Asahi Kasei Corporation

CDP Corporate Questionnaire 2026

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2026 - CDP

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C1. Introduction

(1.1) In which language are you submitting your response?

Select:

☑ Japanese

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select:

☑ JPY

(1.3) Provide an overview and introduction to your organization.

	Organization type	Description of organization
	Select: ☑ Publicly traded organization	*The Asahi Kasei Group operates across three business domains: Material, Homes, and Health Care. Guided by our Group mission—"contributing to the lives and living of people around the world"—we leverage our diverse businesses and specialized expertise to provide products and services that help address societal challenges.*

[Fixed row]

(1.4) Enter the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

03/31/2026

(1.4.2) Alignment of this reporting period with your financial reporting period

Select:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select:

☑ 5 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select:

☑ 5 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select:

☑ 5 years

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

3074505000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., ticker, CUSIP, etc.)?

ISIN Code – Bonds

(1.6.1) Does your organization use this unique identifier?

Select:
☑ Yes

(1.6.2) Provide your unique identifier

JP3111200006

ISIN Code – Stocks

(1.6.1) Does your organization use this unique identifier?

Select:
☑ Yes

(1.6.2) Provide your unique identifier

JP3111200006

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select:

☑ Yes

(1.6.2) Provide your unique identifier

3407

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select:

☑ Yes

(1.6.2) Provide your unique identifier

353800GPI4Z3MGDGN142

D-U-N-S Number

(1.6.1) Does your organization use this unique identifier?

Select:

☑ Yes

(1.6.2) Provide your unique identifier

690535364

Other unique identification IDs

(1.6.1) Does your organization use this unique identifier?

Select:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ China
☑ Japan
☑ Thailand
☑ Canada
☑ Czechia
☑ Mexico
☑ Morocco
☑ Republic of Korea
☑ Germany
☑ India
☑ Brazil
☑ France
☑ Italy
☑ Poland
☑ Romania
☑ Austria

☑ Spain
☑ Vietnam
☑ Taiwan, China
☑ Australia
☑ United States of America
☑ Singapore
☑ Sweden

(1.14) In which parts of the chemicals value chain does your organization operate?

Bulk inorganic chemicals
☑ Chlorine and sodium hydroxide
☑ Hydrogen
☑ Nitric acid

Bulk organic chemicals
☑ Adipic acid
☑ Aromatics
☑ Polymers

Other chemicals
☑ Specialty inorganic chemicals
☑ Specialty organic chemicals

(1.15) Which real estate and/or construction activities does your organization engage in?

Select all that apply
☑ New construction or major renovation of buildings
☑ Building management

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapping

Select:

☑ Yes, the value chain mapping has been completed, or is currently underway.

(1.24.2) Stages in the value chain to be mapped

Select all that apply

☑ Upstream of the value chain

(1.24.3) Mapped top-tier supplier levels

Select:

☑ Tier 1 supplier

(1.24.4) Top-tier suppliers that are known but not yet mapped

Select:

☑ Tier 2 supplier

(1.24.7) Details of the mapping process and scope

As part of our supplier-focused initiatives, we conduct a CSR procurement questionnaire to identify potential CSR and sustainability-related risks. We prioritize engagement with suppliers identified as high-risk through this process, providing support for improvement efforts—including through individual meetings. The CSR procurement questionnaire is administered biennially to suppliers in the raw materials and general materials sectors. In the most recent 2025 fiscal year, the survey for the raw materials sector covered Tier 1 suppliers—who account for approximately 90% of the total procurement spend managed by the Procurement and Logistics Division—as well as select Tier 2 suppliers. Regarding product-category-based initiatives, we implement Supply Chain Risk Management (SCRM) activities across the entire company. We have defined specific risk categories related to procurement, and we rigorously assess each procured item against these criteria. For any items identified as posing a risk, we actively pursue measures to mitigate that risk.

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium- and long-term time horizons in relation to the identification, assessment and management of your environmental dependencies, impacts, risks and opportunities?

Short term

(2.1.1) Start (year)

0

(2.1.3) End (Year)

1

(2.1.4) How is this timeframe linked to strategic and financial planning?

We have defined the short term as one year.

Middle period

(2.1.1) Start (year)

1

(2.1.3) End (Year)

5

(2.1.4) How is this timeframe linked to strategic and financial planning?

Medium-term business plans are developed to cover a period of up to five years.

Long term

(2.1.1) Start (year)

5

(2.1.2) Have you established a long-term time horizon with no fixed end date?

Select:
☑ No

(2.1.3) End (Year)

30

(2.1.4) How is this timeframe linked to strategic and financial planning?

"Long-term" was defined as five years or more.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select: ☑ Yes	*Select:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select: ☑ Yes	*Select:* ☑ Both risks and opportunities	*Select:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing and managing environmental dependencies, impacts, risks and opportunities.

Row 1

(2.2.2.1) Process in place

Select all that apply

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impact

☑ Risk

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.2.2.4) Coverage

Select:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ ENCORE

☑ IBAT – Integrated Biodiversity Assessment Tool

☑ LEAP (Locate, Evaluate, Assess and Prepare) Approach, TNFD

☑ WRI Aqueduct

Databases

☑ Other databases, please specify: Local government database

Other

☑ External consultants

☑ Internal company methods

☑ Scenario analysis

☑ Other, please specify: Tsunami Risk Assessment

(2.2.2.15) Risk types and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical
☑ Water availability at a basin/catchment level
☑ Water stress
☑ Water quality at a basin/catchment level

Policy
☑ Limited or lack of river basin management
☑ Limited or lack of transboundary water management
☑ Mandatory water efficiency, conservation, recycling, or process standards
☑ Regulation of discharge quality/volumes
☑ Statutory water withdrawal limits/changes to water allocation

Market
☑ Inadequate access to water, sanitation, and hygiene services (WASH)

Reputation
☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology
☑ Dependency on water-intensive energy sources

Liability
☑ Non-compliance with regulations and legislation

(2.2.2.16) Partners and stakeholders considered

Select all that apply
☑ Customers
☑ Employees
☑ Local communities
☑ Water utilities at a local level

☑ Investors
☑ Regulators
☑Suppliers
☑ Other water users at the basin/catchment level

(2.2.2.17) Has this process changed since the previous reporting year?

Select:
☑ No

(2.2.2.18) Further details of process

The Asahi Kasei Group uses the WRI Aqueduct tool to gain an overview of which business sites may be exposed to water risks. We currently employ Aqueduct to examine water stress projections for the years 2030 and 2040. We utilize this tool because it allows for a straightforward assessment of various water risks associated with global business operations. While Aqueduct provides risk-level ratings across five categories—"Low," "Low to Medium," "Medium to High," "High," and "Extremely High"—we do not rely solely on these outputs; rather, we refine them by incorporating information gathered from each individual business site to arrive at our final assessment. Regarding water risks within our supply chain, we conduct CSR procurement surveys among key suppliers to inquire about their initiatives concerning the efficient use of water resources and wastewater management, thereby identifying and managing current and future risks across the supply chain. Although we believe the likelihood of Asahi Kasei Group plants experiencing severe drought in the near future is limited, we recognize that global population growth and economic expansion could potentially lead to a situation—from 2040 onward—where an adequate supply of high-quality fresh water is no longer available in the regions where we operate. Should such water risks be anticipated, the matter is addressed through discussions within management-level forums for the relevant business segments.

Row 2

(2.2.2.1) Process in place

Select all that apply
☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply
☑ Dependencies

☑ Impacts
☑ Risks
☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply:
☑ Direct operations
☑ Upstream value chain
☑ Downstream value chain

(2.2.2.4) Coverage

Select:
☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply:
☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select:
☑ Qualitative and quantitative

(2.2.2.8) Type of assessment

Select:
☑ Annually

(2.2.2.9) Type of assessment

Select all that apply:

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

(2.2.2.12) Tools and methods used

International methodologies and standards

☑ Life Cycle Assessment

Other

☑ Desk-based research

☑ External consultants

☑ Internal company methods

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.15) Risk types and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat wave
☑ Landslide
☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical
☑ Heat stress
☑ Temperature variability

Policy
☑ Carbon pricing mechanisms
☑ Changes to national legislation
☑ Poor enforcement of environmental regulation

Market
☑ Changing customer behavior
☑ Lack of availability and/or increased cost of certified sustainable material
☑ Lack of availability and/or increased cost of raw materials

Reputation
☑ Increased concern and/or negative feedback from partners and stakeholders

Technology
☑ Transition to lower emissions technology and products

Liability
☑ Non-compliance with regulations and legislation

(2.2.2.16) Partners and stakeholders considered

Select all that apply
☑ Customers

☑ Employees
☑ Investors
☑ Regulators
☑ Suppliers

(2.2.2.17) Has this process changed since the previous reporting year?

Select:
☑ No

(2.2.2.18) Further details of process

We are currently using the TCFD framework to assess our risks and opportunities, as well as the potential material financial or strategic impacts these may have on our company. Regarding climate change and the associated societal shifts, we have modeled two scenarios: a +4°C scenario and a +1.5°C scenario. In the +4°C scenario, we anticipate more intense rainfall, stronger winds—driven by the development of more powerful typhoons—and a sharp rise in temperatures. In the +1.5°C scenario, temperatures rise more gradually, accompanied by stricter regulations on CO2 emissions and policies that promote climate-friendly alternatives, such as electric vehicles. We have evaluated the implications of both risks and opportunities through a working group comprising representatives from our three core business segments—Materials, Housing, and Healthcare—as well as our corporate divisions. Subsequently, these risks and opportunities were finalized following comprehensive discussions within our management committee and the Board of Directors.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

An internal secretariat—led by the Sustainability Promotion Department and the Corporate Planning Department—tasks each business division with assessing the interrelationships between their operations and the environment, specifically regarding dependencies, impacts, risks, and opportunities. The secretariat then consolidates these findings. Following discussions with management from the various business and corporate divisions, an assessment for the entire corporate group

is compiled. Subsequently, the proposed disclosure policy and content are presented or reported to the Management Committee and the Board of Directors for review and discussion.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select:
☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply
☑ Direct operations
☑ Downstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations
☑ Areas important for biodiversity
☑ Areas of limited water availability, flooding, and/or poor quality of water
☑ Areas of importance for ecosystem service provision

Locations with substantive dependencies, impacts, risks, and/or opportunities
☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

Direct Operations: Asahi Kasei operates the Moriyama Plant, a large-scale facility where direct manufacturing activities take place. The plant is located approximately 5 km from Lake Biwa, and the Yasu River and various waterways in the vicinity flow into the lake. Lake Biwa is an area of significant conservation importance—designated as a Key Biodiversity Area (KBA) and a protected area (including wildlife protection areas, quasi-national parks, and Ramsar Convention wetlands), and

classified under IUCN categories IV and V. Consequently, the Moriyama Plant is considered a high-risk facility due to its proximity to an area of high conservation value. A map of this facility is attached. Downstream Value Chain: In its housing business, Asahi Kasei has identified "areas facing significant impact from flood damage" as a priority category within its downstream operations, in light of the increasing severity of flood events in recent years. To define these priority areas, the company has developed a flood damage estimation system that utilizes data on the locations of homes it has supplied. This system is used to anticipate flood risks in advance. By cross-referencing flood hazard maps published by local governments with the locations of homes supplied by the company, specific properties at risk of damage are identified and designated as priority areas for flood-related measures; the company then works in collaboration with property owners to implement proactive flood-mitigation measures. Furthermore, to streamline post-disaster response, the company integrates its own housing location data with real-time flood-depth estimation maps—generated and provided by a partner company using data from sources such as social media posts and meteorological information—to estimate potential flood damage as events unfold.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select:

☑ Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

Moriyama Manufacturing Plant.pdf
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select:

☑ Revenue

(2.4.3) Change of indicator

Select:

☑ Absolute decrease

(2.4.5) Absolute increase/decrease figure

10000000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

While our Group achieves stable business operations through a broad range of activities, this diversity also entails various inherent risks—such as distinct market and financial risks—that could significantly impact our financial position, business performance, and relationships with stakeholders. Examples include the risk that natural disasters or other force majeure events could disrupt the supply of raw materials, leading to production stoppages lasting several months; or the risk that unexpected incidents, such as accidents at our facilities, could halt the supply of our products, thereby severely affecting key customers and consumers. Although it is difficult to quantify the full extent of the impact from such risks, potential consequences include revenue losses on the order of 10 billion yen due to prolonged operational shutdowns, human casualties or threats to the safety of many individuals, and the erosion of our social standing or brand value. Regarding climate change, risks include losses resulting from damage to our own production facilities or supply chains, as well as rising manufacturing and raw material costs driven by stricter regulations. For our Group, a "significant financial or strategic impact on our business" refers to any event that materially affects our factory operations, business performance, or relationships with stakeholders. For instance, a severe drought or flood affecting our facilities or those of our key suppliers could disrupt operations and have a major impact on our business performance. Furthermore, should hazardous substances be released from our facilities into rivers or the ocean—potentially harming human health or local fisheries—it could severely damage our relationships with stakeholders. Consequently, this definition applies not only to impacts stemming from our own operations but also to those arising from the operations of our suppliers.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select:

☑ Revenue

(2.4.3) Change to indicator

Select:

☑ Absolute increase

(2.4.5) Absolute increase/decrease figure

10000000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

For a century since our founding, we have evolved alongside a changing society, addressing emerging social challenges while continuously transforming our own operations. As climate change necessitates a fundamental shift across our entire social system, we are actively transforming our business portfolio and relentlessly enhancing productivity, all while striving toward a carbon-neutral society by 2050 and the sustainable growth of our corporate value. We are currently driving a transformation of our business portfolio to better deliver value. Under our medium-term management plan, which begins in fiscal year 2025, we intend to commit approximately 600 billion yen over three years toward expansion—focusing on key growth areas and strategic development sectors, including hydrogen, energy and infrastructure (such as separators), electronics, overseas housing, and healthcare. Centered on these areas, we aim to grow our group's operating profit from 231.2 billion yen in fiscal year 2025 to 270 billion yen by fiscal year 2027. Within this 600 billion yen investment, we have earmarked approximately 70 billion yen specifically for addressing the opportunities and risks associated with climate change. Furthermore, to integrate new technologies and foster collaborations—with a primary focus on climate change—we have established a "Care for Earth" investment allocation within our corporate venture capital (CVC) activities, committing 100 million dollars

over the five-year period from fiscal year 2023 to 2027 to invest in environmental startups. We view our business trajectory as an opportunity to provide a diverse range of products and services that contribute to both the mitigation of and adaptation to climate change.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) Details of policies and processes in place to identify and classify potential water pollutants

The Asahi Kasei Group classifies chemical substances based on international standards—such as the REACH regulation and GHS classification—according to their type and the scope of the risks they pose. In Japan, the Water Pollution Prevention Act regulates 28 substances deemed highly toxic to living organisms and the environment. We recognize that these substances, which are subject to regulation under the Water Pollution Prevention Act, must be prioritized for management and reduction efforts on a global scale. The Asahi Kasei Group exercises the utmost care in handling the chemical substances used in its manufacturing processes and has established its own internal guidelines for wastewater management. These guidelines encompass not only the "health-related substances" (hazardous substances), "living environment-related substances," and "designated substances" defined by the Water Pollution Prevention Act, but also other substances that warrant consideration—such as those that may impact the environment or produce foul odors—even if they are not explicitly covered by the Act. Furthermore, to ensure full compliance with the law and maintain rigorous oversight, we apply our own voluntary standards for wastewater quality—standards that are stricter than those required by local regulations or those typically applied at manufacturing facilities.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select:

☑ Other physical pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Although our manufacturing facilities use certain potentially hazardous chemicals, we manage them in strict compliance with legal regulations and with careful consideration for the environment. Furthermore, we have established our own internal management standards that are even more stringent than those required by law. We strive to minimize the release of hazardous chemicals into the environment to mitigate any potential adverse effects on human health and aquatic ecosystems.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Water recycling

(2.5.1.5) Indicators for measuring and evaluating the success of the procedure

Select all that apply

☑ Compliance with discharge permits / regulatory limits

☑ Reduction in pollutant concentration or load against a baseline

☑ Zero incidents (spills, exceedances, waterborne disease cases)

(2.5.1.6) Please explain

At the Moriyama Manufacturing Plant, all water used is drawn from underground aquifers. This water is primarily utilized for heat exchange—specifically, as cooling water for machinery and equipment—and we actively promote the repeated use of the water we extract. In this way, we recover and circulate the water we use, while also measuring and evaluating the outcomes of these efforts.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental risks identified
Climate change	*Select:* ☑ Yes, both in direct operations and upstream/downstream value chain
Water	*Select:* ☑ Yes, both in direct operations and upstream/downstream value chain

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Japan

☑ Korea

☑ Singapore

☑ United States of America

(3.1.1.9) Organization-specific description of risk

In Japan, a "tax for global warming countermeasures" has been implemented in stages since October 2012, with tax rates set to equate to a burden of 289 yen per tonne of CO2 emissions. Furthermore, under the GX Promotion Act—which came into effect in fiscal year 2023—a fossil fuel levy is scheduled to be introduced starting in fiscal year 2028, followed by a paid auction system for emission allowances for power generators, beginning in fiscal year 2033. Additionally, the 2025 amendment to the GX Promotion Act established a statutory emissions trading system for businesses whose direct CO2 emissions—averaged over the three preceding fiscal years—amount to 100,000 tonnes or more; this system has been in full operation since fiscal year 2026. Entities subject to this system are required to hold emission allowances equivalent to their actual emissions by a deadline stipulated by law; should they face a shortfall, they must procure additional allowances. While the specific financial impact on our company will vary based on factors such as the allocation of emission allowances, actual emission levels, market trading prices, and progress on investments in emissions reduction, the costs associated with carbon pricing may increase over the medium to long term. We have calculated the specific financial risk—as detailed in section (3.1.16)—using a carbon price based on figures such as the 2030 CO2 price projected under the International Energy Agency's (IEA) "Net Zero Emissions by 2050" (NZE) scenario, which is the IEA's most ambitious pathway toward the 1.5°C goal. For reference, our company's greenhouse gas (GHG) emissions for fiscal year 2025 totaled 2.9 million tonnes of CO2 equivalent (t-CO2e), representing a reduction of approximately 300,000 t-CO2e from the previous fiscal year (fiscal year 2024).

(3.1.1.11) Primary financial effect of the risk

Select:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select:

☑ Very likely

(3.1.1.14) Magnitude

Select:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As described in 3.1.1.25, if our current business portfolio and greenhouse gas emission levels remain unchanged, we could face an annual tax burden of up to approximately 43.5 billion yen—a figure calculated by assuming a carbon cost of 15,000 yen per tonne of CO2 equivalent (t-CO2e), based on benchmarks such as the CO2 price levels projected for 2030 under the IEA's Net Zero Emissions (NZE) scenario.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

0

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

43500000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the medium-term – maximum (currency)

43500000000

(3.1.1.25) Explanation of financial effect figure

Asahi Kasei recognizes the urgent need to more proactively pursue large-scale initiatives aimed at reducing greenhouse gas (GHG) emissions. Without such measures, the company would face an ongoing, incremental tax burden—specifically on the fossil fuels used to generate the electricity and steam required for its own operations. While Japan's current carbon tax rate is relatively low at 289 JPY/t-CO2e, the International Energy Agency's (IEA) Net Zero Emissions (NZE) scenario suggests that to limit global temperature rise to below 1.5°C and meet the goals of the Paris Agreement, carbon tax rates globally would need to reach approximately 140 USD/t-CO2e. Based on the IEA's NZE scenario—using a projected 2030 carbon cost of 15,000 JPY/t-CO2e—we have estimated the potential financial impact on the Asahi Kasei Group, assuming GHG emissions of 2.9 million t-CO2e (the projected level for fiscal year 2025). This analysis indicates that the company could face an annual tax burden of up to 43.5 billion JPY. Potential financial impact of total CO2 emissions: 43.5 billion JPY (2.9 million t-CO2e × 15,000 JPY/t-CO2e).

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop a climate transition plan

(3.1.1.27) Cost of response to risk

43500000000

(3.1.1.28) Explanation of cost calculation

Current Situation: Companies in Japan that use fossil fuels are required to pay the Petroleum and Coal Tax and the Tax for Climate Change Mitigation. Furthermore,

under the GX Promotion Act, a phased introduction of carbon pricing is planned, including a fossil fuel levy starting in fiscal year 2028 and a paid auction system for power generators beginning in fiscal year 2033. Asahi Kasei recognizes the need to implement appropriate measures to address this issue. Challenges: Asahi Kasei meets approximately 50% of its group-wide energy requirements through in-house power generation (including steam generation), for which it purchases fossil fuels from external sources. Given the high likelihood that the financial burden associated with fossil fuels will increase, it is essential to mitigate the potential risk of rising costs. From an economic perspective, the costs incurred in responding to this risk must be kept within the scope of the projected carbon pricing expenses. Based on factors such as the CO2 price levels for 2030 outlined in the IEA's Net Zero Emissions (NZE) scenario, and assuming a carbon cost of 15,000 yen per tonne of CO2, the total cost would amount to approximately 43.5 billion yen.

(3.1.1.29) Description of response

Measures: To mitigate these risks, Asahi Kasei is actively transitioning to fuels with lower CO2 emissions. In 2012, the company retrofitted one of its coal-fired power plants in the Nobeoka area to utilize woody biomass; currently, the majority of the electricity generated at this facility is derived from woody biomass and supplied to the company's own manufacturing plants. Furthermore, in 2022, another coal-fired power plant was completely replaced with a liquefied natural gas (LNG) turbine power generation system, which produces significantly lower CO2 emissions per unit of fuel. In addition, the company began upgrading its own hydroelectric power plants in 2018, specifically the Gokasegawa and Mamihara plants; the Gokasegawa plant resumed operations in 2022, followed by the Mamihara plant in 2025. Upgrades to other hydroelectric plants are also underway, reflecting the company's long-term commitment to utilizing renewable energy. Results: As a result, electricity generation from biomass fuel within the Asahi Kasei Group reached 57,012 MWh, while hydroelectric power generation reached 52,192 MWh. (Financing/Cost Management): The funds required for the upgrades to the Gokasegawa and Mamihara hydroelectric power plants in Kyushu were covered by a 10 billion yen green bond issued in 2020. Additionally, in 2023, the company issued a 20 billion yen green bond to finance the upgrades of five other hydroelectric power plants, including the Mizugasaki and Kawabashiri facilities.

Water

(3.1.1.1) Risk identifier

Select:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Increased difficulty in obtaining water withdrawal permits

(3.1.1.4) Value chain stage where the risk occurs

Select:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Singapore

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Please provide further specific details: Singapore has few large rivers, and chronic water scarcity is a risk; therefore, there are no specific rivers that would apply here.

(3.1.1.9) Organization-specific description of risk

We produce chemical products in the "materials" sector at two plants in Singapore. Chemical plants require large volumes of water—primarily for cooling—yet Singapore, with its limited land area and few major rivers, faces chronic water shortages. While the country receives a supply of high-quality water from neighboring Malaysia, this supply could become unstable due to factors such as political instability.

(3.1.1.11) Primary financial effect of the risk

Select:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select:

☑ Very likely

(3.1.1.14) Magnitude

Select:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Singapore receives a supply of high-quality water from its neighbor, Malaysia, and Asahi Kasei utilizes industrial water at its two manufacturing plants in the country. As Malaysia's economy continues to develop, domestic demand for industrial water there is expected to rise, which could potentially lead to long-term instability in the water supply to Singapore. Should such a scenario arise, the supply of industrial water to Jurong Island could be cut off, forcing the suspension of operations at our two plants on the island and resulting in a loss of profit due to reduced production.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

1300000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

3900000000

(3.1.1.25) Engage with regulators/policy makers

In calculating the financial impact, we assumed a scenario in which the supply of industrial water to Jurong Island is completely halted—due to factors such as political instability—resulting in the suspension of operations at our two plants on the island for a period ranging from a minimum of one month to a maximum of three months. The calculation was based on the production volumes and unit prices of key products at the affected facilities, while also taking into account general market conditions and relevant statistical data.

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

The collection of knowledge and information is inseparable from our company's regular business operations; as such, it would be meaningless to attempt to isolate it, and therefore no identifiable costs are incurred.

(3.1.1.29) Description of response

Gathering knowledge and information is the essential first step in business operations—and this applies to water-related risks as well. Singapore is a country where environmental regulations are likely to be strengthened rapidly; the carbon tax introduced in 2019 is one such example. We recognize that the collection and analysis of information are fundamental steps for identifying and minimizing water risks. For instance, we have supplied our "Microza" hollow-fiber filtration membranes—used for water treatment—to the Changi NEWater Plant, Singapore's largest water reclamation facility. Building on this track record, we maintain a close relationship with Singapore's Ministry of Sustainability and the Environment, which allows us to obtain timely information regarding the nation's water policy—such as trends in water pricing, plans to increase water self-sufficiency, and developments in Malaysia, a key source of Singapore's imported water. Furthermore, we continuously monitor the Ministry's website as well as information from external sources. Regarding water-related regulations, we also engage in advocacy—both domestically and internationally—through the Japan Chemical Industry Association.

Climate change

(3.1.1.1) Risk identifier

Select:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Thailand

(3.1.1.9) Organization-specific description of risk

As the scale of flooding increases due to climate change, our Group faces growing risks, including flood damage to facilities, loss of product inventory, and opportunity costs resulting from production stoppages. In fiscal year 2011, an Asahi Kasei Group facility in Thailand—which produces plastic compounds—was struck by flooding, forcing a six-month suspension of operations. This event resulted in a loss of earnings amounting to 2.7 billion yen over that six-month period. Following this incident, we conducted a risk assessment across all Asahi Kasei Group sites and offices, both in Japan and overseas. The assessment indicated that, absent the implementation of countermeasures, the Thai facility remains at risk of incurring a loss of similar magnitude in the event of another flood; we consider this scale to be a reasonable estimate of the potential impact.

(3.1.1.11) Primary financial effect of the risk

Select:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select:

☑ Likely

(3.1.1.14) Magnitude

Select:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As previously mentioned, the risk of flood damage in Thailand is one of the environmental risks that could potentially affect our financial position. However, given the measures we have implemented, we do not anticipate that it will have a material impact on our financial position at any point in the future.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

400000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

2700000000

(3.1.1.25) Explanation of financial effect figure

If no countermeasures are taken, there is a risk of incurring comparable losses from future flooding. We have assessed the potential scope of damage—including through third-party evaluations—in key regions where physical risks are anticipated. Based on projections that account for the frequency of disaster occurrences and the possibility of simultaneous events across our primary operational areas, we estimate potential losses ranging from a minimum of approximately 400 million yen to a maximum of approximately 2.7 billion yen. We consider this range to be a reasonable assessment of the potential impact.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop flood emergency plans

(3.1.1.27) Cost of response to risk

950000000

(3.1.1.28) Explanation of cost calculation

Situation: Due to an increase in flooding linked to climate change, the risk of facility inundation—particularly in Thailand—has risen, necessitating the implementation of appropriate countermeasures. Challenge: The aforementioned plastic compounding plant in Thailand manufactures engineering plastic compound products by blending additives into plastic raw materials at high temperatures. Extruders, which are the primary production equipment, are installed on the ground floor of the facility. It is essential to mitigate the risk of lost sales resulting from potential flood damage to this equipment. Regarding the costs for risk mitigation, we believe it is reasonable to implement measures that remain within the scope of the projected financial impact. We have currently implemented flood-mitigation measures with a value of approximately 950 million yen.

(3.1.1.29) Description of response

Countermeasures: In anticipation of potential future flood damage, the following measures have been implemented: 1) Power distribution panels, transformers, and extruder control panels located on the first floor have been relocated to the second floor. Furthermore, the facility has been modified to allow for the disassembly and crane-assisted lifting of key extruder units to the second floor in the event of a future flood. 2) A monitoring system for the upstream river has been established, enabling the prediction of flood conditions up to 10 days in advance. Results: With these measures in place, it is expected that damage to the facility's equipment can be avoided—even in the event of a flood exceeding the scale of the one experienced in fiscal year 2011—and that any resulting operational downtime would be limited to approximately a few weeks. (Calculation of management costs) The aforementioned measures, including the relocation of power distribution panels, transformers, and extruder control panels, incurred a cost of 950 million yen.

Climate change

(3.1.1.1) Risk identifier

Select:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Changing customer behavior

(3.1.1.4) Value chain stage where the risk occurs

Select:

☑ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Japan

(3.1.1.9) Organization-specific description of risk

In developed nations, the market for highly energy-efficient housing is steadily expanding. Driven by economic considerations and a growing awareness of climate change, both consumers and building-material manufacturers are increasingly interested in homes and materials that exceed regulatory performance standards. In recent years, the focus on energy efficiency has intensified, fueled by improvements in building insulation and the proliferation of Net Zero Energy Houses (ZEH). Furthermore, it is well-established that enhancing the thermal environment through better insulation not only helps prevent "heat shock"—a dangerous, sudden change in body temperature—but also contributes to the alleviation of various health conditions, thereby significantly benefiting the well-being of residents. Failure to offer products with adequate insulation performance can hinder sales and damage a company's reputation. In the Japanese market specifically, the organization "HEAT20"—established in 2009 by a group of dedicated professionals and incorporated in 2020 as a general incorporated association—has set insulation standards that surpass those required for ZEH. Consequently, manufacturers of insulation materials must strengthen their competitiveness to meet these benchmarks. If Asahi Kasei fails to stay ahead of its competitors by developing and marketing high-quality products, it risks suffering both a decline in sales and harm to its corporate image.

(3.1.1.11) Primary financial effect of the risk

Select:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select:

☑ Unlikely

(3.1.1.14) Magnitude

Select:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As our company develops and sells products that meet the standards proposed by the aforementioned HEAT20, we do not anticipate any material impact on our financial position at any chosen future point in time; however, as discussed later (in section 3.1.1.25), we have calculated the potential financial impact should we fall behind our competitors in the development and supply of energy-efficient building materials or ZEH (Net Zero Energy House) products.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

0

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

10000000000

(3.1.1.25) Explanation of financial effect figure

If Asahi Kasei falls behind its competitors in the development and supply of energy-efficient building materials and ZEH (Net Zero Energy House) products, a decline in sales will be inevitable—a scenario that would lead not only to lower profit margins but also to a weakened brand image. The potential financial impact has been estimated based on the following assumptions: housing-related sales in 2025 are projected at 1,077.4 billion yen, with a profit margin of 9.3%. A 10% drop in sales could result in a 10 billion yen reduction in profit for a single year. Calculation of the 10 billion yen profit decline: (1,077.4 billion yen × 9.3% profit margin × 10% sales decline).

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Please provide specific details regarding any other initiatives related to infrastructure, technology, or expenditures: staying ahead of competitors and developing and delivering high-quality products to customers.

(3.1.1.27) Cost of response to risk

3700000000

(3.1.1.28) Explanation of cost calculation

Context: As the thermal insulation performance of buildings improves, interest in energy conservation is growing. Failure to offer products with sufficient thermal insulation not only hinders sales but also risks damaging the company's image. Challenge: To prevent such reputational harm, it is necessary to develop products that meet the "HEAT20" standard—a benchmark that exceeds the requirements for ZEH (Net Zero Energy House) regulations. Research and development (R&D) costs for the high-performance insulation material "Neoma Zeus" are covered by the R&D budget for the housing and building materials segment. Of the group's total R&D budget of 110.5 billion yen for fiscal year 2025, 3.7 billion yen is allocated to the housing and building materials segment.

(3.1.1.29) Description of response

Countermeasure: To avoid the risk of declining sales due to an inability to meet market demand, we have focused on remaining at the forefront of innovation. Our "Neoma Foam" is an insulation material that offers high-level performance, including exceptionally low thermal conductivity, superior fire resistance, low gas emission, the absence of ozone-depleting gases, ease of installation, and high standards of quality, safety, and efficiency. Furthermore, we developed "Neoma Zeus"—which meets the G1 standard set by the HEAT 20 organization—surpassing the performance of Neoma Foam by 10%. Result: Consequently, our insulation business has performed well, avoiding any competitive disadvantage or decline in sales. Driven by factors such as the sale of environmentally superior homes—including Net Zero Energy Houses (ZEH)—and the expansion of our overseas operations, our revenue in the housing sector grew from 619 billion yen in fiscal year 2016 (prior to the launch of Neoma Zeus) to 1,077.4 billion yen in fiscal year 2025—an increase of 74%.

Water

(3.1.1.1) Risk identifier

Select:

☑ Risk6

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Thailand

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Chao Phraya

(3.1.1.9) Organization-specific description of risk

As the scale of flooding increases due to climate change, our Group faces growing risks, including flood damage to facilities, loss of product inventory, and opportunity costs resulting from production stoppages. In fiscal year 2011, an Asahi Kasei Group facility in Thailand—which produces plastic compounds—was struck by flooding, forcing a six-month suspension of operations. This event resulted in a loss of earnings amounting to 2.7 billion yen over that six-month period. Following this incident, we conducted a risk assessment across all Asahi Kasei Group sites and offices, both in Japan and overseas. The assessment indicated that, absent the implementation of countermeasures, the Thai facility remains at risk of incurring a loss of similar magnitude in the event of another flood; we consider this scale to be a reasonable estimate of the potential impact.

(3.1.1.11) Primary financial effect of the risk

Select:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select:

☑ Likely

(3.1.1.14) Magnitude

Select:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As previously mentioned, the risk of flood damage in Thailand is one of the environmental risks that could potentially affect our financial position. However, given the measures we have implemented, we do not anticipate that it will have a material impact on our financial position at any point in the future.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

400000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

2700000000

(3.1.1.25) Explanation of financial effect figure

If no countermeasures are taken, there is a risk of incurring comparable losses from future flooding. We have assessed the potential scope of damage—including through third-party evaluations—in key regions where physical risks are anticipated. Based on projections that account for the frequency of disaster occurrences and the possibility of simultaneous events across our primary operational areas, we estimate potential losses ranging from a minimum of approximately 400 million yen to a maximum of approximately 2.7 billion yen. We consider this range to be a reasonable assessment of the potential impact.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop flood emergency plans

(3.1.1.27) Cost of response to risk

950000000

(3.1.1.28) Explanation of cost calculation

Situation: Due to an increase in flooding linked to climate change, the risk of facility inundation—particularly in Thailand—has risen, necessitating the implementation of appropriate countermeasures. Challenge: The aforementioned plastic compounding plant in Thailand manufactures engineering plastic compound products by blending additives into plastic raw materials at high temperatures. Extruders, which are the primary production equipment, are installed on the ground floor of the facility. It is essential to mitigate the risk of lost sales resulting from potential flood damage to this equipment. Regarding the costs for risk mitigation, we believe it is reasonable to implement measures that remain within the scope of the projected financial impact. We have currently implemented flood-mitigation measures with a value of approximately 950 million yen.

(3.1.1.29) Description of response

Countermeasures: In anticipation of potential future flood damage, the following measures have been implemented: 1) Power distribution panels, transformers, and extruder control panels located on the first floor have been relocated to the second floor. Furthermore, the facility has been modified to allow for the disassembly and crane-assisted lifting of key extruder units to the second floor in the event of a future flood. 2) A monitoring system for the upstream river has been established,

enabling the prediction of flood conditions up to 10 days in advance. Results: With these measures in place, it is expected that damage to the facility's equipment can be avoided—even in the event of a flood exceeding the scale of the one experienced in fiscal year 2011—and that any resulting operational downtime would be limited to approximately a few weeks. (Calculation of management costs) The aforementioned measures, including the relocation of power distribution panels, transformers, and extruder control panels, incurred a cost of 950 million yen.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select:
☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

43500000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

23000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

As stated in 3.1.1.25 in 3.1.1 Risk 1, the potential impact of our group's annual GHG emissions (2.9 million t-CO2e) is 43.5 billion yen per year. The impact amount is approximately 2%, which is 43.5 billion yen divided by OPEX 2,843,305 million yen = (Cost of sales: 2,065,913 million yen + Selling, general and administrative expenses: 777,392 million yen). Regarding physical risks, if we suspend operations for one month at our main production base in the Kyushu region, the estimated impact of decreased sales of products produced at this base will be less than 1%, which is calculated by dividing the estimated impact of 23 billion yen by the FY2025 OPEX of 2,843,305 million yen (cost of sales: 2,065,913 million yen + selling, general and administrative expenses: 777,392 million yen).

Water

(3.1.2.1) Financial metric

Select:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

2700000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

Transition risks: Currently under analysis and calculation. Physical risks: As stated in section 3.1.1.25 (under "Risk 6" in section 3.1.1), the estimated financial impact of flooding in Thailand is 2.7 billion yen. This represents less than 1% of our projected consolidated net sales for the fiscal year 2025 (3.0745 trillion yen). Furthermore, as also noted in section 3.1.1.25 (under "Risk 6" in section 3.1.1), the estimated financial impact of flooding in Thailand is 2.7 billion yen. This represents less than 1% of our projected operating expenses (OPEX) for the fiscal year 2025, which total 2,843,305 million yen (comprising 2,065,913 million yen in cost of sales and 777,392 million yen in selling, general and administrative expenses).
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

Thailand

☑ Chao Phraya

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select:

☑ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select:

☑ Less than 1%

(3.2.11) Please explain

Using Aqueduct, we identified five of our directly operated sites as being located in river basins with high flood risk.

Row 2

(3.2.1) Country/Area & River basin

China

☑ Yangtze River

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select:

☑ Less than 1%

(3.2.10) % organization’s total global revenue that could be affected

Select:

☑ Less than 1%

(3.2.11) Please explain

Using Aqueduct, we identified five of our directly operated sites as being located in river basins with high flood risk.

Row 3

(3.2.1) Country/Area & River basin

China

☑ Other, please specify : Yingchuan Gang

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select:

☑ Less than 1%

(3.2.10) % organization’s total global revenue that could be affected

Select:

☑ Less than 1%

(3.2.11) Please explain

Using Aqueduct, we identified five of our directly operated sites as being located in river basins with high flood risk.

Row 4

(3.2.1) Country/Area & River basin

United States of America
☑ Other, please specify :Azevedo Creek

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply
☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select:
☑ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select:
☑ Less than 1%

(3.2.11) Please explain

Using Aqueduct, we identified five of our directly operated sites as being located in river basins with high flood risk.

Row 5

(3.2.1) Country/Area & River basin

China

☑ Other, please specify :KunCheng Lake

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select:

☑ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select:

☑ Less than 1%

(3.2.11) Please explain

Using Aqueduct, we identified five of our directly operated sites as being located in river basins with high flood risk.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select: ☑ No	*In FY2025, we were not subject to any fines, administrative guidance, or other penalties for non-compliance with water-related regulations.*

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select:

☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☑ Japan carbon tax

☑ Korea ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

Korea ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

14.7

(3.5.2.2) Scope 2 emissions approach

Select:

☑ Location-based

(3.5.2.3) % of Scope 2 emissions covered by the ETS

0

(3.5.2.4) Period start date

01/01/2025

(3.5.2.5) Period end date

12/31/2025

(3.5.2.6) Allowances allocated

434339

(3.5.2.7) Allowances purchased

0

(3.5.2.8) Verified Scope 1 emissions in metric tons CO2e

403359

(3.5.2.9) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.10) Details of ownership

Select:

☑ Facilities we own and operate

(3.5.2.11) Comment

Allocated allowances: 434,339 tCO_2e, consisting of 383,598 tCO_2e of Korean ETS allowances allocated in 2025 and 50,741 tCO_2e of Korean ETS allowances carried over from 2024.
[Fixed row]

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

Japan carbon tax

(3.5.3.1) Period start date

04/01/2025

(3.5.3.2) Period end date

03/31/2026

(3.5.3.3) % of total Scope 1 emissions covered by tax

20

(3.5.3.4) Total cost of tax paid

128000000

(3.5.3.5) Comment

We recognized the Tax for Climate Change Mitigation.
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Asahi Kasei sets targets at its sites and plants, including targets for improving productivity and energy intensity and increasing the use of renewable energy, and implements strategies to reduce energy costs and the burden of carbon taxes.
We regard our Green Transformation initiatives, including contributing to a carbon-neutral society, evolving our businesses toward a circular economy, and preparing for natural disasters, as key management priorities. We have positioned these initiatives as one of the core themes of our management strategy and, as part of these efforts, have established an internal carbon price (ICP).
The ICP level is determined by taking into account factors such as carbon price projections by the IEA, market prices, and our projected costs associated with achieving carbon neutrality. In July 2023, we revised our ICP from JPY 10,000 (USD 100)/tCO_2e to JPY 15,000 (USD 140)/tCO_2e, in line with the IEA's projected carbon price of USD 140/tCO_2e for 2030 under the Net Zero Emissions Scenario in the World Energy Outlook (WEO).
We use the ICP in evaluating the economic viability of capital investments and making investment decisions, thereby further promoting actions to comply with regulations associated with the transition to carbon neutrality.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Canada

☑ Japan

☑ Korea

☑ United States of America

(3.6.1.8) Organization specific description

Growing consumer awareness of climate change is expected to strengthen consumer preference for electric vehicles (EVs) over the medium to long term. Although growth in the EV market has slowed in the short term, particularly in North America, demand for energy storage systems (ESS) is expected to expand, driven by growing demand for generative AI and data centers and the resulting increase in electricity demand and renewable energy use.
Asahi Kasei's "Hipore™" lithium-ion battery separator is a polyolefin film used in a wide range of high-tech applications. At first glance, it may look like an ordinary plastic film, but it actually contains numerous microscopic pores. Hipore™ is a high-performance microporous membrane available in a wide range of thicknesses, with highly uniform pore sizes.
Asahi Kasei was among the first companies in the world to successfully achieve mass production of separators for modern lithium-ion batteries and has accumulated extensive technologies and expertise through many years of business operations. In addition to product design capabilities that contribute to improved battery

performance and expertise in post-processing, we have separator development and evaluation capabilities supported by battery evaluation technologies, as well as high productivity and the ability to ensure a stable supply of products.
For all these reasons, we believe that we have a significant competitive advantage in this field.

(3.6.1.9) Primary financial effect of the opportunity

Select:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select:

☑ Very likely (90～100%)

(3.6.1.12) Magnitude

Select:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Hipore™, one of Asahi Kasei's key businesses, expects sales growth in the short term driven by expanding demand for energy storage systems (ESS), supported by growing demand for generative AI and data centers and the resulting increase in electricity demand and renewable energy use. Over the medium to long term, further sales growth is expected as the EV market expands.
For the EV market, we will pursue growth with a primary focus on North America, Japan, and South Korea. As presented at our Management Briefing in April 2026, by "shifting toward a sales portfolio strategy that generates stable earnings," we aim to achieve net sales of JPY 110 billion and an operating margin of 20% or higher from FY2030 onward.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

33600000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

110000000000

(3.6.1.23) Explanation of financial effect figures

As also described in (3.6.1.14) of this section, Hipore™, one of Asahi Kasei's key businesses, expects sales growth in the short term driven by expanding demand for energy storage systems (ESS), supported by growing demand for generative AI and data centers and the resulting increase in electricity demand and renewable energy use. Over the medium to long term, further sales growth is expected as the EV market expands.
For the EV market, we will pursue growth with a primary focus on North America, Japan, and South Korea. Net sales of the Hipore™ business were JPY 33.6 billion in FY2022. As presented at our Management Briefing on April 15, 2026, by "shifting toward a sales portfolio strategy that generates stable earnings," we aim to achieve net sales of JPY 110 billion and an operating margin of 20% or higher from FY2030 onward.

(3.6.1.24) Cost to realize opportunity

220000000000

(3.6.1.25) Explanation of cost calculation

Asahi Kasei's Hipore™ business has announced the following two capital investments to capture growth opportunities in the North American and Japanese markets, where the EV market is expected to expand over the medium to long term: (1) expansion of coating capacity in the United States, Japan, and South Korea, with a total investment of approximately JPY 40 billion (announced in October 2023); and (2) construction of an integrated membrane manufacturing and coating plant in Canada, with a total investment of approximately JPY 180 billion (announced in April 2024).

For the second investment, in addition to receiving equity investments from the Development Bank of Japan and Honda Motor Co., Ltd., we will receive subsidies and other forms of support from the Government of Canada and the Government of Ontario. Through these measures, we will pursue sufficient production capacity to

meet growing market demand while managing investment risk.

(3.6.1.26) Strategy to realize opportunity

As described above, Asahi Kasei's Hipore™ business will pursue sufficient production capacity to meet growing market demand while managing investment risk through vertical collaboration, the use of external funding, and other measures.
We expect the North American electrified vehicle (xEV) market to grow over the medium to long term and are considering not only the Phase 1 investment described above, but also potential Phase 2 and Phase 3 investments. Our strategy is to accurately capture demand from automakers and battery manufacturers and reliably meet their needs.
Looking ahead, in our "Energy Storage" business, centered on the separator business, we will leverage the battery-related technologies we have accumulated over the years to develop a wide range of solution businesses.

Water

(3.6.1.1) Opportunity identifier

Select:

☑ Opp4

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China

☑ Indonesia

☑ Korea

☑ Singapore
☑ Thailand

(3.6.1.6) Country/area where the opportunity occurs

Select all that apply
☑ Chao Phraya
☑ Han River
☑ Yangtze River

(3.6.1.8) Organization specific description

Droughts caused by climate change are becoming a serious issue in regions around the world. In China, for example, water shortages have become chronic, and local governments may even order manufacturing facilities to suspend operations during periods of water scarcity. However, these challenges also create business opportunities for products and services that contribute to water conservation.
The Asahi Kasei Group has strong competitive capabilities in membrane filtration technologies based on its proprietary technologies. For example, "Microza™" is a filtration system developed by Asahi Kasei that uses modules incorporating proprietary hollow-fiber membranes. The Microza™ product lineup includes several types of hollow-fiber membranes made from various organic polymers. Liquids are filtered through pores in the walls of the hollow fibers. Microza™ membranes feature a narrow pore size distribution, providing excellent and stable filtration performance.
Microza™, developed by the Asahi Kasei Group, has been adopted at more than 1,600 plants worldwide and holds an approximately 20–30% share of the global UF/MF market for drinking water treatment.

(3.6.1.9) Primary financial effect of the opportunity

Select:
☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply
☑ Short-term
☑ Medium-term
☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select:

☑ Virtually certain (99～100%)

(3.6.1.12) Magnitude

Select:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the short term, sales in the Material sector, including filtration membranes, are expected to increase. This outlook is based on our strategy of focusing on high-value-added businesses in the Material sector to secure profitability.
Against the backdrop of serious water quality issues and water shortages, as well as increasingly stringent wastewater regulations worldwide, the global market for microfiltration (MF) and ultrafiltration (UF) systems is expanding. Asahi Kasei is a leading global supplier of MF/UF membranes, and we expect the MF/UF systems business to reach a scale of JPY 20–30 billion over the medium term.
From a long-term perspective, we expect to continue capturing significant business opportunities worth JPY 20–30 billion from the medium term onward through products such as Microza™, which contribute not only to the effective use of water resources but also to addressing climate change and promoting resource circulation.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

110000000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

110000000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

20000000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

30000000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

20000000000

(3.6.1.22) Anticipated financial effect figure in the long-term - maximum (currency)

30000000000

(3.6.1.23) Explanation of financial effect figures

In the short term, net sales of the Energy & Infrastructure segment, which includes the membrane filtration business, are expected to reach JPY 110 billion in FY2026. Against the backdrop of serious water quality issues and water shortages, as well as increasingly stringent wastewater regulations worldwide, the global market for microfiltration (MF) and ultrafiltration (UF) systems is expanding and is projected to reach approximately JPY 96.3 billion by 2030. Asahi Kasei is a leading global supplier of MF/UF membranes, and Microza™ has been adopted at more than 1,600 plants worldwide, with a market share of over 20%. Assuming a similar market share, the scale of the MF/UF systems business over the medium term is estimated at approximately JPY 20–30 billion (JPY 96.3 billion × 20–30%).
Microza™ is also beginning to be adopted as an alternative to conventional distillation systems, which generate significant CO_2 emissions, for the environmentally conscious production of Water for Injection (WFI). It is also used as an alternative to diatomaceous earth filtration, which generates large amounts of waste. In addition, Microza™ is widely used around the world in processes that further purify treated water from sewage treatment plants and industrial wastewater for recycling as industrial water, thereby making a significant contribution to addressing water resource challenges, one of the issues targeted by the SDGs.
We believe that such multifaceted contributions to the global environment will become increasingly important as progress continues to be made in addressing individual environmental issues. From a longer-term perspective, Microza™ can contribute not only to the effective use of water resources, but also to climate change mitigation and resource circulation. We therefore expect to capture business opportunities over the long term at a level comparable to the medium term, with the business opportunity estimated at approximately JPY 20–30 billion based on the same calculation used for the medium-term estimate.

(3.6.1.24) Cost to realize opportunity

5400000000

(3.6.1.25) Explanation of cost calculation

(Method for calculating the cost to realize the opportunity)
R&D expenses for the Energy & Infrastructure segment, which includes the membrane filtration business, were JPY 5.4 billion in FY2025. These expenses consist of personnel costs, material costs, and depreciation expenses.

(3.6.1.26) Strategy to realize opportunity

As described in 3.6.1.23, the global market for microfiltration (MF) and ultrafiltration (UF) systems is expanding against the backdrop of serious water quality issues and water shortages. As many countries face water scarcity and growing needs for improved water quality, the adoption of filtration membranes and water filtration and recycling systems is increasing. In particular, as the adoption of Microza™ continues to steadily expand in many countries facing water shortages and growing needs for improved water quality, we are strategically pursuing this market opportunity.
Asahi Kasei aims to contribute to addressing a wide range of environmental issues related to water resources by securing more orders for large-scale water treatment facilities around the world, particularly in Asian countries, where the number and scale of projects are expected to grow steadily. Going forward, we will continue to shift our business focus beyond our traditional markets in Japan and the United States toward regions facing water scarcity, including China, South Korea, Singapore, Thailand, Indonesia, and countries in the Middle East.
For example, the Singapore government is promoting a water reclamation initiative known as “NEWater,” under which treated wastewater is recycled and reused to address water scarcity. Asahi Kasei’s Microza™ filtration membranes have been widely adopted at these wastewater treatment facilities, with an adoption rate of more than 60%. This reflects the recognition of the chemical resistance and long service life of Asahi Kasei’s filtration membranes and represents a significant opportunity to contribute to Singapore’s water security.
We also aim to pursue long-term business growth by contributing to the global environment from multiple perspectives. In addition, in April 2024, we began sales of a membrane system for producing sterile water used in the preparation of injectable pharmaceuticals. This membrane system, which uses Microza™ hollow-fiber membranes, was developed as an alternative to the conventional distillation process for producing sterile water and reduces CO_2 emissions by lowering the amount of steam required. With this new system, customers are expected to be able to reduce CO_2 emissions while ensuring a stable supply of highly safe sterile water for pharmaceutical applications.

Climate change

(3.6.1.1) Opportunity identifier

Select:
☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services
☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Japan

☑ Germany

☑ France

☑ Italy

☑ Australia

☑ United states of America

(3.6.1.8) Organization specific description

Hydrogen is expected to play a vital role in realizing a carbon-neutral society. Under its new medium-term management plan, 2027: Trailblaze Together, Asahi Kasei has positioned hydrogen-related businesses as a "Strategic Growth" area and will continue to make focused investments to drive growth toward 2030. In particular, the Company aims to accelerate the commercialization of its alkaline water electrolyzer system, ***Aqualyzer™****, one of its core strengths, by securing multiple commercial projects and advancing demonstrations of 100 MW-class systems by fiscal 2027.*
Building on its operational experience with 10 MW-class systems, Asahi Kasei is further enhancing durability and reliability while improving scalability through modularization. In 2025, the Company also received its first order in Europe for the 1 MW-class containerized system, ***Aqualyzer™-C3****. Installation work commenced in March 2026, and after operations begin, the system is expected to transition to stable commercial operation within the year, providing an opportunity to demonstrate performance in cold-climate conditions. Through these initiatives, Asahi Kasei is building a framework capable of meeting a wide range of customer needs, from distributed applications to large-scale projects.*
In addition, leveraging the ion-exchange membrane technology cultivated through its chlor-alkali electrolysis business, the Company is advancing the development of high-efficiency electrolyzer cells. Asahi Kasei aims to achieve hydrogen-related sales of approximately ¥100 billion by 2030 and contribute to the realization of a carbon-neutral society through the wider adoption of green hydrogen.

(3.6.1.9) Primary financial effect of the opportunity

Select:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select:

☑ Likely (66～100%)

(3.6.1.12) Magnitude

Select:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Global installed electrolyzer capacity is estimated to be approximately 4 GW in 2025 and is projected to increase to 31 GW by 2030. Hydrogen-related policies around the world, including the European Union's REPowerEU Plan and Japan's Hydrogen Society Promotion Act, are supporting the development of hydrogen projects. However, the pace of market expansion has been slower than initially expected due to delayed demand growth, the cancellation or postponement of many hydrogen projects, significant delays in electrolyzer deployment, and hydrogen prices remaining higher than anticipated.
While the market is experiencing a period of slower growth in the short term, Asahi Kasei believes that the hydrogen market will continue to expand steadily over the medium to long term.
As part of a project commissioned by Japan's New Energy and Industrial Technology Development Organization (NEDO), Asahi Kasei installed a 10 MW large-scale water electrolysis system at the Fukushima Hydrogen Energy Research Field (FH2R), which has been in operation since 2020. This is one of the largest operating water electrolysis systems in the world. In addition, Asahi Kasei is planning large-scale demonstration projects, including those under NEDO's Green Innovation Fund Project, in collaboration with multiple partners to establish technologies and systems for commercial deployment.
The estimated economic impact of the Green Innovation Fund Project, measured in terms of global market size, is approximately ¥0.4 trillion on a cumulative basis through 2030 and is expected to reach ¥4.4 trillion annually by 2050. Asahi Kasei aims to generate annual sales of ¥100 billion from its hydrogen-related business by around 2030.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

100000000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

100000000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

100000000000

(3.6.1.22) Anticipated financial effect figure in the long-term - maximum (currency)

100000000000

(3.6.1.23) Explanation of financial effect figures

Global installed electrolyzer capacity is expected to increase from 1 GW in 2022 and approximately 4 GW in 2025 to 31 GW by 2030. Hydrogen-related policies around the world, including the European Union's REPowerEU Plan and Japan's Hydrogen Society Promotion Act, are supporting the development of hydrogen projects. However, the pace of market expansion has been slower than initially anticipated due to delayed demand growth, the cancellation or postponement of many projects, significant delays in electrolyzer deployment, and hydrogen prices remaining higher than expected. While short-term growth has slowed, Asahi Kasei believes that the hydrogen market will continue to expand steadily over the medium to long term.
As part of a project commissioned by Japan's New Energy and Industrial Technology Development Organization (NEDO), Asahi Kasei installed a 10 MW large-scale water electrolysis system at the Fukushima Hydrogen Energy Research Field (FH2R), where it has been in operation since 2020. This system is among the largest operating water electrolysis systems in the world.
In addition, Asahi Kasei is planning large-scale demonstration projects under NEDO's Green Innovation Fund Project, as well as collaborative initiatives with multiple partners aimed at establishing technologies and systems for commercialization. The estimated economic impact of the Green Innovation Fund Project, based on projected global market size, is approximately ¥0.4 trillion on a cumulative basis through 2030 and is expected to reach ¥4.4 trillion annually by 2050.
Asahi Kasei aims to achieve annual revenue of approximately ¥100 billion by around 2030.

(3.6.1.24) Cost to realize opportunity

75000000000

(3.6.1.25) Explanation of cost calculation

Situation: Asahi Kasei has established a strategy to accelerate the expansion of its alkaline water electrolysis system business, an area in which the Company possesses a strong technological advantage. Leveraging the ¥75 billion budget allocated under the Green Innovation Fund Project, Asahi Kasei is promoting the commercialization of this technology.
Challenge: To successfully commercialize hydrogen production technologies, it is essential to meet the diverse needs of customers, which vary depending on their specific water electrolysis system requirements. In addition, establishing sufficient production capacity and a robust supply chain is critical to meet the rapidly growing demand for water electrolysis systems.

(3.6.1.26) Strategy to realize opportunity

Response: To address these challenges, Asahi Kasei leverages its research and development capabilities and manufacturing expertise to provide water electrolysis systems that meet diverse customer needs. At the same time, the Company is promoting the standardization of water electrolysis systems and related equipment in collaboration with industry partners and associations.
Asahi Kasei serves as a Steering Member of the Hydrogen Council, a global initiative dedicated to advancing the hydrogen economy. Through its activities within the Council, the Company collaborates with a wide range of businesses and organizations across the hydrogen value chain.
In addition, Asahi Kasei participates as a Board Member of the Japan Hydrogen Association (JH2A), which brings together industry, government, and academia to accelerate the practical implementation of hydrogen technologies. Through JH2A, the Company contributes to efforts to address key challenges associated with commercialization and participates in discussions on the strategic direction of the association as a member of its Steering Committee.
Through these industry initiatives, Asahi Kasei seeks to consolidate and share industry perspectives while supporting the development of both domestic and global green hydrogen markets and the water electrolysis industry. The Company also plans to strengthen partnerships within and outside the Asahi Kasei Group to secure the manufacturing capacity, supply chain capabilities, and scale required to meet growing market demand.
Outcome: Building on the business foundation established through its chlor-alkali electrolysis business, Asahi Kasei will initially focus on the sale of electrolyzer systems and the provision of operation and maintenance services. Europe and North America, where policy support is strong and potential partners are relatively mature, have been identified as priority markets. The Company will also pursue participation in promising hydrogen projects in Japan as opportunities arise.

Climate change

(3.6.1.1) Opportunity identifier

Select:
☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased sales of existing products and services

(3.6.1.4) Value chain stage where the opportunity occurs

Select:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Japan

(3.6.1.8) Organization specific description

Growing concerns about global warming caused by climate change are increasing consumer interest in housing and living environments, while also driving demand for improved energy efficiency and enhanced resilience against increasingly severe natural disasters, including wind and flood damage. Asahi Kasei views the provision of housing that meets these needs as a significant business opportunity.
Since the establishment of Asahi Kasei Homes in 1972, the Company has built extensive experience and a strong track record in the housing business through its detached-home brand, HEBEL HAUS. It also has one of the industry's leading records in condominium rebuilding projects.
Furthermore, through initiatives such as the promotion of Net Zero Energy Houses (ZEH), the expansion of renewable energy use through participation in the RE100 initiative (achieved in fiscal 2023), and the acquisition of Science Based Targets (SBT) certification, Asahi Kasei is advancing decarbonization and strengthening resilience to natural disasters from an environmental perspective. Through these efforts, the Company seeks to contribute across the entire lifecycle of its housing products and business activities.

(3.6.1.9) Primary financial effect of the opportunity

Select:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select:

☑ Very likely (90～100%)

(3.6.1.12) Magnitude

Select:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In support of achieving carbon neutrality by 2050, housing-related regulations have been revised, leading to the introduction and mandatory adoption of higher-performance standards, including building energy performance labeling systems and enhanced insulation requirements. As a result, the adoption of Net Zero Energy Houses (ZEH) is being promoted across society.
Through the development of housing specifications that comply with these regulations and performance standards, as well as ongoing promotion efforts, Asahi Kasei Homes has steadily increased the proportion of ZEH homes in its portfolio. The company set a target of achieving a 90% ZEH ratio in fiscal 2025 and recorded a ratio of 93% in the same fiscal year.
Applying the ZEH ratio to revenue from the detached housing business within the construction contracting segment for fiscal 2025 (approximately ¥235 billion) results in an estimated revenue contribution of approximately ¥218.5 billion.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

218500000000

(3.6.1.18) Anticipated financial effect figure in the shot-term - maximum (currency)

218500000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

218500000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

218500000000

(3.6.1.23) Explanation of financial effect figures

In support of achieving carbon neutrality by 2050, housing-related regulations in Japan have been revised, resulting in the introduction and mandatory adoption of higher-performance standards, including enhanced housing performance labeling systems and insulation requirements. As a result, the adoption of Net Zero Energy Houses (ZEH) is being promoted across society.
Through the development of housing specifications that comply with these regulations and performance standards, as well as ongoing market promotion efforts, Asahi Kasei Homes has steadily increased the proportion of ZEH homes in its portfolio. The company set a target of achieving a 90% ZEH ratio in fiscal 2025 and achieved a ratio of 93% in the same fiscal year.
Based on a simple calculation applying the fiscal 2025 ZEH ratio to revenue from the detached housing construction contracting business (approximately ¥235 billion), the estimated revenue associated with ZEH homes is approximately ¥218.5 billion.

(3.6.1.24) Cost to realize opportunity

3700000000

(3.6.1.25) Explanation of cost calculation

Research and development expenses in the Housing business sector amounted to approximately ¥3.7 billion in fiscal 2025. Through the development of housing specifications that comply with evolving regulations and performance standards, as well as the promotion of these solutions in the market, Asahi Kasei Homes has steadily increased its ZEH ratio and will continue these efforts going forward.

(3.6.1.26) Strategy to realize opportunity

Asahi Kasei Homes leases rooftop space on HEBEL MAISON apartment buildings in urban areas from property owners and installs solar photovoltaic panels and battery storage systems. Through this initiative, Asahi Kasei Homes procures renewable electricity generated at these facilities and supplies it to both HEBEL MAISON residents and

companies within the Asahi Kasei Group.
In fiscal 2023, these efforts were recognized with the Special Jury Award of the Energy Conservation Grand Prize. Through such initiatives, Asahi Kasei Homes aims not only to reduce its own greenhouse gas emissions but also to contribute to reducing greenhouse gas emissions across society as a whole, thereby supporting the realization of a carbon-neutral society.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select:
☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

127900000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

Revenue for the Energy & Infrastructure segment, which includes the lithium-ion battery (LIB) separator **Hipore™**, totaled approximately ¥127.9 billion in fiscal 2025. This represented approximately 4.2% of Asahi Kasei's consolidated revenue of ¥3,074.5 billion.

Water

(3.6.2.1) Financial metric

Select:

☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

99600000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select:

☑ 41-50%

(3.6.2.4) Explanation of financial figures

Capital expenditures in the Energy & Infrastructure segment, which includes the Microza™ water treatment membrane business, amounted to approximately ¥99.6 billion in fiscal 2025. This represented approximately 44.8% of Asahi Kasei's total capital expenditures of ¥222.3 billion in fiscal 2025.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The policy for the selection of director candidates applies to all individuals nominated for election to the Board of Directors.
In selecting director candidates, Asahi Kasei nominates individuals who possess the insight, expertise, and capabilities appropriate for serving as directors. Internal director candidates are selected from individuals who are considered to have the specialized knowledge, experience, and skills required in their respective areas of responsibility. External director candidates are selected from a broad range of individuals with extensive experience in business management, academia, government, or other relevant

fields, with the expectation that they will provide objective oversight of management based on their broad perspectives and expertise.
To ensure diversity of knowledge, experience, and skills across the Board as a whole, Asahi Kasei discloses a Board Skills Matrix.

(4.1.6) Attach the policy (optional)

Corporate Governance.pdff
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select:* ☑ Yes
Water	*Select:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ President

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring the implementation of the business strategy

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding major capital expenditures

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Approving and/or overseeing employee incentives

☑ Monitoring progress towards corporate targets

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

Asahi Kasei Group promotes its climate change initiatives under the supervision of the President. Greenhouse gas (GHG) emissions reduction targets are reviewed and approved by the Board of Directors. The Board actively promotes climate change measures as part of the current medium-term management plan and continuously deliberates on and makes decisions regarding climate-related issues. Discussions relating to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) are also conducted at Board meetings.
All directors oversee and supervise the duties of the President, who serves as the Chief Executive Officer, including responsibilities related to climate change. In addition, Asahi Kasei has established three committees that provide specialized oversight and discussion on climate-related matters: the Sustainability Committee, the Global Environment Committee, and the Environment, Safety and Quality Assurance Committee.

Matters discussed and policies established by these committees are reported to the Board of Directors and reflected in discussions concerning Group management. For example, based on recommendations and reports from these committees, the Board of Directors held extensive discussions and, in 2021, declared its commitment to achieving carbon neutrality by 2050. In addition, the Company assesses climate-related physical and transition risks, develops response measures, and pursues climate-related opportunities in line with the TCFD framework.
The President has overall responsibility for risk management, while the officer responsible for Risk Management and Compliance supports the President under the oversight of the Board of Directors. The Risk and Compliance Committee, chaired by the President, communicates management-level decisions and directives regarding risk management, including climate-related risks, to the heads of business units and corporate functions.
Significant investments are reviewed and approved by the Board of Directors. Investment decisions are made after evaluating profitability and investment feasibility, taking into account the Company's internal carbon pricing framework.
The Board of Directors meets, in principle, once a month and convenes additional meetings as necessary.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ President

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets
☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing and guiding the development of a business strategy
☑ Monitoring the implementation of the business strategy
☑ Approving corporate policies and/or commitments
☑ Overseeing and guiding major capital expenditures
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Approving and/or overseeing employee incentives
☑ Monitoring progress towards corporate targets
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

Water-related issues within the Asahi Kasei Group are managed under the supervision of the President. Water-related businesses are positioned as one of the Group's most important management priorities from both a risk and opportunity perspective.
From a risk perspective, while many of the Group's production sites are located in regions with abundant water resources, some facilities face risks related to water scarcity. If such risks materialize, they could have a significant impact on plant operations. Accordingly, the Group recognizes not only the management of existing facilities but also future site selection as important management issues.
In addition, the Board of Directors discusses analyses and response measures based on the TCFD framework, including the assessment of physical and transition risks. For example, the Board considers the potential for flooding caused by increasingly severe weather events associated with climate change and reviews measures to address the possible release of hazardous substances resulting from such events.
From an opportunity perspective, the Group is exploring ways to contribute through its businesses in anticipation of increasing global water scarcity and the growing imbalance in water resource availability. These considerations are reflected in the medium-term management plan and annual business plans led by the President.
The Environment, Safety, Health and Quality Assurance (ESH&QA) Committee reviews plans and performance related to environment, safety, health and quality assurance, including water-related issues, at the annual ESH&QA Conference. When water-related matters requiring Board approval arise in connection with acquisitions, major capital investments, or business expansion initiatives, the responsible executives present them to the Board of Directors for review and approval.
Furthermore, the executive officer responsible for ESH&QA reports on the progress of the Group's environment, safety, health and quality assurance activities to the President at least annually. Through this multi-layered governance structure, the management team and the Board of Directors are able to focus on water-related issues of the highest priority.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

☑ Other, please specify: Our Chairman serves as the chair of the Committee on Environment for Keidanren—a roundtable organization for the Japanese business community—and, through this experience, possesses extensive knowledge regarding environmental aspects, particularly concerning climate change and water.

(4.2.3) Environmental expertise of the board member

Experience

☑ Active member of an environmental committee or organization

Water

(4.2.1) Board-level competency on this environmental issue

Select:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

☑ Other, please specify: Our Chairman serves as the chair of the Committee on Environment for Keidanren—a roundtable organization for the Japanese business community—and, through this experience, possesses extensive knowledge regarding environmental aspects, particularly concerning climate change

and water.

(4.2.3) Environmental expertise of the board member

Experience

☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select:* ☑ Yes
Water	*Select:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ President

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

(4.3.1.4) Reporting line

Select:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select:

☑ Annually

(4.3.1.6) Please explain

To advance key initiatives related to climate change, the Asahi Kasei Group has established the Sustainability Committee and the Environment, Safety, Health and Quality Assurance (EHS&QA) Committee under the leadership of the President.

The Sustainability Committee, chaired by the President, consists of executives from both business and corporate functions representing the entire Group. The Committee deliberates on the Group's most important sustainability-related strategic themes, including carbon neutrality. In addition, it works closely with related committees, including the EHS&QA Committee, to discuss ESG-related issues and formulate relevant policies.
The EHS&QA Committee, also chaired by the President, is composed of the executive officer responsible for EHS&QA and EHS&QA managers. It serves as the core body responsible for planning, target setting, implementation, monitoring, auditing, reporting, and review of EHS&QA management. The Committee also functions as the foundation of the Group-wide management framework, working in close coordination with all business sectors.
Specifically, under the leadership of the executive officer responsible for EHS&QA, the Committee develops action plans that specify concrete initiatives and implementation timelines for achieving established targets. Progress and key matters are also reported to the Board of Directors.
In addition, plans and performance related to EHS&QA are reviewed at the EHS&QA Promotion Conference. Chaired by the executive officer responsible for EHS&QA, the Conference is held four times per year.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level
☑ President

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities
☑ Assessing environmental dependencies, impacts, risks, and opportunities
☑ Managing environmental dependencies, impacts, risks, and opportunities

Strategy and financial planning
☑ Conducting environmental scenario analysis
☑ Developing a business strategy which considers environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Managing acquisitions, mergers, and divestitures related to environmental issues

(4.3.1.4) Reporting line

Select:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select:

☑ Annually

(4.3.1.6) Please explain

The Environment, Safety, Health and Quality Assurance (EHS&QA) Committee, which reports directly to the President, is chaired by the President and consists of the executive officer responsible for EHS&QA and EHS&QA managers. The Committee reviews plans and performance related to environment, safety, health and quality assurance, including water-related issues, at the annual EHS&QA Conference.
When water-related matters requiring review and approval by the Board of Directors arise in connection with acquisitions, major capital investments, or business expansion initiatives, the responsible executives report and present such matters to the Board of Directors for consideration.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

The achievement of non-financial targets, including individual objectives related to sustainability promotion, is incorporated into performance-linked remuneration as an incentive. In fiscal 2025, performance-linked remuneration paid to directors amounted to ¥151 million. As total remuneration paid to directors was ¥744 million, the proportion of performance-linked remuneration was calculated as 20% (¥151 million ÷ ¥744 million × 100).Performance evaluations related to the promotion of sustainability initiatives, including climate change actions, are reflected in executive remuneration.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

The achievement of non-financial targets, including individual objectives related to sustainability initiatives, is incorporated into performance-linked remuneration as an incentive mechanism.
In fiscal 2025, performance-linked remuneration paid to directors amounted to ¥151 million, while total remuneration paid to directors amounted to ¥744 million. Accordingly, the proportion of performance-linked remuneration was calculated as 20% (¥151 million ÷ ¥744 million × 100).
Performance evaluations related to sustainability initiatives, including climate change management, are reflected in executive remuneration.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Board/Executive board

(4.5.1.2) Incentive

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

(4.5.1.4) Incentive plan the incentives are linked to

Select:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

Performance-linked remuneration, which forms part of directors' compensation, is determined based on a comprehensive assessment of both financial and non-financial performance. Financial performance is measured against targets such as operating income and Return on Invested Capital (ROIC), while non-financial performance includes the achievement of individually assigned sustainability-related targets, such as climate change action and water security initiatives.
The level of monetary incentives is determined based on clear and objective performance evaluations, while also taking into consideration the need to enhance awareness of capital efficiency and value creation.
Individual performance-linked remuneration is calculated using the following formula:
Individual performance-linked remuneration = Evaluation Index × Position-based Standard Amount
Evaluation Index: An index determined through a comprehensive assessment of the achievement of both financial performance indicators and non-financial targets.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Directors' remuneration at Asahi Kasei incorporates incentives for promoting sustainability initiatives, including climate change actions, and constitutes an important element of the Company's corporate governance framework. The Company believes that performance-based incentive systems provide a range of benefits by ensuring that achievements are evaluated fairly and transparently. This is particularly important in sustainability-related areas, which have not always been given the same level of attention as traditional financial performance indicators. Furthermore, because remuneration can be linked to individual performance, the system encourages executives to actively advance initiatives aligned with their respective responsibilities and areas of accountability.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Board/Executive board

(4.5.1.2) Incentive

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

(4.5.1.4) Incentive plan the incentives are linked to

Select:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

Performance-linked remuneration, which forms part of directors' compensation, is determined based on a comprehensive assessment of both financial and non-financial performance. Financial performance is evaluated against targets such as operating income and Return on Invested Capital (ROIC), while non-financial performance includes the achievement of individually assigned sustainability targets, such as climate change action and water security initiatives. The level of monetary incentives is determined based on clear and objective performance evaluations, while also taking into account the need to enhance awareness of capital efficiency and value creation. The formula for calculating individual performance-linked cash remuneration is as follows: Individual performance-linked cash remuneration = Evaluation Index × Position-based Standard Amount *Evaluation Index: An index determined through a comprehensive assessment of the achievement of both financial performance indicators and non-financial targets.*

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate

transition plan

Directors' remuneration at Asahi Kasei incorporates incentives for promoting sustainability initiatives, including responses to water-related issues, and constitutes an important element of the Company's corporate governance framework. The Company believes that incentive-based compensation systems provide various benefits by ensuring that achievements are evaluated fairly and objectively. This is particularly significant in sustainability-related areas, which have historically received less attention than traditional financial performance indicators. Furthermore, because remuneration can be linked to individual performance, the system encourages executives to actively advance initiatives that align with their respective responsibilities and areas of accountability.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change

(4.6.1.2) Level of coverage

Select:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

Guided by its Group Mission, the Asahi Kasei Group is committed to contributing to the lives and living of people around the world. The Group has long recognized climate change as a global challenge with significant impacts on both the natural environment and society. As such, Asahi Kasei believes it is its responsibility to address this challenge by leveraging the scientific expertise it has cultivated since its founding and the collective strengths of the Group.
In May 2021, the Group established its Policy for Carbon Neutrality and set targets for the absolute reduction of its greenhouse gas (GHG) emissions. In addition, the Group is working to contribute to the reduction of GHG emissions across society as a whole and is pursuing its 2030 and 2035 targets for GHG emissions reductions throughout the product lifecycle.
Furthermore, the Asahi Kasei Homes Group, one of the Group's core business sectors, has been promoting the procurement of 100% renewable electricity for its business operations. As a result, it achieved RE100 in fiscal 2023, significantly ahead of its original target year of 2038 established at the time it joined the initiative.

(4.6.1.5) Environmental policy content

Climate-specific commitments

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, but we plan to align in the next two year

(4.6.1.7) Public availability

Select:

☑ Publicly available

(4.6.1.8) Attach the policy

Response to Climate Change.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Water

(4.6.1.2) Level of coverage

Select:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

The Asahi Kasei Group's businesses are closely linked to water, and ensuring water sustainability over the long term is both an essential condition for business continuity and part of the Group's responsibility to society.
Guided by its policy of reducing water consumption, the Group works to decrease water use at each production site and promote the effective utilization of water resources through water recovery and recycling initiatives.
To prevent water pollution, the Group implements rigorous wastewater management and leakage prevention measures and strives to prevent contamination of surface water and groundwater. In addition, the Group has established a zero-leakage target under the Water Pollution Control Act as part of its annual Environment, Safety, Health and Quality Assurance (EHS&QA) objectives across the Group.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

Water-specific commitments

☑Commitment to control/reduce/eliminate water pollution

☑Commitment to reduce water consumption volumes

☑Commitment to reduce water withdrawal volumes

☑Commitment to safely managed WASH in local communities

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, but we plan to align in the next two years

(4.6.1.7) Public availability

Select:

☑ Publicly available

(4.6.1.8) Attach the policy

Water Resource Conservation.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ International Sustainability & Carbon Certification (ISCC)

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ UN Global Compact

(4.10.3) Describe your organization's role within each framework or initiative

The Asahi Kasei Group endorses the United Nations Global Compact and participates in its Supply Chain Subcommittee. Through this subcommittee, the Group promotes initiatives aimed at establishing sustainable CSR (Corporate Social Responsibility) procurement frameworks that transcend industry sectors and stakeholder interests. In addition, the Group believes that disclosing risks and opportunities is beneficial for building trust with stakeholders and enhancing corporate value over the long term. Accordingly, in May 2019, Asahi Kasei expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Group's initiatives related to ISCC are disclosed in Section 13.1.1.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Yes

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

sustainability_report2025jp.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select:

☑ Yes, my organization is registered

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Non-government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Influence Map Asahi Kasei

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

All engagement activities are centrally managed by the Corporate Planning Department, which is responsible for developing and implementing the medium-term management plan, including the Company's climate transition plan. Activities are coordinated to ensure consistency and avoid contradictory positions. In conducting these activities, the Company works closely with relevant internal departments and seeks management-level approval on significant matters. When public comments are invited on proposed environmental regulations relating to greenhouse gas emissions, energy consumption, wastewater discharge, air pollutants, or soil contamination, Asahi Kasei may submit

opinions either independently or jointly through industry associations, such as the Japan Chemical Industry Association (JCIA), if the proposed regulations are considered to lack sufficient scientific basis, be excessively burdensome, or be inconsistent with existing regulations. When submitting comments independently, the Company reviews its position before submission to ensure that it is fair, balanced, and consistent with the Company's policies. Any identified unfairness, imbalance, or inconsistency is addressed through this review process. When providing input through industry associations, Asahi Kasei follows a similar internal review process before participating in discussions within the JCIA. The association's position is then developed through deliberation among its members. While the Company cannot control the final outcome of such discussions, it makes every effort to ensure that its views are appropriately reflected in the association's position. In many cases, the JCIA's recommendations are submitted through Keidanren (the Japan Business Federation). In addition to participating in public comment processes, Asahi Kasei actively engages with external stakeholders through various channels to help ensure that its environmental initiatives and transition plan remain aligned with Japan's and global climate objectives. For example, the Chairman of Asahi Kasei serves as Vice Chair and Chair of the Environment Committee of Keidanren, a member of the Advisory Committee for Natural Resources and Energy, which is deliberating Japan's Seventh Strategic Energy Plan, and a member of the Governing Board of Circular Partners, a public-private-academic partnership promoting the circular economy. The Company also actively participates in discussions and initiatives through organizations and forums such as the GX League, Keidanren, the Japan Chemical Industry Association (JCIA), the Japan Petrochemical Industry Association (JPCA), and the Japan Chamber of Commerce and Industry / Tokyo Chamber of Commerce and Industry.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Amendment to the Act on the Promotion of Effective Utilization of Resources (Resource Utilization Promotion Act)

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Low-impact production and innovation
☑ Circular economy

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Japan

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select:

☑ Support with major exceptions

(4.11.1.7) Details of any exceptions and your organization’s proposed alternative approach to the policy, law, or regulation

Asahi Kasei’s Chairman participated as a member of the Ministry of Economy, Trade and Industry’s Study Group on a Growth-Oriented Resource Autonomy Economy, contributing to discussions on measures to promote the transition to a circular economy in a manner consistent with decarbonization goals. One of the outcomes of these discussions was the formulation of the Growth-Oriented Resource Autonomy Economic Strategy, announced on March 31, 2023. Based on this strategy, amendments to the Act on Promotion of Resource Circulation for Plastics and Other Resources (commonly known as the 3R Act) were considered to establish mechanisms that connect the “arterial” and “venous” sides of material circulation. The amendment bill was approved by the National Diet in May 2025, promulgated in June 2025, and came into effect in April 2026. This regulatory framework may become a key enabler for the realization of Asahi Kasei’s contribution transition initiatives in the future. In addition, the Chairman serves as a member of the Basic Policy Subcommittee of the Advisory Committee for Natural Resources and Energy under the Ministry of Economy, Trade and Industry. Throughout 2024, the Subcommittee discussed Japan’s Seventh Strategic Energy Plan, and the Chairman participated in those deliberations. The plan was approved by the Cabinet in February 2025 and sets out the direction of Japan’s medium- to long-term energy policy. Through participation in these policy development processes, Asahi Kasei contributes to discussions aimed at realizing a decarbonized society.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Discussion in public forums

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The amended Act on the Promotion of Effective Utilization of Resources is an important policy measure for further advancing the transition to a circular economy by promoting the use of recycled resources and environmentally conscious product design. The legislation also incorporates key elements that support the Asahi Kasei Group's environmental policies, including the realization of a low-carbon society and the advancement of a circular economy. In its Homes business, the Asahi Kasei Group works to reduce waste generation at housing construction sites and promotes the separate collection and recycling of waste materials. The Group has also maintained zero landfill disposal at new housing construction sites. In addition, it has established a resource-circulation scheme under which used aluminum building components are collected and recycled into aluminum window frames for housing applications, thereby promoting the circular use of resources. These initiatives are advanced through collaboration with business partners and customers, as well as through dialogue with industry associations and government authorities. Progress and results are disclosed through the Integrated Report, the Company's website, and other public communications.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

European PFAS Regulatory Measures

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Water

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☑ Hazardous substances

☑ Water availability

☑ Water pollution

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ EU28

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select:

☑ Neutral

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Responding to consultations

☑ Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or

regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

We are aware of the details of the proposed PFAS regulations in Europe and anticipate that they will have an impact on the chemical industry as a whole, as well as on our own business operations. Regarding our "Microza" business, for instance, we are actively gathering information from both domestic and international sources—including experts—and consulting with relevant government ministries and industry associations. We are also taking steps such as submitting our views to government bodies and industry organizations as necessary. We recognize the need to continue these efforts with caution, while closely monitoring the content of the background documents provided by the European organization.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Asia and Pacific

☑ Japan Chemical Industry Association

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Asahi Kasei has declared its commitment to achieving carbon neutrality by 2050 in line with the Paris Agreement. The Company has announced that it will work toward this goal by promoting the decarbonization of electricity and steam generation, introducing innovative production processes, and utilizing technologies currently under development, including alkaline water electrolysis and CO_2 capture and separation technologies. The Japan Chemical Industry Association (JCIA) has also established its

“Chemical Industry’s Position on Carbon Neutrality.” In response to the Japanese government's commitment to achieving carbon neutrality by 2050, the chemical industry, as a provider of solutions, is committed to leveraging the potential of chemistry to address global challenges, drive innovation, and contribute to the development of a sustainable society. In addition, Asahi Kasei has identified a set of key material issues, referred to as the Asahi Kasei Group Materiality, and has designated pollution prevention as one of its priority themes. This theme is closely aligned with Sustainable Development Goal (SDG) 6: Clean Water and Sanitation, and the Company is advancing related initiatives while incorporating the perspectives of diverse stakeholders. Similarly, the JCIA recognizes the relationship between the chemical industry's activities and the SDGs. Examples of the industry's contributions to SDG 6 include water purification through technologies such as ultrafiltration membranes and adsorbents, water supply in deserts and remote islands through seawater desalination membrane technologies, and water conservation in daily life through the development of water-saving detergents. In this way, Asahi Kasei and the JCIA pursue compatible and mutually reinforcing initiatives related to carbon neutrality and water-related environmental challenges. Furthermore, Asahi Kasei's President serves as Chair of the JCIA and plays a leading role in the Carbon Neutrality Action Plan Working Group promoted by Keidanren. Through these roles, the Company is deeply involved in the development of the chemical industry's carbon neutrality action plans and contributes significantly to shaping the JCIA's positions on related issues.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select:
☑ In mainstream reports

(4.12.1.2) Is your publication in line with a standard or framework?

Select:
☑ Yes

(4.12.1.3) Standard or framework the publication is in line with

Select all that apply
☑ TCFD

(4.12.1.4) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.5) Status of the publication

Select:
☑ Complete

(4.12.1.6) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Climate-related targets
☑ Risks & Opportunities
☑ Greenhouse gas emissions figures
☑ Other, please specify ：Business Risks and Climate Change Risks

(4.12.1.7) Page/section reference

PDF: Green Transformation, p. 20; Business Risks, p. 39

(4.12.1.8) Attach the relevant publication

Annual Securities Report 2026.pdf

(4.12.1.9) Comment

The Annual Securities Report 2026 is attached.

Row 2

(4.12.1.1) Publication

Select:
☑ In voluntary communications

(4.12.1.2) Is your publication in line with a standard or framework?

Select:
☑ No

(4.12.1.4) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

(4.12.1.5) Status of the publication

Select:

☑ Underway - previous year attached

(4.12.1.6) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Water-related targets

☑ Content of environmental policies

☑ Climate-related targets

☑ Water accounting figures

☑ Risk & Opportunities

☑ Water pollution indicators

☑ Greenhouse gas emissions figures

☑ Value chain engagement

(4.12.1.7) Page/section reference

Asahi Kasei Group Sustainability Report 2025

(4.12.1.8) Attach the relevant publication

sustainability_report2025jp.pdf

(4.12.1.9) Comment

The Asahi Kasei Group Sustainability Report 2025 is attached.

Row 3

(4.12.1.1) Publication

Select:

☑ In mainstream reports

(4.12.1.2) Is your publication in line with a standard or framework?

Select:

☑ Yes

(4.12.1.3) Standard or framework the publication is in line with

Select all that apply

☑ TCFD

(4.12.1.4) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

(4.12.1.5) Status of the publication

Select:

☑ Underway - previous year attached

(4.12.1.6) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Water-related targets

☑ Climate-related targets

☑ Risks & Opportunities

☑ Dependencies & Impacts

☑ Greenhouse gas emissions figures

(4.12.1.7) Page/section reference

PDF: Business Portfolio Strategy, p. 40; Sustainability and Green Transformation (GX), p. 53; Corporate Governance, p. 78; Non-financial Highlights, p. 103

(4.12.1.8) Attach the relevant publication

Asahi Kasei report 2025(jp).pdf

(4.12.1.9) Comment

The Asahi Kasei Report 2025 is attached.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select:
☑ Yes

(5.1.2) Frequency of analysis

Select:
☑ Annually

Water

(5.1.1) Use of scenario analysis

Select:
☑ Yes

(5.1.2) Frequency of analysis

Select:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 7.0

(5.1.1.2) SSPs used in conjunction with scenario

Select:

☑ SSP3

(5.1.1.3) Approach to scenario

Select:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Market

(5.1.1.6) Temperature alignment of scenario

Select:

☑ 4.0°C or higher

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer attention to impact

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Scenario analysis is based on various assumptions, and actual risk impacts may differ significantly if those assumptions change. For example, in the flood risk assessment conducted using Aqueduct, the analysis assumes a 1-in-100-year flood event. However, the validity of this assumption itself may change over time, potentially leading to different risk outcomes.

(5.1.1.11) Rationale for choice of scenario

Asahi Kasei currently utilizes the TCFD framework to assess the risks and opportunities facing the Group and their potential financial and strategic impacts.
To evaluate the impacts of climate change and the associated societal transition, the Company considers two scenarios: the IPCC SSP3-7.0 (4°C) scenario and the IEA Net Zero Emissions by 2050 (NZE 2050) (1.5°C) scenario.
Under the IPCC SSP3-7.0 scenario, temperatures are expected to rise significantly, accompanied by more intense typhoons, increased precipitation, and stronger wind speeds. In contrast, under the IEA NZE 2050 scenario, temperatures are expected to rise more moderately as a result of strengthened CO_2 emission regulations and policies promoting climate-conscious choices, such as the adoption of electric vehicles.
The potential impacts of these risks and opportunities were discussed extensively with representatives from the Company's three core business sectors and

corporate functions. Subsequently, the Management Council and the Board of Directors conducted broader discussions on risks and opportunities, including water-related issues, and their potential implications for the Company.

Water

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select:

☑ 1.5ºC or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer attention to impact

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Scenario analysis is based on various assumptions, and actual risk impacts may differ significantly if those assumptions change. For example, there is uncertainty regarding the pace of climate action and policy responses. If climate mitigation efforts progress more slowly than expected through 2030, resulting in accelerated global warming, governments may be required to rapidly strengthen climate policies. In such a scenario, carbon costs could exceed the levels assumed under the IEA Net Zero Emissions by 2050 (NZE 2050) scenario, leading to greater-than-expected transition risks.

(5.1.1.11) Rationale for choice of scenario

Asahi Kasei currently utilizes the TCFD framework to assess the risks and opportunities facing the Group, as well as their potential financial and strategic impacts. To evaluate the impacts of climate change and the associated societal transition, the Company considers two scenarios: the IPCC SSP3-7.0 (4°C) scenario and the IEA Net Zero Emissions by 2050 (NZE 2050) (1.5°C) scenario. Under the IPCC SSP3-7.0 scenario, temperatures are expected to rise significantly, accompanied by more intense typhoons, increased precipitation, and stronger wind speeds. In contrast, under the IEA NZE 2050 scenario, temperatures are expected to rise more gradually as a result of strengthened CO_2 emission regulations and policies that promote climate-conscious choices, such as the adoption of electric vehicles. The potential impacts of these risks and opportunities were discussed extensively with representatives from the Company's three core business sectors and corporate functions.

The results were subsequently reviewed by the Management Council and the Board of Directors, where broader discussions were conducted on risks and opportunities, including water-related issues.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select:

☑ 1.5ºC or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer attention to impact

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

☑ Methodologies and expectations for science-based targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Scenario analysis is based on various assumptions, and actual risk impacts may differ significantly if those assumptions change. For example, there is uncertainty regarding the pace of climate action and the resulting policy responses. If climate mitigation efforts progress much more slowly than expected toward 2030 and global warming accelerates, governments may rapidly strengthen climate-related policies. In such a scenario, carbon costs could exceed the carbon pricing levels assumed under the IEA Net Zero Emissions by 2050 (NZE 2050) scenario, resulting in higher-than-expected transition risks and costs.

(5.1.1.11) Rationale for choice of scenario

Asahi Kasei currently utilizes the TCFD framework to assess the risks and opportunities surrounding the Group and their potential financial and strategic impacts. To evaluate the impacts of climate change and the associated societal transition, the Company considers two scenarios: the IPCC SSP3-7.0 (4°C) scenario and the IEA Net Zero Emissions by 2050 (NZE 2050) (1.5°C) scenario.Under the IPCC SSP3-7.0 scenario, temperatures are expected to rise significantly, accompanied by more intense typhoons, increased precipitation, and stronger wind speeds. In contrast, under the IEA NZE 2050 scenario, temperatures are expected to rise more gradually due to strengthened CO_2 emission regulations and policies that promote climate-conscious choices, such as the adoption of electric vehicles. The potential impacts of these risks and opportunities were discussed extensively with representatives from the Company's three core business sectors and corporate functions. The findings were subsequently reviewed by the Management Council and the Board of Directors, where broader discussions were conducted on risks and opportunities, including water-related issues.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 7.0

(5.1.1.2) SSPs used in conjunction with scenario

Select:

☑ SSP3

(5.1.1.3) Approach to scenario

Select:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Market

(5.1.1.6) Temperature alignment of scenario

Select :

☑ 4.0ºC and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer attention to impact

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Scenario analysis is based on a range of assumptions, and actual risk impacts may differ significantly if those assumptions change. For example, the flood risk assessment conducted using Aqueduct assumes the occurrence of a 1-in-100-year flood event. However, the underlying assumption itself may change significantly over time, which could result in substantially different risk outcomes.

(5.1.1.11) Rationale for choice of scenario

Asahi Kasei currently utilizes the TCFD framework to assess the risks and opportunities facing the Group, as well as their potential financial and strategic impacts. To evaluate the impacts of climate change and the associated societal transition, the Company considers two scenarios: the IPCC SSP3-7.0 (4°C) scenario and the IEA Net Zero Emissions by 2050 (NZE 2050) (1.5°C) scenario. Under the IPCC SSP3-7.0 scenario, temperatures are expected to rise significantly, accompanied by more intense typhoons, increased precipitation, and stronger wind speeds. In contrast, under the IEA NZE 2050 scenario, temperatures are expected to rise more gradually as a result of strengthened CO_2 emission regulations and policies promoting climate-conscious choices, such as the adoption of electric vehicles. The potential impacts of these risks and opportunities were discussed extensively with representatives from the Company's three core business sectors and corporate functions. The identified risks and opportunities, together with their potential financial and strategic implications, were subsequently reviewed by the Management Council and the Board of Directors as part of a broader assessment of climate-related and water-related risks and opportunities.
[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select:

☑ Organization-wide

(5.1.2.3) Summarize the influence of the scenario analysis on the selected business processes

We investigated the changes that may occur as a result of climate change and the impacts of those changes on our business using two scenarios, a +4°C scenario and a +1.5°C scenario, in accordance with the TCFD framework.
As a result, we confirmed that although climate change is expected to have significant financial impacts in the medium to long term, the financial risks to the Company as a whole are limited because our diversified business portfolio creates opportunities as well as responses to risks. We also confirmed that our diverse businesses and technologies have the potential to create new opportunities related to climate change.

Through this assessment, the following issues were identified as particularly important:
4°C Scenario
Risks

- Intensification of climate-related disasters associated with rising temperatures (suspension of operations at factories located along coastlines and rivers due to more frequent storm surges and flooding).

Opportunities

- Expansion of heatstroke and infectious diseases (increased demand for existing pharmaceuticals, new pharmaceuticals, and critical care businesses).

1.5°C Scenario
Risks

- Acceleration of decarbonization (strengthened GHG emission regulations, rising carbon prices, and increased raw material costs).

Opportunities

- Wider adoption of net zero energy houses (ZEHs) and electric vehicles (EVs) driven by policy measures.
- Arrival of a hydrogen society (increased demand for water electrolysis utilizing renewable energy).

In response to these important issues, we have initiated the following measures from a medium- to long-term perspective.

- To address the intensification of climate-related disasters associated with rising temperatures, we are implementing risk management and response measures from a business continuity planning (BCP) perspective. As a result of investigating future flood and storm surge risks using Aqueduct Floods, no significant increase in risk was identified.
- With respect to the spread of infectious diseases and heat-related illnesses, we continue to provide emergency pharmaceuticals and medical devices for infectious diseases and heatstroke, as well as consumables, equipment, and services for biopharmaceutical manufacturing processes.
- To address the acceleration of decarbonization, we are first planning to transition our existing coal-fired power plants to LNG (liquefied natural gas) and gas cogeneration systems. In addition, we aim to significantly reduce GHG emissions across the Group through expanded use of renewable energy and, in the future, achieve energy decarbonization through the use of biofuels and other measures, with the goal of achieving net zero by 2050. Through these activities, we plan to avoid the adverse impacts of increasingly stringent decarbonization-related regulations (e.g., rising carbon taxes). In addition, because increases in raw material costs are expected with a high probability, we are actively working with other companies to establish systems for demonstrating metal recycling in our ion-exchange membrane business and aluminum component recycling in our Homes business, with the aim of realizing a circular economy.
- To capture opportunities related to decarbonization, we will expand electronic materials such as separators, which are essential components of lithium-ion batteries (LIBs), with the aim of meeting growing demand and increasing market share.
- In anticipation of the arrival of a hydrogen society, we will accelerate our business development strategy for alkaline water electrolysis systems, in which we possess a technological advantage.

This year, we also identified, as a risk relevant to both the 4°C and 1.5°C scenarios, the possibility that investor and customer expectations regarding carbon neutrality may exceed the level of our initiatives, resulting in company selection by stakeholders and deterioration of our reputation in society.
Through these specific discussions, management has gained a clearer recognition that these risks are increasing year by year and is using this understanding to drive the next actions.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

(5.1.2.2) Coverage of analysis

Select:

☑ Organization-wide

(5.1.2.3) Summarize the influence of the scenario analysis on the selected business processes

Under the IPCC SSP3-7.0 (4°C) scenario, droughts caused by climate change are projected to become commonplace in all regions of the world. For example, in China, water shortages are expected to become chronic, and during periods of severe water scarcity, local governments may order manufacturing facilities to suspend operations. However, we believe that such circumstances will also create business opportunities for products and services that contribute to water conservation, and we utilize the results of scenario analyses as one of the factors in considering our key issues. The Asahi Kasei Group has a competitive advantage in the manufacturing technology of Microza™, a filtration and purification membrane developed using proprietary technologies. The global markets for microfiltration (MF) systems and ultrafiltration (UF) systems are growing at an annual rate of approximately 10%, driven by urgent environmental water quality issues, water shortages, and increasingly stringent wastewater regulations worldwide. In the United States, which represents one of the largest markets for these systems, Microza™ holds a high market share in membrane-based water treatment systems. We regard this as a strategic opportunity, as the adoption of Microza™ continues to expand steadily in many countries facing water shortages and increasing needs for improved water quality. In addition to its traditional markets in Japan and the United States, Asahi Kasei is focusing on countries and regions facing water shortages, including China, South Korea, Singapore, Thailand, Indonesia, and the Middle East. Going forward, Asahi Kasei will seek to expand orders for large-scale water treatment facilities around the world, particularly in Asian countries where both the number and scale of projects are expected to increase steadily, and thereby contribute to solving a wide range of environmental issues related to water resources.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select:

☑ No, but we plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

Asahi Kasei is also engaged in energy-related businesses as part of its diversified business portfolio. At present, the Company believes it has a responsibility to contribute to the stable supply of energy to society, and therefore an immediate withdrawal from fossil fuel-related activities is not considered realistic. However, the Company intends to accelerate the transition toward renewable energy and low-carbon technologies over the long term.

(5.2.10) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select:

☑ We have a different feedback mechanism in place

(5.2.11) Description of feedback mechanism

We provide explanations of and progress updates on our 1.5°C transition plan annually through the integrated report, Asahi Kasei Report, and our sustainability website. Information and advice obtained through stakeholder dialogues and questionnaire surveys regarding the Asahi Kasei Report are thoroughly reviewed from both technical and cost perspectives by personnel responsible for climate change-related initiatives, led by the Sustainability Management Department. As a result, proposals and measures deemed effective are incorporated into the Company's medium- to long-term transition plan toward achieving net zero, subject to approval by the Board of Directors, and are subsequently implemented.

(5.2.12) Frequency of feedback collection

Select:

☑ Annually

(5.2.13) Description of key assumptions and dependencies on which the transition plan relies

Asahi Kasei's climate transition plan is developed based on the following key assumptions and dependencies: (1) trends in policies and regulations in Japan and key markets (e.g., the introduction of carbon taxes and emissions trading systems); (2) progress in technological innovation (e.g., hydrogen production and utilization technologies, CCUS, and cost reductions for renewable energy); (3) progress in decarbonization across the entire supply chain; (4) the availability of internal investment capacity and human resources; and (5) support and cooperation from stakeholders, including customers, investors, and local communities. We believe that the fulfillment of these conditions will enhance the effectiveness of our transition plan toward achieving our net-zero target.

(5.2.14) Description of progress against transition plan disclosed in current or previous reporting period

In fiscal 2025, Asahi Kasei achieved the following progress:

1. Strengthened collaboration among the Sustainability Management Department, the Corporate Planning Department, and business sectors to establish emission reduction targets and roadmaps.
2. Conducted carbon footprint of products (CFP) assessments for key products and shared the results with customers.

These initiatives are aligned with the Company's medium- to long-term transition plan and represent steady progress toward achieving net zero.

(5.2.16) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Plastics

(5.2.17) Explain how the other environmental issues are considered in your climate transition plan

Asahi Kasei positions plastic-related environmental challenges as an important element of its climate transition plan. Specifically, the Company is promoting the following initiatives: (1) development of products using biomass-based and recycled raw materials; and (2) research, development, and demonstration of plastic recycling technologies, including material recycling. These initiatives are intended to achieve both climate change mitigation and resource circularity and form a core part of the Company's sustainability strategy.

(5.2.18) Adaptation-specific objectives included within your climate transition plan

Select:

☑ Yes

(5.2.19) Describe the adaptation objectives included in your climate transition plan or standalone adaptation plan

In Japan, the Fifth Fundamental Plan for Establishing a Sound Material-Cycle Society, approved by the Cabinet in August 2024, introduced new national indicators such as the “ratio of renewable and recycled resources used” and positions the use of biomass-based and recycled materials as important evaluation criteria for the circular economy. In addition, the amended Act on the Promotion of Effective Utilization of Resources came into effect in April 2026, requiring businesses in sectors such as automobiles and home appliances to prepare and report plans regarding the use of recycled resources and other materials.
Asahi Kasei also places importance on initiatives related to resource circularity, and each business sector is promoting activities suited to its own circumstances. For example, in the ion-exchange membrane business, Asahi Kasei has launched an electrolyzer cell rental service to reduce customers’ need to maintain spare electrolyzer cells, which can easily become idle assets, thereby reducing assets across the entire supply chain of the business. The Company is promoting this initiative with a target of serving ten customers by 2027.
In the Homes business, Asahi Kasei aims to promote the long-term use and durability of housing by increasing the implementation rate of long-term periodic inspections for both detached houses and apartment buildings. The target is to achieve a 70% implementation rate by 2027.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

[Case study of the most significant strategic decision influenced by climate-related opportunities in this area] Although the automotive lithium-ion battery (LIB) separator business is expected to be affected in the short term by slower growth in the EV market, particularly in North America, we expect significant growth over the medium to long term. In response, we decided to construct an integrated coating and separator film production facility in Ontario, Canada, with a planned investment of approximately JPY 180 billion. Furthermore, we are managing investment risks through investments from the Development Bank of Japan and Honda Motor Co., Ltd., as well as subsidies from the Government of Canada and the Province of Ontario. Through this investment, we plan to secure an annual production capacity of approximately 700 million square meters (on a coated separator basis) by 2027. We are also building a supply system to meet future growth in demand from the EV and energy storage battery markets.

Upstream / downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

[Risks]; [Company-specific description of how the Company's strategy in this area has been influenced by climate-related risks and the time horizon covered] An increasing number of customers evaluate efforts to reduce energy costs associated with transportation. We need to review our packaging and improve transportation efficiency, and failure to take appropriate measures could result in the loss of customers. The time horizons covered by this strategy are the short and medium term, as the provision of information on environmental impacts, such as CO_2 emissions, has already begun in some countries. The ratio of overseas sales increased from 54.7% in 2024 to 55.1% in 2025, making the management of packaging and transportation necessary. [Case study of the most significant strategic decision made to date in this area that was influenced by climate-related risks] Among the available modes of transportation, we are promoting environmentally friendly rail transportation. In cooperation with the transportation companies to which we outsource transportation, we are implementing various measures to reduce energy consumption. Our preferential use of rail for product transportation has been recognized, and we have obtained Eco Rail Mark certification. [Opportunities]; [Company-specific description of how the Company's strategy in this area has been influenced by climate-related opportunities and the time horizon covered] Automobile manufacturers are promoting vehicle weight reduction in response to regulations on CO_2 emissions during vehicle operation. We have developed foam products, automotive interior materials made from expanded polyethylene beads, that contribute to weight reduction compared with conventional plastic components, and have worked to expand sales to automobile manufacturers. The time horizons covered by this strategy are the short and medium term. [Case study of the most significant strategic decision made to date in this area that was influenced by climate-related opportunities] CO_2 emissions regulations are becoming more stringent worldwide, particularly in the EU and China. In fiscal 2025, our sales amounted to ¥232 billion in the EU, representing 7.5% of total sales, and ¥254 billion in China, representing 8.3% of total sales, and we aim to create and expand business in these regions. As part of these efforts, we are strengthening collaboration with the European automotive industry through Asahi Kasei Europe GmbH, which was established in Düsseldorf, Germany, with the aim of expanding our business in Europe. The Asahi Kasei Group also recognizes that the increasing severity of weather-related disasters is increasing the risk of damage at outsourced raw material manufacturing sites and in product logistics. Accordingly, we are using hazard maps to visualize high-risk supply chains and are implementing measures such as listing alternative suppliers, adopting multiple sourcing, increasing inventory levels, and selecting resilient suppliers.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

[Risks]; [Company-specific explanation of how our strategy in this area is influenced by climate-related risks, and the time horizon for this strategy] To address the urban heat island effect and climate change during the summer, we are advancing technology development in two key areas: construction techniques that directly mitigate heat—such as heat-shielding, water-retentive, and warm-mix asphalt paving—and methods to extend the service life of roads or reduce the volume of construction work required. The latter is being pursued with a focus on global warming mitigation. There is a risk that falling behind in the development of elastomers for use in these technologies could hinder our business expansion. The time horizon for this strategy is medium- to long-term. [Case study of a significant strategic decision made in this area, influenced by climate-related risks] We have focused our development efforts on "modified S-SBR," a product that achieves an optimal balance between braking performance and fuel efficiency, while also enhancing wear resistance and handling stability. [Opportunities]; [Company-specific explanation of how our strategy in this area is influenced by climate-related opportunities, and the time horizon for this strategy] In Japan, energy efficiency regulations for residential buildings were introduced in April 2017, with compliance becoming mandatory by April 2025. Consequently, demand for high-insulation solutions is steadily increasing. As the housing segment accounts for approximately 35% of our total sales, this shift is expected to have a significant impact. The time horizon for this strategy is medium- to long-term. [Case study of a significant strategic decision made in this area, influenced by climate-related opportunities] Anticipating these mandatory requirements, we have focused on developing higher-performance insulation materials. This led to the creation of "Neoma Zeus"—an evolution of our "Neoma Foam" insulation with even greater thermal performance—which has been on the market since January 2018. Leveraging high-performance insulation, we are focusing our efforts on the adoption and expansion of ZEH (Net Zero Energy Houses).

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

[Risks]; [Company-specific explanation of how our strategy in this area is influenced by climate-related risks, including the relevant time horizons] According to the IPCC's Sixth Assessment Report, sea-level rise by the end of the 21st century is projected to be between 28 cm and 101 cm. Our facilities located in coastal areas—such as those in the Nobeoka region of Kyushu—face the risk of inundation due to flooding. The time horizon for this strategy is medium- to long-term. [Case study of a significant strategic decision influenced by climate-related risks] We have established internal regulations to ensure an appropriate response to workplace accidents or natural disasters. Through close coordination between our manufacturing plants, regional managers, and the head office, we maintain an effective emergency response system. This enables us to ensure the safety of our personnel, prevent the spread of impact to the surrounding environment, and minimize damage. Each plant develops an annual schedule for regular drills, which are conducted in collaboration with the head office. [Opportunities]; [Company-specific explanation of how our strategy in this area is influenced by climate-related opportunities, including the relevant time horizons] As climate change threatens the stable supply of water, the demand for water recycling is increasing. The time horizon for this strategy is medium- to long-term. [Case study of a significant strategic decision influenced by climate-related opportunities] We have developed "Microza"—hollow-fiber membranes for water treatment—to address needs related to water reuse and water quality improvement. In countries such as China, South Korea, Singapore, Thailand, and Indonesia, there is a high demand for solutions to water scarcity and water quality issues, which presents an opportunity for us to expand our business scope. Moving forward, we intend to actively pursue expansion into other high-demand regions, such as the Middle East, where chronic water shortages persist.
[Fixed row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenue

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

We are incorporating the expansion of the Asahi Kasei Group's earnings capacity into our financial planning by creating opportunities for high-value-added businesses that address climate change—such as battery separators for electric vehicles (EVs), new materials for the automotive sector, and energy-efficient housing. Given our track record of developing highly profitable, value-added business opportunities, we do not anticipate a particularly high risk of climate change having a severe impact on our earnings. Our financial planning covers short-, medium-, and long-term time horizons. The trend of earnings growth is expected to continue. In fiscal year 2025, we recorded net sales of 3.0745 trillion yen and an operating profit of 231.2 billion yen. For fiscal year 2027, we are targeting net sales of 3.47 trillion yen and an operating profit of 270 billion yen. We anticipate robust profit growth, driven primarily by our "priority growth" businesses.

Row 2

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Direct costs

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

We are driving a transformation of our business portfolio to adapt to major shifts in industrial structure, exemplified by the rise of electric vehicles. In pursuing this transformation, we aim to deliver new value to society—aligned with our Group Vision of realizing "healthy and comfortable living" and "harmony with the environment"—by focusing our research and development (R&D) on key areas that address climate change. Within our Material business, we are developing materials for renewable energy and energy conservation, with a particular emphasis on high-performance separators for lithium-ion secondary batteries. In our Housing business, our financial planning incorporates R&D investments aimed at reducing energy consumption in homes and enhancing thermal insulation performance. These financial plans span short-, medium-, and long-term horizons. R&D expenditure for the Asahi Kasei Group has recently hovered around 100 billion yen but is now on a gradual upward trend; it reached 110.6 billion yen in fiscal year 2024 and 110.5 billion yen in fiscal year 2025, with a budget of 136 billion yen planned for fiscal year 2026.

Row 3

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Capital expenditures

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

We are prioritizing capital investments—both new and expanded—in product areas with long-term growth potential, such as those related to climate change solutions.

Simultaneously, we are implementing measures to enhance product reliability, reduce costs, streamline operations, improve labor efficiency, and carry out maintenance, while also actively investing in information technology. In April 2024, we announced a capital investment plan totaling 180 billion yen, which includes the expansion of production lines for separators within our "Hipore" business (in the United States, Japan, and South Korea) as well as the construction of a new plant in Canada. As presented during our management briefing in May 2026, these investments are projected to drive the Hipore business toward annual sales of 110 billion yen and an operating profit margin of over 20% by fiscal year 2030. Currently, we are proactively pursuing capital investments that capitalize on emerging opportunities, alongside measures to mitigate risks. Our financial planning covers both the short and medium term. Total capital expenditure for the entire Group is planned at 211 billion yen for fiscal year 2024, 222.3 billion yen for fiscal year 2025, and 254 billion yen for fiscal year 2026.

Row 4

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

In our Mid-term Management Plan 2027 (2025–2027), titled "Trailblaze Together," we have set a total investment target of 930 billion yen over the three-year period. This allocation is intended to support both investments in our existing businesses and the pursuit of new business opportunities, including through mergers and acquisitions (M&A). The investment figure encompasses initiatives related to climate change, such as those involving hydrogen. The financial plan is framed within a medium- to long-term horizon.

Row 5

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Access to capital

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Addressing climate change requires capital for purposes such as research and development, new equipment investment, and corporate acquisitions. We aim to improve our access to capital by proactively disclosing ESG-related information and establishing a framework that enables us to secure funding at lower interest rates. Our financial planning covers both the short and medium term. In fiscal year 2025, we raised a total of 83.1 billion yen through long-term borrowings and the issuance of corporate bonds. Moving forward, we will continue to pursue new borrowings and bond issuances as appropriate, while carefully monitoring our cash flow balance.

Row 6

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

In the event of a natural disaster caused by climate change, the company could face a reduction in the value of its assets due to the impairment of fixed assets, such as factory facilities. Our financial planning covers both the short and medium term. As no natural disasters resulting in asset impairment have occurred in recent years, we consider the potential impact to be minor. Furthermore, we engage in transparent communication with investors regarding our climate change response, striving to reduce the uncertainties associated with ESG-related investments—including those linked to climate change.

Row 7

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Liabilities

(5.3.2.2) Effect type

Select all that apply

☑ Physical risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning

elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Securing funds for new capital investments or corporate acquisitions may lead to an increase in liabilities, driven by a rise in corporate bonds and borrowings. The financial planning covers both the short and medium term. Under our medium-term management plan for 2027 (2025–2027), titled "Trailblaze Together," we intend to raise approximately 180 billion yen over the three-year period. This strategy—which also accounts for environmental risks and opportunities—will involve not only the use of interest-bearing debt but also the divestment of business assets and the leveraging of external capital.

Row 8

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

(5.3.2.2) Effect type

Select all that apply

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Droughts resulting from climate change are projected to become a recurring, standard occurrence across all regions of the globe. In China, for instance, water scarcity has become a chronic issue, at times leading local authorities to mandate the suspension of operations at manufacturing facilities. We view these conditions,

however, as a business opportunity for products and services that contribute to water conservation. The Asahi Kasei Group holds a competitive advantage through its proprietary manufacturing technology for "Microza"—a line of filtration and purification membranes. The global market for microfiltration (MF) and ultrafiltration (UF) systems is growing at an annual rate of approximately 10%, driven by urgent concerns regarding water quality, water scarcity, and increasingly stringent global regulations on wastewater discharge. Microza commands a significant market share in membrane-based water purification systems, particularly in the United States—a major market for such technology. As the adoption of Microza continues to expand steadily in many nations facing water scarcity and a growing need for improved water quality, we are strategically capitalizing on these opportunities. Beyond our established presence in Japan and the United States, we are actively focusing on countries grappling with water shortages, including China, South Korea, Singapore, Thailand, Indonesia, and nations in the Middle East. Asahi Kasei aims to secure more large-scale water treatment facility projects globally—with a particular emphasis on Asian countries, where both the number and scale of such projects are expected to continue growing—thereby contributing to the resolution of a wide range of environmental challenges related to water resources. Within our Energy & Infrastructure business, which encompasses the Microza product line, we are targeting sales of 110 billion yen for the 2026 fiscal year.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select:

☑ Other, please specify

(5.4.1.5) Financial metric

Select:

☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

710000000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

23.1

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

We define "Environmental Contribution Products" as products that help reduce environmental impact throughout their entire life cycle. Tracking the greenhouse gas emissions reductions achieved through these products serves as an effective means of gauging progress in lowering environmental impact across our entire value chain; we calculate this impact while carefully accounting for any fluctuations. Furthermore, we monitor the sales and the share of total sales represented by these products as a reference indicator of the success of our customer engagement efforts. Through these initiatives, we strive to both address environmental challenges and ensure the sustainable growth of our company.
[Add row]

(5.5) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

(5.5.1) Investment in low-carbon R&D

Select:

☑ Yes

(5.5.2) Comment

Our current medium-term management plan, "Trailblaze Together" (2025–2027), envisions a total investment of 930 billion yen. Of this, 600 billion yen is earmarked for growth-related investments; we plan to pursue expansion—primarily through M&A, as we have done in the past—not only in the healthcare sector but also in the housing business, both domestically and internationally. In the area of decarbonization specifically, we intend to focus our efforts on hydrogen, electronic materials, and ion-exchange membranes.
[Fixed row]

(5.5.3) Provide details of your organization’s investments in low-carbon R&D for chemical production activities over the last three years.

Row 1

(5.5.3.1) Technology area

Select:

☑ Other, please specify: Green hydrogen production technology

(5.5.3.2) Stage of development in the reporting year

Select:

☑ Full/commercial-scale demonstration

(5.5.3.3) Average % of total R&D investment over the last 3 years

7.2

(5.5.3.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

31000000000

(5.5.3.5) Average % of total R&D investment planned over the next 5 years

7.5

(5.5.3.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

This disclosure encompasses not only research and development (R&D) expenditures but also capital investments related to decarbonization in general. Asahi Kasei views R&D in the field of decarbonization as a crucial upfront investment for the transition toward net-zero emissions by 2050. In recent years, the company has been consistently investing in the development, demonstration, and production capacity expansion of large-scale alkaline water electrolysis systems for green hydrogen production. Through the widespread adoption of hydrogen derived from renewable energy, Asahi Kasei aims to contribute to the decarbonization of society as a whole, including the chemical industry. The company intends to continue expanding its investments in low-carbon technologies to achieve net-zero emissions.
[Add row]

(5.5.6) Provide details of your organization's investments in low-carbon R&D for real estate and construction activities over the last three years.

Row 1

(5.5.6.1) Technology area

Select:
☑ Building integrated photovoltaic systems

(5.5.6.2) Stage of development in the reporting year

Select:
☑ Large scale commercial deployment

(5.5.6.3) Average % of total R&D investment over the last 3 years

1

(5.5.6.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

1200000000

(5.5.6.5) Average % of total R&D investment planned over the next 5 years

2

(5.5.6.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

The Asahi Kasei Group is actively investing in R&D focused on solar power generation systems and energy storage batteries—assets that are installed in homes built by Asahi Kasei Homes and are owned and managed by the company. In its environmental policy, the Asahi Kasei Homes Group commits to contributing to the mitigation of climate change through the effective use of renewable energy, and it intends to continue its R&D investments in solar power generation systems and energy storage batteries moving forward.
[Add row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

238.61

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

-62.76

(5.9.3) Water-related OPEX (+/- % change)

15.82

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

-23.28

(5.9.5) Please explain

CAPEX: In fiscal year 2025, capital expenditures for water-related operations increased significantly compared to the previous fiscal year, driven by a large-scale investment in wastewater treatment facilities at a production site in China within our materials-related business. For the coming fiscal year, we plan to maintain investment at a typical, normalized level, with a primary focus on R&D related to water. OPEX: The majority of operating expenses in fiscal year 2025 were allocated to water quality analysis and the procurement of neutralizing agents for wastewater discharged directly into public water bodies, such as rivers and the sea; these expenditures were largely incurred to ensure regulatory compliance. While there was no significant change in the number of facilities conducting water quality analysis, repair costs rose due to scheduled maintenance of equipment at large-scale manufacturing plants. We anticipate that expenditures for the coming fiscal year will return to a typical, normalized level.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

Carbon

(5.10.1) Use of internal pricing for this environmental externality

Select:
☑ Yes

Water

(5.10.1) Use of internal pricing for this environmental externality

Select:
☑ No, but we plan to in the next two years

(5.10.2) Primary reason for not pricing this environmental externality

Select:
☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(5.10.3) Explain why your organization does not price this environmental externality

While our Group is working to better understand our dependence on and impact upon natural capital and water resources, we have not yet implemented an internal pricing mechanism to assign a monetary value to water-related environmental externalities. As we deepen our engagement with nature-related issues—including those addressed by the TNFD—we intend to explore methods for the quantitative assessment of water externalities, with the goal of implementing such a mechanism within the next two years, should it prove necessary.

Other

(5.10.1) Use of internal pricing for this environmental externality

Select:

☑ No, and we do not plan to in the next two years

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive energy efficiency

☑ Drive low-carbon investment

☑ Incentivize consideration of climate-related issues in decision making

☑ Identify and seize low-carbon opportunities

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment with the price of a carbon tax
☑ Benchmarking against peers
☑ Cost of required measures to achieve climate-related targets
☑ Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The pricing for the ICP takes into account factors such as the IEA's projections for carbon and market prices, as well as Asahi Kasei's own cost outlook for achieving carbon neutrality.

(5.10.1.5) Scopes covered

Select all that apply
☑ Scope 1
☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select:
☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select:
☑ Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

15000

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

15000

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Product and R&D

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select:

☑ Yes, for some decision-making processes, please specify: This approach is applied to investment projects involving capital expenditures of 100 million yen or more, or those projected to increase greenhouse gas (GHG) emissions by 1,000 t-CO2e or more per year; it is used, for instance, in evaluating the financial viability of such investments. As an example, when replacing an oil-fired boiler at a chemical plant in Miyazaki, the decision was made to switch to an LNG-fired boiler, with the assessment factoring in CO2 costs based on internal carbon pricing.

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

0.01

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

To further advance our efforts toward carbon neutrality, we have established an internal carbon pricing (ICP) mechanism for greenhouse gas (GHG) emissions, which we utilize for purposes such as evaluating the profitability of capital investments. This ICP is determined based on factors including the International Energy Agency's (IEA) future carbon price projections, prevailing market prices, and our own cost forecasts related to carbon neutrality; we continue to manage and periodically review this price to ensure it remains appropriate.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select:

☑ No, but we plan to within the next two years

(5.11.3) Environmental issues covered

Select:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

We are prioritizing engagement with our suppliers and customers.

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select:

☑ No, but we plan to within the next two years

(5.11.3) Environmental issues covered

Select:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

We are prioritizing engagement with our suppliers and customers.
[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

This is based on the top 80% of transaction amounts.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select:

☑ 76-99%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

470

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Basin/landscape/marine ecosystem condition

☑ Dependence on water

☑ Impact on water availability

☑ Impact on pollution levels

(5.11.1.3) % Tier 1 suppliers assessed

Select:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

This is based on the top 80% of transaction amounts.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select:

☑ 76-99%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

470
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Business risk mitigation

☑ Material sourcing

☑ Procurement spend

☑ Strategic status of suppliers

(5.11.2.4) Please explain

We select suppliers for our CSR procurement questionnaire primarily based on the volume of business, with a focus on our top-spending partners. This selection process includes not only our largest direct suppliers but also primary manufacturers with whom we work through trading companies. We conduct a CSR procurement questionnaire that incorporates questions related to the environment and climate change; for suppliers who receive low ratings, we hold individual meetings to encourage risk mitigation and improvements in their practices.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Business risk mitigation

☑ Material sourcing
☑ Procurement spend
☑ Strategic status of suppliers

(5.11.2.4) Please explain

We select suppliers to receive our CSR procurement questionnaire primarily based on the volume of business conducted with them. The questionnaire includes questions regarding the efficient use of water resources and wastewater management, allowing us to assess our suppliers' current initiatives. Furthermore, for suppliers who receive low ratings, we conduct individual meetings and other follow-up actions to encourage improvements in their practices.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select:
☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select:
☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Our Supplier Code of Conduct requests that suppliers track and work to reduce their greenhouse gas emissions. This Code is made available on our company website and is communicated to suppliers through channels such as briefing sessions for our CSR procurement questionnaire. Furthermore, we assess the status of suppliers' climate change initiatives via this questionnaire, and for those with low ratings, we provide follow-up support, including individual meetings.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Our Supplier Code of Conduct requires suppliers to work toward the efficient use of water resources and the prevention of water pollution. We assess their progress through a CSR procurement questionnaire and provide follow-up support—such as feedback and individual meetings—to suppliers who receive low ratings.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select:

☑ Waste and resource reduction and material circularity

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select:

☑ 76-99%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select:

☑ 76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select:

☑ 1-25%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

In accordance with our procurement policy, we have established a "Supplier Code of Conduct" as a tool to promote CSR-based procurement. This code, along with our procurement policy, is published on our website to ensure that our suppliers understand the policies of our Group. We also evaluate the CSR-related activities of our suppliers through a dedicated questionnaire and provide feedback sheets to those who complete it. For suppliers who receive a low rating, we conduct on-site visits or virtual meetings to assess the situation and provide support for improvement. If a serious issue is identified during these discussions, we engage in dialogue with the supplier to encourage prompt corrective action. Should a follow-up review reveal that the issue has not been resolved, we may consider suspending or re-evaluating our business relationship with that supplier. Conversely, for suppliers who demonstrate significant improvement in their ratings, we conduct "best practice" assessments to gather and share examples of effective CSR initiatives. For those with low ratings, we analyze their specific responses and the potential risks they may pose to our supply chain, maintaining ongoing communication to facilitate necessary improvements.

Water

(5.11.6.1) Environmental requirement

Select:

☑ Total water withdrawal volumes reduction

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select:
☑ 76-99%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select:
☑ 76-99%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select:
☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select:
☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select:
☑ 1-25%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply
☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Based on our procurement policy, we have established a "Supplier Code of Conduct," which—along with the procurement policy itself—is published on our website to ensure that our suppliers understand the policies of our Group. Furthermore, we evaluate our suppliers' activities through a CSR procurement questionnaire and provide them with feedback sheets. By assessing their efforts regarding the efficient use of water resources and wastewater management, we strive to identify both current and future water-related risks within our supply chain. For suppliers who receive low ratings, we conduct site visits or online meetings to assess their situation and provide support for improvement. Conversely, for suppliers who demonstrate significant improvement, we conduct "best practice" research to gather and share examples of their CSR initiatives. When issues are identified through dialogue with suppliers, we encourage necessary improvements and provide ongoing follow-up through subsequent questionnaires.

Climate change

(5.11.6.1) Environmental requirement

Select:

☑ Disclosure of GHG emissions to your organization (Scope 1, 2 and 3)

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select:

☑ 76-99%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this

environmental requirement

Select:
☑ 76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select:
☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select:
☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select:
☑ 1-25%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply
☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

For the primary raw materials used in our specific business operations, we request that our suppliers submit a Carbon Footprint of Products (CFP) questionnaire and a CO_2 reduction plan questionnaire. The CFP questionnaire collects data on product-level CFP as well as Scope 1, 2, and 3 emissions, while the CO_2 reduction plan questionnaire is used to verify suppliers' reduction targets and initiatives.
[Add row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Provide training, support and best practices on how to mitigate environmental impact

Information collection

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select:

☑ 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We conduct CSR-related surveys among our key suppliers. The selection process focuses primarily on suppliers with the highest transaction volumes; in the raw materials sector, for instance, our 2025 fiscal year survey covered approximately 90% of our total procurement spend. We also hold briefing sessions for suppliers to communicate our procurement policies, sustainability policies, and Supplier Code of Conduct. Furthermore, we provide feedback sheets to all participating suppliers, sharing the results of their assessments. For those with low ratings, we conduct individual meetings to support their improvement efforts. Conversely, for suppliers that have shown improvement, we carry out "best practice" reviews to gather and share examples of their CSR initiatives.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select:

☑ Yes, please specify the environmental requirement : Initiatives to track and reduce greenhouse gas emissions as stipulated in the Supplier Code of Conduct, and climate change-related assessment criteria included in the CSR procurement questionnaire.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select:

☑ Upstream value chain transparency and human rights

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select:

☑ 76-99%

(5.11.7.7) % of tier 1 suppliers with substantive impacts and/or dependencies related to the environmental issue covered by engagement

Select:

☑ Unknown

(5.11.7.9) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

The Procurement and Logistics Division conducts CSR procurement surveys among its key suppliers. Suppliers are selected primarily based on the volume of business, and in the raw materials sector, this coverage accounted for approximately 90% of total procurement spending in fiscal year 2025. We hold briefing sessions for suppliers to communicate our procurement policies, sustainability policies, and Supplier Code of Conduct. Furthermore, we provide feedback sheets to all participating suppliers, sharing the results of their evaluations. The surveys include questions regarding the efficient use of water resources and wastewater management to assess the status of each supplier’s initiatives. For suppliers with low ratings, we conduct individual meetings to support their improvement efforts. Conversely, for suppliers that have shown improvement, we carry out "best practice" reviews to gather and share examples of successful CSR-related initiatives.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select:

☑ Yes, please specify the environmental requirement: Initiatives for the efficient use of water resources and the prevention of water pollution as stipulated in the Supplier Code of Conduct, and water-related assessment criteria included in the CSR procurement questionnaire.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select:
☑ Yes
[Add row]

(5.11.9) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.9.1) Type of stakeholder

Select:
☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing
☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Innovation and collaboration
☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select:
☑ Less than 1%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Asahi Kasei works to reduce greenhouse gas emissions and conserve water resources across its entire value chain through engagement with customers. By proposing products tailored to customer needs, the company contributes to reducing downstream emissions and improving water-use efficiency. For instance, Asahi Kasei participates annually in the "Sustainable Material Exhibition"—one of Japan's largest trade shows—where it presents quantitative data on how its products help lower environmental impact, thereby strengthening relationships with customers. Moving forward, the company will continue to accelerate the provision of sustainable solutions through the creation of new businesses and global expansion.

(5.11.9.6) Effect of engagement and measures of success

Engagement with customers, leading to the adoption of products that contribute to greenhouse gas (GHG) emission reductions and water resource conservation, serves as a key performance indicator. We define "Environmental Contribution Products" as those that help reduce environmental impact throughout their entire life cycle. We have set quantitative targets for the GHG emission reductions achieved through these products: to more than double the reduction amount by fiscal year 2030 (compared to fiscal year 2020) and to increase it by a factor of 2.5 or more by fiscal year 2035. Tracking this metric is an effective way to gauge progress in reducing environmental impact across the entire value chain; we calculate the resulting impact while carefully monitoring any fluctuations.

Water

(5.11.9.1) Type of stakeholder

Select:
☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing
☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Innovation and collaboration
☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Asahi Kasei works to reduce greenhouse gas emissions and conserve water resources across its entire value chain through engagement with customers. By proposing products tailored to customer needs, the company contributes to reducing downstream emissions and improving water-use efficiency. For instance, Asahi Kasei participates annually in the "Sustainable Material Exhibition"—one of Japan's largest trade shows—where it presents quantitative data on how its products help lower environmental impact, thereby strengthening relationships with customers. Moving forward, the company will continue to accelerate the provision of sustainable solutions through the creation of new businesses and global expansion.

(5.11.9.6) Effect of engagement and measures of success

Engagement with customers, leading to the adoption of products that contribute to greenhouse gas (GHG) emission reductions and water resource conservation, serves as a key performance indicator. We define " Environmental Contribution Products" as those that help reduce environmental impact throughout their entire life cycle. We have set quantitative targets for the GHG emission reductions achieved through these products: to more than double the reduction amount by fiscal year 2030 (compared to fiscal year 2020) and to increase it by a factor of 2.5 or more by fiscal year 2035. Tracking this metric is an effective way to gauge progress in reducing environmental impact across the entire value chain; we calculate the resulting impact while carefully monitoring any fluctuations.
[Add row]

C6. Environmental performance - Consolidation approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	*Select:* ☑ Financial control	*This is because environmental performance data is collected for consolidated subsidiaries that fall under the company's financial management.*
Water	*Select:* ☑ Financial control	*This is because environmental performance data is collected for consolidated subsidiaries that fall under the company's financial management.*

[Fixed row]

C7. Environmental performance - Climate change

(7.1) Is this your first year of reporting emissions data to CDP?

Select:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
	Select all that apply	*We have reviewed and updated certain emissions data from previous years to ensure consistency with the data on*

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
	☑ Yes, a change in methodology	*our website that has undergone third-party assurance. This review concerns only data from prior years and does not have a material impact on the emissions calculations for the current reporting year.*

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
	Select: ☑ No, because the impact does not meet our significance threshold	Base-year emissions are recalculated if changes—such as adjustments to organizational boundaries, significant modifications to calculation methodologies, or the correction of material errors—have a substantial impact on the emissions figures. As the review of data from previous years did not reach the threshold for materiality, no recalculation of base-year emissions has been performed.	*Select:* ☑ Yes

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions

Select all that apply

☑ Act on the Rational Use of Energy

☑ Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
☑ The Greenhouse Gas Protocol: Scope 2 Guidance
☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select: ☑ We are reporting a Scope 2, location-based figure	*Select:* ☑ We are reporting a Scope 2, market-based figure	*We calculate and report Scope 2 emissions based on both the location-based and market-based methods.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are excluded from your disclosure of climate-related data?

Select:
☑ No

(7.5) Provide your base year and base year emissions.

Scope**1**

(7.5.1) Base year end

03/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

3880000

(7.5.3) Methodological details

Calculations are generally performed in accordance with the Act on the Rational Use of Energy and the Shift to Non-fossil Energy Sources (Energy Conservation Act), the Act on Promotion of Global Warming Countermeasures, the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), the GHG Protocol Scope 2 Guidance, and the GHG Protocol Corporate Value Chain (Scope 3) Standard, among others.

Scope 2 (location-based)

(7.5.1) Base year end

03/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

660000.0

(7.5.3) Methodological details

Calculations are generally performed in accordance with the Act on the Rational Use of Energy and the Shift to Non-fossil Energy Sources (Energy Conservation Act), the Act on Promotion of Global Warming Countermeasures, the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), the GHG Protocol Scope 2 Guidance, and the GHG Protocol Corporate Value Chain (Scope 3) Standard, among others.

Scope 2 (market-based)

(7.5.1) Base year end

03/31/2014

(7.5.2) Base year emissions (metric tons CO2e)

1230000.0

(7.5.3) Methodological details

Calculations are generally performed in accordance with the Act on the Rational Use of Energy and the Shift to Non-fossil Energy Sources (Energy Conservation Act), the Act on Promotion of Global Warming Countermeasures, the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), the GHG Protocol Scope 2 Guidance, and the GHG Protocol Corporate Value Chain (Scope 3) Standard, among others.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

4510000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of year-over-year trends, we have included emissions data from the most recent year for which third-party assurance was obtained. The scope of this calculation covers items for which the emissions—derived by multiplying the volume or monetary value of products and services purchased from external sources by their respective emission factors—amount to 4,000 t-CO2e or more. Emissions are calculated using purchase volumes as the activity data, in conjunction with emission factors sourced from databases such as the "3EID" (Environmental Load Intensity Data Book based on Input-Output Tables, 2015) and the "IDEA v2.3" database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Scope 3 category 2: Capital goods

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

560000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of year-over-year trends, we have included emissions data from the most recent year—

prior to the current reporting year—for which third-party assurance was obtained. This process aligns with the GHG Protocol’s "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using capital expenditure (CAPEX) as the activity data, in conjunction with emission factors sourced from databases such as "Emission Intensity Database for Calculating Greenhouse Gas Emissions of Organizations Across the Supply Chain (Ver. 3.6)."

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

900000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of changes over time, we have included emissions data from the most recent year—prior to the current reporting year—for which third-party assurance was obtained. This process aligns with the GHG Protocol’s "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated based on activity data—specifically the quantities of electricity, steam, and various types of fuel purchased—and emission factors, such as those provided in the IDEA v2.3 database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

210000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of year-over-year trends, we have included emissions data from the most recent year for which third-party assurance was obtained prior to the current reporting year. This process aligns with the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using activity data—specifically, freight volumes for which the company bears responsibility as a shipper, as well as procurement volumes—and emission factors, such as those from the IDEA v2.3 database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

70000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of changes over time, we have included emissions data from the most recent year—prior to the current reporting year—for which third-party assurance was obtained. This process aligns with the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using activity data (such as the volume of waste disposed of) and emission factors sourced from databases such as "Emission Intensity Database for Calculating Greenhouse Gas Emissions of Organizations throughout the Supply Chain (Ver. 3.6)."

Scope 3 category 6: Business travel

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

30000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of changes over time, we have included emissions data from the most recent year—prior to the current reporting year—for which third-party assurance was obtained. This process aligns with the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using business travel expenditure as the activity data, in conjunction with emission factors derived from sources such as the "Database on Environmental Impact by Input-Output Analysis (3EID)" (2015).

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

30000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of changes over time, we have included emissions data from the most recent year for which third-party assurance was obtained prior to the current reporting year. This process aligns with the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using activity data—such as commuting expenses—in conjunction with emission factors derived from sources including the "Database for Environmental Analysis by Industrial Relations" (3EID, 2015) and the "Inventory Database for Environmental Analysis" (IDEA v2.3) developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

1370000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of changes over time, we have included emissions data from the most recent year—prior to the current reporting year—for which third-party assurance was obtained. The calculations cover residential properties that received a certificate of compliance within the reporting year and were performed using the "Energy Consumption Performance Calculation Program (Residential Version)" developed by the Building Research Institute (a National Research and Development Agency), based on the following formula: Σ (annual energy consumption per household by energy source × emission factor for each energy source) × service life (60 years). Emission factors by energy source: Electricity 0.423 (t-CO2/1,000 kWh) and 8.64 (GJ/1,000 kWh); city gas 0.051 (t-CO2/GJ); kerosene 0.069 (t-CO2/GJ).

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

03/31/2025

(7.5.2) Base year emissions (metric tons CO2e)

1530000

(7.5.3) Methodological details

To facilitate the ongoing management of Scope 3 emissions and the tracking of year-over-year trends, we have included emissions data from the most recent year for which third-party assurance was obtained prior to the current reporting year. This process aligns with the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. For emission factors, we have utilized sources such as the "Database of Emission Intensity Values for Calculating Greenhouse Gas Emissions, etc., of Organizations throughout the Supply Chain" (Version 3.6), published by the Ministry of the Environment of Japan.
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological details
Reporting year	*2254111*		*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of*

	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological details
			Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."
Past year 1	*2485256*	*03/31/2025*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*
Past year 2	*2386214*	*03/31/2024*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*
Past year 3	*2853917*	*03/31/2023*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*
Past year 4	*3080947*	*03/31/2022*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*
Past year 5	*2906814*	*03/31/2021*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*

[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

711483

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

646336

(7.7.4) Methodological details

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

768044

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

702394

(7.7.3) End date

03/31/2025

(7.7.4) Methodological details

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

846144

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

793816

(7.7.3) End date

03/31/2024

(7.7.4) Methodological details

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

870683

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

823854

(7.7.3) End date

03/31/2023

(7.7.4) Methodological details

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

Past year 4

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

1048479

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

1030384

(7.7.3) End date

03/31/2022

(7.7.4) Methodological details

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

Past year 5

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

929331

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

899405

(7.7.3) End date

03/31/2021

(7.7.4) Methodological details

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4115337

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

We calculate emissions for items where the total emissions—derived by multiplying the volume (in physical or monetary terms) of products and services purchased from outside the Group by their respective emission factors—amount to 4,000 t-CO2e or more. For these calculations, the "activity data" is the purchase volume, while the emission factors are sourced from databases such as the "3EID" (Environmental Load Intensity Data Book based on Input-Output Tables, 2015) and the IDEA v2.3 database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Capital goods

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

586226

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify: Calculated based on the amount of capital investment

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

We refer to the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its accompanying guidance. Emissions are calculated using capital expenditure as the activity data, and applying emission intensity factors—such as those from the "Database of Emission Intensity Values for Calculating Greenhouse Gas Emissions of Organizations throughout the Supply Chain (Ver. 3.6)"—to determine the total greenhouse gas emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

706363

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify: Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

We refer to the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using activity data—such as the quantities of electricity, steam, and various types of fuel purchased—and emission factors, including those from the IDEA v2.3 database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Upstream transportation and distribution

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

169396

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify: Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

We refer to the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using activity data—specifically, the volume of goods transported for which the company bears responsibility, as well as procurement volumes—and emission factors, such as those from the IDEA v2.3 database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Waste generated in operations

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

63910

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

We refer to the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its accompanying guidance. Emissions are calculated using waste disposal volumes as the activity data, and applying emission factors from sources such as the "Database of Emission Intensity Values for Calculating Greenhouse Gas Emissions of Organizations throughout the Supply Chain (Ver. 3.6)."

Business travel

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

27713

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

This calculation follows the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. Emissions are calculated using business travel expenditure as the activity data, in conjunction with emission factors derived from sources such as the "Data Book of Environmental Load Intensity Based on Input-Output Tables (3EID)" (2015).

Employee commuting

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

29722

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify: Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

We refer to the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its accompanying guidance. Emissions are calculated using commuting expenditure as the activity data, while emission factors are derived from sources such as the "Data Book of Environmental Load Units Based on Input-Output Tables (3EID)" (2015) and the IDEA v2.3 database developed by the National Institute of Advanced Industrial Science and Technology (AIST).

Upstream leased assets

(7.8.1) Evaluation status

Select:

☑ Relevant, not yet calculated

(7.8.6) Please explain

Emissions associated with upstream leased assets involve many uncertain factors.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select:

☑ Relevant, not yet calculated

(7.8.6) Please explain

Emissions from downstream transport depend on the final product and involve many uncertain factors.

Processing of sold products

(7.8.1) Evaluation status

Select:

☑ Relevant, not yet calculated

(7.8.6) Please explain

It is currently not possible to calculate the emissions associated with the processing of the products sold, as it is difficult to obtain the relevant processing information from the businesses involved.

Use of sold products

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1152750

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify: Uses the "Energy Consumption Performance Calculation Program (Residential Version)" from the Building Research Institute (a National Research and Development Agency)

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

For residential units that received a certificate of compliance within the fiscal year, calculations were performed based on the following formula, utilizing the "Energy Consumption Performance Calculation Program (Residential Version)" developed by the Building Research Institute (a National Research and Development Agency): Σ (annual energy consumption per household by energy source × emission factor for each energy source) × service life (60 years). Emission factors by energy source: electricity 0.423 (t-CO2/1,000 kWh) and 8.64 (GJ/1,000 kWh); utility gas 0.051 (t-CO2/GJ); and kerosene 0.069 (t-CO2/GJ).

End of life treatment of sold products

(7.8.1) Evaluation status

Select:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1291192

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.6) Please explain

This analysis refers to the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and its associated guidance. For emission factors, the Ministry of the Environment's "Database of Emission Intensity Values for Calculating Greenhouse Gas Emissions of Organizations throughout the Supply Chain (Ver. 3.6)" and similar sources were used.

Downstream leased assets

(7.8.1) Evaluation status

Select:

☑ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select:

☑ Not applicable to our organization’s activities

(7.8.6) Please explain

Asahi Kasei does not engage in leasing operations; therefore, we believe that reporting for this category is unnecessary.

Franchises

(7.8.1) Evaluation status

Select:

☑ Not relevant, explanation provided

(7.8.5) Asahi Kasei does not offer franchises for its stores or systems.

Select:

☑ Not applicable to our organization’s activities

(7.8.6) Please explain

Asahi Kasei does not offer franchises for its stores or systems.

Investments

(7.8.1) Evaluation status

Select:
☑ Not relevant, explanation provided

(7.8.5) Reason for this category not being relevant

Select:
☑ Not applicable to our organization’s activities

(7.8.6) Please explain

Asahi Kasei does not conduct the business in question.

Other (upstream)

(7.8.1) Evaluation status

Select:
☑ Not evaluated

(7.8.6) Please explain

Relevance has not been evaluated.

Other (downstream)

(7.8.1) Evaluation status

Select:
☑ Not evaluated

(7.8.6) Please explain

Relevance has not been evaluated.
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

03/31/2025

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4510000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

560000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

900000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

210000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

70000

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

30000

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

30000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

1370000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

1530000

Past year 2

(7.8.1.1) End date

03/31/2024

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4100000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

470000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

690000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

200000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

70000

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

20000

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

30000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

1390000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

4920000

Past year 3

(7.8.1.1) End date

03/31/2023

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4780000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

440000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

860000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

240000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

70000

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

20000

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

30000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

1600000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

5980000

Past year 4

(7.8.1.1) End date

03/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4720000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

450000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

770000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

240000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

70000

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

0

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

30000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

1920000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

5950000

Past year 5

(7.8.1.1) End date

03/31/2021

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

4620000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

390000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

780000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

250000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

0

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

30000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

1340000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

5870000
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select:* ☑ Third-party verification or assurance process in place
Scope 3	*Select:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Indicate the verification/assurance status that applies to your reported emissions.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select:
☑ Underway but not complete for reporting year – previous statement of process attached

(7.9.1.3) Type of verification or assurance

Select:
☑ Limited assurance

(7.9.1.4) Attach the statement

Independent Assurance Report (KPMG AZSA Sustainability Co., Ltd.) FY2024PDF.pdf

(7.9.1.5) Page/section reference

P. 1,2,3 entire

(7.9.1.6) Relevant standard

Select all that apply
☑ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select:
☑ Underway but not complete for reporting year – previous statement of process attached

(7.9.2.4) Type of verification or assurance

Select:
☑Limited assurance

(7.9.2.5) Attach the statement

Independent Assurance Report (KPMG AZSA Sustainability Co., Ltd.) FY2024PDF.pdf

(7.9.2.6) Page/ section reference

P. 1,2,3 entire

(7.9.2.7) Relevant standard

Select all that apply
☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Purchased goods and services

(7.9.3.2) Verification or assurance cycle in place

Select:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select:

☑ Underway but not complete for reporting year – previous statement of process attached

(7.9.3.4) Type of verification or assurance

Select:

☑ Limited assurance

(7.9.3.5) Attach the statement

Independent Assurance Report (KPMG AZSA Sustainability Co., Ltd.) FY2024PDF.pdf

(7.9.3.6) Page/section reference

P. 1,2,3 entire

(7.9.3.7) Relevant standard

Select all that apply

☑ ISAE 3410

(7.9.3.8) Proportion of selected emissions categories verified (%)

100

(7.9.3.9) Proportion of total reported scope 3 emissions verified (%)

50

Row 2

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Use of sold products

(7.9.3.2) Verification or assurance cycle in place

Select:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select:

☑ Underway but not complete for reporting year – previous statement of process attached

(7.9.3.4) Type of verification or assurance

Select:

☑ Limited assurance

(7.9.3.5) Attach the statement

Independent Assurance Report (KPMG AZSA Sustainability Co., Ltd.) FY2024PDF.pdf

(7.9.3.6) Page/section reference

P. 1,2,3 entire

(7.9.3.7) Relevant standard

Select all that apply

☑ ISAE 3410

(7.9.3.8) Proportion of selected emissions categories verified (%)

100

(7.9.3.9) Proportion of total reported scope 3 emissions verified (%)

15

Row 3

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: End-of-life treatment of sold products

(7.9.3.2) Verification or assurance cycle in place

Select:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select:

☑ Underway but not complete for reporting year – previous statement of process attached

(7.9.3.4) Type of verification or assurance

Select:
☑ Limited assurance

(7.9.3.5) Attach the statement

Independent Assurance Report (KPMG AZSA Sustainability Co., Ltd.) FY2024PDF.pdf

(7.9.3.6) Page/section reference

P. 1,2,3 entire

(7.9.3.7) Relevant standard

Select all that apply
☑ ISAE 3410

(7.9.3.8) Proportion of selected emissions categories verified (%)

100

(7.9.3.9) Proportion of total reported scope 3 emissions verified (%)

16
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

110000

(7.10.1.2) Direction of change in emissions

Select:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

3.79

(7.10.1.4) Please explain calculation

As part of efforts to optimize our business portfolio—including the divestment of commodity-related operations to other companies—we achieved a reduction in greenhouse gas emissions of 110,000 t-CO2e. Emissions for the previous fiscal year were as follows: Scope 1, 2,254,111 t-CO2e; Scope 2, 646,336 t-CO2e; total (Scope 1 and 2), 2,900,446 t-CO2e. 3.79%: (110,000 / 2,900,446) x 100.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

130000

(7.10.1.2) Direction of change in emissions

Select:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

4.48

(7.10.1.4) Please explain calculation

Greenhouse gas emissions decreased by 130,000 t-CO2e, primarily due to reduced operational activity, including periodic maintenance at large-scale facilities. Emissions for the previous fiscal year were as follows: Scope 1: 2,254,111 t-CO2e; Scope 2: 646,336 t-CO2e; total (Scope 1 and 2): 2,900,446 t-CO2e. 4.48%: (130,000 / 2,900,446) x 100.
[Fixed row]

(7.10.2) 7Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select:
☑ Market-based

(7.12) Does your organization have significant land sector activities in its operations or value chain?

	Agriculture, forestry or other land sector activities	Indicate if these activities are only related to forest lands and/or non-productive, non-forest lands	Specify the reason for no significant activities
	Select: ☑Yes, in our upstream/downstream value chain	*Select:* ☑Yes, these activities are only related to forest lands and/or non-productive, non-forest lands	*Select:* ☑ No relevant activities related to agricultural lands identified

[Fixed row]

(7.13) Does your organization choose to account for and report technological CO2 removals or captured CO2 with geologic storage, or have you done so in previous years?

	Technological CO2 removals or captured CO2 with geologic storage in the reporting year	Specify the reason for no technological CO2 removals or captured CO2 with geological storage in the reporting year	Technological CO2 removals or captured CO2 with geologic storage were accounted for and reported in previous years
	Select: ☑ No, explanation provided	*Select:* ☑No relevant activities identified	*Select:* ☑ No

[Fixed row]

(7.15) Does your organization break down its Scope 1 and/or Scope 2 emissions by greenhouse gas type?

(7.15.1) Emissions breakdown by greenhouse gas type

Select:
☑ Yes, both Scope 1 and Scope 2 emissions
[Fixed row]

(7.15.1) Break down your total gross global Scope 1 and Scope 2 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

2181764

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

2181764

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

711483

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

711483

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

646336

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

646336

(7.15.1.8) GWP Reference

Select:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

40

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

1119

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

0

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

0

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

0

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

0

(7.15.1.8) GWP Reference

Select:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

150

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

39753

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

0

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

0

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

0

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

0

(7.15.1.8) GWP Reference

Select:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

19

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

31110

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

0

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

0

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

0

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

0

(7.15.1.8) GWP Reference

Select:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select:

☑ PFCs

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

0

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

0

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

0

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

0

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

0

(7.15.1.8) GWP Reference

Select:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 6

(7.15.1.1) Greenhouse gas

Select:

☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

0.015

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

364

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

0

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

0

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

0

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

0

(7.15.1.8) GWP Reference

Select:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 7

(7.15.1.1) Greenhouse gas

Select:

☑ NF3

(7.15.1.2) Scope 1 emissions (metric tons of selected gas)

0

(7.15.1.3) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.4) Scope 2 location-based emissions (metric tons of selected gas)

0

(7.15.1.5) Scope 2 location-based emissions (metric tons of CO2e)

0

(7.15.1.6) Scope 2 market-based emissions (metric tons of selected gas)

0

(7.15.1.7) Scope 2 market-based emissions (metric tons of CO2e)

0

(7.15.1.8) GWP Reference

Select:

☑ IPCC Fifth Assessment Report (AR5 – 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Australia

(7.16.1) Scope 1 emissions (metric tons CO2e)

2799.715

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Austria

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

472.027

(7.16.2) Scope 2, location-based (metric tons CO2e)

440.289

(7.16.3) Scope 2, market-based (metric tons CO2e)

440.289

Canada

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

45027.367

(7.16.2) Scope 2, location-based (metric tons CO2e)

107064.456

(7.16.3) Scope 2, market-based (metric tons CO2e)

107064.456

Czechia

(7.16.1) Scope 1 emissions (metric tons CO2e)

1213.854

(7.16.2) Scope 2, location-based (metric tons CO2e)

3850.251

(7.16.3) Scope 2, market-based (metric tons CO2e)

3850.251

France

(7.16.1) Scope 1 emissions (metric tons CO2e)

729.764

(7.16.2) Scope 2, location-based (metric tons CO2e)

92.34

(7.16.3) Scope 2, market-based (metric tons CO2e)

92.34

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

7507.176

(7.16.2) Scope 2, location-based (metric tons CO2e)

510.331

(7.16.3) Scope 2, market-based (metric tons CO2e)

510.331

Japan

(7.16.1) Scope 1 emissions (metric tons CO2e)

1741776.463

(7.16.2) Scope 2, location-based (metric tons CO2e)

342072.199

(7.16.3) Scope 2, market-based (metric tons CO2e)

276925.176

Korea

(7.16.1) Scope 1 emissions (metric tons CO2e)

331629.713

(7.16.2) Scope 2, location-based (metric tons CO2e)

46900.027

(7.16.3) Scope 2, market-based (metric tons CO2e)

46900.027

Mexico

(7.16.1) Scope 1 emissions (metric tons CO2e)

3990.675

(7.16.2) Scope 2, location-based (metric tons CO2e)

4206.736

(7.16.3) Scope 2, market-based (metric tons CO2e)

4206.736

Morocco

(7.16.1) Scope 1 emissions (metric tons CO2e)

6.342

(7.16.2) Scope 2, location-based (metric tons CO2e)

2352.483

(7.16.3) Scope 2, market-based (metric tons CO2e)

2352.483

Poland

(7.16.1) Scope 1 emissions (metric tons CO2e)

1874.996

(7.16.2) Scope 2, location-based (metric tons CO2e)

3071.274

(7.16.3) Scope 2, market-based (metric tons CO2e)

3071.274

Rumania

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Singapore

(7.16.1) Scope 1 emissions (metric tons CO2e)

72600.139

(7.16.2) Scope 2, location-based (metric tons CO2e)

124484.032

(7.16.3) Scope 2, market-based (metric tons CO2e)

124484.032

Spain

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Sweden

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

17.165

(7.16.3) Scope 2, market-based (metric tons CO2e)

17.165

Taiwan

(7.16.1) Scope 1 emissions (metric tons CO2e)

4772.133

(7.16.2) Scope 2, location-based (metric tons CO2e)

14079.956

(7.16.3) Scope 2, market-based (metric tons CO2e)

14079.956

Thailand

(7.16.1) Scope 1 emissions (metric tons CO2e)

205.215

(7.16.2) Scope 2, location-based (metric tons CO2e)

7960.707

(7.16.3) Scope 2, market-based (metric tons CO2e)

7960.707

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

38622.193

(7.16.2) Scope 2, location-based (metric tons CO2e)

52534.847

(7.16.3) Scope 2, market-based (metric tons CO2e)

52534.847

Vietnam

(7.16.1) Scope 1 emissions (metric tons CO2e)

882.996

(7.16.2) Scope 2, location-based (metric tons CO2e)

1845.607

(7.16.3) Scope 2, market-based (metric tons CO2e)

1845.607
[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Material sector*	*2177762*
Row 2	*Homes sector*	*67495*
Row 3	*Healthcare sector*	*8844*
Row 4	*Other*	*10*

[Add row]

(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Chemicals production activities	*2177762*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*

[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Material sector*	*675054*	*613416*
Row 2	*Homes sector*	*21656*	*15185*
Row 3	*Healthcare sector*	*13385*	*14213*
Row 4	*Other*	*1387*	*1387*

[Add row]

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, location-based, metric tons CO2e	Comment
Chemicals production activities	*675054*	*613416*	*Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."*

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

2254111

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

711483

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

646336

(7.22.4) Please explain

Calculations are performed in accordance with the provisions of the "Act on the Rational Use of Energy and the Transition to Non-Fossil Energy Sources (Energy Conservation Act)" and the "Act on Promotion of Global Warming Countermeasures."

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

We are reporting the greenhouse gas emissions for our consolidated accounting group.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select:
☑ No

(7.25) Disclose the percentage of your organization's Scope 3, Category 1 emissions by purchased chemical feedstock.

Row 1

(7.25.1) Purchased feedstock

Select:

☑ High Value Chemicals (Steam cracking)

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

8.9

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 2

(7.25.1) Purchased feedstock

Select:

☑ Ammonia

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

9.07

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables.

Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 3

(7.25.1) Purchased feedstock

Select:

☑ Aromatics extraction

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

13.36

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 4

(7.25.1) Purchased feedstock

Select:

☑ Methanol

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

3.95

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 5

(7.25.1) Purchased feedstock

Select:

☑ Propylene (FCC)

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

30.75

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 6

(7.25.1) Purchased feedstock

Select:

☑ Butadiene (C4 sep.)

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

6.78

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 7

(7.25.1) Purchased feedstock

Select:

☑ Polymers

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

8.88

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables.

Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 8

(7.25.1) Purchased feedstock

Select:

☑ Specialty chemicals

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

0.8

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 9

(7.25.1) Purchased feedstock

Select:

☑ Other (please specify): Sodium hydroxide

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

2.11

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.

Row 10

(7.25.1) Purchased feedstock

Select:

☑ Other (please specify): Hydrogen

(7.25.2) Percentage of Scope 3, Category 1 tCO2e from purchased feedstock

0.13

(7.25.3) Explain calculation methodology

For the 2025 fiscal year, CO2 emission factors were sourced from the "Database of Environmental Load Intensity Based on Input-Output Tables (3EID) (2015 version): LCA Inventory Data," developed by the National Institute for Environmental Studies, and "IDEA v2.3," developed by the National Institute of Advanced Industrial Science and Technology (AIST). The 3EID database contains CO2 emission factors per unit of purchase price, calculated using input-output tables. Additionally, where necessary, the "Common Database of CO2 Conversion Factors for Carbon Footprint Pilot Projects"—managed by the Japan Environmental Management Association for Industry—is also utilized. This database includes CO2 emission factors for raw materials, as published by various domestic material industry associations (including those under the Ministry of Economy, Trade and Industry). These databases provide comprehensive coverage based on input-output tables. Emissions are calculated by multiplying the CO2 emission factors from these databases by the purchase price or the quantity of raw materials used.
[Add row]

(7.25.1) Disclose sales of products that are greenhouse gases.

Carbon dioxide (CO2)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.

Methane (CH4)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.

Methane (CH4)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.

Hydrofluorocarbons (HFC)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.

Perfluorocarbons (PFC)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.

Sulphur hexafluoride (SF6)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.

Sulphur hexafluoride (SF6)

(7.25.1.1) Sales, metric tons

0

(7.25.1.2) Comment

We do not sell the greenhouse gas products listed on the left.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select:

☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select:* ☑ Yes
Consumption of purchased or acquired electricity	*Select:* ☑ Yes
Consumption of purchased or acquired heat	*Select:* ☑ No
Consumption of purchased or acquired steam	*Select:* ☑ Yes
Consumption of purchased or acquired cooling	*Select:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstocks)

(7.30.1.1) Heating value

Select:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

251863

(7.30.1.3) MWh from non-renewable sources

7260536

(7.30.1.5) Total (renewable + non-renewable) MWh

7512399.00

Consumption of purchased or acquired electricity

(7.30.1.2) MWh from renewable sources

1278

(7.30.1.3) MWh from non-renewable sources

1364509

(7.30.1.4) MWh from non-renewable zero or near-zero emission sources

0

(7.30.1.5) Total (renewable + non-renewable) MWh

1365787.00

Consumption of purchased or acquired steam

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

872153

(7.30.1.5) Total (renewable + non-renewable) MWh

872153.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.2) MWh from renewable sources

46824

(7.30.1.5) Total (renewable + non-renewable) MWh

46824.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.2) MWh from renewable sources

299965

(7.30.1.3) MWh from non-renewable sources

9497198

(7.30.1.4) MWh from non-renewable zero or near-zero emission sources

0

(7.30.1.5) Total (renewable + non-renewable) MWh

9797163.00
[Fixed row]

(7.30.3) Report your organization’s energy consumption totals (excluding feedstocks) for chemical production activities in MWh.

Consumption of fuel (excluding feedstocks)

(7.30.3.1) MWh consumed from renewable sources inside chemical sector boundary

251863

(7.30.3.2) MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

7140909

(7.30.3.3) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

(7.30.3.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

7392772.00

Consumption of purchased or acquired electricity

(7.30.3.1) MWh consumed from renewable sources inside chemical sector boundary

1278

(7.30.3.2) MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

1274882

(7.30.3.3) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

(7.30.3.4) MWh consumed from non-renewable zero or near-zero emission sources inside chemical sector boundary

0

(7.30.3.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

1276160.00

Consumption of purchased or acquired steam

(7.30.3.1) MWh consumed from renewable sources inside chemical sector boundary

0

(7.30.3.2) MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

872153

(7.30.3.3) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

(7.30.3.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

872153.00

Consumption of self-generated non-fuel renewable energy

(7.30.3.1) MWh consumed from renewable sources inside chemical sector boundary

46824

(7.30.3.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

46824.00

Total energy consumption

(7.30.3.1) MWh consumed from renewable sources inside chemical sector boundary

299965

(7.30.3.2) MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

9287944

(7.30.3.3) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

(7.30.3.4) MWh consumed from non-renewable zero or near-zero emission sources inside chemical sector boundary

0

(7.30.3.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

9587909.00
[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select:* ☑ Yes
Consumption of fuel for the generation of heat	*Select:*

	Indicate whether your organization undertakes this fuel application
	☑ Yes
Consumption of fuel for the generation of steam	*Select:* ☑ Yes
Consumption of fuel for the generation of cooling	*Select:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select:* ☑ Yes

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Total fuel MWh consumed by the organization

251863

(7.30.7.2) MWh fuel consumed for self-generation of electricity

251863

(7.30.7.3) MWh fuel consumed for self-generation of heat

0

(7.30.7.4) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Other biomass

(7.30.7.1) Total fuel MWh consumed by the organization

3371

(7.30.7.2) MWh fuel consumed for self-generation of electricity

3371

(7.30.7.3) MWh fuel consumed for self-generation of heat

0

(7.30.7.4) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Total fuel MWh consumed by the organization

0

(7.30.7.2) MWh fuel consumed for self-generation of electricity

0

(7.30.7.3) MWh fuel consumed for self-generation of heat

0

(7.30.7.4) MWh fuel consumed for self-generation of steam

0

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Coal

(7.30.7.1) Total fuel MWh consumed by the organization

1382959

(7.30.7.2) MWh fuel consumed for self-generation of electricity

1380117

(7.30.7.3) MWh fuel consumed for self-generation of heat

0

(7.30.7.4) MWh fuel consumed for self-generation of steam

2841

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Oil

(7.30.7.1) Total fuel MWh consumed by the organization

975715

(7.30.7.2) MWh fuel consumed for self-generation of electricity

20079

(7.30.7.3) MWh fuel consumed for self-generation of heat

570343

(7.30.7.4) MWh fuel consumed for self-generation of steam

385294

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Gas

(7.30.7.1) Total fuel MWh consumed by the organization

2680198

(7.30.7.2) MWh fuel consumed for self-generation of electricity

1789981

(7.30.7.3) MWh fuel consumed for self-generation of heat

402867

(7.30.7.4) MWh fuel consumed for self-generation of steam

487350

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Total fuel MWh consumed by the organization

2219177

(7.30.7.2) MWh fuel consumed for self-generation of electricity

815

(7.30.7.3) MWh fuel consumed for self-generation of heat

791116

(7.30.7.4) MWh fuel consumed for self-generation of steam

1427246

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.

Total fuel

(7.30.7.1) Total fuel MWh consumed by the organization

7513281

(7.30.7.2) MWh fuel consumed for self-generation of electricity

3446225

(7.30.7.3) MWh fuel consumed for self-generation of heat

1764326

(7.30.7.4) MWh fuel consumed for self-generation of steam

2302731

(7.30.7.6) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.7) Comment

While we do utilize cogeneration, the associated fuel consumption is categorized under other consumption categories.
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

3493049

(7.30.9.2) Generation that is consumed by the organization (MWh)

3493049

(7.30.9.3) Gross generation from renewable sources (MWh)

46824

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

46824

Heat

(7.30.9.1) Total Gross generation (MWh)

1764326

(7.30.9.2) Generation that is consumed by the organization (MWh)

1764326

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

2302731

(7.30.9.2) Generation that is consumed by the organization (MWh)

2302731

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.11) Provide details on electricity, heat, steam, and cooling your organization has generated and consumed for chemical production activities.

Electricity

(7.30.11.1) Total gross generation inside chemicals sector boundary (MWh)

3438171

(7.30.11.2) Generation that is consumed inside chemicals sector boundary (MWh)

3438171

(7.30.11.3) Generation from renewable sources inside chemical sector boundary (MWh)

46824

(7.30.11.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

0

Heat

(7.30.11.1) Total gross generation inside chemicals sector boundary (MWh)

1736231

(7.30.11.2) Generation that is consumed inside chemicals sector boundary (MWh)

1736231

(7.30.11.3) Generation from renewable sources inside chemical sector boundary (MWh)

0

(7.30.11.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

0

Steam

(7.30.11.1) Total gross generation inside chemicals sector boundary (MWh)

2266062

(7.30.11.2) Generation that is consumed inside chemicals sector boundary (MWh)

2266062

(7.30.11.3) Generation from renewable sources inside chemical sector boundary (MWh)

0

(7.30.11.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

0

Cooling

(7.30.11.1) Total gross generation inside chemicals sector boundary (MWh)

0

(7.30.11.2) Generation that is consumed inside chemicals sector boundary (MWh)

0

(7.30.11.3) Generation from renewable sources inside chemical sector boundary (MWh)

0

(7.30.11.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

0
[Fixed row]

(7.30.14) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Australia

(7.30.14.1) Consumption of purchased electricity (MWh)

4677

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4677.00

Austria

(7.30.14.1) Consumption of purchased electricity (MWh)

0

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Brazil

(7.30.14.1) Consumption of purchased electricity (MWh)

9551

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

9551.00

Canada

(7.30.14.1) Consumption of purchased electricity (MWh)

0

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

China

(7.30.14.1) Consumption of purchased electricity (MWh)

128949

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

169070

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

298019.00

Czechia

(7.30.14.1) Consumption of purchased electricity (MWh)

7569

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

15679

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

23248.00

France

(7.30.14.1) Consumption of purchased electricity (MWh)

4313

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4313.00

Germany

(7.30.14.1) Consumption of purchased electricity (MWh)

0

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

India

(7.30.14.1) Consumption of purchased electricity (MWh)

0

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Italy

(7.30.14.1) Consumption of purchased electricity (MWh)

10555

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10555.00

Japan

(7.30.14.1) Consumption of purchased electricity (MWh)

691733

(7.30.14.2) Consumption of self-generated electricity (MWh)

46824

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

366248

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1104805.00

Korea

(7.30.14.1) Consumption of purchased electricity (MWh)

113039

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

113039.00

Mexico

(7.30.14.1) Consumption of purchased electricity (MWh)

9475

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

9475.00

Morocco

(7.30.14.1) Consumption of purchased electricity (MWh)

3484

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

3484.00

Poland

(7.30.14.1) Consumption of purchased electricity (MWh)

5648

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5648.00

Rumania

(7.30.14.1) Consumption of purchased electricity (MWh)

0

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Singapore

(7.30.14.1) Consumption of purchased electricity (MWh)

110006

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

302162

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

412168.00

Spain

(7.30.14.1) Consumption of purchased electricity (MWh)

0

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.00

Sweden

(7.30.14.1) Consumption of purchased electricity (MWh)

1734

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1734.00

Taiwan

(7.30.14.1) Consumption of purchased electricity (MWh)

30150

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

30150.00

Thailand

(7.30.14.1) Consumption of purchased electricity (MWh)

54141

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

19020

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

73161.00

United States of America

(7.30.14.1) Consumption of purchased electricity (MWh)

176141

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

176141.00

Vietnam

(7.30.14.1) Consumption of purchased electricity (MWh)

4622

(7.30.14.2) Consumption of self-generated electricity (MWh)

0

(7.30.14.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.14.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.14.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4622.00
[Fixed row]

(7.30.15) Provide details on the electricity purchases that were accounted for at a zero or near-zero emission factor in the reporting year.

Row 1

(7.30.15.1) Country/area of electricity consumption

Select:
☑ Japan

(7.30.15.2) Sourcing method

Select:
☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.15.3) Low-carbon technology type

Select:

☑ Large hydropower (>25 MW)

(7.30.15.5) Low-carbon electricity consumed via selected sourcing method in the reporting year (MWh)

1278

(7.30.15.6) Energy attribute certificate (EAC) tracking system used

Select:

☑ NFC – Renewable [Japan]

(7.30.15.7) Country/area of origin (generation) of the low-carbon electricity or energy attribute

Select:

☑ Japan

(7.30.15.8) Are you able to report the commissioning or re-powering year of the electricity generation facility?

Select:

☑ Yes

(7.30.15.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

(7.30.15.14) Comment

This is electricity under the "Aqua Premium" plan from TEPCO Energy Partner.
[Add row]

(7.31) Does your organization consume fuels as feedstocks for chemical production activities?

Select:
☑ No

(7.39) Provide details on your organization’s chemical products.

Row 1

(7.39.1) Output product

Select:
☑ Other base chemicals

(7.39.2) Production (metric tons)

600000

(7.39.3) Capacity (metric tons)

720000

(7.39.4) Direct emissions intensity (metric tons CO2e per metric ton of product)

0.69

(7.39.5) Electricity intensity (MWh per metric ton of product)

0.22

(7.39.6) Steam intensity (MWh per metric ton of product)

0

(7.39.7) Steam/ heat recovered (MWh per metric ton of product)

0.64

(7.39.8) Comment

We disclose data regarding basic chemical products. The unit-consumption data provided serves as an example based on one of our global production sites. Since factors such as manufacturing processes and catalysts vary by site, aggregating all such data would not be meaningful.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

9.4e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2900446

(7.45.3) Metric denominator

Select:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

3074505000000

(7.45.5) Scope 2 figure used

Select:

☑ Market-based

(7.45.6) % change from previous year

10

(7.45.7) Direction of change

Select:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Divestment

☑ Change in output

☑ Change in physical operating conditions

(7.45.9) Please explain

The aforementioned results were achieved through the ongoing implementation of energy-saving measures (such as optimizing the operating conditions of diesel generators and steam boilers), the proactive adoption of renewable energy technologies (including hydroelectric and solar power generation), and the divestment of certain commodity businesses to other companies as part of efforts to optimize the business portfolio. As a result, CO2 emissions per unit of sales were reduced by 10%.

[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select:

☑ No, but we anticipate setting one in the next two years

(7.53.1.5) Date target was set

05/23/2021

(7.53.1.6) Target coverage

Select:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Carbon dioxide (CO2)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFC)

(7.53.1.8) Scope

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select:

☑ Market-based

(7.53.1.11) End date of base year

03/31/2014

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e

3880000

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

1230000

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

5110000.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/31/2031

(7.53.1.55) Targeted reduction from base year (%)

30

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

3577000.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

2254111

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

646336

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2900447.000

(7.53.1.78) Land-related emissions covered by target

Select:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

144.13

(7.53.1.80) Target status in reporting year

Select:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Scope: Greenhouse gas emissions are aggregated for consolidated subsidiaries—defined as companies in which we hold more than 50% of the voting rights or over which we exercise effective management control. Exclusions: Non-manufacturing facilities with negligible energy consumption, such as small-scale offices, are excluded.

(7.53.1.83) Target objective

Asahi Kasei has established a policy aiming for carbon neutrality by 2050. To achieve this, the company has set specific reduction targets, determining that emissions must be reduced by at least 30% by 2030 and by at least 40% by 2035 (both relative to fiscal year 2013 levels). Guided by our "Care for Earth" perspective, we are pursuing a two-pronged approach: reducing our own greenhouse gas (GHG) emissions and contributing to the reduction of GHG emissions across society through our business activities.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

We have established a plan to achieve net-zero greenhouse gas emissions (in CO2 equivalent)—covering both Scope 1 and Scope 2—across our domestic and international group companies by 2050. Specifically, we are implementing the following measures: (1) We are systematically upgrading aging equipment at our own hydroelectric power plants to significantly improve generation efficiency. Four such plants are scheduled for upgrades in 2025. These efforts, combined with the output from our existing hydroelectric facilities, are expected to reduce CO2 emissions by approximately 81,000 tons annually. (2) We are gradually transitioning our coal-fired power plants—used for in-house power generation—to run on LNG or biomass. The Nobeoka No. 3 coal-fired power plant has already completed its transition to LNG and began commercial operation in March 2022. (3) We are installing large-scale solar power generation panels on unused land at our business sites. (4) We are installing solar panels on the roofs of "Hebel Maison" rental housing units—developed by Asahi Kasei—by leasing the roof space from the property owners, and the electricity generated is then utilized within the Asahi Kasei Group. In addition to these various initiatives, we are advancing decarbonization through efforts such as the development of alkaline water electrolysis (to help "green" our electricity and steam supply) and by driving process innovation.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select:

☑ Low 1

(7.54.1.2) Date target was set

07/27/2024

(7.54.1.3) Target coverage

Select:

☑ Country/area/region

(7.54.1.4) Target type: energy carrier

Select:

☑ Electricity

(7.54.1.5) Target type: activity

Select:

☑ Consumption

(7.54.1.6) Target type: energy source

Select:

☑ Low-carbon energy source(s)

(7.54.1.7) End date of base year

03/31/2024

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

4815999

(7.54.1.9) % share of low-carbon or renewable energy in base year

19.7

(7.54.1.10) End date of target

03/31/2031

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

45

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

24.8

(7.54.1.13) % of target achieved relative to base year

20.16

(7.54.1.14) Target status in reporting year

Select:

☑ Underway

(7.54.1.16) Is this target part of an emissions target?

Yes. We are advancing various initiatives to meet our GHG emission reduction targets, one of which is the decarbonization of energy sources, such as electricity.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ Other, please specify: Under Japan’s Act on the Rational Use of Energy and the Transition to Non-Fossil Energy, targets for the share of non-fossil energy are established and disclosed.

(7.54.1.19) Explain target coverage and identify any exclusions

It focuses on the Japanese company Asahi Kasei Corporation.

(7.54.1.20) Target objective

To drive the reduction of GHG emissions across our group

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

We plan to increase the share of non-fossil fuel sources in our domestic electricity consumption from 19.7% in fiscal year 2023 to 45% by 2030. This will be achieved through measures such as transitioning to low-carbon fuels, expanding the use of renewable energy—including solar power—and sourcing renewable electricity. As of fiscal year 2025, this share has reached 24.8%, demonstrating steady progress in our efforts.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

	Emissions reduction initiatives that were active within the reporting year
	Select: ☑ Yes

[Fixed row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	*2*	
To be implemented	*1*	*21*
Implementation commenced	*3*	*16361*
Implemented	*5*	*190583*
Not to be implemented	*0*	

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Large hydropower (>25 MW)

(7.55.2.2) Estimated annual CO_2e savings (metric tonnes CO2e)

539

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2(Market-based)

(7.55.2.4) Voluntary/Mandatory

Select:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

0

(7.55.2.7) Payback period

Select:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select:

☑ <1 year

(7.55.2.9) Comment

In fiscal year 2025, we purchased 1,278 MWh of electricity generated via hydropower, branded as "Aqua Premium." The reduction in CO2 emissions is calculated by multiplying the volume purchased as FIT non-fossil fuel certificates (in MWh) by the actual emission factor (0.422 t/MWh) provided by the Council for a Low-Carbon Society in the Electric Power Industry. 539 t-CO2e: 1,278 MWh × 0.422 t-CO2e/MWh

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Large hydropower (>25 MW)

(7.55.2.2) Estimated annual CO_2e savings (metric tonnes CO2e)

19760

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2(Location-based)

(7.55.2.4) Voluntary/Mandatory

Select:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

0

(7.55.2.7) Payback period

Select:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select:

☑ >30 years

(7.55.2.9) Comment

We own nine hydroelectric power plants, which generated a total of 46,824 MWh of electricity in fiscal year 2025. The reduction in CO2 emissions was calculated by multiplying the electricity generated (MWh) by the actual emission factor (0.422 t/MWh) provided by the Council for a Low-Carbon Society in the Electric Power Industry. 19,760 t-CO2e: 46,824 MWh × 0.422 t-CO2e/MWh

Row 3

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO_2e savings (metric tonnes CO2e)

112617

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2(Location-based)

(7.55.2.4) Voluntary/Mandatory

Select:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

0

(7.55.2.7) Payback period

Select:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select:

☑ <1 year

(7.55.2.9) Comment

In fiscal year 2025, 266,864 MWh of FIT non-fossil fuel certificates were purchased. The reduction in CO2 emissions is calculated by multiplying the volume of FIT non-fossil fuel certificates purchased (MWh) by the actual emission factor (0.422 t/MWh) provided by the Council for a Low-Carbon Society in the Electricity Industry. This results in 112,617 t-CO2e (266,864 MWh × 0.422 t-CO2e/MWh).

Row 4

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO_2e savings (metric tonnes CO2e)

26204

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2(Location-based)

(7.55.2.4) Voluntary/Mandatory

Select:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

0

(7.55.2.7) Payback period

Select:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select:

☑ >30 years

(7.55.2.9) Comment

Within the Asahi Kasei Group’s housing division, an initiative is underway to convert electricity generated by solar power systems on "Hebel Haus" homes into "non-FIT non-fossil fuel certificates," which are then purchased by the Group. In fiscal year 2025, 62,095 MWh worth of these certificates were purchased. The reduction in CO2 emissions is calculated by multiplying the volume of certificates purchased (in MWh) by the actual emission factor (0.422 t/MWh) provided by the Council for a Low-Carbon Society in the Electric Power Industry. This results in 26,204 t-CO2e (62,095 MWh × 0.422 t-CO2e/MWh).

Row 5

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Low-carbon electricity mix

(7.55.2.2) Estimated annual CO_2e savings (metric tonnes CO2e)

31463

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2(Market-based)

(7.55.2.4) Voluntary/Mandatory

Select:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

0

(7.55.2.7) Payback period

Select:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select:

☑ >30 years

(7.55.2.9) Comment

Regarding our other in-house power generation, the total output for fiscal year 2025 was 74,556 MWh. The reduction in CO2 emissions was calculated by multiplying the power generation (in MWh) by the actual emission factor (0.422 t/MWh) provided by the Council for a Low-Carbon Society in the Electric Power Industry. 31,463 t-CO2e: 74,556 MWh × 0.422 t-CO2e/MWh
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select:

☑ Internal price on carbon

(7.55.3.2) Comment

To effectively reduce GHG emissions, we have applied Internal Carbon Pricing (ICP) since fiscal year 2020 to all investments of 100 million yen or more (excluding those with emissions of less than 100 t-CO2e/year) and to any investments that would result in an additional 1,000 t-CO2e/year or more in emissions. As of July 2023, we revised the ICP rate from 10,000 yen ($100) per t-CO2e to 15,000 yen ($140) per t-CO2e, aligning it with the 2030 carbon tax price projected in the International Energy Agency (IEA) World Energy Outlook (WEO) Net Zero Scenario. We utilize this ICP rate when evaluating the profitability of capital investments

and making investment decisions, thereby further encouraging actions toward regulatory compliance in the transition to carbon neutrality. Furthermore, under our medium-term management plan (covering 2025–2027), we intend to invest 70 billion yen in initiatives that address climate-related opportunities and risks. We have also established a $100 million investment fund for the five-year period from fiscal year 2023 to 2027, targeting startups in the environmental sector, including those focused on climate change solutions.
[Add row]

(7.72) Does your organization assess the life cycle emissions of new construction or major renovation projects?

	Assessment of life cycle emissions	Comment
	Select: ☑ Yes, quantitative assessment	*CO2 emissions during the "construction" and "repair, renewal, and demolition" phases are determined using the assessment methods and reference values of CASBEE (Comprehensive Assessment System for Built Environment Efficiency). CO2 emissions during the "use" phase are determined based on the energy consumption of the residence, calculated in accordance with the system established by the Ministry of Land, Infrastructure, Transport and Tourism.*

[Fixed row]

(7.72.1) Provide details of how your organization assesses the life cycle emissions of new construction or major renovation projects.

(7.72.1.1) Projects assessed

Select:
☑ New construction and major renovation projects meeting certain criteria (please specify): New construction projects only

(7.72.1.2) Earliest project phase that most commonly includes an assessment

Select:
☑ Design phase

(7.72.1.3) Life cycle stage(s) most commonly covered

Select:

☑ Whole life

(7.72.1.4) Methodologies/standards/tools applied

Select all that apply

☑ Other, please specify: The "Top Runner" program for housing (administered by the Ministry of Land, Infrastructure, Transport and Tourism) "CASBEE" (Comprehensive Assessment System for Built Environment Efficiency)

[Fixed row]

(7.72.2) Can you provide embodied carbon emissions data for any of your organization's new construction or major renovation projects completed in the last three years?

	Ability to disclose embodied carbon emissions	Comment
	Select: ☑ Yes	*Details are disclosed in 7.72.3.*

[Fixed row]

(7.72.3) Provide details of the embodied carbon emissions of new construction or major renovation projects completed in the last three years.

Row 1

(7.72.3.1) Year of completion

2025

(7.72.3.2) Property sector

Select:

☑ Residential

(7.72.3.3) Type of project

Select:

☑ New construction

(7.72.3.5) Life cycle stage(s) covered

Select:

☑ Use stage

(7.72.3.6) Normalization factor (denominator)

Select:

☑ IPMS 2 – Residential

(7.72.3.7) Denominator unit

Select:

☑ square meter

(7.72.3.8) Embodied carbon (kg/CO2e per the denominator unit)

896

(7.72.3.9) % of new construction/major renovation projects in the last three years covered by this metric (by floor area)

90

(7.72.3.10) Methodologies/standards/tools applied

Select all that apply

☑ Other, please specify: CASBEE (Comprehensive Assessment System for Built Environment Efficiency)

[Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select:

☑ Other, please specify: GHG reduction contributions—representing the GHG emission reduction effects achieved across a product's entire life cycle—are calculated in accordance with our internal guidelines, which were developed by referencing various guidelines published by organizations such as the Institute of Life Cycle Assessment, Japan (ILCAJ); the Ministry of Economy, Trade and Industry (METI); the Japan Chemical Industry Association (JCIA); the International Council of Chemical Associations (ICCA); and the World Business Council for Sustainable Development (WBCSD). Based on these calculations, we identify products that contribute to GHG emission reductions and, under an internal framework, designate and manage them as "Environmental Contribution Products."

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify: Within the Asahi Kasei Group, products that contribute to the reduction of greenhouse gas (GHG) emissions—spanning the Material sector (high-performance resins, fibers, nonwoven fabrics, battery and electronic materials, etc.) and the Housing sector (high-performance insulation, Net Zero Energy Houses [ZEH], etc.)—are classified and certified as "Environmental Contribution Products" These products primarily fall under the categories of "manufacturing" (chemical industry and building materials manufacturing) and "construction" (residential construction).

(7.74.1.4) Description of product(s) or service(s)

The Asahi Kasei Group is committed to providing products and services that contribute to reducing greenhouse gas (GHG) emissions and minimizing environmental impact throughout their entire life cycle—from raw material procurement and manufacturing to use, disposal, and recycling. In the areas of CO_2 reduction and energy conservation, our offerings—such as "Neoma Foam" (insulation for homes), "Hebel Haus" (detached homes built to Zero Energy House/ZEH standards), and "Hebel Maison" (rental housing)—help reduce energy consumption for heating and cooling during the use phase, leading to a significant decrease in associated CO_2 emissions. Furthermore, components such as current sensors for inverter control and Hall ICs, which are integrated into air conditioning equipment for residential and commercial use, also contribute to energy savings. In the field of new energy, we support the electrification of mobility by supplying separators for lithium-ion batteries (LIBs), which are essential for electric vehicles and energy storage systems. Regarding waste and recycling, we are advancing the use of recycled materials as feedstocks for resins and fibers, while also promoting waste reduction by enhancing the durability and extending the service life of our products. Additionally, we contribute to a circular economy and reduced environmental impact by utilizing biomass-based raw materials and employing compact, lightweight designs that minimize the consumption of raw materials. In the area of water resources, we provide solutions such as "Microza"—hollow-fiber membranes that enable energy-efficient, high-performance water treatment—thereby achieving water conservation alongside energy savings. Moreover, with a focus on atmospheric quality and chemical substance management, we have developed and introduced products such as printing resin plates that eliminate the need for volatile organic compounds (VOCs) as solvents during the development process, as well as insulation materials that are free from fluorocarbons, helping to curb air pollution and the release of hazardous chemical substances. For these product groups, we conduct internal quantitative assessments of GHG emission reductions based on Life Cycle Assessment (LCA) methodology. To ensure reliability, these assessments undergo reviews by external experts. We position these products and services as key drivers that enable us to simultaneously address environmental challenges and achieve business growth.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select:

☑ Other, please specify: Regarding the contribution to GHG emission reductions, we calculate the GHG emission reduction effects across the entire product life cycle. This calculation is based on our internal guidelines, which were developed with reference to various guidelines from the Institute of Life Cycle Assessment, Japan (ILCAJ); the Ministry of Economy, Trade and Industry (METI); the Japan Chemical Industry Association (JCIA); the International Council of

Chemical Associations (ICCA); and the World Business Council for Sustainable Development (WBCSD).

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select:

☑ Cradle-to-grave

(7.74.1.8) Functional unit used

Examples of key products include the following: 1) Separators for lithium-ion batteries (LIBs), based on 100,000 km of vehicle travel; 2) Ion-exchange membranes, based on the production of 1 ton of caustic soda; and 3) Hebel Haus/Maison homes, based on a 100-year service life per house.

(7.74.1.9) Reference product/service or baseline scenario used

For the representative product examples, the following benchmarks have been established: 1) Separators for lithium-ion batteries (LIBs): Internal combustion engine vehicles (gasoline-powered) are used as the baseline, based on case studies provided in the Life Cycle Assessment (LCA) guidelines published by the Japan Chemical Industry Association. 2) Ion-exchange membranes: The company's conventional-grade products serve as the baseline. Given their extensive track record of sales and usage, these conventional grades are considered a reasonable benchmark, representing the standard against which technological shifts in the market can be measured. 3) Hebel House / Hebel Maison: Steel-frame homes with a standard durability (a 30-year service life) as defined under the Japanese Housing Performance Indication System are used as the baseline.

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select:

☑ Cradle-to-grave

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

20140000

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

For key products, we calculate the contribution to GHG emission reductions, primarily based on the emission-reduction effects achieved during the product-use phase. The primary assumptions and methodologies used for each product are outlined below. 1) Separators for Lithium-Ion Batteries (LIBs): Drawing on the

methodology for "cLCA (comprehensive Life Cycle Assessment) for Next-Generation Vehicles" published by the Japan Chemical Industry Association, we evaluate GHG emission reductions by comparing gasoline vehicles with hybrid electric vehicles (HEVs), plug-in hybrid electric vehicles (PHEVs), and battery electric vehicles (BEVs). When assessing the emission profiles of electrified vehicles (HEVs, PHEVs, and BEVs), we utilize electricity emission intensity factors from regions with high adoption rates for such vehicles, ensuring that our assumptions regarding the energy mix are realistic. Emissions for each vehicle type are handled as follows: For HEVs, which do not require external charging, emissions from power generation are excluded, and only emissions generated during vehicle operation are considered. For PHEVs, we assume a 1:1 ratio between electric-mode driving and gasoline-mode driving; for the electric-mode portion, emissions from power generation are calculated using the same electricity intensity factors applied to BEVs. The functional unit is defined as "100,000 km of travel per electrified vehicle." We compare the emissions generated during operation and power generation for each vehicle type against those of a gasoline vehicle, with the difference representing the "contribution to reduction." Furthermore, we estimate the contribution rate of the LIB separator to the overall GHG reduction and multiply this by the total shipment volume of the separators to determine the total contribution to GHG reduction for the product. 2) Ion-Exchange Membranes: The functional unit is the production of one metric ton of caustic soda, with conventional-grade products serving as the baseline. We calculate the contribution by applying regional electricity emission intensity factors to the amount of electricity saved through the use of our products, and then determine the total contribution to GHG reduction based on actual sales volume. 3) Hebel Haus / Hebel Maison: For each housing unit, we quantitatively evaluate the emission-reduction effects resulting from the extended service life of the building. Regarding the impact of extending a building's service life, we calculated the difference in the number of times a structure would need to be rebuilt over a 100-year period, using the average service life of a typical steel-frame house (approximately 30 years) as a benchmark. We evaluated the greenhouse gas (GHG) emissions generated by a single rebuild—encompassing material production, transportation, and construction—and aggregated the total GHG reductions achieved. This approach allows for an assessment of a broader contribution to GHG reduction, accounting for the savings in resource consumption and emissions that result from long-term building use.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

23.1
[Add row]

(7.77) Did your organization complete new construction or major renovations projects designed as net zero carbon in the last three years?

Select:
☑ Yes

(7.77.1) Provide details of new construction or major renovations projects completed in the last 3 years that were designed as net zero carbon.

Row 1

(7.77.1.1) Property sector

Select:

☑ Residential

(7.77.1.2) Definition(s) of net zero carbon applied

Select all that apply

☑ National/local government standard, please specify: CASBEE (Comprehensive Assessment System for Built Environment Efficiency)

(7.77.1.3) % of net zero carbon buildings in the total number of buildings completed in the last 3 years

0.1

(7.77.1.4) Have any of the buildings been certified as net zero carbon?

Select:

☑ No

(7.77.1.7) Comment

In fiscal year 2025, the company will launch sales of "earth-tect"—a detached housing product that aims for net-zero LCCO2 (Life Cycle CO2) emissions through a proprietary method.
[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select:

☑ Yes

(9.1.1) Provide details on these exclusions.

Row 1

(9.1.1.1) Exclusion

Select:

☑ Facilities

(9.1.1.2) Description of exclusion

Non-manufacturing sites—such as head offices, sales offices, and certain assembly or processing plants that use only small amounts of water—are excluded, as their water withdrawal and discharge volumes are extremely low and their associated water risks are negligible.

(9.1.1.3) Reason for exclusion

Select:

☑ Rainwater

(9.1.1.4) Primary reason why data is not collected and/or reported

Select:

☑ Lack of internal resources capabilities or expertise (e.g., due to organization size)

(9.1.1.7) Country/area and river basin of exclusion

Austria
☑ Danube

Singapore
☑ Other, please specify: Singapore Strait

Sweden
☑ Other, please specify: Lake Norrdellen

Uniter states of America
☑ Other, please specify: Swift Creek、Des Plaines River、Saranac River、San Francisco Bay、Concord River、Lake Erie

(9.1.1.8) Estimated volume of water the exclusion represents (megaliters)

2430

(9.1.1.9) Estimated % of total water

1

(9.1.1.10) Please explain

Exclusions primarily consist of sales offices, administrative/operational sites, and R&D facilities; major manufacturing sites involving large-scale water withdrawal are included within the reporting scope. While water data has not been collected for certain small-scale manufacturing sites, it has been determined—based on the nature and scale of their operations—that their impact on total water usage is limited. Although the impact of these exclusions is estimated to be less than 1% of total water withdrawal, we have adopted a conservative approach by calculating the excluded volume as equivalent to 1% of the total.
[Add row]

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we continuously measure and monitor the volume of water intake, using flow meters and invoices.

(9.2.4) Please explain

In accordance with internal company regulations, we regularly measure and monitor water withdrawal volumes at all of our plants. Each plant continuously tracks these volumes using flow meters and billing records, and the annual data is reported to the Asahi Kasei head office once a year via our proprietary system. Furthermore, the Asahi Kasei head office monitors water withdrawal volumes for the entire group on an annual basis.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we continuously measure and monitor the volume of water withdrawn from various sources, based on flow meter readings and invoices.

(9.2.4) Please explain

In accordance with internal policies, we regularly measure and monitor water withdrawal volumes by source at all of our manufacturing plants. Each plant continuously tracks these volumes using flow meters and billing records, and the annual data is reported to the Asahi Kasei head office once a year via our proprietary system. Furthermore, the Asahi Kasei head office monitors total water withdrawal across the entire Group on an annual basis.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our facilities, we monitor the quality of the water we draw to ensure a consistent supply of high-quality fresh water. The methods and frequency of this monitoring vary depending on the specific circumstances of each plant, such as legal requirements and the type of water source. Many of our plants continuously monitor water quality using turbidity meters and pH meters, and they also regularly review water quality analysis reports provided by the water utility.

(9.2.4) Please explain

In accordance with internal company regulations, we regularly monitor the water quality at all of our manufacturing plants. Each plant bears primary responsibility for ensuring a consistent supply of high-quality fresh water and monitors the quality of the water it draws. Should any water quality issues arise that a plant cannot resolve on its own, it must report the situation to Asahi Kasei’s corporate headquarters to seek guidance and support. Asahi Kasei’s corporate headquarters conducts an annual review to determine whether any issues regarding the quality of water being drawn have occurred.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we use flow meters and flow-measuring weirs to continuously measure and monitor the volume of wastewater discharge.

(9.2.4) Please explain

In accordance with internal regulations, we regularly measure and monitor the volume of wastewater discharge at all of our plants. Each plant continuously tracks these discharge volumes using tools such as flow meters and measuring weirs; this annual data is then reported to the Asahi Kasei head office once a year via our proprietary system. Furthermore, the Asahi Kasei head office monitors the total wastewater discharge for the entire group on an annual basis.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we use flow meters and flow-measuring weirs to continuously measure and monitor the volume of wastewater discharged to various receiving points.

(9.2.4) Please explain

In accordance with internal regulations, we regularly measure and monitor the volume of wastewater discharged to various receiving bodies at all of our plants. Each plant employs tools such as flow meters and flow-measurement weirs to continuously track these discharge volumes. This annual data is then reported to the Asahi Kasei head office once a year via our proprietary internal system. Furthermore, the Asahi Kasei head office monitors the total wastewater discharge volume for the entire Group on an annual basis.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we use flow meters and flow-measuring weirs to continuously measure and monitor the volume of wastewater generated by each treatment process.

(9.2.4) Please explain

In accordance with internal regulations, we regularly measure and monitor the volume of wastewater—categorized by treatment method—at all of our manufacturing plants. Each plant employs tools such as flow meters and flow-measurement weirs to continuously track these volumes. This annual data is then reported to Asahi Kasei's corporate headquarters once a year via our proprietary internal system. Furthermore, Asahi Kasei's corporate headquarters monitors the total wastewater volume for the entire group on an annual basis.

Water discharge quality – by standard effluent parameters,

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we use in-house analytical equipment to continuously monitor parameters such as pH and COD, allowing us to detect any issues; additionally, we typically engage an external analytical laboratory once or twice a month to collect and analyze wastewater samples.

(9.2.4) Please explain

In accordance with internal company regulations, all of our plants conduct regular measurements and monitoring of wastewater quality based on established discharge standards. Each plant bears primary responsibility for monitoring its own wastewater quality to ensure compliance with the applicable discharge standards. Many of our plants continuously monitor parameters such as nitrates and phosphates to proactively prevent issues; they also engage external analytical laboratories to collect and analyze wastewater samples. These tests are typically performed once or twice a month to verify adherence to discharge standards. Should a water quality issue arise that a plant cannot resolve on its own, the situation is reported to the Asahi Kasei corporate headquarters, which then provides guidance and support. Furthermore, the Asahi Kasei corporate headquarters conducts an annual review to determine whether any issues regarding wastewater quality have occurred.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we continuously monitor parameters such as nitrates and phosphates to detect any issues; additionally, we typically engage an external analytical laboratory once or twice a month to collect and analyze wastewater samples, thereby ensuring that our discharge consistently meets established standards and limits.

(9.2.4) Please explain

In accordance with internal company regulations, all of our plants conduct regular measurements and monitoring of wastewater quality based on established discharge standards. Each plant bears primary responsibility for monitoring its own wastewater quality to ensure compliance with the applicable discharge standards. Many of our plants continuously monitor parameters such as nitrates and phosphates to proactively prevent issues; they also engage external analytical laboratories to collect and analyze wastewater samples. These tests are typically performed once or twice a month to verify adherence to discharge standards. Should a water quality issue arise that a plant cannot resolve on its own, the situation is reported to the Asahi Kasei corporate headquarters, which then provides guidance and support. Furthermore, the Asahi Kasei corporate headquarters conducts an annual review to determine whether any issues regarding wastewater quality have occurred.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ At least once a month

(9.2.3) Method of measurement

At each of our plants, we typically monitor the temperature of our wastewater once or twice a month using our own thermometers to detect any issues.

(9.2.4) Please explain

In accordance with internal company regulations, we regularly measure and monitor the temperature of wastewater at all of our manufacturing plants. Each plant bears primary responsibility for monitoring wastewater temperature to ensure compliance with all applicable requirements. At many of our plants, internal temperature-measuring equipment is used for regular monitoring, helping to prevent issues before they arise. Furthermore, typically once or twice a month, we engage an external analytical laboratory to collect and analyze wastewater samples, ensuring that all relevant requirements are consistently met. Should any water quality issue arise that cannot be resolved by a plant on its own, the situation is reported to the Asahi Kasei corporate headquarters, from which guidance and support are sought. Each year, the Asahi Kasei corporate headquarters verifies whether any issues concerning wastewater quality have occurred.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

We continuously measure and monitor water consumption based on data regarding water intake and discharge volumes collected from our plants. Water intake is measured using flow meters or billing records, while water discharge is measured using flow meters and flow-measuring weirs.

(9.2.4) Please explain

We continuously measure and monitor water consumption based on data regarding water intake and discharge volumes collected from our plants. Water intake is determined using flow meters or invoices, while water discharge is measured using flow meters and flow-measuring weirs. The calculation method is a simple subtraction: water consumption = water intake - water discharge.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ Continuously

(9.2.3) Method of measurement

At each of our plants, we continuously calculate the volume of water recycled or reused, based on both measured and estimated flow meter values.

(9.2.4) Please explain

In accordance with internal policies, we regularly measure and monitor the volume of water recycled or reused at all of our manufacturing plants. Each plant calculates this volume based on flow meter readings and estimates, and the annual data is reported to the Asahi Kasei head office once a year via our proprietary system. Furthermore, the Asahi Kasei head office monitors the total volume of water recycled or reused across the entire Group on an annual basis.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select:

☑ 100%

(9.2.2) Frequency of measurement

Select:

☑ At least once a month

(9.2.3) Method of measurement

At each of our facilities, we monitor whether fully managed water, sanitation, and hygiene (WASH) services are being provided. This is carried out through regular—typically monthly—inspections of water supply and sanitation facilities at each site.

(9.2.4) Please explain

In accordance with our internal policies, we regularly monitor whether fully managed water, sanitation, and hygiene (WASH) services are being provided. Each plant bears primary responsibility for ensuring the provision of such services and for monitoring their status. This is carried out through regular—typically monthly—inspections of water supply and sanitation facilities at each site. Should any issues arise regarding the provision of WASH services that cannot be resolved by a plant on its own, the situation is reported to Asahi Kasei's corporate headquarters, which then provides guidance and support. Furthermore, Asahi Kasei's corporate headquarters conducts an annual review to determine whether any issues related to the provision of WASH services have occurred.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters)

243029

(9.2.2.2) Comparison with previous reporting year

Select:
☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select:
☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select:
☑ Lower

(9.2.2.5) Primary reason for forecast

Select:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

Total water withdrawal decreased by 14.8% compared to the previous fiscal year, due to fluctuations in production volume—including those resulting from periodic maintenance. Thanks to efforts to promote efficient water use, the intensity of water withdrawal relative to net sales has shown a downward trend year by year. Moving forward, we will continue to monitor water withdrawal across our operations and strive to maintain and improve water-use efficiency—through measures such as the circular use of water—while also reducing the total volume of water withdrawn.

Total discharges

(9.2.2.1) Volume (megaliters)

217952

(9.2.2.2) Comparison with previous reporting year

Select:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

Total wastewater discharge decreased by 15.1% compared to the previous fiscal year, primarily due to fluctuations in production volume, including those resulting from periodic maintenance. Through the promotion of efficient water use, the intensity of water consumption relative to net sales has shown a downward trend year by year. Moving forward, we will continue to monitor our water intake, promote the circular use of water, and strive to maintain and improve water-use efficiency while reducing the volume of water withdrawn from water resources.

Total consumption

(9.2.2.1) Volume (megaliters)

25077

(9.2.2.2) Comparison with previous reporting year

Select:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

Total water consumption decreased by 12.3% compared to the previous fiscal year, reflecting changes in the production volume of products that require water. Driven by efforts to promote efficient water use, the intensity of water consumption relative to net sales has shown a downward trend year over year. Moving forward, we will continue to monitor water withdrawal across our operations and enhance water-use efficiency—including through the circular use of water—while striving to reduce the volume of water withdrawn from water resources.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select:
☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

77.35

(9.2.4.3) Comparison with previous reporting year

Select:
☑ Lower

(9.2.4.4) Primary reason for comparison with previous reporting year

Select:
☑ Investment in water-smart technology/process

(9.2.4.5) Five-year forecast

Select:

☑ Lower

(9.2.4.6) Primary reason for forecast

Select:

☑ Increase/decrease in efficiency

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

0.03

(9.2.4.8) Identification tool

Identification tool used

☑ WRI Aqueduct

(9.2.4.9) Please explain

Due to a review of our water-related risk assessment using the WRI Aqueduct tool, the scope of facilities included in this disclosure differs in part from that of the previous disclosure. Comparisons with the previous reporting year are based on the historical performance of the facilities included in the current disclosure scope. Our manufacturing plant in China is located in a region classified as having high water stress according to WRI Aqueduct. While the plant's water withdrawal accounts for only a very small fraction of the Asahi Kasei Group's total water withdrawal, we remain committed to ongoing efforts to reduce water consumption.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes,

(9.2.7.1) Relevance

Select:

☑ Relevance

(9.2.7.2) Volume (megaliters)

194092.44

(9.2.7.3) Comparison with previous reporting year

Select:
☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select:
☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Many of our plants use large quantities of high-quality fresh water for cooling and cleaning, making surface fresh water a vital resource. Primarily due to changes in production volume, our withdrawal of surface fresh water in fiscal year 2025 decreased by 17.3% compared to the previous fiscal year.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select:
☑ Relevance

(9.2.7.2) Volume (megaliters)

22559.07

(9.2.7.3) Comparison with previous reporting year

Select:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Our factories are located in regions with abundant freshwater resources; therefore, the use of brackish surface water is not applicable. Seawater, however, is relevant, as several of our domestic facilities use it for cooling purposes. In fiscal year 2025, the volume of seawater withdrawal decreased by 17.2% compared to the previous fiscal year.

Groundwater – renewable

(9.2.7.1) Relevance

Select:

☑ Relevance

(9.2.7.2) Volume (megaliters)

23859.68

(9.2.7.3) Comparison with previous reporting year

Select:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Renewable groundwater is relevant to our operations, as several of our plants use it for cooling and cleaning purposes. Due to a decrease in the use of renewable groundwater for power-related applications at our large-scale production sites, the volume of seawater intake in fiscal year 2025 declined by 8.6% compared to the previous fiscal year.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select:

☑ Not relevant

(9.2.7.5) Please explain

Non-renewable groundwater is not a relevant issue for us, as none of our facilities are located in areas where such groundwater is available and where there is a forced reliance upon it. Unless we were to establish a facility in a location where non-renewable groundwater is available and its use is unavoidable, it will remain a resource of no relevance to our operations.

Produced/Entrained water

(9.2.7.1) Relevance

Select:

☑ Not relevant

(9.2.7.5) Please explain

As our company is not involved in the extraction of gas, oil, or metals, "produced water" is not a factor for us. Unless we enter into any mining operations in the future, produced water will remain a resource that is irrelevant to our business.

Third party sources

(9.2.7.1) Relevance

Select:

☑ Relevance

(9.2.7.2) Volume (megaliters)

2232.39

(9.2.7.3) Comparison with previous reporting year

Select:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select:

☑ No/minimal change in business activity

(9.2.7.5) Please explain

Water withdrawal from third-party sources is relevant because it is used for purposes requiring water quality suitable for drinking. In fiscal year 2025, the volume of water withdrawn from third-party sources (primarily municipal water supplies) increased by 1.4% compared to the previous fiscal year.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select:

☑ Relevant

(9.2.8.2) Volume (megaliters)

192888.96

(9.2.8.3) Comparison with previous reporting year

Select:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

As several of our plants discharge into freshwater bodies, these environments are significant receiving waters for our effluents. Primarily due to changes in production volume, the volume of freshwater discharge in fiscal year 2025 decreased by 16.9% compared to the previous fiscal year.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select:

☑ Relevant

(9.2.8.2) Volume (megaliters)

22559.07

(9.2.8.3) Comparison with previous reporting year

Select:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

At several of our plants, seawater is used as a non-contact cooling medium and subsequently discharged directly back into the sea; therefore, the marine environment serves as the receiving body for these discharges. In fiscal year 2025, the volume of water discharged into the sea decreased by 17.2% compared to the previous fiscal year. This rate of decline aligns with the trend in seawater intake. (Because there is no evaporation in indirect cooling systems that utilize seawater, the volume of water discharged into the sea is identical to the volume of water taken in.)

Groundwater

(9.2.8.1) Relevance

Select:

☑ Not relevant

(9.2.8.5) Please explain

Groundwater is not a relevant discharge destination, nor will it become one in the future. This is because our facility does not discharge into groundwater, and there is no need for us to do so.

Third-party destinations

(9.2.8.1) Relevance

Select:

☑ Relevant

(9.2.8.2) Volume (megaliters)

2218.55

(9.2.8.3) Comparison with previous reporting year

Select:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select:

☑ No/minimal change in business activity

(9.2.8.5) Please explain

In fiscal year 2025, the volume of wastewater discharged to third parties increased by 1.8% compared to the previous fiscal year.
[Fixed row]

(9.2.9) Indicate the highest level to which your wastewater is treated (either by your organization or a third party) before being discharged to the environment.

Quaternary treatment

(9.2.9.1) Volume (megaliters)

0

(9.2.9.6) Please explain

Before being discharged into receiving water bodies, all wastewater is managed in compliance with the increasingly stringent national laws and regulations concerning water pollution, as well as regional regulations aimed at protecting rivers and lakes.

Tertiary treatment

(9.2.9.1) Volume (megaliters)

123565

(9.2.9.2) Comparison of treated volume with previous reporting year

Select:

☑ Lower

(9.2.9.3) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.9.4) % of discharge volume treated in compliance with local regulatory standards

Select:

☑ 100

(9.2.9.5) Factors considered in determining appropriate treatment level beyond local regulatory standards

Select all that apply

☑ Internally developed water quality standards or guidelines

☑ The water discharge impacts

(9.2.9.6) Please explain

The volume of treated effluent decreased by 20.0% compared to the previous year. Rationale for the selected treatment level: All wastewater is subjected to treatment in compliance with increasingly stringent national laws and regulations concerning water pollution, as well as regional regulations aimed at protecting rivers and lakes, before being discharged into the receiving water bodies.

Secondary treatment

(9.2.9.1) Volume (megaliters)

39572

(9.2.9.2) Comparison of treated volume with previous reporting year

Select:

☑ Lower

(9.2.9.3) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.9.4) % of discharge volume treated in compliance with local regulatory standards

Select:

☑ 100

(9.2.9.5) Factors considered in determining appropriate treatment level beyond local regulatory standards

Select all that apply

☑ Internally developed water quality standards or guidelines

☑ The water discharge impacts

(9.2.9.6) Please explain

The volume processed decreased by 30.4% compared to the previous year. Rationale for the selected treatment level: All wastewater is subjected to treatment in compliance with increasingly stringent national laws and regulations regarding water pollution, as well as regional regulations aimed at protecting rivers and lakes, before being discharged into the receiving water bodies.

Primary treatment only,

(9.2.9.1) Volume (megaliters)

338

(9.2.9.2) Comparison of treated volume with previous reporting year

Select:

☑ Much lower

(9.2.9.3) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.9.4) % of discharge volume treated in compliance with local regulatory standards

Select:

☑ 100

(9.2.9.5) Factors considered in determining appropriate treatment level beyond local regulatory standards

Select all that apply

☑ Internally developed water quality standards or guidelines

☑ The water discharge impacts

(9.2.9.6) Please explain

The volume processed decreased by 53.7% compared to the previous year. Rationale for the selected treatment level: All wastewater is subjected to treatment in compliance with increasingly stringent national laws and regulations concerning water pollution, as well as regional regulations aimed at protecting rivers and lakes, before being discharged into the receiving water bodies.

No treatment

(9.2.9.1) Volume (megaliters)

54477

(9.2.9.2) Comparison of treated volume with previous reporting year

Select:

☑ Lower

(9.2.9.3) Primary reason for comparison with previous reporting year

Select:

☑ Increase/decrease in business activity

(9.2.9.4) % of discharge volume treated in compliance with local regulatory standards

Select:

☑ 100

(9.2.9.6) Please explain

The processing volume decreased by 21.9% compared to the previous year.

Unknown

(9.2.9.1) Volume (megaliters)

0

(9.2.9.6) Please explain

Before being discharged into receiving water bodies, all wastewater is managed in compliance with the increasingly stringent national laws and regulations concerning water pollution, as well as regional regulations aimed at protecting rivers and lakes.
[Fixed row]

(9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tons)	Categories of substances included	Please explain
	5620	*Select all that apply* ☑Nitrates ☑ Phosphates	*The processing volume increased by 1.81% compared to the previous year, a figure that remains largely on par with the prior year's level.*

[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select:

☑ Yes, we have assessed this value chain stage and identified facilities with substantive water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

5

(9.3.3) % of facilities in direct operations that this represents

Select:

☑ Less than 1%

(9.3.4) Please explain

Following a review based on the latest assessment results from Aqueduct, it has been determined that five of our directly operated facilities are located in river basins

with a high risk of flooding.

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select:

☑ No, we have not assessed this value chain stage for facilities with substantive water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 year

(9.3.4) Please explain

Since water-related dependencies and risks in the upstream portion of our value chain could potentially impact our company, we intend to conduct further analysis to better understand these issues and implement appropriate countermeasures.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select:

☑ Facility 1

(9.3.1.3) Value chain stage

Select:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Reason for no withdrawals and/or discharges

Select:

☑ No

(9.3.1.6) Reason for no withdrawals and/or discharges

Non-manufacturing sites—such as head offices, sales offices, and certain assembly or processing plants that use only small amounts of water—are excluded, as their water withdrawal and discharge volumes are extremely low and their associated water risks are negligible.

(9.3.1.7) Country/Area & River basin

Thailand

☑ Chao Phraya

(9.3.1.8) Latitude

13.597547

(9.3.1.9) Longitude

100.776666

(9.3.1.10) Located in area with water stress

Select:

☑ No

(9.3.1.29) Please explain

We have established a policy regarding water resources and contribute to their conservation. Furthermore, with a goal of "zero environmental accidents or incidents," we implement management standards that are stricter than general requirements to ensure full compliance with laws and regulations. Moving forward, we will continue to promote the efficient use of water, the preservation of water quality, and the mitigation of environmental risks, aiming to achieve a balance between our business activities and the sustainable use of water resources.

Row 2

(9.3.1.1) Facility reference number

Select:

☑ Facility 2

(9.3.1.3) Value chain stage

Select:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select:

☑ No

(9.3.1.6) Reason for no withdrawals and/or discharges

Non-manufacturing sites—such as head offices, sales offices, and certain assembly or processing plants that use only small amounts of water—are excluded, as their water withdrawal and discharge volumes are extremely low and their associated water risks are negligible.

(9.3.1.7) Country/Area & River basin

China

☑ Yangtze River

(9.3.1.8) Latitude

31.334597

(9.3.1.9) Longitude

121.602021

(9.3.1.10) Located in area with water stress

Select:

☑ No

(9.3.1.29) Please explain

We have established a policy regarding water resources and contribute to their conservation. Furthermore, with a goal of "zero environmental accidents or incidents," we implement management standards that are stricter than general requirements to ensure full compliance with laws and regulations. Moving forward, we will continue to promote the efficient use of water, the preservation of water quality, and the mitigation of environmental risks, aiming to achieve a balance between our business activities and the sustainable use of water resources.

Row 3

(9.3.1.1) Facility reference number

Select:

☑ Facility 3

(9.3.1.3) Value chain stage

Select:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select:

☑ No

(9.3.1.6) Reason for no withdrawals and/or discharges

Non-manufacturing sites—such as head offices, sales offices, and certain assembly or processing plants that use only small amounts of water—are excluded, as their water withdrawal and discharge volumes are extremely low and their associated water risks are negligible.

(9.3.1.7) Country/Area & River basin

China

☑ Other, please specify: Yingchuan Gang

(9.3.1.8) Latitude

31.9234

(9.3.1.9) Longitude

120.918459

(9.3.1.10) Located in area with water stress

Select:

☑ No

(9.3.1.29) Please explain

We have established a policy regarding water resources and contribute to their conservation. Furthermore, with a goal of "zero environmental accidents or incidents," we implement management standards that are stricter than general requirements to ensure full compliance with laws and regulations. Moving forward, we will continue to promote the efficient use of water, the preservation of water quality, and the mitigation of environmental risks, aiming to achieve a balance between our business activities and the sustainable use of water resources.

Row 4

(9.3.1.1) Facility reference number

Select:

☑ Facility 4

(9.3.1.3) Value chain stage

Select:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select:

☑ No

(9.3.1.6) Reason for no withdrawals and/or discharges

Non-manufacturing sites—such as head offices, sales offices, and certain assembly or processing plants that use only small amounts of water—are excluded, as their

water withdrawal and discharge volumes are extremely low and their associated water risks are negligible.

(9.3.1.7) Country/Area & River basin

United States of America

☑ Other, please specify: Azevedo Creek

(9.3.1.8) Latitude

37.482117

(9.3.1.9) Longitude

-121.939711

(9.3.1.10) Located in area with water stress

Select:

☑ No

(9.3.1.29) Please explain

We have established a policy regarding water resources and contribute to their conservation. Furthermore, with a goal of "zero environmental accidents or incidents," we implement management standards that are stricter than general requirements to ensure full compliance with laws and regulations. Moving forward, we will continue to promote the efficient use of water, the preservation of water quality, and the mitigation of environmental risks, aiming to achieve a balance between our business activities and the sustainable use of water resources.

Row 5

(9.3.1.1) Facility reference number

Select:

☑ Facility 5

(9.3.1.3) Value chain stage

Select:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

China

☑ Other, please specify: KunCheng Lake

(9.3.1.8) Latitude

31.601072

(9.3.1.9) Longitude

120.84767

(9.3.1.10) Located in area with water stress

Select:

☑ No

(9.3.1.13) Total water withdrawals at this facility (megaliters)

77.35

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

77.35

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

66.4

(9.3.1.22) Comparison of total discharges with previous reporting year

Select:

☑ Lower

(9.3.1.23) Discharges to fresh surface water

66.4

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0

(9.3.1.27) Total water consumption at this facility (megaliters

110.43

(9.3.1.28) Comparison of total consumption with previous reporting year

Select:

☑ Higher

(9.3.1.29) Please explain

In fiscal year 2025, compared to the previous year, total water withdrawal decreased by 30%, total water discharge decreased by 28.6%, and total water consumption

increased by 18.8%.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select:
☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select:
☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select:

☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water discharges – total volumes

(9.3.2.1) % verified

Select:
☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water discharges – volume by destination

(9.3.2.1) % verified

Select:
☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select:

☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select:
☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.

Water consumption – total volume

(9.3.2.1) % verified

Select:
☑ Not verified

(9.3.2.3) Please explain

At this stage, no third-party verification has been conducted.
[Fixed row]

(9.5) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	3074505000000	*12650774.19*	We are committed to using water more efficiently and are phasing out technologies and processes that consume large volumes of water; consequently, our water-withdrawal efficiency is gradually improving.

[Fixed row]

(9.6) Do you calculate water intensity for your activities in the chemical sector?

Select:

☑ Yes

(9.6.1) For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.

Row 1

(9.6.1.1) Product type

Other chemicals

☑ Specialty organic chemicals

(9.6.1.2) Product name

Chemical Monomer 1 (Specific water consumption figures for individual products are confidential and cannot be disclosed.)

(9.6.1.3) Water intensity value (m3/denominator)

41.94

(9.6.1.4) Numerator: water aspect

Select:

☑ Total water withdrawals

(9.6.1.5) Denominator

Select:

☑ Ton

(9.6.1.6) Comparison with previous reporting year

Select:

☑ Lower

(9.6.1.7) Five-year forecast

Select:

☑ Lower

(9.6.1.8) Use of the metric within the organization

Select all that apply

☑ Reduce impact on water resources

(9.6.1.9) Please explain

We utilize "water intensity" (m^3/t) as a key metric for enhancing productivity. Given the anticipated future challenges—such as water scarcity and rising water costs—which are expected to exert an even greater impact on our product manufacturing costs, we are proactively working to improve our water intensity. Through our dedicated and sustained efforts, we achieved an 8.7% improvement in the water intensity (m^3/t) for "Chemical Monomer 1" compared to the previous fiscal year. Specific initiatives to further improve water intensity include the adoption of advanced IT solutions to optimize plant operations based on production volume, the installation of high-efficiency pumps, and the implementation of measures to prevent water leakage (such as addressing pipe degradation). Moving forward, we will

continue to actively explore various methods and strategies to improve the water intensity of our products. By implementing these measures, we remain committed to the efficient use of water and the conservation of water resources.

Row 2

(9.6.1.1) Product type

Bulk organic chemicals

☑ Aromatics

(9.6.1.2) Product name

Chemical Monomer 2 (Specific water consumption per unit of product is confidential information and cannot be disclosed.)

(9.6.1.3) Water intensity value (m3/denominator)

4.74

(9.6.1.4) Numerator: water aspect

Select:

☑ Total water withdrawals

(9.6.1.5) Denominator

Select:

☑ Ton

(9.6.1.6) Comparison with previous reporting year

Select:

☑ About the same

(9.6.1.7) Five-year forecast

Select:

☑ Lower

(9.6.1.8) Use of the metric within the organization

Select all that apply

☑ Reduce impact on water resources

(9.6.1.9) Please explain

We use "water intensity" (m³/t) as a key metric for improving productivity. Given the anticipated future risks of water scarcity and rising water costs—factors expected to exert an even greater impact on our product manufacturing costs—we are actively working to improve our water intensity. Through our dedicated and sustained efforts, we achieved a 4.8% improvement in the water intensity (m³/t) of our "Chemical Monomer 2" product compared to the previous year. Specific initiatives to further improve water intensity include the adoption of advanced IT solutions to optimize plant operations based on production volume, the installation of high-efficiency pumps, and measures to prevent water leakage—such as addressing the degradation of piping. We will continue to proactively explore various methods and strategies to improve the water intensity of our products. By implementing these measures, we remain committed to the efficient use of water and the conservation of water resources.

Row 3

(9.6.1.1) Product type

Bulk organic chemicals

☑ Polymers

(9.6.1.2) Product name

Chemical Polymer 1 (The specific water consumption per unit for each product is confidential information and cannot be disclosed.)

(9.6.1.3) Water intensity value (m3/denominator)

4.5

(9.6.1.4) Numerator: water aspect

Select:

☑ Total water withdrawals

(9.6.1.5) Denominator

Select:

☑ Ton

(9.6.1.6) Comparison with previous reporting year

Select:

☑ Lower

(9.6.1.7) Five-year forecast

Select:

☑ About the same

(9.6.1.8) Use of the metric within the organization

Select all that apply

☑ Reduce impact on water resources

(9.6.1.9) Please explain

We use "water intensity" (m^3/t) as a key metric for enhancing productivity. Anticipating future water shortages and rising water costs—factors expected to exert an even greater impact on our product manufacturing costs—we are actively committed to improving this metric. As a result of our dedicated and sustained efforts, the water intensity (m^3/t) for our chemical polymer 1 increased by 26.5% compared to the previous fiscal year. Specific initiatives to improve water intensity include the adoption of advanced IT solutions to optimize plant operations based on production volume, the installation of high-efficiency pumps, and measures to prevent water leakage caused by factors such as pipe degradation. Moving forward, we will continue to proactively explore various methods and strategies to improve the water

intensity of each of our products. Through the implementation of these measures, we remain committed to the efficient use of water and the conservation of water resources.

Row 4

(9.6.1.1) Product type

Bulk organic chemicals
☑ Polymers

(9.6.1.2) Product name

Chemical Polymer 2 (Specific water-consumption figures for individual products are confidential and cannot be disclosed.)

(9.6.1.3) Water intensity value (m3/denominator)

2.79

(9.6.1.4) Numerator: water aspect

Select:
☑ Total water withdrawals

(9.6.1.5) Denominator

Select:
☑ Ton

(9.6.1.6) Comparison with previous reporting year

Select:
☑ About the same

(9.6.1.7) Five-year forecast

Select:

☑ About the same

(9.6.1.8) Use of the metric within the organization

Select all that apply

☑ Reduce impact on water resources

(9.6.1.9) Please explain

We utilize "water intensity" (m³/t) as a key metric for enhancing productivity. Given the anticipated future risks of water scarcity and rising water costs—factors expected to exert an even greater impact on our product manufacturing expenses—we are proactively working to improve this metric. As a result of our dedicated and ongoing efforts, the water intensity (m³/t) for our "Chemical Polymer 2" product increased by 2.7% compared to the previous fiscal year. Specific initiatives to improve water intensity include the adoption of advanced IT solutions to optimize plant operations based on production volume, the installation of high-efficiency pumps, and measures to address water leakage caused by factors such as pipe degradation. Moving forward, we will continue to actively explore various approaches and strategies to further improve the water intensity of our products. Through the implementation of these measures, we remain committed to the efficient use of water and the conservation of water resources.

Row 5

(9.6.1.1) Product type

Other chemicals

☑ Specialty organic chemicals

(9.6.1.2) Product name

Chemical Polymer 3 (Specific water consumption figures for individual products are confidential and cannot be disclosed.)

(9.6.1.3) Water intensity value (m3/denominator)

104.64

(9.6.1.4) Numerator: water aspect

Select:

☑ Total water withdrawals

(9.6.1.5) Denominator

Select:

☑ Ton

(9.6.1.6) Comparison with previous reporting year

Select:

☑ Lower

(9.6.1.7) Five-year forecast

Select:

☑ About the same

(9.6.1.8) Use of the metric within the organization

Select all that apply

☑ Reduce impact on water resources

(9.6.1.9) Please explain

We use "water intensity" (m^3/t) as a key metric for enhancing productivity. Anticipating future water shortages and rising water costs—factors likely to exert an even greater impact on our product manufacturing costs—we are proactively working to improve this metric. Through our dedicated and sustained efforts, we achieved a 5.7% improvement in the water intensity (m^3/t) for our chemical polymer 3 product compared to the previous year. Specific initiatives to further improve water intensity include the adoption of advanced IT solutions to optimize plant operations based on production volume, the installation of high-efficiency pumps, and the implementation of measures to prevent water leakage caused by factors such as pipe degradation. We will continue to actively explore various approaches and

strategies to improve the water intensity of our products. By implementing these measures, we remain committed to contributing to the efficient use of water and the conservation of water resources.
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
	Select: ☑ Yes

[Fixed row]

(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Row 1

(9.13.1.1) Regulatory classification of hazardous substances

Select:
☑ EU Persistent Organic Pollutants (POPs) Regulation

(9.13.1.2) % of revenue associated with products containing substances in this list

Select:
☑ Less than 10%

(9.13.1.3) Please explain

For products with unspecified end-uses, we include them all in our assessments—accounting for the possibility that they may contain even trace amounts of certain substances. This enables us to conduct safety evaluations throughout the entire product life cycle, in accordance with both legal requirements and our own internal standards. We are also working to enhance the precision of our substance management to ensure both sustainability and safety.

Row 2

(9.13.1.1) Regulatory classification of hazardous substances

Select:

☑ Water Pollution Prevention Act (Japan Regulation

(9.13.1.2) % of revenue associated with products containing substances in this list

Select:

☑ Less than 10%

(9.13.1.3) Please explain

For products with unspecified end-uses, we include them all in our assessments—accounting for the possibility that they may contain even trace amounts of certain substances. This enables us to conduct safety evaluations throughout the entire product life cycle, in accordance with both legal requirements and our own internal standards. We are also working to enhance the precision of our substance management to ensure both sustainability and safety.

Row 3

(9.13.1.1) Regulatory classification of hazardous substances

Select:

☑ Other, please specify: PRTR Law (Chemical Substance Release Monitoring and Management Promotion Law)

(9.13.1.2) % of revenue associated with products containing substances in this list

Select:

☑ Less than 10%

(9.13.1.3) Please explain

For products with unspecified end-uses, we include them all in our assessments—accounting for the possibility that they may contain even trace amounts of certain substances. This enables us to conduct safety evaluations throughout the entire product life cycle, in accordance with both legal requirements and our own internal standards. We are also working to enhance the precision of our substance management to ensure both sustainability and safety.
[Add row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select:

☑ Yes

(9.14.2) Value chain stage where low water impact is assessed

Select all that apply
☑ Downstream value chain

(9.14.3) Indicator used to assess water impact

Water quantity
☑ Lower water intensity than conventional products/services

Water quality
☑ Lower water pollution than conventional products/services

(9.14.4) Have you used a certification standard to classify your products/services as low water impact?

Select:
☑ No

(9.14.5) Definition used to classify low water impact

The Asahi Kasei Group defines " Environmental Contribution Products " as those that offer greater environmental benefits throughout their entire life cycle compared to standard market offerings or the Group’s own previous-generation products. We conduct Life Cycle Assessments (LCA) to evaluate the environmental impact of our products across their full life cycle; based on these assessments, we certify products as "Environmental Contribution Products " if they help reduce greenhouse gas (GHG) emissions or contribute to water conservation during the product-use phase.

(9.14.7) Please explain

Our "Environmental Contribution Products" within the water-related business—the Microza UF/MF hollow-fiber membranes—offer state-of-the-art membrane filtration technology for water treatment, separation, and purification in the global market.
[Fixed row]

(9.15) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1) Target set in this category

Select:
☑ Yes

(9.15.2) Science-based target set in this target category according to SBTN guidance

Select:
☑ No, but we plan to within the next two years

Water withdrawals

(9.15.1) Target set in this category

Select:

☑ No, and we do not plan to within the next two years

(9.15.3) Primary reason for not setting a target in this category

Select:

☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(9.15.4) Explain why you do not have a target set in this category

Asahi Kasei supplies products that contribute to enhancing water sustainability. Given that the continued provision of these products plays a vital role in addressing societal water risks, we are prioritizing efforts to ensure full compliance with laws and regulations—including the prevention of pollution. To this end, we have issued "Guidelines for Wastewater Management," through which we monitor the status of wastewater management; we are also implementing facility-related measures, such as expanding the capacity of our wastewater treatment plants. Moving forward, we will continue to promote efficient water use, the preservation of water quality, and the reduction of environmental risks, aiming to achieve a balance between our business activities and the sustainable use of water resources.

Water, Sanitation, and Hygiene (WASH) services

(9.15.1) Target set in this category

Select:

☑ No, and we do not plan to within the next two years

(9.15.3) Primary reason for not setting a target in this category

Select:

☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(9.15.4) Explain why you do not have a target set in this category

Asahi Kasei supplies products that contribute to enhancing water sustainability. Given that the continued provision of these products plays a vital role in addressing societal water risks, we are prioritizing efforts to ensure full compliance with laws and regulations—including the prevention of pollution. To this end, we have issued "Guidelines for Wastewater Management," through which we monitor the status of wastewater management; we are also implementing facility-related measures, such as expanding the capacity of our wastewater treatment plants. Moving forward, we will continue to promote efficient water use, the preservation of water quality, and the reduction of environmental risks, aiming to achieve a balance between our business activities and the sustainable use of water resources.

Other

(9.15.1) Target set in this category

Select:
☑ Yes
[Fixed row]

(9.15.1) Provide details of your water-related targets and the progress made.

Row 1

(9.15.1.1) Target reference number

Select:
☑ Water target 1

(9.15.1.2) Target coverage

Select:
☑ Business division

(9.15.1.3) Category of target & Quantitative metric

Product water intensity
☑ Increase in water use met through recycling/reuse

(9.15.1.4) Date target was set

04/01/2019

(9.15.1.5) Date target was set

03/31/2016

(9.15.1.6) Base year figure

540000000

(9.15.1.7) End date of target year

03/31/2026

(9.15.1.8) Target year figure

7590000000

(9.15.1.9) Reporting year figure

7660000000

(9.15.1.10) Target status in reporting year

Select:
☑ Achieved

(9.15.1.11) % of target achieved relative to base year

101

(9.15.1.12) Global environmental treaties/initiatives/frameworks aligned with or supported by this target

None, alignment not assessed
☑ None, alignment not assessed

(9.15.1.13) Explain target coverage and identify any exclusions

This applies to all markets where Microza is supplied; there are no excluded markets.

(9.15.1.15) Actions which contributed most to achieving or maintaining this target

Amid growing demand for the reuse of sewage and industrial wastewater, the trust customers placed in Microza—backed by its high durability—proved to be the primary factor in achieving our sales volume targets.

(9.15.1.18) Further details of target

The cumulative volume of water treated by Microza from 2015 to 2025 is 7.66 billion tons. Given that the cumulative target for 2025 is 7.59 billion tons, the current progress rate stands at 101% (7.66 ÷ 7.59 × 100).
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

☑ Other data point in module 5, please specify: Mass balance management of biomass and recycled feedstock at ISCC PLUS-certified sites

(13.1.1.3) Verification/assurance standard

General standards

☑ International Sustainability and Carbon Certification (ISCC)

(13.1.1.4) Further details of the third-party verification/assurance process

ISCC PLUS is a third-party certification scheme that covers biomass-based and recycled raw materials and products globally, ensuring and verifying their sustainability throughout the supply chain. As part of the annual renewal process, a third-party certification body conducts audits, which include reviewing documentation—such as raw material certificates and production plans—and performing on-site inspections of manufacturing facilities. The scope of our certification is linked to specific sites, covering eight of our own manufacturing facilities and one trading office. Regarding the "Chain of Custody" option, we hold certification for the "mass balance approach." This allows for the mixing of sustainable raw materials (e.g., those derived from waste) with conventional (virgin) raw materials during processing and distribution; the sustainability characteristics are then allocated to a portion of the final products in proportion to the amount of sustainable raw material input. (Attached is an example of the certificate for our Tokyo headquarters, which serves as a trading site.)

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ISCC PLUS Certicate_Asahi Kasei Corporation_HQ.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Electricity/Steam/Heat/Cooling generation

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

☑ ISAE 3410

(13.1.1.4) Further details of the third-party verification/assurance process

The Asahi Kasei Group’s renewable energy generation volume has been subject to third-party assurance by KPMG Azsa Sustainability Co., Ltd. (see page 43 of the attached document).

(13.1.1.5) Attach verification/assurance evidence/report (optional)

sustainability_report2025jp.pdf
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Executive Officer

(13.3.2) Corresponding job category

Select:

☑ Other C-Suite Office
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub to facilitate collective action in priority basins.

Select:

☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute