible unsafe physical conditions (hazardous working environment due to equipment, materials, noise, etc.) and possible unsafe actions of personnel.

Risk assessment

Priority for mitigating the potential workplace hazards thus identified is assigned based on a scoring system which combines a score for 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 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 or compressed or crushed” category of accident, one 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 table at right. 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.

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 standards.* 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.

* 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, prevention of “caught in machinery” type injuries includes a rule not to touch exposed portions of machinery in operation.

Formulation of safety measures

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

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

¹ Number of accidental deaths and injuries resulting in the loss of one or more workdays, per million man-hours worked.
² Lost workdays, severity-weighted, per thousand man-hours worked.
³ 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.

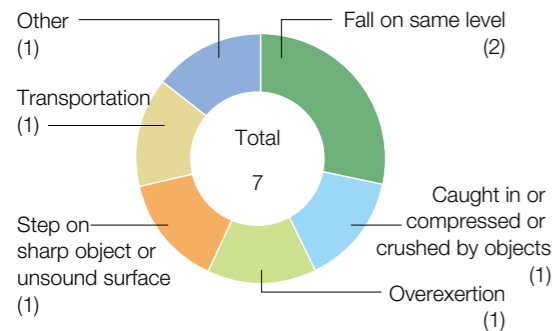


Occurrence of workplace injuries

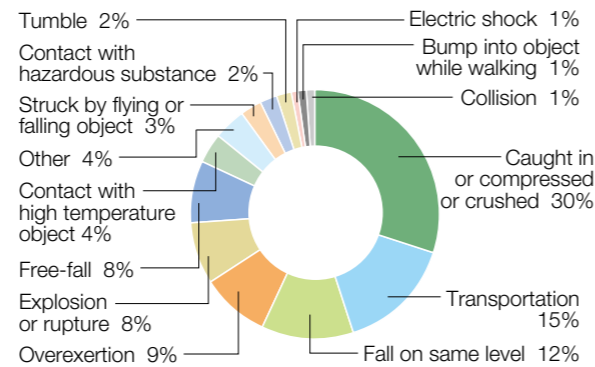
We did not achieve our targets for frequency rate and severity rate in fiscal 2008. Of the seven workplace injuries that occurred during the year, three occurred at production sites and four occurred at non-production sites (sales and administrative offices), indicating the need to heighten safety measures at non-production sites. The category of “caught in or compressed or crushed” accounted

for 14% of injuries in fiscal 2008, somewhat lower than the 30% over the previous nine years. To prevent accidents in this category, which can easily result in severe injury, efforts to identify potential hazards and to mitigate the risks thereof are ongoing at production sites throughout the Asahi Kasei Group.

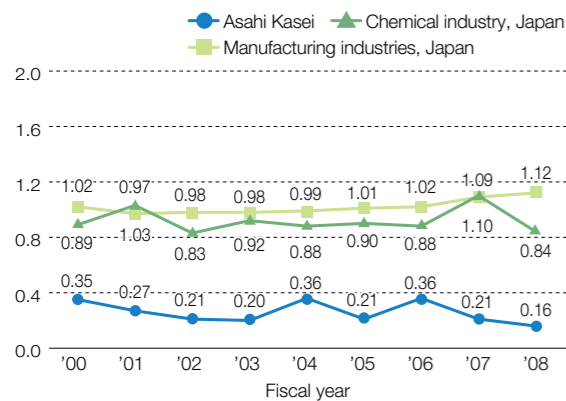
No. of workplace injuries by event category, FY 2008



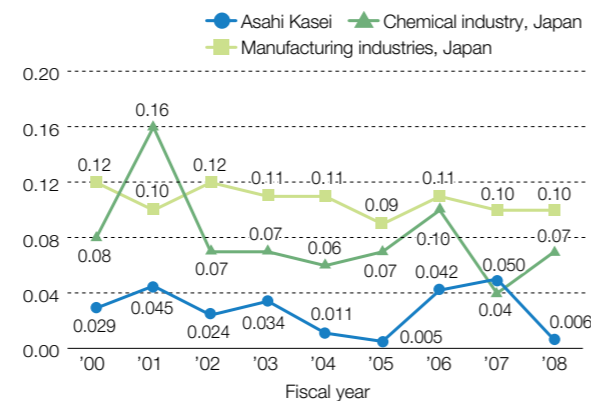
Incidence of workplace injury by event category, FY 1999–2007



Frequency rate



Severity rate



Occupational Health and Safety Management System (OHSMS)

In fiscal 2002, we began applying OHSMS in accordance with OHSAS 18001¹ standards. In fiscal 2008, OHSMS was implemented at 90% of all plants.

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.
- Records of noise and heat exposure data for each individual are maintained to enable exposure to be managed and minimized. We are advancing plant modification and reviewing work procedures to reduce exposure to noise and heat.

Asbestos

We have implemented a comprehensive response to health-related issues associated with occupational asbestos exposure.

Notable measures in fiscal 2008 included:

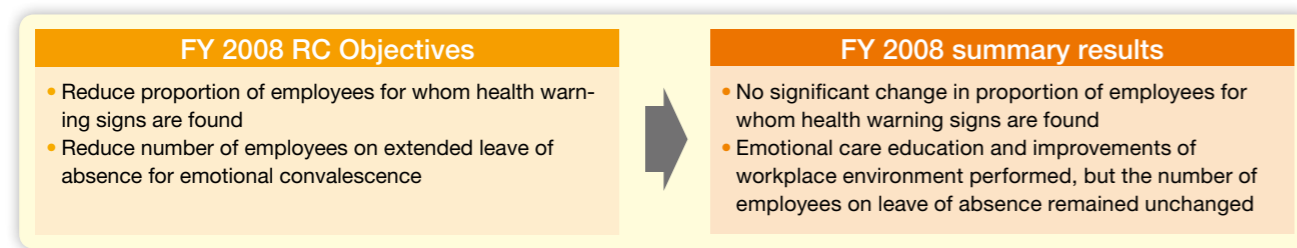
- Follow up on asbestos-related health checkups held in March 2006, including assistance for retirees who have had a finding for asbestos-related health effects to apply for government support for periodic medical examinations.
- Implementation of tests to verify the performance of gasket and seal materials to replace those containing asbestos.

We are aware of six former employees for whom the cause of death was determined to be mesothelioma, and three former employees who are being treated for mesothelioma, as of March 2009.

¹ Occupational Health and Safety Assessment Series, number 18001. A standard for certification of OHSMS.



Health maintenance



In our effort for the promotion and maintenance of employee health, we provide both physical and emotional health checkups, and take steps to reduce the number of employees who have emotional distress or health warning signs.

Reducing health warning signs

In fiscal 2008, the proportion of our personnel for whom one or more health warning signs were found was largely unchanged from the previous year.

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 at our various operating sites.

In addition, our employee health insurance association began providing specified health

guidance in fiscal 2008 in accordance with the Act on Assurance of Medical Care for Elderly People.

In fiscal 2008, specified health guidance was provided at portions of our operations in the Nobeoka and Mizushima areas, at our operations in Oita and Suzuka, and at the four plants of Asahi Kasei Construction Materials. In fiscal 2009 the provision of specified health guidance will be expanded to include a portion of our operations in Tokyo, to be followed by a successive expansion to other operating sites.

Emotional health and care

The maintenance of employees' emotional health and care is advanced in tandem with our physical health and fitness programs. The corporate Emotional 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. The four approaches to care are summarized below.

To promote self-awareness and care, we began implementing the Japan Mental Health Inventory

(JMI) survey in fiscal 1993. In fiscal 2001 we began expanding coverage include to all personnel, with the survey repeated on a rolling three-year cycle. In fiscal 2008 we entered the third cycle.

The results of the survey are also analyzed by workplace unit to help guide improvements in the workplace environment. The JMI survey was developed by the Mental Health Research Institute of the Japan Productivity Center for Socio-Economic Development, a non-profit organization advocating advanced industrial productivity.

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 persons who used this provision have successfully returned to full-time work. Workplace improvements at various plant sites and office locations have been made through utilization of the JMI survey results.

Four approaches to emotional care

Self-care by individual employee

Prevention and alleviation of one's own stress

Care by line of authority

Consultation of the employee with the supervisor, improvement of the workplace environment

Care by industrial medical staff

Consultation with the individual or supervisor, support for 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 constantly strive to improve product safety and product quality, while maintaining consistent production control.

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 ultimately purchased by ordinary consumers. Consumer satisfaction is therefore the ultimate measure of our success in the provision of safe,

high-quality products.

We therefore 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.

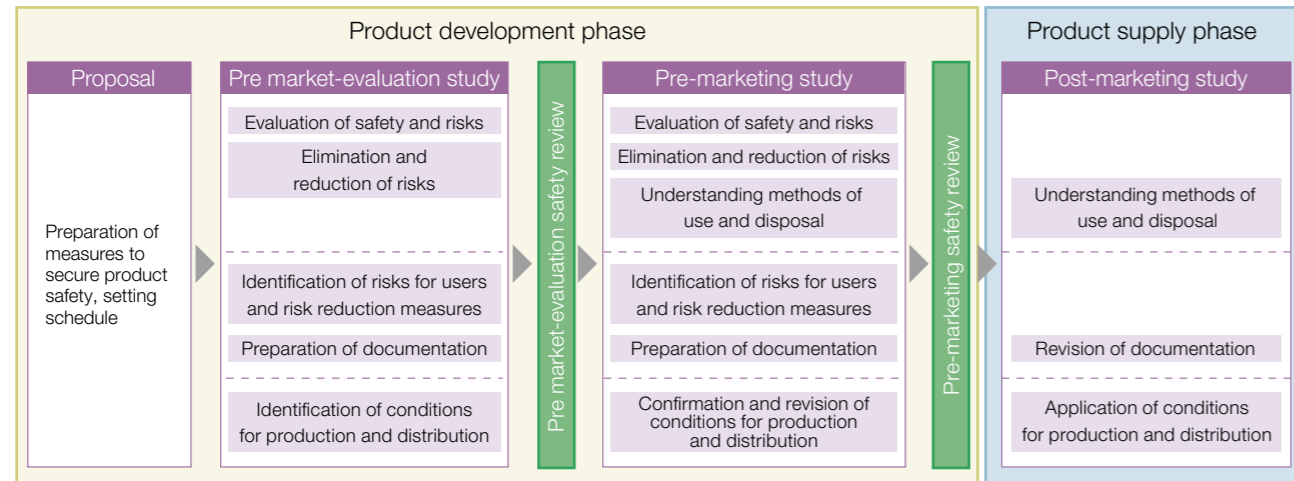
Product safety guidelines

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.

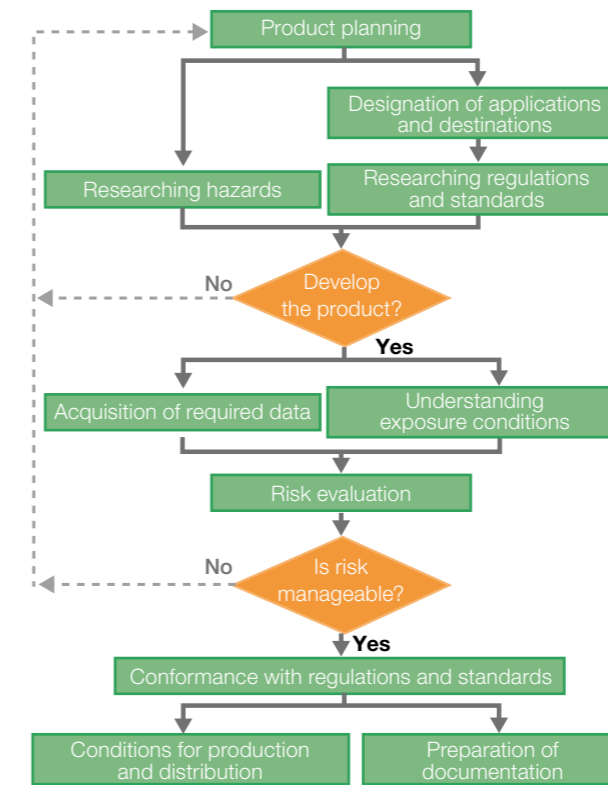
The guidelines are centered on risk assessment during the development stage to ensure product safety, prior to marketing.

Specific product safety measures for individual products are performed 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 at right.

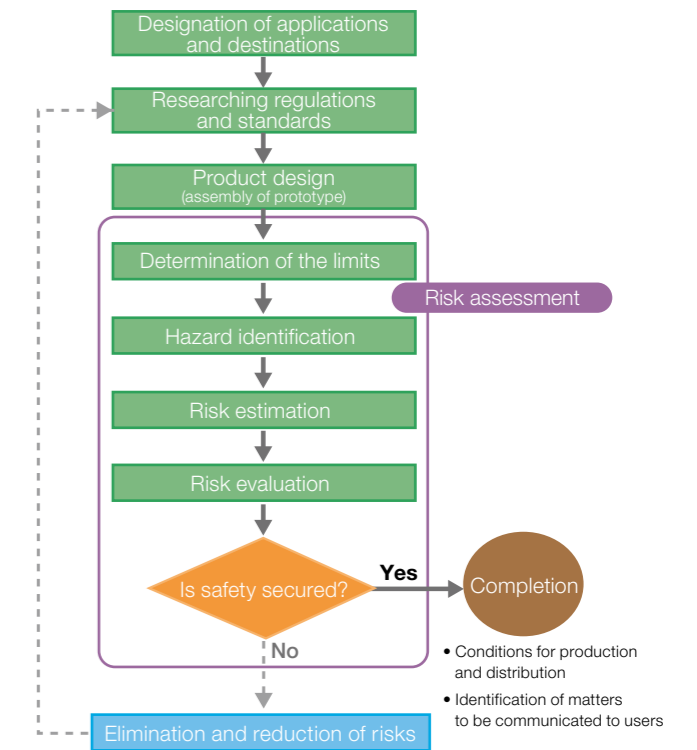
Flow of product safety measures



Product safety procedure for chemicals



Product safety procedure for equipment



Product safety results

Avoidance of serious product safety incidents was specified as an RC Objective for fiscal 2008, and no serious product safety incidents occurred. We work to maintain this incident-free product safety record through our ongoing program of education and training for product safety to maintain knowledge of issues related to product liability, safe handling of chemical substances, and safety of equipment sold as products, together with the risk assessments and other day-to-day product safety measures we employ.

Japan is one of the first countries to adopt the Globally Harmonized System of Classification and Labeling of Chemicals (GHS) as recommended by

the UN. We are accordingly revising our Material Safety Data Sheets (MSDSs), reviewing our chemical product labeling to ensure inclusion of clear safety information, and conducting extensive personnel training for this purpose.

In addition to useful characteristics, products also have hazards which could result in injury as a result of improper handling. We provide a variety of information to customers to ensure safe and proper handling and use. The information we provide is revised as necessary for greater ease of understanding and ease of use.

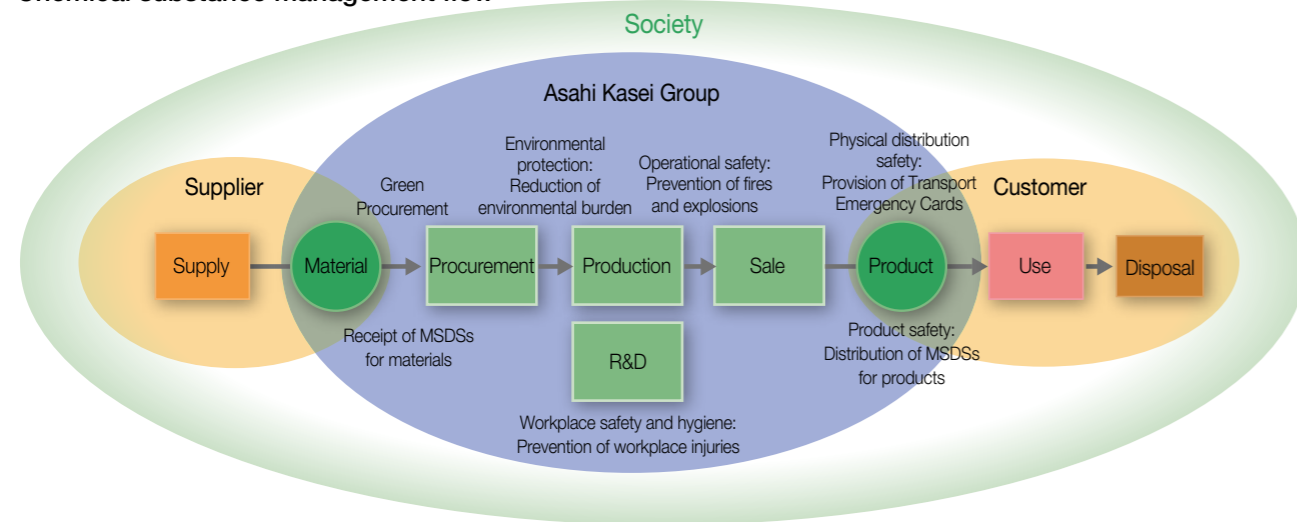


Managing chemical substances

The Asahi Kasei Group 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 below.

Chemical substance management flow



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 pp. 23–30) and to prevent fires, explosions, and leaks (see pp. 31–34).

The health of employees is protected by preventing workplace exposure to hazardous substances. In fiscal 2008, we conducted education and training on risk assessment of chemical substances in accordance with guidelines of the Japan Industrial Safety and Health Association.



Risk assessment training session

Use and disposal

Guidance for proper use and disposal of chemical substances and chemical products is provided in MSDSs, technical bulletins, and product brochures.

Transport Emergency Cards are provided to guide 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.

This is exemplified in our development of the non-phosgene process for polycarbonate production, which has been recognized by many prestigious awards including the Green and Sustainable Chemistry Award.

Education and training

The Asahi Kasei Group conducts extensive education and training on 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.

Global trends on management of chemical substances

The Asahi Kasei Group is enhancing management of chemical substances in conformity with relevant global trends.

Developments in management of chemical substances

Organization	Development
UN	<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 a Globally Harmonized System (GHS) for the classification and labeling of chemicals
OECD	<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	<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, Shiro Hiruta, President of Asahi Kasei Corp., signed a letter of commitment to the Responsible Care Global Charter (RCGC) on behalf of the Asahi Kasei Group. The RCGC was launched by the International Council of Chemical Associations (ICCA) with a UN resolution. The Asahi Kasei Group has long recognized the importance of RC and especially chemical substance control.

HPV Chemicals Initiative

The Asahi Kasei Group began participation in the ICCA HPV Chemicals Initiative in fiscal 1999, cosponsoring assessments for ten substances. Assessment for five of the ten substances has been completed by the OECD, and is in progress for the other five in coordination with other participating companies.

Japan Challenge Program

The Asahi Kasei Group is a leading participant in the Japan Challenge Program, launched in 2005 as a nation-wide public/private sector alliance to accelerate the collection of chemical safety information for public disclosure.

Long-range Research Initiative (LRI)

The Japan Chemical Industry Association (JCIA) is a participant in the ICCA LRI to advance study on the long-term effects of chemical substances on health and the environment.

The Asahi Kasei Group participates in the Science Task Force committee and committees for specialized areas.

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 MSDSs, and label our products with clear safety information.

REACH compliance

We have completed REACH pre-registration for all applicable substances. Relevant core operating companies conduct internal education and training on REACH requirements and convene monthly meetings of to advance compliance procedures.

Preparations for REACH registration are ongoing, in full compliance with all relevant requirements.

Japan Article Management Promotion (JAMP)

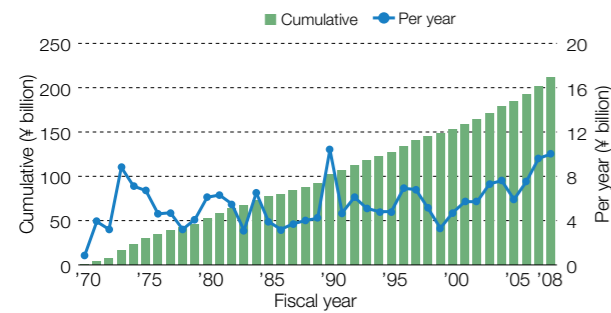
We are an active participant in JAMP and the development of systems to manage chemical substance information and to convey the information through supply chains.

Expenditure for environment and safety

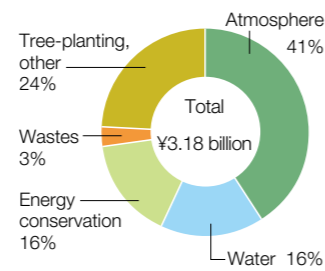
Environmental and safety investments

Investments in modification for environmental protection and safety in fiscal 2008 were ¥9.92 billion.

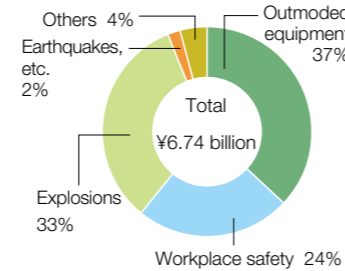
Investment in environmental and safety modification



FY 2008 environmental investment



FY 2008 safety investment



Environmental accounting

The cost of measures for environmental protection in fiscal 2008 was tracked as shown below in our Chemicals, Fibers, and Electronics Materials &

Devices operating segments, in accordance with cost classification standards promulgated by the Ministry of the Environment.

Operating segment	Cost class	Principal measures	Investment ¥ million	Expense ¥ million	Notable change from FY 2007	
Chemicals	Combined operating area		2,489	4,289		
	comprising:	Pollution prevention	Effluent water and flue gas treatment, groundwater purification	2,207	2,931	• Release of atmospheric pollutants reduced from 46.9 to 41.0 tons
		Global environmental protection	Energy conservation through heat recovery, reduced greenhouse gas emissions	134	299	
		Resource circulation	Waste treatment and recycling	148	1,059	
	Upstream and downstream	Green Procurement, recovery of containers	4	40	• Industrial waste for final disposal reduced from 5.8 to 4.3 tons	
	Management	Sprucing up plant sites, monitoring effluent gas and effluent water, ESH training	13	533		
	Research and development	Ecoefficient products and chemical products that use CO ₂ as feedstock	649	3,483	• Release of PRTR-specified substances reduced from 329 to 263 tons	
	Community outreach	Community fellowship and dialog, litter pick-up campaign	0	5		
	Environmental damage	Compensation pursuant to Pollution Health Damage Compensation Law, groundwater purification	1	99		
		Total		3,156	8,449	
Fibers	Combined operating area		441	2,430		
	comprising:	Pollution prevention	Installation of emergency drain pit, modification of absorber to prevent chemical substance release	379	1,131	• Recycling of industrial waste increased from 99.6% to 99.7%
		Global environmental protection	Energy conservation through heat recovery	50	167	
		Resource circulation	Recycling to feedstock, recycling to valuable material	11	1,131	
	Upstream and downstream	Green Procurement, recovery of packaging and paper tubes	0	41		
	Management	Tree planting on plant grounds, training, ISO inspection	4	75		
	Research and development	Resource conservation technology, recycling technology	0	31		
	Community outreach	Community fellowship and dialog	0	7		
	Environmental damage	—	0	0		
		Total		445	2,585	
Electronics	Combined operating area		109	303		
	comprising:	Pollution prevention	Deodorization equipment, effluent gas and wastewater treatment equipment	84	92	• Industrial waste for final disposal reduced from 17 tons to 1 ton
		Global environmental protection	Replacement of thermal insulation on steam pipes, installation of energy conservation equipment	12	9	
		Resource circulation	Treatment of industrial waste, reduction of power consumption through equipment modification	13	202	
	Upstream and downstream	Reuse and recycling of containers and packaging	0	109		
	Management	Maintenance and operation of environmental management system	9	93		
	Research and development	Products with reduced environmental burden	0	20		
	Community outreach	Cleaning activity	0	1		
	Environmental damage	—	0	0		
		Total		118	526	

Note: Sums may not equal totals due to rounding.

Corporate citizenship

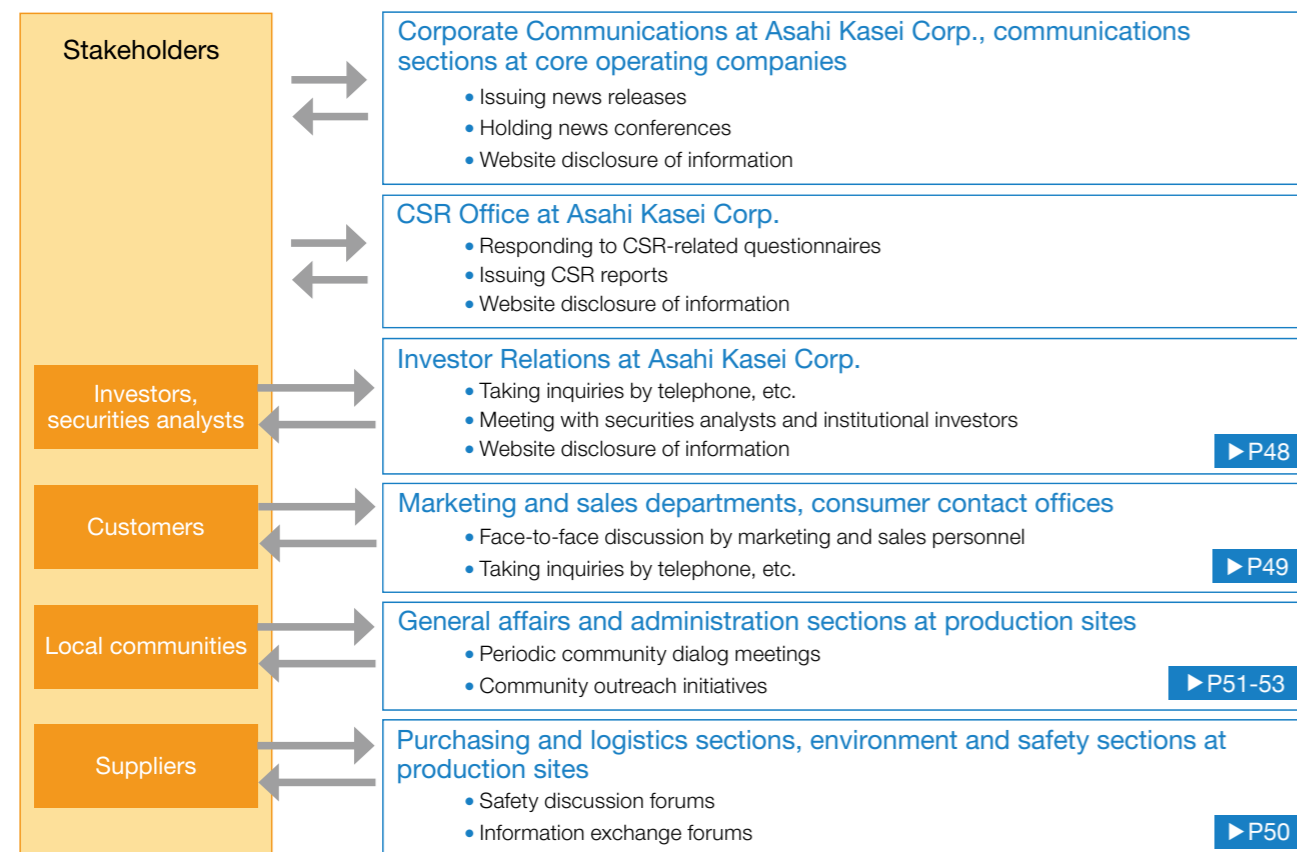


Stakeholder dialog	47
Investor relations	48
Customer relations	49
Principled supplier relationships	50
Public outreach	51
Community fellowship	52

A favorable relationship is maintained with interested parties throughout the world 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. In the holding company, Investor Relations is responsible for dialog with investors, and Corporate Communications is responsible for dialog with the media. At each production site, the general affairs and administration section is responsible for dialog with the local community. Where a core operating company sells final products for consumer use, customer hotlines and contact offices are responsible for dialog with the consumer.



Establishment of Information Disclosure Policy

In July 2008, we established an Information Disclosure Committee with the executive for Corporate Strategy serving as chair and adopted an Information Disclosure Policy. In our communication with stakeholders and with the general public, we strive for dialog which fosters a relationship

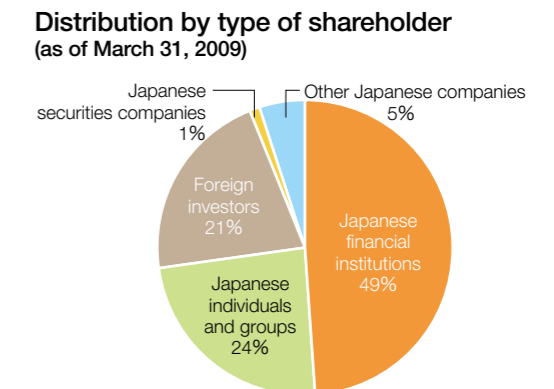
of trust, promoting greater understanding of the Asahi Kasei Group, to increase brand strength and heighten corporate value. Please refer to www.asahi-kasei.co.jp/asahi/en/ir/disclosure.html for more details.

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 130 thousand shareholders. At the end of March 2009, approximately 49% of our shares were held by Japanese financial institutions, 24% by Japanese individuals and groups, and 21% by foreign investors.



Meetings with institutional investors and securities analysts

In fiscal 2008, Investor Relations held 269 meetings in Japan with institutional investors and securities analysts, including large conferences to discuss quarterly financial results. A further 107 meetings were held with investors and analysts overseas, with total cumulative attendance of some 1,466 for the 376 meetings. This includes attendance at conferences held by securities firms both in Japan and overseas.



Naomitsu Fujita, General Manager, IR (right), meets with a securities analyst

Seminars for individual investors

To provide individual investors with a better understanding of the operations of the Asahi Kasei Group, several seminars were held with a total of 2,188 individual investors in attendance, including one in Osaka in July 2008 featuring a presentation by President Hiruta, attended by some 560 individual investors.



Seminar for individual investors

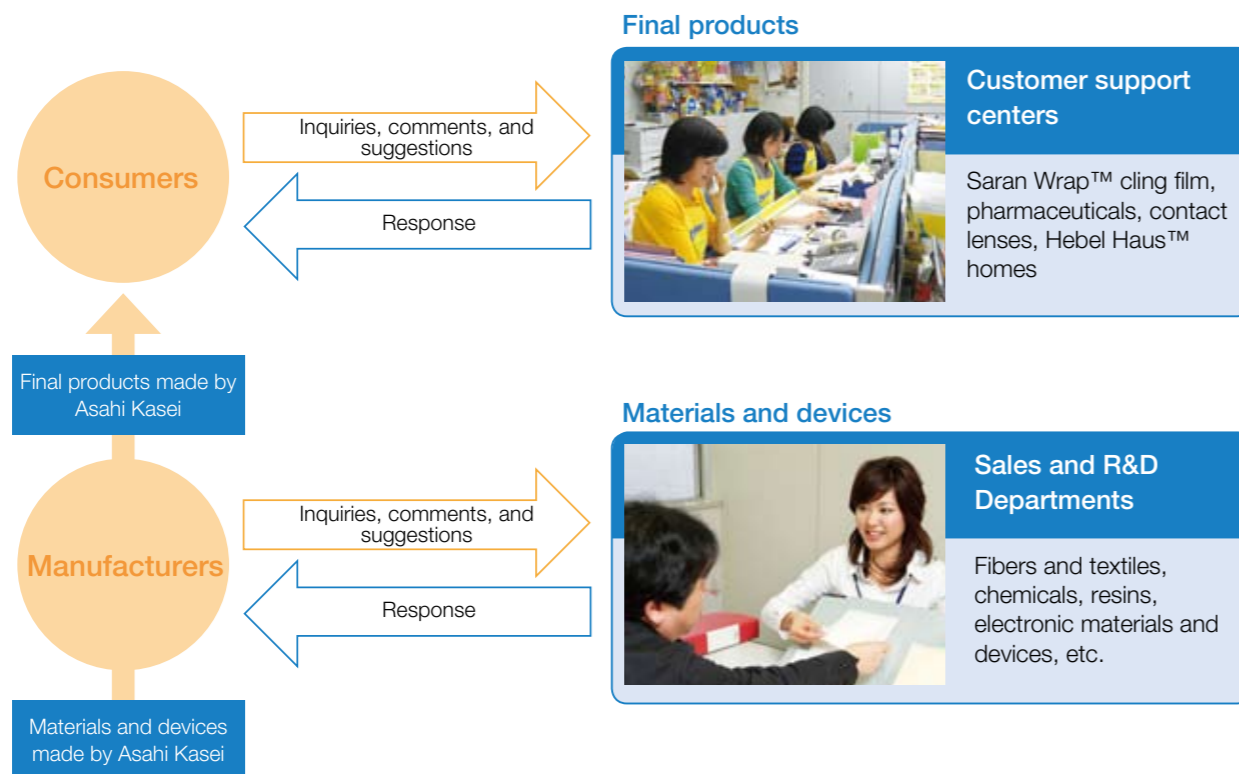
Customer relations

We highly value frank and honest customer feedback as vital to our effort to provide value in products and services. It is only through customer satisfaction with our products and services that the value they hold is translated to the general public and contributes to general progress.

Communication with customers

We have consumer support centers to take inquiries and respond to complaints by our customers on our products including Saran Wrap™, contact lenses, and pharmaceuticals. For Hebel Haus™ homes, we have Home Service Departments at each sales branch to respond to inquiries from homeowners. For resins,

chemical products, materials, and devices for use by industry, our sales representatives share the feedback received from customers with researchers in technical departments, and often use it as the basis for product modification and improvement.



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.

Purchasing and Procurement Policy

Corporate purchasing is based on the tenets of transparency, fairness, and equality with suppliers, with extensive information gathering, a strategic perspective, and a global outlook to ensure that the best possible products and services are obtained. The

CSR-related performance of suppliers is a primary consideration in their selection, and transactions are made based on a comprehensive evaluation thereof.

Principal aspects of supplier evaluation

- Financial soundness, sustainable supply
- Compliance
- Management philosophy, management policy
- Safety
- The environment
- Human rights
- Workplace hygiene
- Competitive pricing
- Product quality, technological innovation
- On-time delivery
- Information disclosure
- Risk management
- Personnel training and development
- Corporate citizenship

Gaining understanding for CSR

Following up on our issuance of a proclamation of our Purchasing and Procurement Policy to our 7,500 suppliers in 2005, and our CSR Procurement questionnaires conducted every year since 2006, we performed visits with suppliers and sent them related documents to obtain a deeper understating of our procurement principles and our CSR initiative.

In these and other efforts, we will maintain an ongoing dialog to ensure that we have the full understanding and support of our suppliers, together with an ongoing review of our efforts to ensure adequacy and effectiveness.

Kiyoshi Rurigaki
General Manager
Corporate Procurement & Logistics
Asahi Kasei Corp.



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 Nobeoka

Public outreach

We work to honor and respect the local customs and 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, and other facilities for public use and enjoyment, and hosting a variety of events.



Meeting with a local residents association (Kawasaki, Kanagawa)

Plant tours

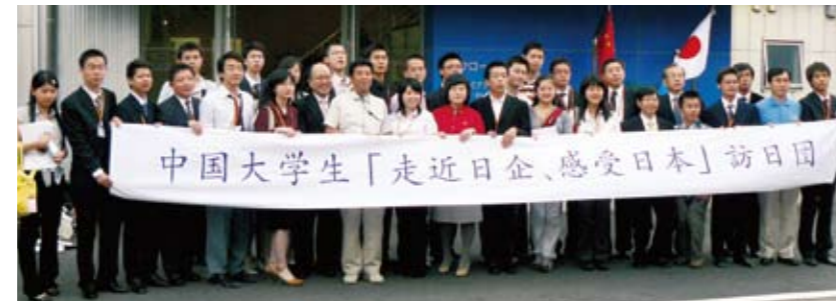
We offer plant tours in Nobeoka, Mizushima, and other major plant locations to obtain a better understanding of our operations and the measures we implement for the environment and safety.



An early morning plant tour and a breakfast for elementary school students (Nobeoka)



A plant tour for junior high school students (Mizushima)



A group of college students from China visiting our water treatment membrane plant (Fuji)

Neighborhood clean-up and tree planting

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



Litter pick-up in Moriyama



The third phase of planting the Asahi Forest in Nobeoka

Community fellowship

Our basic commitment for community fellowship is reflected in our Community Fellowship Policy, and our wide range of community-rooted initiatives for learning and growth, sports and culture, and environment and ecology, in accordance with our Guiding Concept of broadening horizons and opening pathways, and our Basic Framework of education and development of the next generation.

Basic commitment

Community Fellowship Policy

Guiding Concept

Broadening horizons, opening pathways

Basic Framework

Education and development of the next generation

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

Education and development of the next generation

School visits and science lab for students

The Asahi Kasei Group has engaged in school visits to promote understanding and heighten interest of science technology among elementary, middle, and high school students.

This program began in 1999, with a visit of engineers from our operations in Nobeoka to

explain and demonstrate some of the science and technology used in commercial application, at a middle school in Nobeoka area, in cooperation with the Nobeoka Board of Education. We have expanded the program throughout the Asahi Kasei Group to include other locations where we have plants and offices.



One of 22 school visits in the Nobeoka area (attended by 700 students total)



Participation in a chemistry exhibition in Tokyo



Science lab in Fuji

Sports

Asahi Kasei has long supported athletic activity and maintains top-tier judo and track teams, with nearly forty 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, middle, and high school students by members of our corporate judo and track teams.



Track lesson for elementary school students in Nobeoka



Asahi Kasei employee Masato Uchishiba won the men's 66 kg gold medal at the Beijing Olympics. (photo: Photo Kishimoto)

Academic grants for five universities in Zhejiang, China

Since 1998, we have provided scholarships to students and research grants to teachers of the Japanese Language Departments at five universities in Zhejiang. In 2008, a ceremony for awarding the grants was held at Zhejiang University, together with a presentation introducing Asahi Kasei and describing work at a Japanese company to the students and teachers of Japanese gathered there.



Scholarship award ceremony at Zhejiang University

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 includes musical and dramatic events, support for local cultural promotion, and fostering familiarity with and understanding of folk culture.



Gerhard Oppitz Recital (photo: *The Yukan Daily*)

Support for victims of the Great Sichuan Earthquake in China

To support victims of a major earthquake which hit the Sichuan Province in China in May 2008, the Asahi Kasei Group donated a total of ¥15 million as relief money – ¥10 million through the Nippon Keidanren and ¥5 million through one of our subsidiaries in China.

We also donated 3,500 continuous renal replacement therapy (CRRT) sets including blood

tubes and 1,200 dialyzers, for the treatment of medical problems such as “crush syndrome” which affects people who have been trapped under wreckage.



A CRRT unit

Respect for employee individuality



Human Resources Credo	55
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Balancing work and family life	58
Regular meetings between management and labor	59

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.

Human Resources Credo

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

Human Resources Credo of the Asahi Kasei Group (abbreviated)

Commitment	Providing the venue for dynamic and fulfilling endeavor and accomplishment, as a key to development and growth of the Asahi Kasei Group
People	<ul style="list-style-type: none"> • Enterprise and growth through challenge and change • Integrity and responsibility in action • Respect for diversity
Leaders	<ul style="list-style-type: none"> • Building the team, heightening performance and achievement • Going beyond conventional boundaries, in thought and action • Contributing to fellow development and growth

Established in March 2006



Purpose of the Human Resources Credo

The Asahi Kasei Group is entering into a new phase of expansion and growth, guided by the *Growth Action - 2010* business plan. From the executive management to each individual employee, seeking challenges with new ideas and initiative will bring corporate success together with a sense of personal accomplishment. The Human Resources Credo elucidates the base of common values and principles shared throughout the Asahi Kasei Group. Corporate growth and public contribution are made possible by the consistent application of this Credo in day-to-day work.

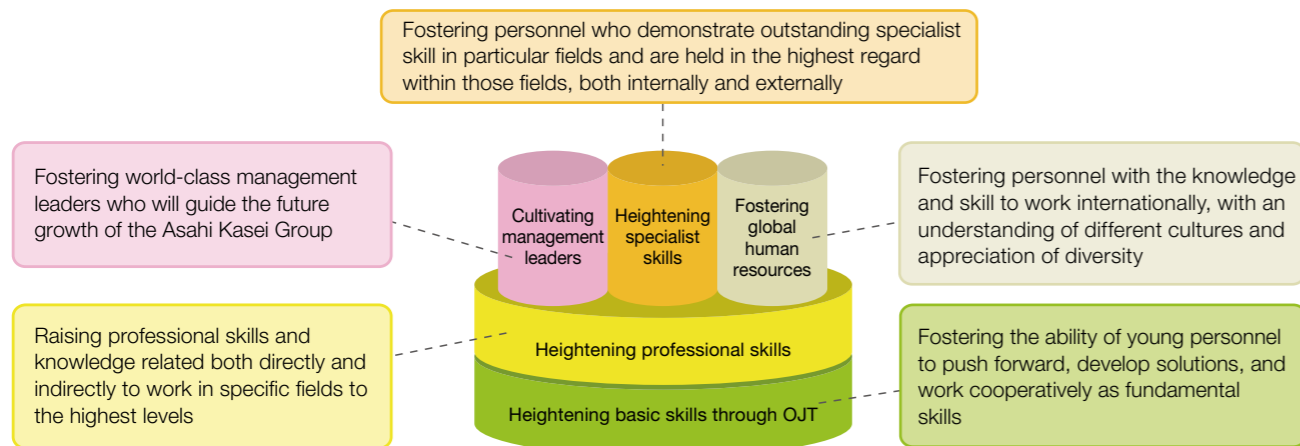
Kiyoshi Tsujita
Executive for Human Resources
Director, Senior Executive Officer
Asahi Kasei Corp.

Human resources development

Two-foundation, three-pillar structure

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.



Career development training and support

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

Revision of system for administrative positions

In October 2008, we revised our system for employees in administrative positions (heads of sections and departments) from one of rank-based grades to one based on category of role in each post. The new system enables the importance of each post to be more clearly reflected and better engenders the positioning of the most suitable person in each post.

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. Currently, 104 Group Masters are designated: Three as Group Fellows, twenty-seven as Senior Group Experts, and seventy-four as Group Experts, with rank and remuneration commensurate with executive officer, department general manager, and section manager, respectively.

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. Positions are posted quarterly, with a steady stream of postings, applications, and transfers completed. The system has proven to be a valuable tool to help heighten personnel interchange within the Asahi Kasei Group.

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.

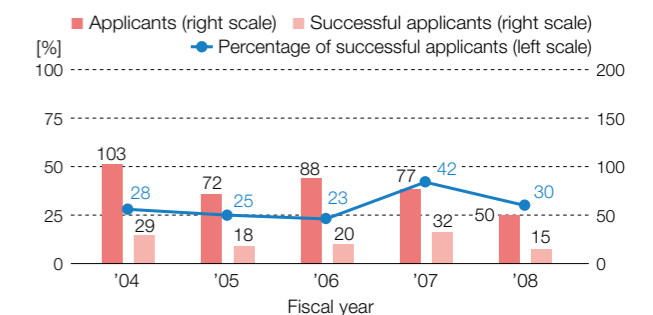
Overseas study

Each year personnel are dispatched for overseas study as part of the effort to develop the skills and abilities needed to do business in the globalized operating environment.

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.

Position postings and transfers¹



¹ 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 FY04-07 and by Asahi Kasei Medical Co., Ltd. in addition to those companies for FY08.

Valuing diversity

Corporate HR & Labor Relations leads the effort to ensure against unreasonable discrimination on the basis of gender or otherwise, to maintain a workplace culture in which employee fulfillment and working performance are free from hindrance, to advance employment of persons with disability, and to rehire personnel after mandatory retirement.

Fiscal 2009 hiring

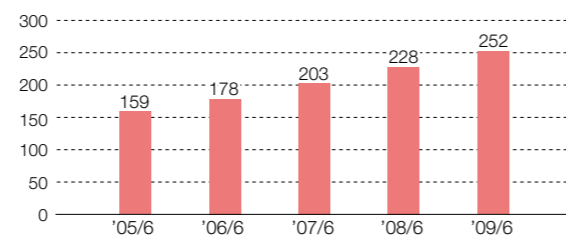
In April 2009, 599 new graduates were hired, 469 men and 130 women. In addition, 195 persons were

hired in mid-career between April 2008 and March 2009.¹

Expansion of opportunities for women

We established EO Promotion in 1993, 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 252 in June 2009, and the variety of posts where women are assigned continues to expand.

Number of women as managers²



Preventing sexual harassment

Sexual harassment in the Asahi Kasei Group is clearly prohibited 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 serves as a central point of consultation for the Asahi Kasei Group, and

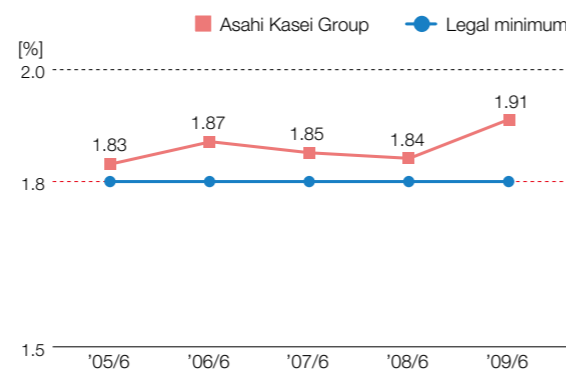
consultation centers have been established in each core operating company, at each operating site, and by each labor union.

Training and consultation is not limited to regular full-time employees, but includes staff from placement agencies and employees of affiliated companies.

Employment of persons with disability

Our employment of disabled persons stood at 422 employees as of June 1, 2009, or 1.91% of the 22,109 employees of Asahi Kasei Corp. and certain subsidiaries. The rate of disabled personnel has exceeded the legal minimum since 1994. The legal minimum has been 1.8% since 1998. 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, gardening, and cleaning, with offices in Tokyo, Fuji, Mizushima, and Nobeoka. Of our 422 personnel with disability in June 2009, 240 were employed at Asahi Kasei Ability.

Rate of disabled personnel³



Gold Medals at the National Abilitympics

Five employees of Asahi Kasei Ability participated in the 30th National Abilitympics (co-hosted by Chiba Prefecture and others) held at Makuhari Messe in Chiba in October 2008. Of the five, Ryuichi Kanafuji and Tomoe Hashino, both from the Mizushima Office of Asahi Kasei Ability, won Gold Medals, in PC Assembly and DTP, respectively.



Ryuichi Kanafuji (left), Gold Medalist in PC Assembly, and Tomoe Hashino (front), Gold Medalist in DTP

Rehiring retirees

We have instituted a program to enable the rehiring of union members after mandatory retirement, providing the opportunity for motivated persons

with valuable skills and experience to continue to work.

Balancing work and family life

Avoiding overwork and utilizing paid days off

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 2008 we launched an intranet site promoting appropriate working hours to complement the many ongoing measures to raise awareness and provide support in this regard.

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. We have prepared an Action Plan in accordance with Japan's Act on Advancement of Measures to Support Raising Next-Generation Children, and have established an environment for full awareness and smooth operation of the plan.



Handbook for employees expecting or raising children

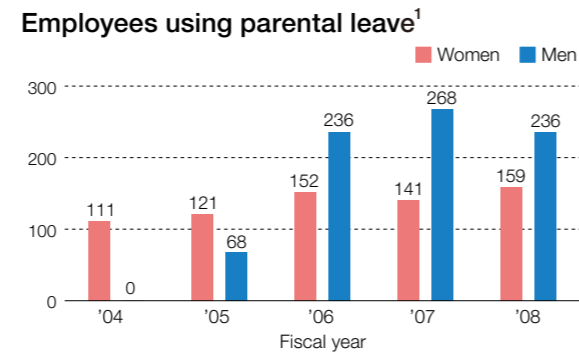
¹ Totals for Asahi Kasei Corp. and its core operating companies. Not including persons hired by other consolidated subsidiaries or hired as contract employees.

² 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., and Asahi Kasei Construction Materials Corp. for 05-07, by Asahi Kasei Medical Co., Ltd. in addition to these companies for 08-09, and by Asahi Kasei E-materials Corp. in addition to those companies for 09.

³ Results as of June 1 each year. For June 1, 2009, results for Asahi Kasei Corp., Asahi Kasei Chemicals Corp., Asahi Kasei Homes Corp., Asahi Kasei Pharma Corp., Asahi Kasei Kuraray Medical Co., Ltd., Asahi Kasei Fibers Corp., Asahi Kasei Microdevices Corp., Asahi Kasei Construction Materials Corp., Asahi Kasei E-materials Corp., Asahi Kasei Amidas Co., Ltd., Asahi Kasei Engineering Co., Ltd., Asahi Kasei Electronics Co., Ltd., Asahi Kasei Microsystems Co., Ltd., and Asahi Kasei Ability Corp.

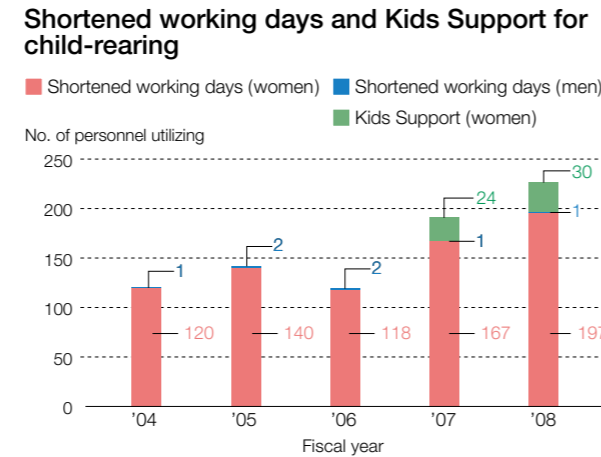
Parental leave

Our parental leave is available through the fiscal year in which the child turns three years old. In fiscal 2008, 395 personnel utilized parental leave, 236 men and 159 women. This is 40% of the men who qualified.



Utilization of shortened working days for child-rearing

Employees are able to utilize shortened working days 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 for employees with children in the first and second grades of elementary school to similarly work shortened working hours. These provisions may be used concurrently with “flex-time” for flexible working hours, and with “child-rearing time” for temporary absence during the working day to spend time with a child under the age of one year.



Leave of absence for family care

In fiscal 2008, six personnel utilized leave of absence for family care. This provision enables a leave of up to one year for the purpose of attending to a

family member who requires care. An additional 93 working days of leave for the same purpose can also be utilized.

Open Office Day in Tokyo

The third “Open Office Day” in Tokyo was held in August 2008, part of an ongoing program in accordance with our basic framework of “education and development of the next generation.”

Employees at the several Asahi Kasei Group offices in Tokyo brought their children to visit their workplaces and gathered at our Head Office to observe and take part in a variety of science and technology demonstrations and experiments. A total of 279 parents and children, of 102 families, took part.



Open Office Day held in Tokyo

Regular meetings 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 August 2008, 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.

¹ 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 FY 04–07, and by Asahi Kasei Medical Co., Ltd. in addition to those companies for FY 08.

Third-party awards and recognitions

Awards received in FY 2008

Award/recognition	Awarded/certified by	In recognition of	Recipient*
56th Asahi Advertising Award	The Asahi Shimbun Company	Corporate advertising	Asahi Kasei Corp.
75th Mainichi Advertising Design Award, Grand Prize	The Mainichi News Papers	Corporate advertising	Asahi Kasei Corp.
ASP/SaaS/ICT Outsourcing Awards, IDC First Prize	ASP/SaaS Industry Consortium	Data center with outstanding security, environmental efficiency, etc.	Asahi Kasei Networks Corp.
32nd Safety Award	Japan Responsible Care Council, Japan Chemical Industry Association	Exemplary safety program	Japan Elastomer Co., Ltd.
2008 National Invention & Innovation Award	Japan Institute of Invention and Innovation	Development of catalyst for direct oxidative esterification process for MMA production	Asahi Kasei Chemicals
21st Tokyo Shimbun Advertising Award – Readers' Selections, Technology for Living Award	The Tokyo Shimbun	Corporate advertising	Asahi Kasei Corp.
61st Dentsu Advertising Award, Newspaper Advertising	Dentsu Inc.	Corporate advertising	Asahi Kasei Corp.
24th Yomiuri Advertising Award, Silver Prize	The Yomiuri Shimbun	Corporate advertising	Asahi Kasei Corp.
President's Award	Japan Organization for Employment of the Elderly and Persons with Disabilities	Vocational and social independence for disabled personnel	Asahi Kasei Ability Corp. Fuji Office
Technology Award	Japan Association of Ion Exchange	Development and industrialization of ion membranes and modules for ultrapure ion adsorption	Asahi Kasei Chemicals
28th Newspaper Advertising Award, Superior Merit	Advertising Committee, Japan Newspaper Publishers & Editors Association	Corporate advertising	Asahi Kasei Corp.
2008 Award for TPM Excellence (category A)	Japan Institute of Plant Maintenance	Continuous production system efficiency, prevention of accidents	Asahi Kasei Chemicals Kawasaki Works and Mizushima Works
2008 Award for Excellent PM Product (effectiveness)	Japan Institute of Plant Maintenance	Diagnosis of remaining service life of high-voltage motors	Asahi Kasei EIC Solutions Corp.
Economy, Trade and Industry Minister's Award	The High Pressure Gas Safety Institute of Japan	Superior safety measures in the production of high-pressure gas	Japan Elastomer Co., Ltd. Oita Plant
2008 Award for Excellent IR	Japan Investor Relations Association	Rich information disclosure	Asahi Kasei Corp.
2008 Japan Industrial Advertising Awards, Category 1 Series Ads, Second Prize	The Nikkan Kogyo Shimbun, Ltd.	Corporate advertising	Asahi Kasei Corp.
48th "Advertisement Beneficial to Consumers" Contest, Bronze Prize for 16-second or longer TV commercial	Japan Advertisers Association Inc.	Corporate advertising	Asahi Kasei Corp.
Work-Life Balance Awards, Award for Excellence	The Council for Promotion of Work-Life Balance, Japan Productivity Center	Promotion of male employees' parental leave	Asahi Kasei Corp.
Minister of the Environment's Award for Environmental Advertising	Nikkei Inc.	Corporate advertising	Asahi Kasei Corp.
Investor Relations Advertising Award	Nikkei Inc.	Financial reporting	Asahi Kasei Corp.
First Prize in Category (materials, energy, industrial equipment)	Nikkei Inc.	Corporate advertising	Asahi Kasei Corp.
Environmental-rating finance system, Special Award for the highest rating	Development Bank of Japan Inc.	Environmentally friendly companies	Asahi Kasei Corp.
Minister's Award	Ministry of Knowledge Economy, South Korea	Productivity innovation and cost reduction	Tong Suh Petrochemical Corp., Ltd.
Superior Merit for Newspaper Advertising	Fujisankei Communications Group	Corporate advertising	Asahi Kasei Corp.
57th Chemical Technology Award	The Chemical Society of Japan	Catalyst technology and process development for production of methyl methacrylate (MMA) by direct esterification	Asahi Kasei Chemicals

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

Independent Review

[translation from Japanese]

July 28, 2009

Japan Responsible Care Council
Verification Advisory Committee
Chairman
Akio Yamamoto

Responsible Care Verification Center
Chief Director
Saburo Nakata

To: Shiro Hiruta, President
Asahi Kasei Corporation

Scope and Objectives of Verification

Responsible Care Report Verification was performed by Responsible Care Verification Center with respect to the *Asahi Kasei Group CSR Report 2009 Edition* ("the Report") prepared by Asahi Kasei Corporation, with the objective of expressing an opinion as a chemical industry specialist with respect to the following:

1. Reasonableness of methods of calculation and aggregation of performance metrics (numerical values), and the accuracy of numerical values.
2. Consistency of reported information other than performance metrics (numerical values) with supporting documents and materials.
3. Evaluation of Responsible Care 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 and receipt of internal documents and explanation thereof from these responsible parties and compilers.
- At the Suzuka Plant of Asahi Kasei Chemicals: Examination of the reasonableness of methods of calculation and aggregation of performance metrics reported to the head office, examination of the accuracy of numerical values, and confirmation of the consistency of reported information with supporting documents and materials were performed through interviews of responsible parties and compilers of the Report and receipt of internal documents and explanation thereof.
- Performance metrics 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.
 - Performance metrics at the head office and the Suzuka Plant of Asahi Kasei Chemicals have been calculated and aggregated by a reasonable method. The intranet-based Environmental Performance Data Collection System, which was introduced in the fiscal year under review, provides functions for checking for incorrect entries and calculations. We regard it as an outstanding company-wide data collection system. Minor improvements to the system will further improve its usability.
 - Performance metrics within the scope of examination have been calculated and aggregated accurately.
2. Consistency of reported information other than the performance metrics with supporting documents and materials.
 - Information contained in the report was confirmed to be consistent with supporting materials. Some minor issues related to appropriateness of expression and ease of understanding were identified in the draft stages, but these are rectified in the present Report and no important matters warranting correction are believed to exist at present.
3. Evaluation of Responsible Care (RC) measures.

Of particular note:

 - The Plan-Do-Check-Act flow is appropriately implemented in RC including environmental protection, management of chemical substances, operational safety, and avoidance of workplace injuries.
 - Employee benefit programs, investor relations, and local community dialog and interaction are all excellent.
 - The Suzuka Plant is proactively engaged in interaction with and contribution to local communities through tree planting, periodical replanting of flowers in flowerbeds along local streets, and installation of a water treatment system for supply of drinking water to local residents in the event of a natural disaster.
 - Successful in emotional care of personnel.
4. Characteristics of the Report.
 - The Report is particularly noteworthy in that it shows products that ensure highly effective CO₂ reduction when their entire life cycles are viewed. The Report is also excellent in that negative information is also given and considerations are given to its understandability and readability.

Environmental and safety data

Universal Principles of the Global Compact

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 Standards	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.
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.

Environmental and safety data

JEPIX-method ecoefficiency

Fiscal year	2001	2002	2003	2004	2005	2006	2007	2008
Environmental impact (million EIP)	50,723	49,799	43,162	33,968	33,796	31,578	22,535	22,703
Sales (¥ million)	1,195,393	1,193,615	1,253,534	1,377,697	1,498,620	1,623,791	1,696,789	1,553,108
Eco efficiency (¥/EIP)	23.6	24.0	29.0	40.6	44.3	51.4	75.3	68.4

FY 2008 treatment and disposal of industrial waste¹ by operating segment

(thousand tons)

	On-site				Effluent	Off-site		
	Waste generated	Recycling	Volume reduction	Landfill		Recycling	Volume reduction	Final disposal
Chemicals	158.6	27.3	9.4	0.0	121.8	105.5	10.9	4.2
Homes	5.2	0.0	0.0	0.0	5.2	5.2	0.0	0.0
Health Care	7.5	0.0	0.6	0.0	6.9	6.4	0.4	0.1
Fibers	34.7	5.3	0.0	0.0	29.3	29.0	0.0	0.3
Electronics	5.9	0.0	0.0	0.0	5.9	3.7	2.0	0.0
Construction Materials	39.6	0.3	0.0	0.0	39.3	35.9	1.7	1.6
Services, Engineering & Others	0.4	0.0	0.0	0.0	0.5	0.5	0.0	0.0
FY 2008 total ²	251.9	33.0	10.0	0.0	209.0	186.4	15.2	6.2
FY 2007 ²	315.6	41.5	79.0	0.0	195.1	170.5	16.8	7.8
FY 2006	293.5	61.7	67.0	0.0	164.8	135.3	16.4	13.1
FY 2005	301.4	63.2	80.2	0.0	158.0	122.5	19.1	16.3
FY 2004	355.4	87.9	107.7	0.0	159.7	124.1	18.2	17.4
FY 2003	424.1	126.3	120.6	0.1	177.1	135.9	17.4	23.8
FY 2002	395.4	53.6	182.9	0.1	158.8	114.7	18.3	25.9
FY 2001	362.9	44.0	183.3	0.1	135.5	98.6	11.4	25.4
FY 2000	361.9	3.5	187.5	0.1	170.8	122.0	21.9	26.8

FY 2008 off-site final disposal waste¹ by category

	Plastic waste	Glass, ceramics	Sludge	Debris	Others	Total
Volume (thousand tons)	3.1	1.7	0.9	0.2	0.2	6.2
Percent of total	50	28	14	4	4	100

¹ Not including waste generated from non-recurring events such as dismantling closed plants or waste generated from dismantling old homes when constructing new homes.

² Not including data for a divested fertilizer plant in Fuji.

Note: All figures are rounded to nearest tenth of a ton (likewise in subsequent tables).

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

Fiscal year	2000	2001	2002	2003	2004	2005	2006	2007	2008
New construction	16.6	8.7	7.1	6.1	5.8	4.9	5.2	3.1	1.6
Dismantling	39.1	19.7	15.0	19.6	17.9	15.0	16.6	13.5	12.7
Total	55.7	28.4	22.1	25.7	23.6	19.9	21.8	16.6	14.4

ALC trimmings recycled by Asahi Kasei Construction Materials (tons)

Fiscal year	2001	2002	2003	2004	2005	2006	2007	2008
Recycled to:								
Hebel™ panels	535	630	749	796	388	429	422	621
Cement material	3,859	4,348	4,183	4,925	5,789	6,940	6,705	5,845
Lightweight artificial soil	0	0	0	790	378	4117	55	114
Total	4,394	4,977	4,932	5,721	6,255	7,487	7,182	6,600

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

Fiscal year	2000	2001	2002	2003	2004	2005	2006	2007	2008
Released	To air	4,724	2,273	1,594	1,457	968	566	381	269
	To water	170	168	117	133	92	87	70	66
	To soil	0	0	0	0	0	0	0	0
	Total	4,894	2,441	1,711	1,589	1,060	653	451	378
Transfer	2,134	1,986	2,685	3,550	4,384	4,211	4,487	4,561	3,710

FY 2008 release and transfer of PRTR-specified substances (tons)

Operating segment	Site	Substance	Release to:			Transfer	
			Air	Water	Soil		
Chemicals	Nobeoka	1,1-Dichloroethylene (vinylidene chloride)	29.7	0.0	0.0	49.0	
		Tetrafluoroethylene	27.1	0.0	0.0	0.0	
		trans-1,2-Dichloroethylene	9.2	0.0	0.0	45.1	
		Boron and its compounds	0.0	9.8	0.0	0.4	
		Toluene	5.7	0.4	0.0	2.8	
		Chloroethylene (vinyl chloride)	5.4	0.0	0.0	48.0	
		Chlorodifluoromethane (HCFC-22)	11.9	0.0	0.0	0.0	
	Mizushima	Styrene	58.9	0.0	0.0	85.1	
		Molybdenum and compounds	0.0	6.3	0.0	0.1	
	Moriyama	Dichloromethane (methylene chloride)	16.4	0.0	0.0	0.7	
	Kawasaki	Ethylbenzene	9.3	0.0	0.0	121.1	
		Methyl methacrylate	12.7	0.4	0.0	88.7	
All specified substances at other sites			59.8	22.4	0.0	2,922.6	
Subtotal			246.1	39.3	0.0	3,363.6	
Homes	Others	Xylene	7.6	0.0	0.0	0.0	
	All specified substances at other sites			2.1	0.0	0.0	0.0
Subtotal			9.7	0.0	0.0	0.0	
Electronics	Nobeoka	Hydrogen fluoride and its water-soluble salts	0.0	19.8	0.0	0.2	
		All specified substances at other sites			1.4	0.1	0.0
	Subtotal			1.4	19.9	0.0	48.6
All specified substances in other segments			11.7	6.4	0.0	297.7	
Total			268.9	65.6	0.0	3,709.9	

Note: • Substances listed are those of which total release was 5 tons or more.
 • All figures rounded to the nearest tenth of a ton.

VOC emissions

Fiscal year	2000 baseline year	2006	2007	2008
Volume (tons)	10,411	4,062	4,056	3,897
Reduction rate (%)	—	61	61	63

Release of air and water pollutants by fiscal year (tons except water effluence, million m³)

	2003	2004	2005	2006	2007	2008
SOx	6,114	7,179	7,073	6,650	7,648	7,551
NOx	4,881	5,356	5,507	5,607	5,737	4,447
Soot and dust	224	211	224	229	200	171
Waste water effluence	249	232	213	214	211	213
COD	1,438	1,549	1,536	1,357	1,389	1,224
Nitrogen	5,960	5,948	6,378	5,493	6,043	5,840
Phosphorus	28	14	12	18	30	30

FY 2008 release of air and water pollutants by site (tons except water effluence, million m³)

	Nobeoka	Mizushima	Moriyama	Fuji	Ohito	Kawasaki	Others	Total
SOx	6,464	523	0	9	5	4	545	7,551
NOx	2,190	1,834	86	15	70	131	121	4,447
Soot and dust	68	72	1	0	4	6	20	171
Waste water effluence	126	35	13	10	1	18	10	213
COD	568	118	13	13	0	370	141	1,224
Nitrogen	4,988	323	13	86	2	410	18	5,840
Phosphorus	10	4	2	4	0	6	4	30

Greenhouse gas emissions by fiscal year (million tons CO₂ equivalent)

	Baseline*	2003	2004	2005	2006	2007	2008
Carbon dioxide	5.06	4.73	4.87	4.96	4.86	5.07	4.29
Nitrous oxide	6.82	0.56	0.90	0.76	0.93	0.35	0.65
Methane	0.00	0.00	0.01	0.01	0.001	0.00	0.00
HFCs	0.16	0.20	0.16	0.02	0.004	0.01	0.03
PFCs	0.01	0.11	0.13	0.14	0.13	0.13	0.13
Sulfur hexafluoride	0.00	0.03	0.03	0.04	0.01	0.02	0.02
Total	12.06	5.63	6.10	5.92	5.93	5.57	5.11

* 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 to FY 2012.

FY 2008 greenhouse gas emissions by operating segment (thousand tons CO₂ equivalent)

	Chemicals	Homes	Health Care	Fibers	Electronics	Construction Materials	Services, Engineering and Others	Total
Carbon dioxide	3,582	9	182	298	108	104	7	4,288
Nitrous oxide	647	0	0	3	0	0	0	650
Methane	0	0	0	0	0	0	3	3
HFCs	28	0	1	2	1	0	0	32
PFCs	0	0	44	0	81	0	0	126
Sulfur hexafluoride	1	0	0	0	15	0	0	16
Total	4,258	9	227	302	205	104	9	5,115

Unit energy consumption

Fiscal year	Energy consumed (million L crude oil equivalent)	Product output, as converted to benchmark product (kt)	Unit energy consumption	Change from previous year
2007	1,516	5,116	0.2963	—
2008	1,438	4,619	0.3114	1.05

Note: Calculated in accordance with the Energy Conservation Law.

Investment in environmental and safety modification (¥ billion)

Fiscal year	2003	2004	2005	2006	2007	2008
Environmental protection	3.10	2.41	2.51	2.08	2.35	3.18
Safety	4.10	5.08	3.26	5.37	7.15	6.74
Total	7.20	7.49	5.77	7.44	9.50	9.92

CO₂ emissions from product shipment

Segment	2006		2007		2008	
	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)
Chemicals	1,000	60,200	983	59,100	809	47,100
Homes	140	18,700	146	18,200	164	20,200
Health Care	16	3,100	11	3,400	7	3,900
Fibers	46	3,500	46	3,300	42	3,100
Electronics	8	7,400	7	5,200	9	5,900
Construction Materials	136	13,500	124	12,200	131	12,700
Total	1,344	106,400	1,316	101,400	1,163	92,900

ISO 14001 certification (94 applicable plants)

Fiscal year	2003	2004	2005	2006	2007	2008
Plants	63	68	85	87	89	90
Percent of total	67	72	90	93	95	96

OHSMS implementation (86 applicable plants)

Fiscal year	2003	2004	2005	2006	2007	2008
Plants	61	73	75	77	77	77
Percent of total	71	85	87	90	90	90

Lost workday injury indices

Fiscal year	2003	2004	2005	2006	2007	2008	
Frequency rate	Asahi Kasei Group	0.20	0.36	0.21	0.36	0.21	0.16
	Chemical industry, Japan	0.92	0.88	0.90	0.88	1.10	0.84
	Manufacturing industries, Japan	0.98	0.99	1.01	1.02	1.09	1.12
Severity rate	Asahi Kasei Group	0.034	0.011	0.005	0.042	0.05	0.006
	Chemical industry, Japan	0.07	0.06	0.07	0.10	0.04	0.07
	Manufacturing industries, Japan	0.11	0.11	0.09	0.11	0.10	0.10

The Asahi Kasei Responsible Care Group

Prefecture	Location	Operating Segment	Company	Plant, laboratory, or department	Main products/business line		
Hokkaido	Shiraoi	Construction	Asahi Kasei Construction Materials Corp.	Shiraoi Plant	Autoclaved aerated concrete panels		
		Materials	Hokkaido Shiba Kogyo Co., Ltd.	–	Construction materials processing		
		Health Care	Asahi Kasei N&P Co., Ltd.	Shiraoi Plant	Functional food additives		
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		
			Asahi Kasei Construction Materials Corp.	Sakai Plant	Autoclaved aerated concrete panels		
		Construction Materials	Neoma Foam Plant	Phenolic foam insulation panels			
			Chuwa Kogyo Co., Ltd.	–	Construction materials processing		
Tanaka Kiko Co., Ltd.	–	Construction materials processing					
Sakai Kako Co., Ltd.	–	Construction materials processing					
Tochigi	Mibu	Chemicals	Asahi Kasei Color Tech Co., Ltd.	Mibu Plant	Plastic coloring & compounding		
Saitama	Kamamoto	Chemicals	Asahi Kasei Techno Plus Co., Ltd.	Saitama Plant	Molded plastic products		
		Ageo	Asahi Kasei Pax Corp.	Ageo Plant	Film lamination		
Chiba	Chiba	Chemicals	Asahi Kasei Chemicals Corp.	Xyron Prod. Dept.	Modified polyphenylene ether		
				PMMA Prod. Dept.	Acrylic resin		
				Chiba Power Supply Dept.	Utilities (electricity, steam, water)		
				Compound Prod. Coordination Dept.	Development of compound production technology, support for processing facilities		
				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	
		Electronics	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		
Services, Engineering and Others	Casnavi Co., Ltd.	–	Building and home fixtures e-marketplace				
		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 Co., Ltd.	Plant, equipment, process engineering				
		Sun Foods Co., Ltd.	Provision of employee meals				
		Asahi Finance Co., Ltd.	Investment, finance				
		Asahi Research Center Co., Ltd.	Information and analysis				
Kanagawa	Kawasaki	Chemicals	Asahi Kasei Chemicals Corp.	Monomers Prod. Dept.	Acrylonitrile, 2,6-xyleneol, methyl methacrylate, cyclohexyl methacrylate		
				ABS & SB Latex Prod. Dept.	Styrene-acrylonitrile resin, styrene-butadiene latex		
				Synthetic Rubber Prod. Dept.	Synthetic rubber		
				Acrylic Plastics Prod. Dept.	Polymethyl methacrylate		
				Ion Exchange Membranes Prod. Dept.	Ion-exchange membranes		
Power Supply Dept.	Utilities (electricity, steam, water)						
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					
Electronics	Asahi Kasei E-materials Corp.	New Business Dev.	Development of energy-related, display, and electronic materials				
		Asahi Kasei Engineering Co., Ltd.	Development, design, and installation of plant and equipment				
Shizuoka	Atsugi	–	Asahi Kasei Corp.	Information Tech. Lab.	Establishment of new solution-oriented businesses		
				Chemicals	Asahi Kasei Chemicals Corp.	Microza Plant	Filtration membranes and modules
					Asahi Kasei Epoxy Co., Ltd.	Fuji Plant	Epoxy hardener
					Asahi Kasei Homes Corp.	Housing Tech. R&D Labs.	Long Life Home R&D
				Health Care	Asahi Kasei Pharma Corp.	Fuji Pharmaceuticals Plant	Bulk pharmaceuticals and trial medicines
				Electronics	Asahi Kasei E-materials Corp.	Electronics Materials Plant	Photosensitive polyimide
						Electronics Interconnecting Materials Plant	Dry film photoresist
						Photoproducts Plant	Photopolymer
						Display Materials Dept.	Polymethyl methacrylate sheet
						New Business Dev.	R&D for electronic and display materials
Services, Engineering and Others	Asahi Kasei Electronics Co., Ltd.	Fuji Plant	Hall elements				
		Asahi Kasei Engineering Co., Ltd.	Development, design, and installation of plant and equipment				
Ohito	Chemicals	Asahi Kasei Clean Chemical Co., Ltd.	–	Environmental chemicals, water treatment equipment			
			Health Care	Asahi Kasei Pharma Corp.	Ohito Pharmaceuticals Plant	Pharmaceutical intermediates	
				Ohito Diagnostics Plant	Diagnostic enzymes, diagnostic reagent kits		
				Engineering Dept.	Design, construction, and maintenance; utilities management		
			Pharmaceuticals Research Center	New pharmaceuticals R&D			
Asahi Kasei Pharma Support Co., Ltd.	–	Subcontracting of animal care for Asahi Kasei Pharma Corp. and printing services					
Services, Engineering and Others	Toyo Kensa Center Co., Ltd.	–	Environmental and other analysis, clinical testing, soil pollution evaluation				
		–	–				
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		

Prefecture	Location	Operating Segment	Company	Plant, laboratory, or department	Main products/business line			
Shiga	Moriyama	Chemicals	Asahi Kasei Chemicals Corp.	Power Supply Dept.	Utilities (electricity, steam, water)			
				Spunbond Plant	Spunbond			
				Roica Plant	Elastic polyurethane filament			
		Electronics	Asahi Kasei E-materials Corp.	R&D Lab. for Applied Product	Evaluation of new fibers, R&D for fiber processing technology			
				Electronics Materials Plant	Photosensitive polyimide			
				Electronics Insulation Materials Tech. & Dev. Dept.	Glass fabric R&D			
				Hipore Plant	Microporous membrane			
				Hipore R&D Dept.	Membranes R&D			
				Asahi-Schweibel Co., Ltd.	Moriyama Plant	Glass fabric		
		Services, Engineering and Others	Asahi Kasei Amidas Co., Ltd.	Moriyama Office	Contract work			
				Asahi Kasei Engineering Co., Ltd.	Moriyama Engineering Dept.	Development, design, and installation of plant and equipment		
		Mie	Suzuka	Chemicals	Asahi Kasei Juuko Co., Ltd.	Shiga Plant	Steel frames	
						Asahi Kasei Chemicals Corp.	Suzuka Plant	Cling film, plastic foam and film
						Suzuka Sun Business Co., Ltd.	–	Plastic processing
		Wakayama	Gobo	Chemicals	Asahi Kasei Chemicals Corp.	Mie Plant	Polystyrene sheet	
Wakayama Plant	Acrylic latex, performance paper							
Osaka	Osaka	Chemicals	Asahi Kasei Finechem Co., Ltd.	Osaka Plant	Specialty chemicals			
Okayama	Mizushima	Chemicals	Asahi Kasei Pax Corp.	Ono Plant	Molded plastic containers			
				Basic Petrochemical Prod. Dept.	Ethylene, benzene			
				1st Monomers Prod. Dept.	Cyclohexanol, ammonia			
				2nd Monomers Prod. Dept.	Acrylonitrile, styrene, polycarbonatediol			
				1st Polymers Prod. Dept.	Acrylonitrile-butadiene-styrene, styrene-butadiene latex, epoxy			
				2nd Polymers Prod. Dept.	High density polyethylene, low density polyethylene, polyacetal			
				Power Supply Dept.	Utilities (electricity, steam, water)			
				Chemistry & Chemical Process Lab.	Research on chemical processes and functional products			
				Catalyst Lab.	Research on monomers and catalysts			
				Sanyo Petrochemical Co., Ltd.	Mizushima Plant	Petrochemical feedstocks		
				PS Japan Corp.	Mizushima Plant	Polystyrene		
				Mizushima Sun Business Co., Ltd.	–	Subcontracting		
				Electronics	Asahi Kasei Epoxy Co., Ltd.	Mizushima Plant	Epoxy	
						Asahi Kasei Engineering Co., Ltd.	Development, design, and installation of plant and equipment	
				Yamaguchi	Iwakuni	Construction Materials	Asahi Kasei Construction Materials Corp.	Iwakuni Plant
Kyowa Kogyo Co., Ltd.	Construction materials processing							
Fukuoka	Chikushino	Chemicals	Asahi Kasei Chemicals Corp.	Chikushino Plant	Metal cladding			
Oita	Oita	Chemicals	Asahi Kasei Chemicals Corp.	Oita Plant	Explosives			
				Japan Elastomer Co., Ltd.	Oita Plant	Synthetic rubber		
		Health Care	Asahi Kasei Medical Co., Ltd.	Sepacell Plant	Leukocyte reduction filters			
				Asahi Kasei Kuraray Medical Co., Ltd.	Dialyzer Plant	Artificial kidneys and other medical devices		
Miyazaki	Nobeoka/Hyuga	Chemicals	Asahi Kasei Chemicals Corp.	Atago Plant	Nitric acid, caustic soda, chlorine, hydrochloric acid, vinylidene chloride resin and latex			
				Electrolysis Systems Plant Tech. Dept.	Electrolyzers for chlor-alkali			
				Ceolus Plant	Microcrystalline cellulose			
				Leona Plastics & Materials Plant	AH salt, adipic acid, hexamethylenediamine, polyamide 66			
				Fastening Prod. Planning & Tech. Dept.	Resin anchors			
				Hyuga Chemicals Plant	Coating materials			
				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 Chemitech Co., Ltd.	–	Resin anchors, detonator housings/leads		
				Asahi Kasei NS Energy Corp.	–	Electricity and steam		
				Asahi Kasei Finechem Co., Ltd.	Nobeoka Plant	Specialty chemicals		
				Nobeoka Pharmaceuticals Plant	Bulk pharmaceuticals			
				Kayaku Japan Co., Ltd.	Tohmi Plant	Industrial explosives		
				Detonator Plant	Detonators			
Health Care	Asahi Kasei Aime Co., Ltd.	Nobeoka Plant	Contact lenses					
		Asahi Kasei Kuraray Medical Co., Ltd.	Tsunetomi Plant	Artificial kidneys and other medical devices				
		Okatomi Plant	Artificial kidneys and other medical devices					
Fibers	Asahi Kasei Fibers Corp.	EV Plant	Hollow fiber for artificial kidneys and plasma component separators					
		Asahi Kasei Medical Co., Ltd.	Planova Plant	Virus removal filters				
		Polyester Plant	Polyester filament					
		Leona Filament Plant	Nylon 66 filament					
		Bemberg Plant	Cuprammonium rayon, nonwoven cellulose filament					
		Nonwovens Plant	Artificial suede, melt-blown and spunlace nonwovens					
		R&D Lab. for Fibers & Textiles Tech.	R&D for new fibers					
		Asahi Kasei Eitas Co., Ltd.	–	Spunbond				
		Asahi Kasei Fibers Nobeoka Co., Ltd.	–	Monofilament, cuprammonium rayon and polyester subcontracting				
		Asahi Kasei Leona Filament Co., Ltd.	–	Packing and shipping of fiber				
Electronics	Asahi Kasei Microdevices Corp.	Asahi Cord Co., Ltd.	–	Tire cord, resin processing				
		Nobeoka Kakoshi Co., Ltd.	–	Subcontracted work at Nonwovens Plant				
		Finepattern Devices Dept.	Fine-pattern coils					
		Fab 1	Hall elements					
		Fab 2	LSIs					
Services, Engineering and Others	Asahi Kasei E-materials Corp.	Pellicle Dept.	Pellicles					
		Asahi Kasei Microsystems Co., Ltd.	LSIs					
		Asahi Kasei Technosystem Co., Ltd.	Plant diagnostic and environmental surveillance devices					
		Asahi Kasei Electronics Co., Ltd.	Hall elements					
		Asahi Kasei EMS Co., Ltd.	Fine-pattern coils					
New Asahi Services Co., Ltd.	Asahi Kasei Engineering Co., Ltd.	Hyuga Plant	Pellicles					
		Nobeoka Plant	Disposing of Asahi Kasei Group industrial waste					
		–	Utilization of Asahi Kasei Group assets, subcontracting					
		–	Insurance agency, cellular phone sales, bowling center					
		–	Development, design, and installation of plant and equipment					
Toyo Kensa Center Co., Ltd.	Nobeoka Office	–	Environmental and other analyses, clinical testing, soil pollution evaluation					
		–	–					

Correspondence with GRI reporting elements and performance indicators

Reporting elements		
1. Strategy and Analysis		Page
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1.2	Description of key impacts, risks, and opportunities.	1,7,9,10
2. Organizational Profile		
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2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	5,17,68
2.4	Location of organization's headquarters.	68
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.	68
2.6	Nature of ownership and legal form.	68
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	9,10
2.8	Scale of the reporting organization.	9,10
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Report Parameters		
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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.	2
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.	23
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3.12	Table identifying the location of the Standard Disclosures in the report.	67
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EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	24,25,64
EN20	NO, SO, and other significant air emissions by type and weight.	27-29, 63,64
EN21	Total water discharge by quality and destination.	29
EN22	Total weight of waste by type and disposal method.	26,62,63
Products and Services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	8
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	26
Overall		
EN30	Total environmental protection expenditures and investments by type.	45,64
Social Performance Indicators		
Labor Practices and Decent Work Performance Indicators		
LA1	Total workforce by employment type, employment contract, and region.	10
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	57-59
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	37,38
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	16, 38-40
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	56
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	57,58
Society		
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	51
SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	15
Product Responsibility		
PR1	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.	41,42
PR2	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.	42
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	41-44

Corporate profile

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Preparing the Report

We have published annual CSR Reports since 2006, with fuller coverage of compliance and corporate citizenship than the Responsible Care Reports and Environmental Reports published previously.

We are now facing a turning point with respect to society, the economy, and the environment. Global warming in particular requires urgent implementation of effective countermeasures based on the culmination of human knowledge. In this context, the Asahi Kasei Group will continue to fulfill its responsibilities as a corporate citizen and strive to enhance information disclosure.