

Q1

How will you leverage diverse management assets to achieve sustainable growth of corporate value?

Answer

We leverage accumulated management assets and combine our diversity and specialty to continuously create innovative products, services, and business models that lead to sustainable growth of corporate value.



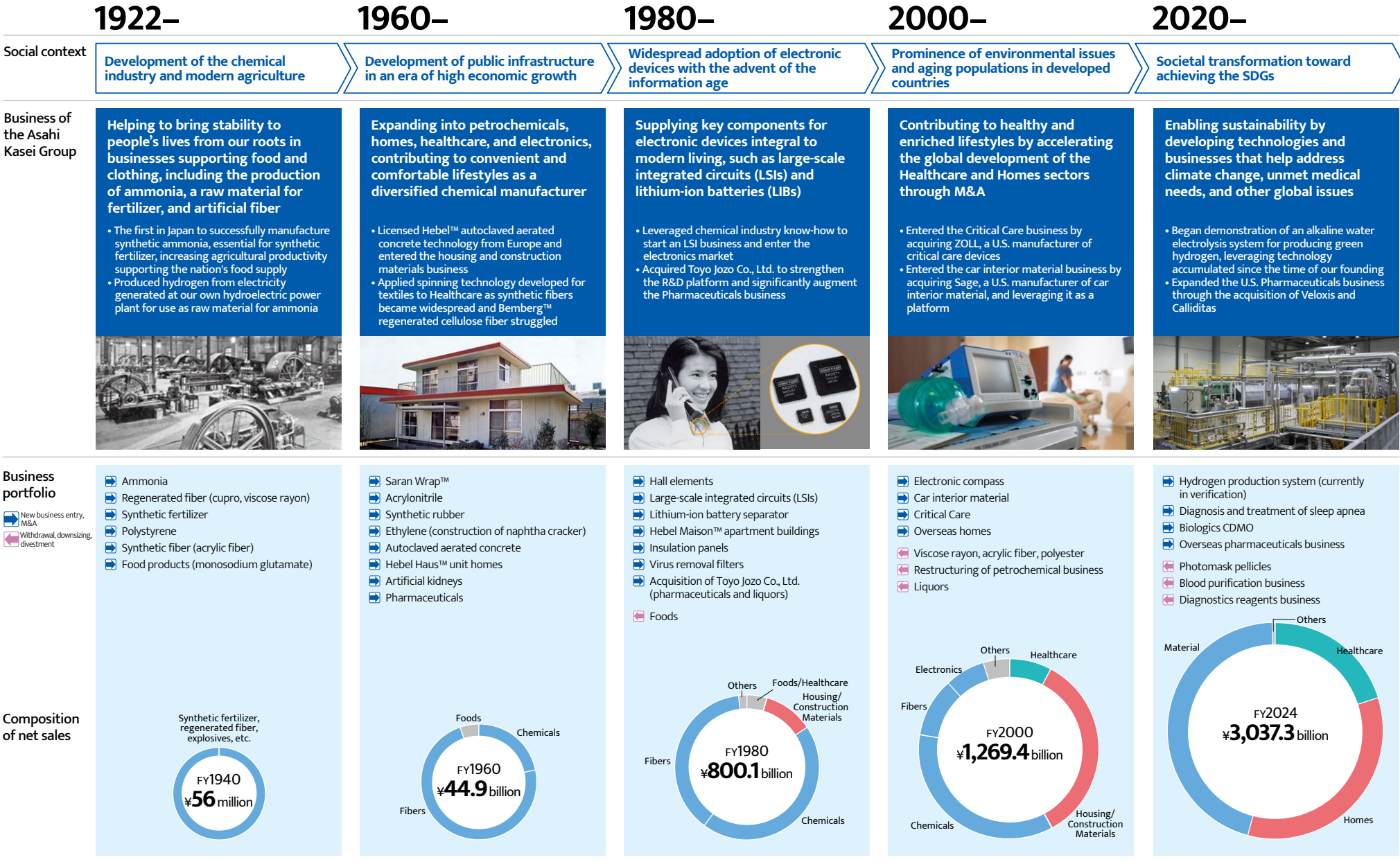
From top to bottom: AED from the Critical Care business (Healthcare sector), house construction site (Homes sector), and pilot plant for hydrogen production in the Energy & Infrastructure business (Material sector)

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Asahi Kasei’s Path of Value Creation

History of business portfolio transformation and growth contributing to solutions to issues in society



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Bold challenges of the past

From a materials manufacturer to revolutionizing homes in the Housing business

A determination to create homes that are a source of happiness

The 1960s were a time when Japan was still in the process of post-war reconstruction. Seeing the European cityscapes where sturdy stone and brick houses had been passed down for generations, Kagayaki Miyazaki, who would later become President of Asahi Kasei, reflected on the fragile housing situation in Japan, where houses are crowded together in urban areas and durability is an issue. Miyazaki felt that something had to be done to improve Japan's living environment. It was this strong determination that became the driving force behind our entry into the Housing business. At the time, however, we were a materials manufacturer and housing was an unfamiliar field for us.

Searching for the ideal without compromise

In the continued search for construction materials for the ideal long-lasting home, Miyazaki explored materials from all over the world and in 1966 formed a technical partnership with Hebel of Germany. After that, through extensive R&D, we succeeded in creating a completely new construction method that combined steel frames and Hebel™ walls to suit Japan's earthquake-prone environment. This marked the birth of highly earthquake-resistant Hebel Haus™. This has enabled us to take on new challenges in housing, such as proposing two-generation homes, which were unusual at the time, and being the first in the industry to offer a 50-year long-term inspection system. As a result, our Housing business has become an industry leader.



The first Hebel Haus™ unit home

From clothing to medicine: Cross-sectoral innovation using core technology

The seeds of technological innovation born from adversity

With the rise of synthetic fibers in the apparel industry in the early 1970s, the Bemberg™ regenerated cellulose fiber business struggled. We decided to seek new avenues of growth by exploring ways to use Bemberg™ technology to contribute to society. Medical devices were found to be a viable option, but the application of technology to the medical field requires an extremely high level of quality because it is directly linked to human life. While this was the most challenging application development in our history, thanks to the technological capabilities of the textile business that we amassed since our founding, we were able to successfully commercialize a product in the remarkable speed of just five years from the start of research.

Turning textile technology into life-saving products

This idea, which took advantage of the structure and properties of fiber, created new value in the sensitive area of blood processing, leading to a full-scale entry into the medical devices business. The hollow-fiber membrane technology established from this challenge later came to fruition as Planova™ virus removal filters. These innovative products improve the safety and productivity of pharmaceuticals and is currently used in the development and manufacturing processes of pharmaceutical companies around the world. The technology for separation using membranes, including hollow-fiber membranes, is called microporous membrane technology. It is being deployed in the environmental and energy fields, such as separators for lithium-ion batteries (LIBs) and alkaline water electrolysis systems for hydrogen production.



Bemberg™ regenerated cellulose fiber (cupro fiber)



Planova™ virus removal filters

Entered the field of Critical Care through large-scale M&A

A transformational acquisition that drew mixed reactions

In fiscal 2012, we spent approximately ¥180 billion, our largest acquisition at the time, to acquire ZOLL, a U.S. manufacturer of Critical Care medical devices. ZOLL's sales in the first year of consolidation were approximately ¥50 billion, leading some to question whether we paid too much. However, we made the acquisition because we saw potential in ZOLL's innovative product portfolio in the field of Critical Care. In particular, the LifeVest™ wearable defibrillator, worn by patients at elevated risk of sudden cardiac arrest (SCA), was a unique product. Our President at the time said, "Asahi Kasei has come this far by starting new businesses. Each time we created a new business, it took determination and accepting some risk." People were persuaded by his strong conviction on the need to acquire ZOLL.

Working to become a Global Healthcare Company

Since the acquisition, ZOLL has grown steadily, with sales reaching ¥370.7 billion in fiscal 2024, approximately quadruple the first year on a U.S. dollar basis. Leveraging this M&A know-how, Asahi Kasei is accelerating its business expansion and globalization in Healthcare, acquiring Danish pharmaceutical company Veloxis in fiscal 2019 and Swedish pharmaceutical company Calliditas in fiscal 2024.



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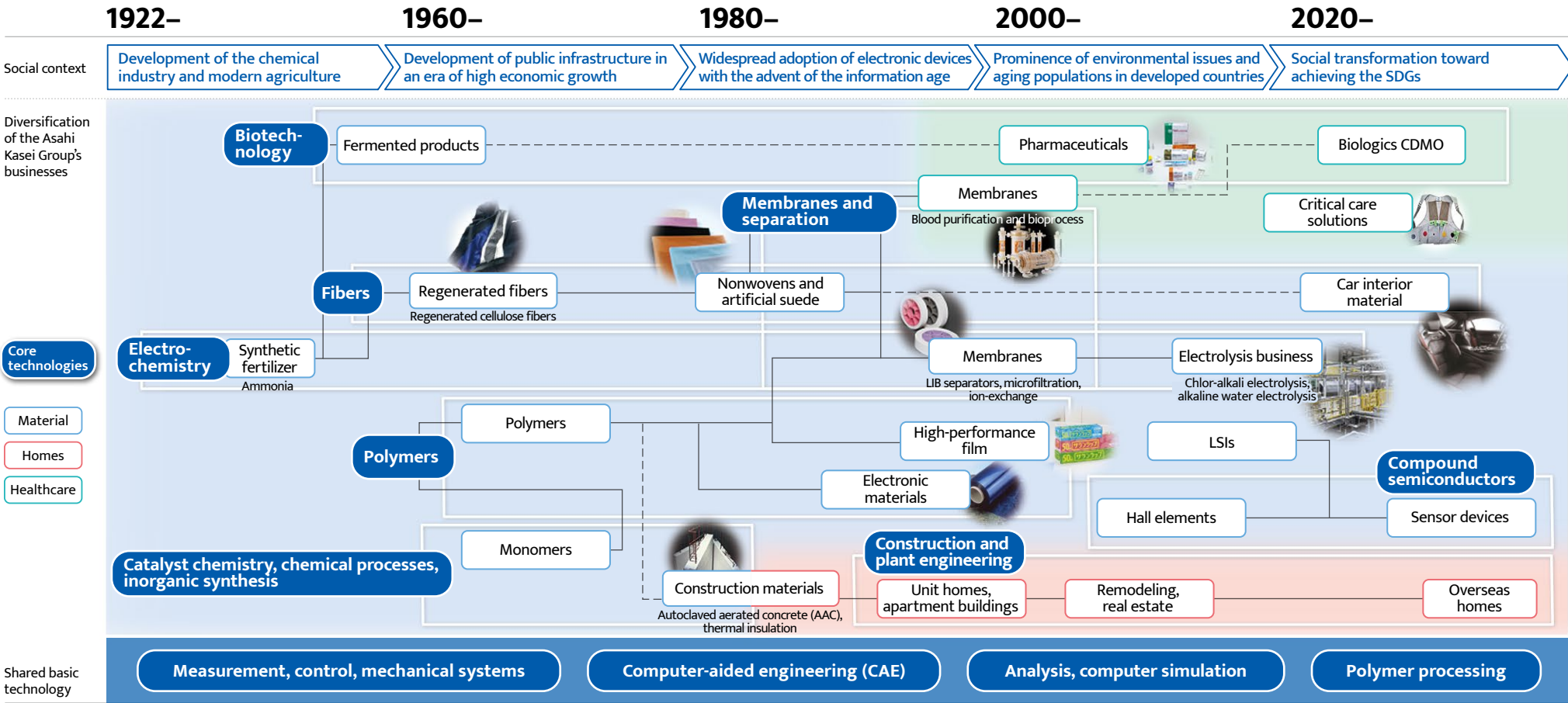
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Diversifying businesses based on core technologies while addressing a variety of issues in society

Our wide range of core technologies, pioneered by our predecessors in their efforts to address issues in society at the various times, have enabled the creation of many businesses. Interconnected at their roots, these technologies continue to serve as the seeds of new technologies, passed down from generation to generation.



Achievements based on technology and IP assets	FY2007	The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology Development of the novel antileukemic drug N4-behenoyl cytosine arabinoside	FY2014	Heroes of Chemistry Award Non-phosgene polycarbonate (PC) production processes using CO ₂ as feedstock	FY2018	German Design Award Special Mention Category 2019 AKXY™ concept car	FY2020	Medal with the Purple Ribbon Development of cyclohexene process for nylon intermediate
	FY2010	The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology Comprehensive research on thrombomodulin as an antithrombotic molecule on vascular endothelial cells	FY2015	Medal with the Purple Ribbon Development of electronic compass and automatic adjustment method	FY2018	Altair Enlighten Award Glass fiber reinforced polyamide 66 pedal bracket	FY2024	Minister of Economy, Trade and Industry Invention Award at the 2024 National Commendation for Invention Invention of dielectric composition that enables higher density in semiconductor packages
	FY2013	The Charles Stark Draper Prize Engineering the rechargeable lithium-ion battery	FY2016	NIMS Award Development of the lithium-ion battery	FY2019	Nobel Prize in Chemistry Development of the lithium-ion battery	FY2025	Imperial Invention Prize at the 2025 National Commendation for Invention Invention of technology using nickel to extend electrode service life

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Asahi Kasei's Path of Value Creation

Stable management through diverse business operations drives new challenges and innovation

Asahi Kasei was once primarily a materials-focused company, centered on businesses such as fibers and chemicals. Over time, the Homes sector grew steadily, and in recent years, the Healthcare sector has been expanding rapidly. This has mitigated the impact of cyclical economic fluctuations, which are typical of materials-related businesses, and we have not recorded a consolidated operating loss during the past 50 years.

This stable profitability has built a strong financial foundation, and we consistently receive an AA rating from domestic credit rating agencies. Moreover, by establishing a strong financial foundation, we are able to undertake bold medium- to long-term capital investments, M&A, and the creation of unique new businesses—opportunities that would be difficult for a single-sector company to seize—without missing the right timing.

Through these initiatives, Asahi Kasei maximizes its diverse management assets and growth opportunities, continuously creating innovative products, services, and business models that are unparalleled. This generates high added value and creates a virtuous cycle that drives further profitability, a cycle that continues to be the key to Asahi Kasei's growth.

Net sales
(¥ billion)

2,500

2,000

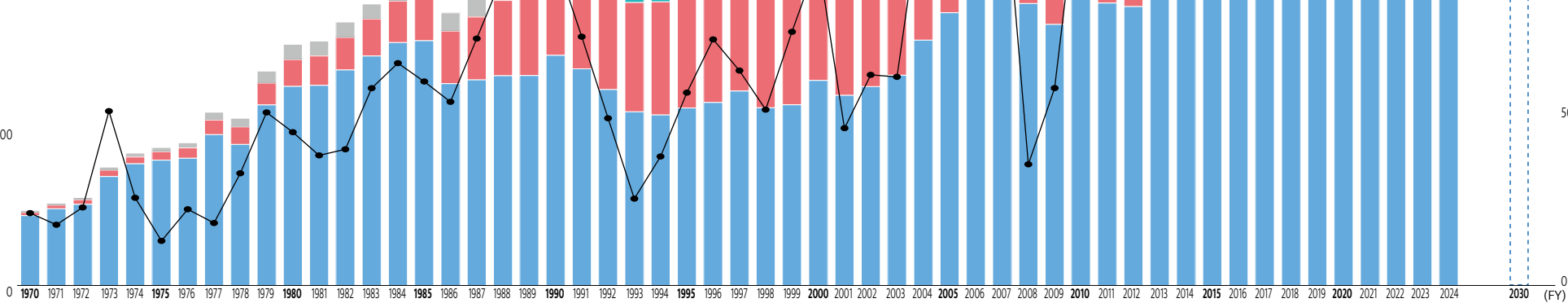
1,500

1,000

500

Net sales and operating income

Net sales ■ Material ■ Homes ■ Healthcare ■ Others
Operating income ●



Notes: 1. Non-consolidated figures are shown through fiscal 1976; consolidated figures are shown from fiscal 1977.
2. Color-coded sales are based on classifications at the time of disclosure; results of healthcare-related businesses through fiscal 1988 are included in "Others."

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Value Creation Model

An ecosystem based on diverse management assets and unique business portfolio management

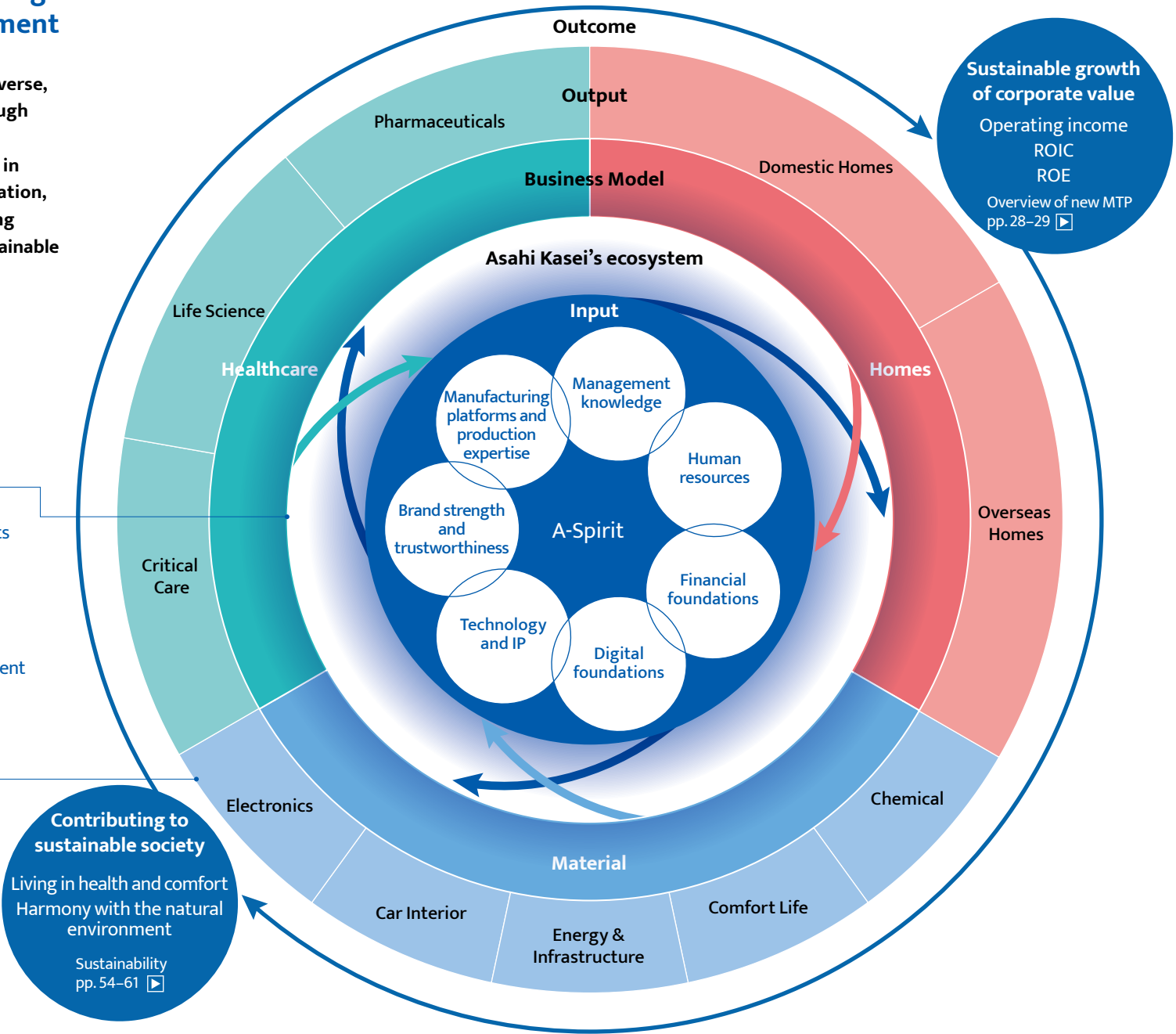
In the process of business portfolio transformation, Asahi Kasei has built an unrivaled ecosystem from diverse, high-quality management assets. Furthermore, through business portfolio management that accomplishes continuous transformation, we provide unique value in a wide range of fields. Through this diverse value creation, we pursue a virtuous cycle of two mutually reinforcing aspects of sustainability: namely, contributing to sustainable society and sustainable growth of corporate value.

(1) Asahi Kasei's ecosystem

Each business sector shares and flexibly utilizes the management assets that Asahi Kasei has cultivated over its history of more than a century to create new value. These wide-ranging management assets include financial foundations based on earnings generated by diverse businesses, diverse human resources, technology, and IP, management knowledge for business portfolio management and M&A, and brand strength and digital foundations.

(2) Business portfolio management

We manage our business portfolio with the aim of maximizing sustainable value from both financial and non-financial perspectives. We utilize a management cycle that includes business evaluation, resource allocation, investment decisions, and monitoring for dozens of businesses. This allows us to take necessary actions in a timely manner, from business creation to business enhancement and even structural transformation.



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Value Creation Model: Asahi Kasei’s Management Assets

Abundant management resources as the source of value

As we operate a wide variety of businesses, we possess a wealth of unique management assets that are utilized in those businesses as shared assets of the Asahi Kasei Group. By thoroughly utilizing these management assets in each sector and business, we create new value which in turn further expands our management assets in a virtuous cycle.

Characteristics of Asahi Kasei	Specific examples of management assets (as of the end of FY2024)	Major initiatives for strengthening	Related pages
<div>Management knowledge</div> <div>Business portfolio management for diverse businesses, M&A, expertise of diverse business models, etc.</div>	<ul style="list-style-type: none">More than a 100-year history of business portfolio transformationMultiple cases of M&A (cases subject to consolidation since 2000): >30	<div>Business portfolio transformation</div> <div>Accelerating growth using M&A</div>	<div>Asahi Kasei’s Path of Value Creation pp. 15–16</div> <div>Growth Drivers under the New MTP pp. 37–39</div>
<div>Human resources</div> <div>Human resources with “A-Spirit” who are active globally in a variety of business fields</div>	Employees: 50,352 (Healthcare: 11,961, Homes: 13,308, Material: 20,709, Corporate and others: 4,374)	Revised personnel system to strengthen the culture of taking challenges based on the pillars of lifelong growth and co-creativity	HR Strategy pp. 65–69
<div>Financial foundations</div> <div>Strong financial foundations based on stable earnings from diverse businesses in Healthcare, Homes, and Material</div>	<ul style="list-style-type: none">Cash-generating capacity ≈ ¥1,200 billion (3-year total for FY2025–2027)D/E ratio: 0.62Credit rating: AA (JCR and R&I)	Capital allocation which emphasizes the balance of growth investments and shareholder returns along with strengthening cash-generating capacity	Message from the CFO pp. 30–35
<div>Digital foundations</div> <div>Digital personnel and infrastructure to achieve site-focused DX promotion</div>	<ul style="list-style-type: none">Number of digital professional personnel: 3,157Digital data utilization: 30-fold increase (compared to FY2021)	Promoting DX across value chains, sectors, and businesses	DX Strategy pp. 76–77
<div>Technology and IP</div> <div>Broad range of core technologies derived from electrochemistry, IP strategy using IP landscaping (IPL)</div>	<ul style="list-style-type: none">R&D expenses: ¥110.6 billionNumber of patents held: Domestic: 6,790 Overseas: 7,683	Strengthening cross-sector R&D and promoting solution-oriented businesses and licensing businesses	Intangible assets, IP, and R&D strategies pp. 70–75
<div>Brand strength and trustworthiness</div> <div>Relationships of trust and connections across a wide range of industries through diverse businesses (medical institutions, semiconductors, automobiles, energy, apparel, chemicals, general consumers, etc.)</div>	<ul style="list-style-type: none">Diverse business groups in three sectorsStrong brands such as Hebel Haus™, Saran Wrap™, and Bemberg™	Creating value for customers in each business	Sector strategies pp. 40–52
<div>Manufacturing platforms and production expertise</div> <div>Safety platform, quality assurance platform, and advanced production technology cultivated primarily in the Material sector Manufacturing sites worldwide</div>	<ul style="list-style-type: none">Global manufacturing sites: >130Lost-time frequency rate¹: 0.31 (average of manufacturing industries in Japan is 1.30)Total participation in quality training: 6,600 (36 sessions)	Applying manufacturing platforms and expertise cultivated primarily in the Material sector to the Homes and Healthcare sectors for increased productivity	ESH, QA, and production technology pp. 94–97

¹ Lost-time injuries per million hours worked.

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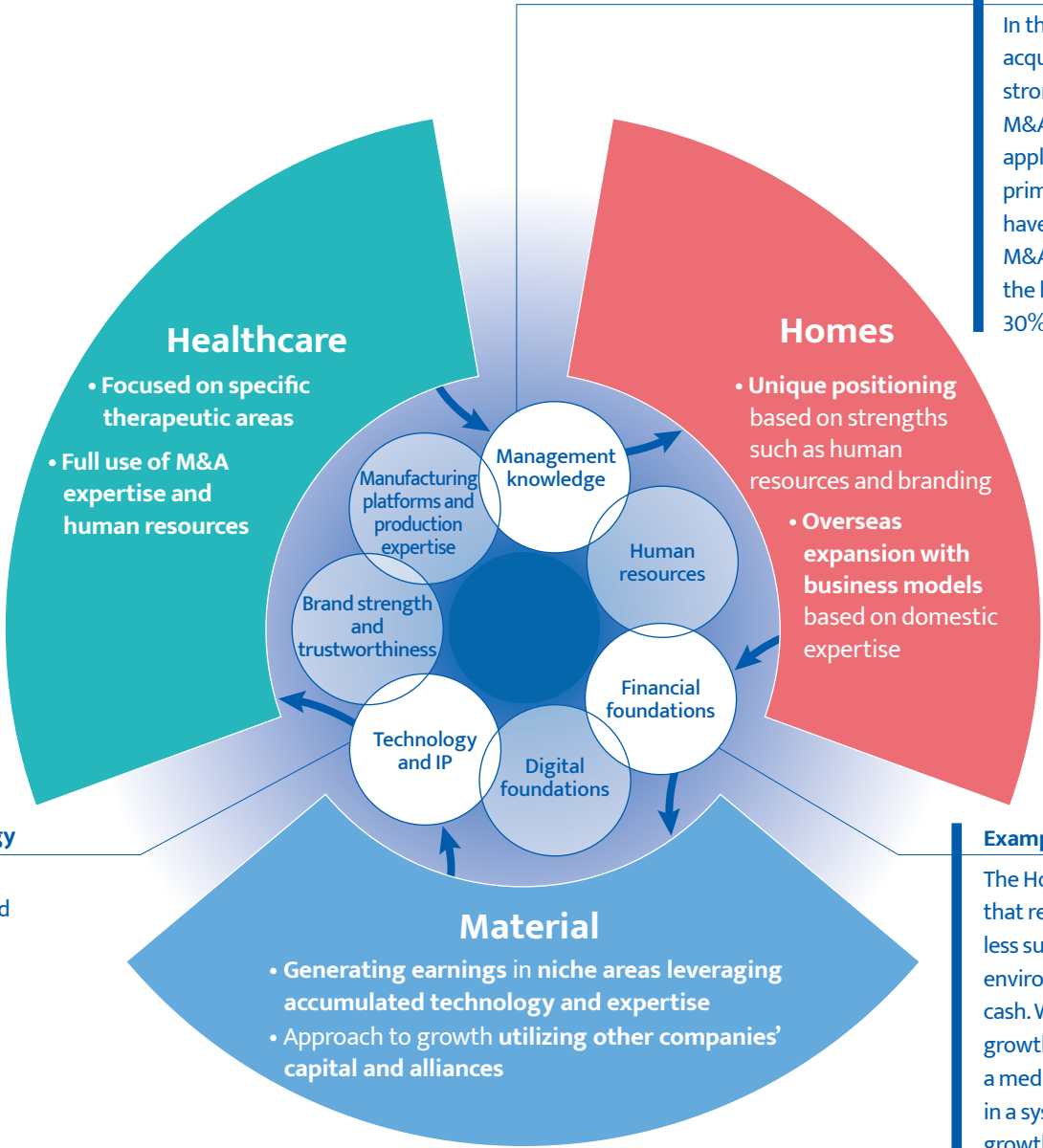
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Examples of utilizing management assets in three-sector management (ecosystem)

The Asahi Kasei ecosystem describes our management assets created according to the characteristics of each sector and business that are accumulated and shared, and that can be flexibly utilized by other sectors and businesses.

For example, the membrane and separation technology developed in the Material sector was used to create new businesses in the Healthcare sector, the M&A expertise developed in the Healthcare sector was used for overseas M&A in the Homes sector, and the cash-generating ability of the Homes sector was used for growth investments in the Material sector. In this way, by utilizing management assets across different sectors and businesses, Asahi Kasei is able to create unique value.



Example 1: Membrane and separation technology

Starting with the regenerated fibers business in the Material sector, we refined our membrane and separation technology and expanded to the LIB separator business. In the Healthcare sector, we created a business for virus removal filters, which are necessary for the production of biotherapeutics, and we continue to maintain a leading global market share.

Example 2: M&A expertise

In the Healthcare sector, starting with the acquisition of ZOLL in 2012, we have built up a strong track record in M&A and accumulated M&A expertise. This expertise has been applied to the Homes sector, which had been primarily focused on Japan, and since 2018, we have created new business models through M&A in the U.S. and Australia. By fiscal 2024, the businesses had grown to approximately 30% of sales in the Homes sector.

Example 3: Cash-generating ability

The Homes sector is an asset-light operation that requires relatively small investment and is less susceptible to the cyclicity of the business environment, enabling the stable generation of cash. We will utilize this stable cash flow to make growth investments in the Material sector from a medium- to long-term perspective. This results in a system that supports the sustainable growth of the entire Asahi Kasei Group.

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Upper management of companies that joined the Asahi Kasei Group through M&A
Leveraging and reinforcing the Asahi Kasei ecosystem

Asahi Kasei proactively performs M&A to obtain new growth drivers, technology, and expertise. While the acquired companies are able to utilize Asahi Kasei’s management assets to achieve remarkable growth, the new addition of diverse management assets further reinforces the Asahi Kasei ecosystem.



Richard A. Packer
Vice-Presidential Executive Officer,
Corporate Initiatives,
Asahi Kasei Corp.

Involved in the acquisition of ZOLL by
Asahi Kasei in 2012 as CEO of ZOLL.
Since fiscal 2016, he has served as Head
of Healthcare, overseeing
pharmaceuticals, medical devices, and
life science businesses. He assumed his
current position in fiscal 2025,
promoting the globalization of the
Asahi Kasei Group.

Acquired in 2012	ZOLL (manufacturer of critical care devices)
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Q: How has ZOLL’s corporate value changed since joining the Asahi Kasei Group?

A: Based on shared values, ZOLL has grown more than it could have independently.

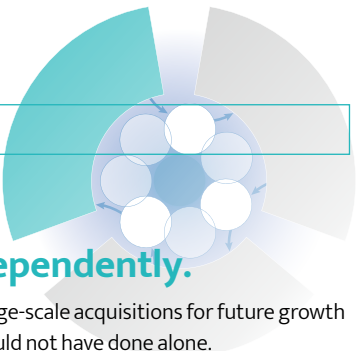
Joining the Asahi Kasei Group fundamentally enhanced ZOLL’s corporate value. I think the fact that Asahi Kasei and ZOLL had shared the same corporate philosophy and values was a major factor. Both companies were committed to the Group Mission of contributing to life and living for people around the world, formulating management plans from a long-term perspective, and aiming for firm sales growth while improving profit margins. Since joining the Asahi Kasei Group in 2012, ZOLL has achieved significant growth, with sales increasing fourfold and operating income increasing fivefold in dollar terms. With the financial foundation and management support of Asahi Kasei, ZOLL was able to make strategic investments to drive growth. In addition to organic

growth in existing businesses, this included large-scale acquisitions for future growth such as Itamar and Respicardia, which ZOLL could not have done alone. ZOLL also took advantage of Asahi Kasei’s robust IT infrastructure and intellectual property platform to further strengthen business and raise the efficiency of operations. Furthermore, the establishment of a Japanese subsidiary was a significant achievement in terms of enhancing ZOLL’s presence and performance in Japan. Overall, as a member of the large global Asahi Kasei Group, ZOLL has been able to access various management assets while continuing to pursue its mission, thereby further enhancing its corporate value.

Q: What are your expectations for the Asahi Kasei Group, and how do you plan to contribute?

A: I’m working to establish a management configuration for further growth as a global company.

I believe that Asahi Kasei’s strength lies in its combination of discipline and long-term perspective in corporate management, which are characteristic of Japanese companies, and its global entrepreneurial spirit, which fosters a culture of creating new businesses and taking on challenges. Since acquiring ZOLL in 2012, Asahi Kasei has grown into a company with a strong presence in global markets, particularly the U.S., not only in Healthcare but also in the Homes and Material sectors. At the same time, Healthcare has grown to become the third pillar of operations along with the Homes and Material sectors, contributing nearly 30% of operating income in fiscal 2024. The evolution of the Healthcare sector shows how the Asahi Kasei Group achieves substantial income growth by proactively allocating resources to growth businesses while streamlining global operations. On the other hand, the Asahi Kasei Group as a whole still faces challenges in integrating its diverse businesses and operating as a unified global company



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Value Creation Model

Upper management of companies that joined the Asahi Kasei Group through M&A
Leveraging and reinforcing the Asahi Kasei ecosystem



Rich Gallagher
Executive Officer, Asahi Kasei Corp.
CEO, Synergos Companies LLC

Involved in the acquisition of Erickson in 2018 as CEO. He now leads the Synergos Group as a holding company having made multiple subsequent acquisitions of subcontractors.

Acquired in 2018 Erickson (North American residential construction contractor)

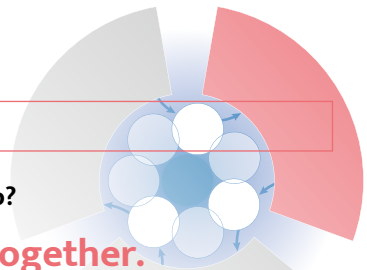
Q: What have you found appealing about Asahi Kasei’s corporate culture since joining the Asahi Kasei Group?

A: The culture emphasizes open communication and a spirit of working together.

While there may be differences in business culture and a language barrier, our values are aligned. We share the vision of Asahi Kasei’s leadership and enjoy an open channel of communication that is remarkable for such a large corporation. I am confident that Asahi Kasei’s shared platform allows us to be a good partner for creating greater value for all stakeholders, including shareholders, local communities, suppliers, and employees. Asahi Kasei Group employees have been flexible and adaptable to changes in their efforts to become more global. Although the business dynamics are different between the U.S. and Japan, employees in various departments from both countries contribute ideas and work together to solve problems.

This is a very distinctive approach to growing the business together. Even the differences in business culture and language barrier do not hinder smooth communication with the Asahi Kasei Group, which enables a true “working together” approach.

By becoming part of the Asahi Kasei Group, we are accelerating the development of our business model, which integrates the core steps of the construction process to raise the efficiency and quality of work. It also gives us greater purchasing power in global material procurement, while enhancing R&D and employment benefits. It gives our organization a sense of security and strengthens our capability to execute strategy.



Dirk R. Pieper
Senior Executive Officer,
Asahi Kasei Corp.
Material Sector Deputy for Car
Interior Business and Separator
Business

Led the acquisition of Sage as CEO when Asahi Kasei acquired Sage in 2018. Executed planning and promotion of business strategies for the automotive interior materials business, contributing to greater global competitiveness.

Acquired in 2018 Sage (manufacturer of automotive interior materials)

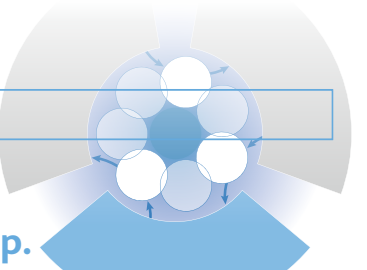
Q: How will you contribute to the Asahi Kasei Group in the future?

A: I will continue working to raise customer value in the Asahi Kasei Group.

Before joining the Asahi Kasei Group, Sage was a major purchaser of Dinamica™ artificial suede (formerly Lamous™) from Asahi Kasei, and the two companies had long enjoyed a good relationship. After Sage joined the Asahi Kasei Group in 2018, we combined the two companies’ artificial suede businesses, gaining strong synergies based on a common strategy. In addition, Asahi Kasei’s financial strength and M&A capability supported the expansion of Sage’s product portfolio, which strengthened the customer base and enabled significant growth. One example is Sage’s acquisition of Adient’s automotive fabrics business, which elevated our presence in Europe. Another example is our entry to the PVC synthetic leather market. This strategic addition of a new class of material has been a significant source of growth for Sage, and we expect firm growth to continue. We also established a technical marketing center in China, the world’s largest vehicle market, to meet customer needs with a

comprehensive approach including products from both companies. Sage now has a strong platform with local manufacturing of each material supplied to the major markets of the U.S., South America, South Africa, Europe, China, and Japan.

Sage’s strength lies in its ability to listen to customers and propose designs and solutions based on their requirements. By bringing Sage’s customer-centric approach to Asahi Kasei, where strategy has tended to be product-focused, we are supporting Asahi Kasei’s effort to create more solution-oriented businesses. Sage and Asahi Kasei are working together to deliver the best products and services worldwide in order to win over customers. Furthermore, Sage’s experience with enhancing customer value in the automotive field is having a positive impact on Asahi Kasei’s EV separator business. I look forward to continuing collaboration to cultivate automotive customers in the North American market.



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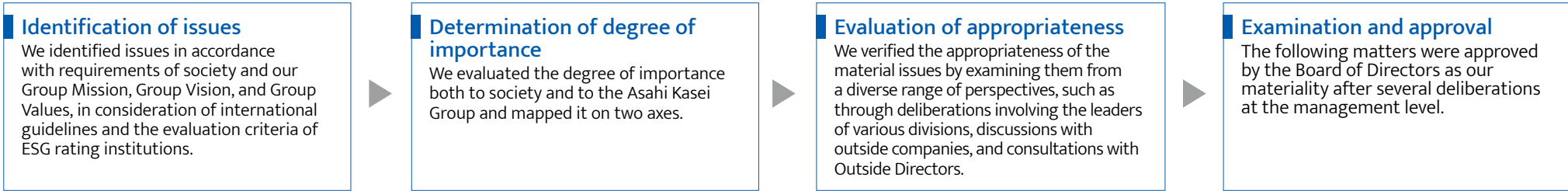
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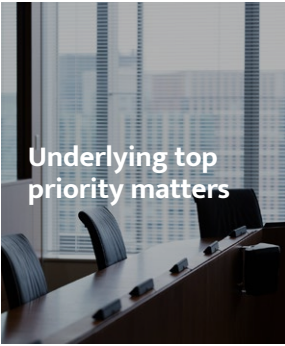











Focusing on key subjects for value creation

The Asahi Kasei Group manages its operations with the aim of providing new value to society and achieving sustainable growth of corporate value by enabling “Living in health and comfort” and “Harmony with the natural environment” as stated in its Group Vision. The key to continuing value creation lies in the priority issues and subjects that we have designated as our materiality. We proactively address materiality as a foundation and driver of value creation.

Materiality identification process



Note: “L” indicates long-term targets, “M” indicates medium-term targets, “S” indicates short-term targets

Subject	Materiality	Related SDGs	Related main targets	FY2024 results
	Corporate governance	 	Improve the supervisory and decision-making functions of the Board of Directors	1) Conducted an evaluation of the effectiveness of the Board of Directors (including the use of a third-party organization on a regular basis) 2) The results of the effectiveness evaluation and responses to identified issues were discussed at the Board of Directors meetings in March and April 2025
	Compliance/sincerity	 	Raise compliance awareness and disseminate the Code of Conduct	Held Cs Talk (workplace discussion on case studies) at all workplaces in Japan
	Human rights	 	Continue activities to raise awareness	Conducted level-based training on business and human rights, e-learning on harassment, training on unconscious bias, etc.
	Safety/quality		At target business sites: 1) Serious industrial accidents: zero 2) Industrial accidents: zero 3) Intensity of accidents: 0.5 or less (average) ¹	1) Serious industrial accidents: 1 2) Industrial accidents: 2 3) Intensity of accidents: 1.17 (average) ¹
	Healthy longevity	 	Contribute to people's lives by providing innovative pharmaceuticals and medical devices that meet unmet needs	1) Growth rate of cumulative AED shipments over the 3 years of the previous MTP: 52% (compared to previous 3 years) 2) Growth rate of cumulative prescriptions for LifeVest™ over the 3 years of the previous MTP: 7% (compared to previous 3 years)
	Comfortable life		 FY2025 targets 1) ZEH ² ratio in newly built unit homes: 90% 2) ZEH-M ² ratio in newly built apartments: 85%	1) ZEH ratio: 91% 2) ZEH-M ratio: 82%

¹ An index that quantifies the degree of impact of an industrial accident (based on the Japan Petrochemical Industry Association standard [CCPS])

² Net Zero Energy House (ZEH) and Net Zero Energy House Mansion (ZEH-M): Homes with a net energy consumption of zero or less through advanced insulation and energy saving combined with power generation such as solar.

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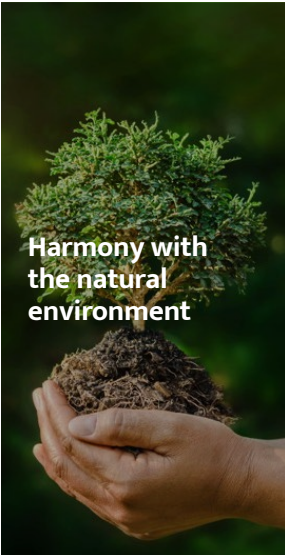















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Subject	Materiality	Related SDGs	Related main targets	FY2024 results
 <div>Harmony with the natural environment</div>	Global environment	 	<div>L</div> GHG emission reduction contributions through Environmental Contribution Products FY2030 target: At least double (compared with FY 2020) FY2035 target: At least 2.5 times (compared with FY 2020)	Contribution to reduced GHG emissions: 1.51 times (compared with FY 2020)
	Decarbonization	 	<div>L</div> GHG emissions (Scope 1 and Scope 2) FY2030 target: Reduce by 30% or more (compared with FY 2013) FY2035 target: Reduce by 40% or more (compared with FY 2013) FY2050 target: Carbon neutral	38% reduction (compared with FY 2013) [preliminary figure]
	Circular economy	 	<div>M</div> <div>S</div> 1) Number of companies using the ion-exchange membrane process chlor-alkali electrolysis cell rental service: 10 (end of FY 2027) 2) Implementation rate of long-term regular inspections for Hebel Haus™ unit homes and Hebel Maison™ apartment buildings: 70% (end of FY 2025)	1) Companies adopted: 3 2) Implementation rate: 67.6%
	Preventing water pollution		At target business sites: 1) Maintain zero environmental accidents and serious environmental incidents 2) Zero environmental incidents (water quality, etc.)	1) Environmental accidents and serious environmental incidents: zero 2) Environmental incidents (water quality, etc.): 4
	Preventing pollution of air and soil		1) Reduce industrial waste generation and promote recycling 2) Reduce discharge of industrial waste from plastic products and promote recycling	1) Obtained information on disposal companies (recyclers) and disseminated this information internally 2) Ascertained the actual amount of waste plastic generated and its disposal based on the Plastic Resource Circulation Act
	Protecting biodiversity		Promotion of biodiversity 1) Promote initiatives in line with the National Biodiversity Strategy and Action Plan of Japan 2) Promote employee awareness-raising activities regarding biodiversity	1) Applied for 30by30 certification for Moriyama Plant's biotope [Moribio] (certified in FY2025) 2) Produced a promotional video for Fuji Office "Asahi Woods of Life" and conducted awareness activities
 <div>Basic activities</div> 	Supply chain management	 	<div>S</div> CSR procurement questionnaire for main suppliers 1) Response rate: 100% 2) Rate at which C and D-rated companies improved to A and B: 100%	1) Response rate: 99.8% (564 companies surveyed) 2) Improvement rate: 90.9% ¹
	Human resources	 	<div>M</div> In the employee engagement survey: 1) Monitoring of indicators for "action driving growth" 2) FY2027 target for employees reporting favorable vitality (≥3.5 on 5-point scale): 60%	1) 3.73 (5-point scale) Reference FY2022: 3.71, FY2023: 3.72 2) 57.3%
	Diversity, equity and inclusion (DE&I)	 	<div>L</div> Percentage of women in the total number of managers and the Group Masters program FY2030 target: 10%	4.9% (as of April 1, 2025)
	Communication with stakeholders		1) Build and maintain good relationships with society, customers, business partners, etc. 2) Actively engage in constructive dialogue with shareholders and investors	1) Conducted community fellowship events, social contribution activities, dialogue with customers and business partners, town hall meetings between executives and employees, etc. 2) Held individual dialogue with shareholders and investors (358 IR/SR interviews), management briefings, financial results briefings, plant tours, etc.
	Risk management		Appropriate management and operation of Significant Group Risks	1) Identified and updated Significant Group Risks: Resolution at the Board of Directors meeting in April 2024 2) Management: The departments in charge set targets and KPIs for each risk subject, and reported the status of activities to the Board of Directors
	Social contribution		<div>S</div> Expenses related to social contribution activities: 1% or more of ordinary income	0.71% of ordinary income

¹Surveys are conducted every other year for raw material and materials suppliers; thus, the figure for 1) is calculated by adding up the results for two years, with all surveyed companies as the denominator.

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