Environmental Protection

Policy and Management Framework

The Asahi Kasei Group Mission states that "we, the Asahi Kasei Group, contribute to life and living for people around the world." Based on this mission, we implement environment, safety, and health (ESH) and quality assurance (QA) activities that recognize health maintenance, process safety, workplace safety and hygiene, quality assurance, and environmental protection as the most important management tasks in all business activities. In July 2022, we revised the Asahi Kasei Group ESH & QA and Health & Productivity Management Policy (). Under this revision, we strive for stable and safe operation while preventing workplace accidents and securing the safety of personnel and members of the community, and are strengthening our environmental safety initiatives.

We aim to gain public understanding and trust by ensuring legal compliance and adopting self-imposed targets to achieve continuous improvement while proactively disclosing information and communicating.

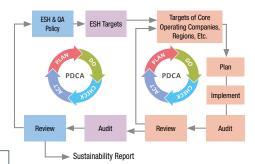
Management Framework



- ESH & QA Implementation Managers (Presidents of SBUs and Core Operating Companies, Senior General Manager of Corporate Research & Development, Senior General Manager of Corporate Production Technology)
- ESH Implementation Managers (Senior General Managers of each Region/Senior General Managers of each Works)

Note: A site or group of sites consisting of several plants and facilities is called a Region or Works

PDCA Cycle for Safety Management





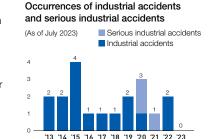
Masatsugu Kawase Director, Senior Executive Officer Oversight for ESH, QA, Regional Offices, Manufacturing, Production Technology Functions

The Asahi Kasei Group, which aims to realize the two mutually reinforcing aspects of sustainability of "contributing to sustainable society" and "the sustainable growth of corporate value," acknowledges that the serious industrial accidents of recent years constitute a serious risk that could undermine our value from the perspectives of public trust, consideration for the environment, the safety of employees and local communities, and our own growth. To prevent such critical accidents, we are striving to enhance process safety technology on a companywide basis and foster a culture of safety, including at subsidiaries and affiliates, while incorporating improvement measures based on audits by experts.

Current Status and Fiscal 2023 Improvement Policy

In fiscal 2022, industrial accidents occurred in April and September, leading to fires that took time to extinguish. In addition, there were 14 minor incidents involving small fires, smoke, and minor leaks of hazardous materials and other substances within plant grounds. In total, 19 industrial accidents, including serious ones, have occurred over the past 10 years.

In light of these circumstances, the ESH & QA Committee convened in July 2023, reaffirming the importance of measures to address industrial accidents and



prevent the spread of fires. At the same time, the committee determined on a policy to work toward understanding conditions at work sites and taking effective measures, given that there is no immediate remedy. In fiscal 2023, we are prioritizing the following three measures based on this policy.

- 1) Prevention of industrial accidents through company-wide promotion and establishment of activities to impart process safety technology
- 2) Prevention of the spread of fires, drawing on standards for the installation of fire prevention and extinguishing equipment in areas at high risk of indoor fires
- 3) Implementation of a PDCA cycle of activities at work sites with the support and collaboration of experts

In addition, we will focus on developing a culture that strengthens two-way communication with the goal of fostering a culture of safety among all employees. To this end, we will promote and ingrain the Life Saving Actions program, a uniform, company-wide safety initiative.

FY2023	Target	Priority Initiatives and Measures
ESH	Nurture a culture of safety	Promotion and ingraining of the Life Saving Actions program (thorough adherence to rules on prohibited behaviors to eradicate serious occupational accidents) Strengthening of two-way communication between management and work sites
	Develop human resources with expertise in ESH	Establishment of Group Masters in ESH and formulation and implementation of succession plans for them
Process Safety	Achieve zero serious industrial accidents	Company-wide promotion of prioritized activities for imparting process safety technology Implementation of highly effective expert audits of work sites
	Prevent the spread of fires	Promotion of standards established with the participation of experts for installation of fire prevention and extinguishing equipment Implementation of effective emergency drills in cooperation with public fire departments

Please see "Process Safety" () for details on these initiatives.