Medium-term management initiative

Cs+ for Tomorrow 2021

Issues for sustainable society are being discussed around the world. Asahi Kasei expresses its stance in this medium-term management initiative as "Care for People, Care for Earth" as we continuously contribute to the sustainable development of mankind and the earth. While leveraging our strengths of "diversity" and "capability to change," Asahi Kasei will explicitly focus on contributing to a sustainable society while achieving sustainable growth of corporate value.



Progression of management initiatives

Cs for Tomorrow 2018 (2016-2018)

Building the base for the next phase with the diverse "Cs" of Compliance, Communication, Challenge, and Connections.



While extending these "Cs," we additionally focus on the "Cs" of "Care for People, Care for Earth" to contribute to a sustainable society and the sustainable growth of corporate value.

→ Sustainability for Asahi Kasei

Sustainability for Asahi Kasei

Asahi Kasei is focusing on two mutually reinforcing aspects of sustainability, "contributing to sustainable society" and "sustainable growth of corporate value."

Contributing to sustainable society Providing solutions to the world's challenges **Business** High profitability Internal and external development; Return to connections/dialogue Innovation stakeholders Sustainable growth of corporate value Sincerity, Challenge, Creativity

SUSTAINABLE

Asahi Kasei's vision and goals for portfolio transformation

Contributing to **sustainable** society Providing solutions to the world's challenges

Ever since our founder Shitagau Noguchi propounded a vision of improving people's standard of living, Asahi Kasei has dynamically transformed its business portfolio to meet the needs of society in accordance with the times.

Leveraging our strengths of "diversity" and "capability to change," we are expanding businesses that contribute to a sustainable society. Social need:

Grasping social needs, dynamic portfolio transformation, developing business that makes life better

Electronic devices/materials

Diversity

Acceleration Higher standard of living in developing countries

Healthcare

of globalization Construction materials/homes

Capability to change

Social need: Abundance of goods

Petrochemicals/synthetic fibers

Social need:

Social need: Establishment Chemical fertilizer/regenerated fiber/explosives of livelihood base

Comfort and

convenience

1920s

1950s

1970s

2000s

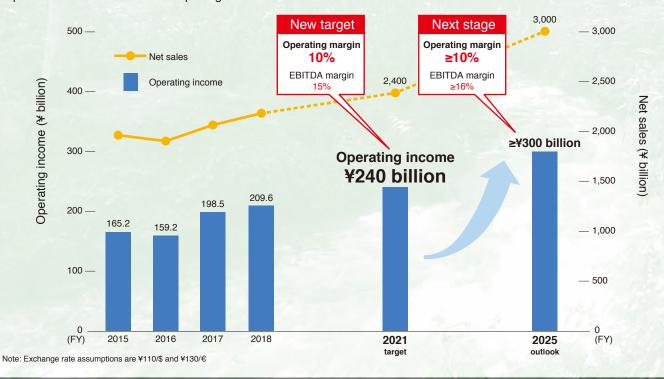
+ Cs+ for Tomorrow 2021 Concept

We identified 5 priority fields for provision of value to provide solutions to the world's challenges. While enhancing sustainable growth of corporate value, we will contribute to sustainable society by focusing on these priority fields to develop a portfolio of high-profitability and high value-added businesses.



+ Cs+ for Tomorrow 2021 Financial objectives

While realizing sustainable profit growth exceeding global GDP growth, we are targeting operating income of ¥240 billion and operating margin of 10% in fiscal 2021. Our longer term outlook is ¥300 billion or more in operating income and 10% or more in operating margin in fiscal 2025. We plan to invest some ¥800 billion in total for the three-year period to maintain a proactive stance for sustainable profit growth.



Cs+ for Tomorrow 2021 Growth strategy

Business sectors

Material

Homes **Health Care**

Basic strategy

Flexible allocation of management resources on priority fields

Mobility

Reinforcing and extending value chain management

Home

& Living

Further accelerating transformation to a global health care company

Priority fields for provision of value

Environment & Energy

Contributing to the

environment with various

technology (CO2 chemistry.

semiconductors, etc.)

Contributing to the future of mobility with technology for safety, comfort, and the environment

Life **Material**

Contributing to healthy and

comfortable daily life with

distinctive products and

technological strength

Disposable diaper material

Regenerated cellulose fiber

·UVC LEDs for disinfection

Comfort/convenience

5G-related (glass fabric,

Pharmaceutical/food

Health

additives

Contributing to superior social infrastructure and comfortable living by through our know-how gained in urban markets

Health Care

Contributing to healthy longevity with pharmaceuticals and medical devices discerning the needs of the aging society

Safety and security

- Airbag material
- Alcohol sensor ·Contactless pulse sensing

Comfortable space

- Lamous™ microfiber suede
- ·Low-VOC* material
- A/C CO₂ sensors *Volatile organic compounds

- Safety/security
 - ·60-year long-life homes
 - ·Disaster-resistance, family protection
 - Long-term maintenance of asset value

Comfort/health

·Diverse modes of residence

·Living in a good thermal

Treatment

relief

Acute conditions (critical care, circulatory)

Recomodulin™, Thermogard™, therapeutic apheresis, defibrillators, LifeVest™, acute myocardial infraction, stroke

Chronic conditions (orthopedics, dialysis) Theribone™, Recrast™, Kevzara™, dialysis, autoimmune disease, pain

Safety/peace of mind Supporting the safety of biotherapeutics Virus removal filters, bioprocess equipment



Care for

Earth

New

Clean energy

- Battery separators · Alkaline water electrolysis
- system to produce green hydrogen

Energy conservation/ environmental

- improvement CO₂ sensors
- Water filtration modules Ion-exchange membranes

Low-carbon society

- Next-generation CO:
- chemistry
- New CO₂ separation/recovery system

Fuel economy

- S-SBR for tires
- ·Resin to replace metal Lead-acid battery separator

EV/HEV

- Li-ion battery separator
- ·Li-ion battery related material

Reducing food loss/ environmental burden

- Saran Wrap™
- •Ziploc™
- ·Water-washable printing plates

Environment

- Net zero energy houses
- Photovoltaic power · High-performance insulation

Note: Green indicates under

















development

Cs+ for Tomorrow 2021 Action plan

Business portfolio transformation:

Allocation of management resources based on the four perspectives of High profitability, High market growth, Priority fields, and Sustainability.

Expanding and heightening businesses:

Execution of growth strategy by enhancing global operations, accelerating the development of new technologies and creation of new businesses, and advancing digital transformation. Creating new value by leveraging various core technologies, group-wide marketing functions, and internal and external connections.

- Further strengthening the platform including the aspects of human resources, environmental safety, workplace safety, quality, risk management, and compliance.
- Maintaining sound corporate governance to ensure diversity and capability to change.



+ Asahi Kasei Group philosophy



Group Mission

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



Group Vision

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



Group Values

Sincerity—Being sincere with everyone.

Challenge-Boldly taking challenges, continuously seeking change.

Creativity—Creating new value through unity and synergy.



Group Slogan

Creating for Tomorrow

The commitment of the Asahi Kasei Group:

To do all that we can in every era to help the people of the world make the most of life and attain fulfillment in living.

Since our founding, we have always been deeply committed to contributing to the development of society,

boldly anticipating the emergence of new needs.

This is what we mean by "Creating for Tomorrow."

AsahiKASEI

Corporate Communications
Asahi Kasei Corporation