

Initiatives in FY2023 - Survey on Human Rights Violation Risks for Business Unit Managers

In fiscal 2023, we focused on advancing primarily Step 2 of our human rights due diligence process. To promote actions and business activities in line with the Asahi Kasei Group Human Rights Policy, we conducted a survey on human rights violation risks in the value chain for 34 business unit managers across the Asahi Kasei Group, with the advice of external experts. The Human Rights Expert Committee reported on the survey results, along with the findings from interviews, sharing awareness of issues related to human rights violation risks in specific business units. In addition, the committee reviewed trends related to business and human rights, both domestically and internationally, and considered their impact on the group. This process reaffirmed the importance of initiatives to respect human rights, and we also reviewed future plans and our reporting structure.

Applies to

34 business units within the Asahi Kasei Group: 23 in the Material sector, 6 in the Homes sector, and 5 in the Health Care sector

Purpose

To assess each business unit's awareness of human rights violation risks and their current responses, in order to develop more effective initiatives

(1) Identifying human rights violation risks in the value chain process

Risks of human rights violations among suppliers (primary suppliers and direct procurement sources)

- The presence or absence of procurement of high-risk raw materials (plant-based, mineral-related, or from high-risk regions)
- Awareness of discrimination or unfair treatment concerning wages, working hours, and other labor conditions in the employment of foreign workers
- Awareness of the employment of children below the minimum working age as stipulated by law

Risks of human rights violations among direct subcontractors (primary outsourcing partners and cooperating companies)

- The presence or absence of discrimination concerning wages, working hours, and other labor conditions in the employment of foreign workers

- The presence or absence of child labor, specifically the employment of children below the minimum working age as stipulated by law
- Occupational health and safety: The presence or absence of poor working conditions or hazardous tasks that raise significant concerns from a health and safety perspective

Risks of human rights violations within Asahi Kasei (as individual business units)

- Preventive measures (special considerations and actions) against all forms of inhumane treatment, including discrimination and harassment based on race, ethnicity, birth, nationality, religion, gender, sexual orientation, disability, or ideology

Risks of human rights violations related to our products and services

- Preventing negative human rights impacts through product warnings for corporate customers and consumers, such as proper disposal methods and prohibitions on misuse
- Ensuring that our advertisements, catalogs, and external websites avoid inappropriate expressions related to gender roles, racial bias, or other aspects from the perspective of respecting human rights
- Managing relationships with local public officials at overseas locations, with a focus on compliance with local laws and regulations

(2) Sharing the status of individual initiatives and awareness of issues in each business Upstream in the value chain

- The status of incorporating CSR clauses into procurement contracts with direct (primary) suppliers
- The level of awareness regarding human rights violation risks among indirect (secondary and beyond) suppliers

Downstream in the value chain

- Measures to prevent unintended uses of products