

Risk Management

Strengthening of risk management in view of business diversity

Asahi Kasei has a diverse range of business sectors—Material, Homes, and Health Care—and the business environment surrounding each of these sectors is undergoing rapid change. To raise the effectiveness of its risk management given such an environment, we are working to implement both group-wide activities led by individual corporate administrative departments as well as activities tailored to the characteristics of each individual business unit.



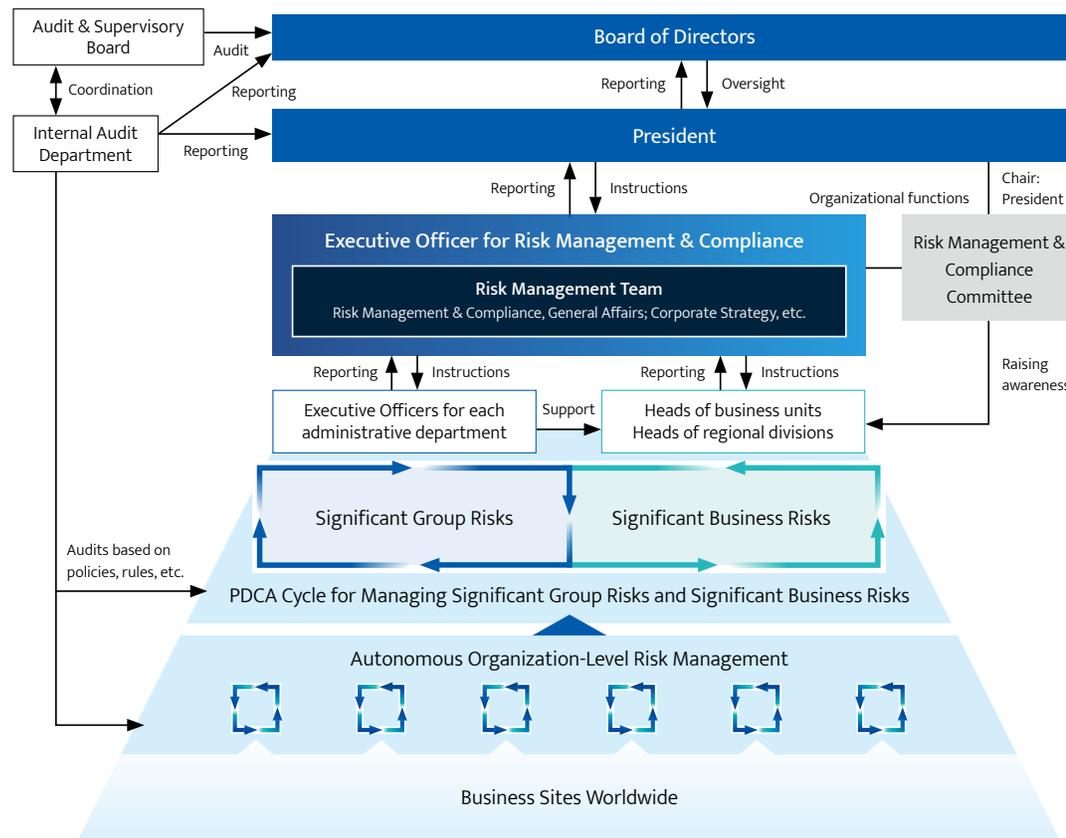
Nobuhiro Yamaguchi
Executive Officer for Risk Management & Compliance

Reducing risks through both group-wide activities and activities in each business unit

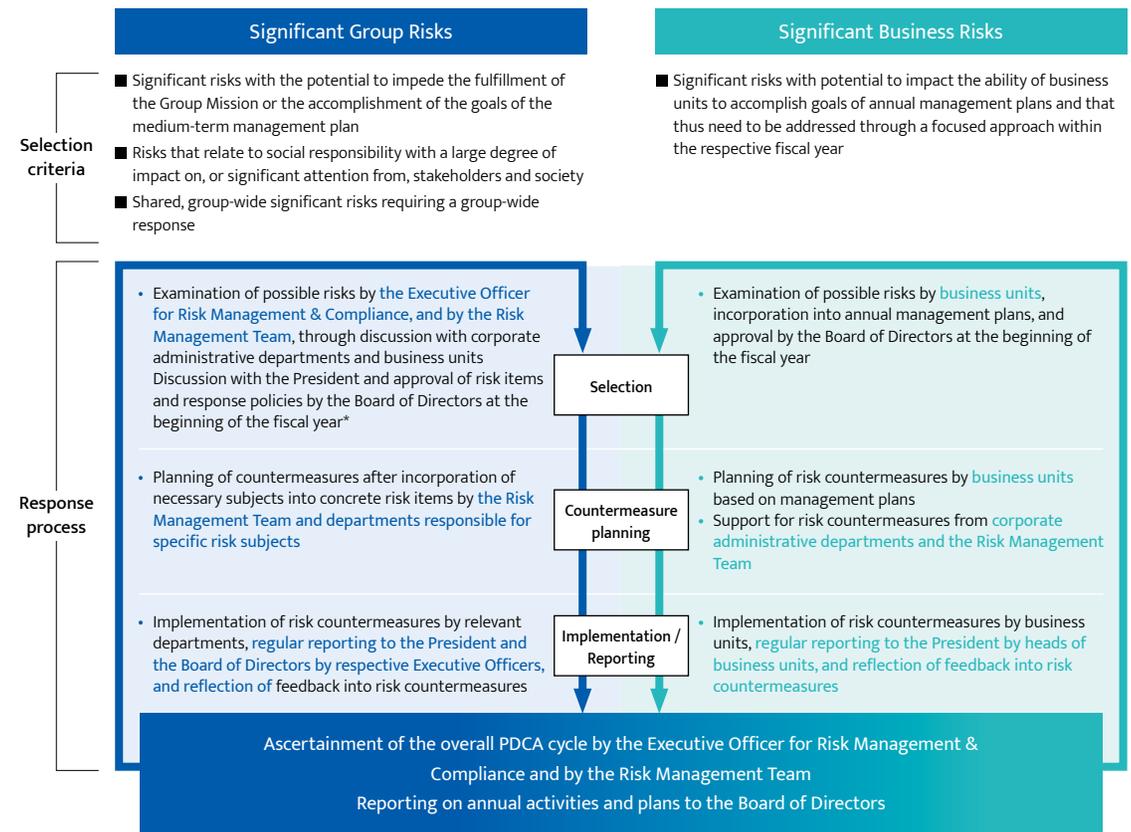
We categorize risks that affect the entire Asahi Kasei Group and could significantly impact management as Significant Group Risks, and risks that could have a significant impact due to the nature of a business or that could impede the achievement of the annual plans of a business unit as Significant Business Risks.

Corporate administrative departments are responsible for managing and mitigating Significant Group Risks, while individual business units are responsible for managing and mitigating Significant Business Risks. The company-wide Risk Management Team leads coordination between them, and the status of respective activities is monitored by the Board of Directors.

Risk management framework and roles of constituents



Risk management PDCA cycle (Significant Group Risks and Significant Business Risks)



* Revisions instituted as necessary in response to major changes in the operating environment

Risk Management

Fiscal 2024 Significant Group Risks and thrust of main initiatives

Significant Group Risks		Thrust of main initiatives	
Risks related to accidents at production sites (environmental abnormalities, industrial accidents, injuries)		<ul style="list-style-type: none"> Reinforcement and enhancement of Life Saving Actions (adherence to activity prohibitions for eliminating serious accidents) Improvement of fire prevention technology at individual production sites Reinforcement of workplace safety auditing functions and cultivation of environmental safety experts Identification of hazard sources at individual production sites, conveyance and education of process safety techniques, and thorough implementation of PDCA in response to abnormalities 	For more information, see P.88
Risks related to quality-associated misconduct (data falsification, etc.)		<ul style="list-style-type: none"> Enhancement of quality awareness and culture through regular communication between management and front-line workers Extensive circulation of information regarding quality risks through increased information communication from corporate quality assurance departments Reinforcement of governance through quality inspections and reinforcement of training for quality assurance personnel 	
Risks related to domestic and international laws, regulations, certification requirements, etc., regarding environment, safety, and quality assurance	Environment and safety	<ul style="list-style-type: none"> Circulation of information regarding regulations and regulatory revisions, exhaustive education activities, appointment of experts, and strengthening of internal consultation frameworks 	
	Quality assurance	<ul style="list-style-type: none"> Development of systems for improving compliance 	
Risks related to economic security and global supply chains	Risks related to tightening of economic sanctions and export restrictions (including both upstream and downstream)	<ul style="list-style-type: none"> Timely monitoring of regulatory trends and consultation with relevant organizations and experts as necessary before issues emerge Rigorous screening of customers through external screening systems 	
	Risks related to corporate activities due to geopolitics	<ul style="list-style-type: none"> Setting of risk scenarios for geopolitical emergencies and studying of impacts on business activities such as employee safety, procurement, and sales Specification of initial responses and BCP to be carried out under task force in event of emergency 	
	Human rights risks (including both upstream and downstream)	<ul style="list-style-type: none"> Promotion of business activities in accordance with Asahi Kasei Group Human Rights Policy Fostering of an awareness and culture of respect for human rights through human rights due diligence, education and awareness activities, etc. 	

Significant Group Risks		Thrust of main initiatives	
Risks related to economic security and global supply chains	Feedstock/material procurement risks	<ul style="list-style-type: none"> Transparency for raw material procurement risks and countermeasure priorities for each business, strengthening of support systems on corporate side Diversification of procurement routes and maintenance of appropriate inventory levels for feedstocks used in major products and businesses Formation and maintenance of relationships with alternative suppliers for equipment components prone to unreliable supplies Revision of management procedures pertaining to delivery and upgrade timings for equipment components 	
Risks related to cybersecurity and technological information management	Risks related to cybersecurity and communications infrastructure	<ul style="list-style-type: none"> Implementation of swift and flexible countermeasures to combat ever-evolving cyberattacks through technical measures made possible by installing security systems and raising and reinforcing awareness regarding security via employee education, etc. Planning and implementation of BCP measures aimed at achieving minimum level of IT usage (communication, information access) in event of large-scale disaster 	For more information, see P.90
	Risk of technological information leakage	<ul style="list-style-type: none"> Formulation of technological information management rules and implementation of leak prevention measures based on those rules Strengthening of group-wide unified monitoring systems for leak prevention measures 	
Risks related to natural disasters, pandemics, and terrorism or conflicts	Headquarters and office districts (domestic and overseas)	<ul style="list-style-type: none"> Recompilation of response policies and manuals based on past cases such as large-scale natural disasters and pandemics, implementation of training simulating risk actualization 	
	Production sites (domestic and overseas)	<ul style="list-style-type: none"> Establishment of standards and systems for setting up emergency response headquarters and response manuals to prepare for acts of terrorism, conflicts, and other extreme circumstances that may occur overseas 	

The Board of Directors also monitors the following risks as they could have a significant impact on the management of the Company:

Other risks	Thrust of main initiatives	
Risks related to M&A	<ul style="list-style-type: none"> Prudent due diligence of potential acquisitions Careful verification of post-merger integration plans 	For more information, see P.34–35
Risks related to climate change	<ul style="list-style-type: none"> Monitoring and formulation of measures based on annual analyses and investigations of climate change-related risks and opportunities 	For more information, see P.48–56

Environmental Protection

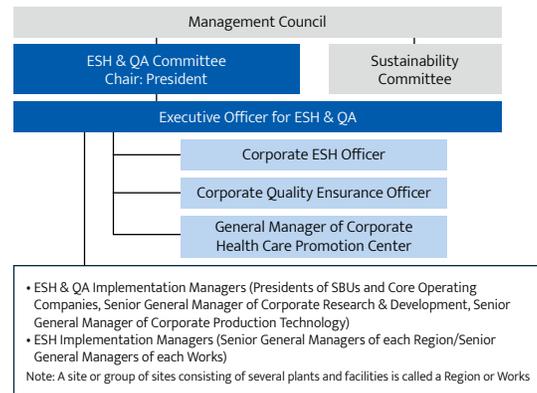
Ensuring the safety of employees and communities

Policy and management framework

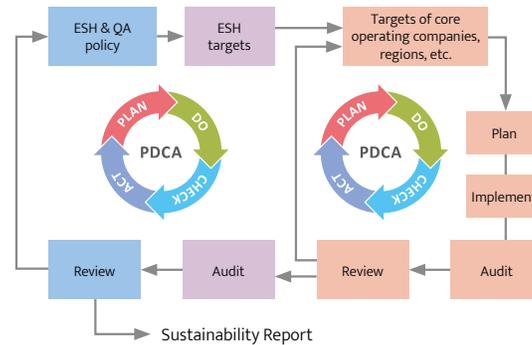
The Asahi Kasei Group Mission states that “we, the Asahi Kasei Group, contribute to life and living for people around the world.” Based on this mission, we implement environment, safety, and health (ESH) and quality assurance (QA) activities that recognize health maintenance, process safety, workplace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

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

Management framework



PDCA cycle for safety management

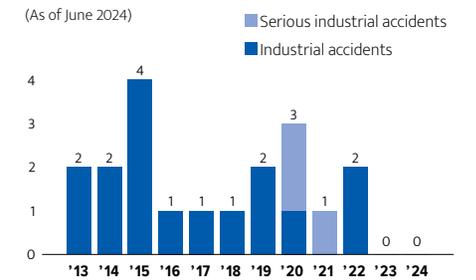


Current status and fiscal 2024 improvement policy

In fiscal 2023, there were no industrial accidents or serious industrial accidents. However, there were 21 minor incidents involving small fires, smoke, and minor leaks of hazardous materials and other substances within plant grounds. In total, 19 industrial accidents, including serious ones, have occurred over the past 10 years.

In light of these circumstances, the ESH & QA Committee convened in July 2024, reaffirming the importance of measures to address industrial accidents and prevent the spread of fires. At the same time, the committee determined a policy to work toward understanding conditions at work sites and taking effective measures, given that there is no immediate remedy. In fiscal 2024, we will prioritize the following three measures based on this policy.

Occurrences of industrial accidents and serious industrial accidents



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

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

FY2024	Target	Priority initiatives and measures
ESH	Nurture a culture of safety	<ul style="list-style-type: none"> Promotion and ingrain of the Life Saving Actions program (thorough adherence to rules on prohibited behaviors to eradicate serious occupational accidents) Strengthening of two-way communication between management and work sites
	Develop human resources with expertise in ESH	<ul style="list-style-type: none"> Establishment of Group Masters in ESH and formulation and implementation of succession plans for them
Process Safety	Achieve zero serious industrial accidents	<ul style="list-style-type: none"> Company-wide promotion of prioritized activities for imparting process safety technology Implementation of highly effective expert audits of work sites
	Prevent the spread of fires	<ul style="list-style-type: none"> Promotion of standards established with the participation of experts for installation of fire prevention and extinguishing equipment Implementation of effective emergency drills in cooperation with public fire departments

Please see [Process Safety](#) for details on these initiatives.



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

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

Respect for Human Rights / CSR Procurement

Responsible business practices throughout the value chain

Respect for Human Rights

Policy and management framework

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

Asahi Kasei Group Human Rights Policy (Approved by the Board of Directors in fiscal 2021)

Respecting the human rights of all stakeholders	Basic approach	Endeavoring with business partners to remediate and eliminate human rights violations that occur
<p>Addressing human rights issues (initiatives through business activities)</p> <ul style="list-style-type: none"> • Compliance with laws and regulations (including on working hours, wages, safety and hygiene, and protection of personal information) • Prohibition of discrimination, harassment, and other unacceptable conduct • Respect for the human rights of all people in society (including customers and communities) 	<p>Promoting respect for human rights</p> <ul style="list-style-type: none"> • Education • Implementation of human rights due diligence • Commitment to engage with affected stakeholders • Establishment and operation of grievance mechanisms • Disclosure 	<p>Promoting respect for human rights</p> <ul style="list-style-type: none"> • Education • Implementation of human rights due diligence • Commitment to engage with affected stakeholders • Establishment and operation of grievance mechanisms • Disclosure

The Asahi Kasei Group Human Rights Policy complies with the International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. The Asahi Kasei Group has also pledged its support for the Ten Principles of the United Nations (UN) Global Compact as well as the UN Guiding Principles on Business and Human Rights. Based on these policies and principles, we work to identify and appropriately address human rights issues.

Accordingly, we have established the Human Rights Committee to promote actions in accordance with the Asahi Kasei Group Human Rights Policy.

In fiscal 2023, we shared information about the state of the world’s human rights and organized our initiatives regarding respect for human rights. As human rights issues become more complex, society’s values regarding human rights have been changing, with individual countries enacting legislation accordingly. Against this backdrop, we will continue to share information about human rights and raise the level of our efforts through the Human Rights Committee.

Management framework



Human rights education and training

The Respect for Human Rights and Diversity section of the Asahi Kasei Group Code of Conduct clearly expresses a firm policy against all forms of discrimination and harassment. We provide education on human rights through in-house training, lectures by experts, e-learning, and other such means, and incorporate human rights cases into discussions on compliance at the workplace level.

CSR Procurement

In addition to our own company, we expect all parties across the supply chain to address social issues such as climate change and respect for human rights in order to achieve sustainability. We are working to promote CSR procurement together with our suppliers with the aim of building a sustainable supply chain.

Procurement Policy

We consider all suppliers to be important business partners, and our policy is to treat them with honesty and integrity. We have established the Procurement Mission and Vision, and we work to comply with the Asahi Kasei Group Procurement Policy to promote purchasing activities that prioritize CSR.

Supplier Code of Conduct

In 2024, we reformulated our Supplier Guidelines as the Supplier Code of Conduct to better promote CSR procurement initiatives. We plan to have all of our suppliers sign and submit a letter of consent to upholding this code of conduct. Through this measure, we will strive to gain the understanding and cooperation of our suppliers.

CSR procurement questionnaire

We conduct a survey of our suppliers every year and disclose the results. For suppliers who receive a rating of C or below, we deepen mutual understanding through dialogue and provide support for improvement. We also meet with suppliers whose evaluations have improved significantly compared with previous results to gain a better understanding about best practices for CSR promotion activities.

Conflict minerals survey

In fiscal 2023, we conducted a survey of suppliers regarding procured materials containing tantalum, tin, tungsten, gold, cobalt, and mica in response to the issue of conflict minerals, which have been identified as a possible source of funding for armed groups linked to inhumane acts. The results of the survey confirmed that none of the materials procured came under the category of conflict minerals.

CSR procurement questionnaire assessment

Rank	Materials suppliers		Raw materials suppliers	
	FY2020	FY2022	FY2021	FY2023
A	77	119	79	164
B	67	60	17	40
C	31	28	3	10
D	12	7	2	1
Total	187	214	101	215

CSR procurement questionnaire Average scores by category in fiscal 2023



Average scores by category in fiscal 2023

Compliance / Information Security

Strengthening the foundations of integrity and security

Compliance

Policy and management framework

The Asahi Kasei Group positions compliance as a priority issue of materiality from the perspective of value creation. We seek to act with sincerity in accordance with our Group Values through strict compliance with internal rules as well as laws and regulations that relate to our businesses and operations. We apply the **Asahi Kasei Group Code of Conduct** [▶](#) to all executives and employees and thoroughly familiarize them with the code while continuously revising it in light of changing societal demands and circumstances.

To strengthen management of compliance, we established the Risk Management & Compliance Committee, which is chaired by the President and has Presidents of SBUs and core operating companies as members. Matters to be reported include plans and results of compliance promotion activities, serious compliance violations, and the operational status of the Compliance Hotline.

Awareness of the Code of Conduct

Group companies in Japan maintain an understanding of the status of compliance through questionnaires on the issue and regular exchanges of opinions in small groups—such as sections and subsections—using examples of compliance violations, which help promote awareness and understanding of compliance. In fiscal 2023, the compliance questionnaire response rate came to 93.3%, with 96.6% of respondents answering that they had read the Asahi Kasei Group Code of Conduct and approximately 80% that they understood it. Going forward, we will also expand and strengthen compliance activities globally.

Establishment of the Group Principles

As Asahi Kasei's business becomes more diversified and global, legal requirements and public expectations around the world are increasingly complex and demanding. The Group Principles were established as basic principles to be applied consistently across

the entire Asahi Kasei Group. Accordingly, Group companies around the world formulate rules suited to each business and region based on these common standards. The Group Principles form the basis of ongoing efforts to develop the optimal system of Group management.

Whistle-blowing system (Compliance Hotline)

The Asahi Kasei Group operates a Compliance Hotline in order to promptly collect information on compliance violations and take measures in response. A wide variety of reports and consultations are received, including from suppliers and their employees, with the designated office or an investigation and response team carrying out investigations depending on the nature of the reports or consultations. The Executive Officer for Risk Management & Compliance reports on the operational status of the hotline to the Risk Management & Compliance Committee and to the Audit & Supervisory Board.

The system was revised in June 2022 in accordance with an amendment to Japan's Whistleblower Protection Act.

Number of reports and operational status (fiscal 2023): **86 reports** (five of which were in relation to human rights issues, including harassment)

Prevention of bribery

The Asahi Kasei Group has endorsed the United Nations Global Compact and declared that it will work to prevent all forms of corruption, including coercion and bribery. In particular, we consider bribery to be a serious risk factor that could considerably jeopardize our corporate reputation. Accordingly, we have established the **Asahi Kasei Group Basic Policies for Prevention of Bribery** [▶](#) and operate bribery prevention measures in accordance with regulations.

Information Security

Policy and management framework

The Asahi Kasei Group considers information security to be a serious issue for management in promoting digital transformation (DX). Accordingly, we formulated the **Asahi Kasei Group Information Security Policy** [▶](#) with the aim of ensuring and further enhancing information security. Regarding the information security framework, we have established a specialized internal organization (the Security Center) for the implementation of information security measures at all Group companies in Japan and overseas from the perspectives of both corporate governance and technology.

Cybersecurity

Cybersecurity measures have become increasingly important due to the sharp rise and growing sophistication of cyberattacks. The Asahi Kasei Group has adopted the zero trust principle and strengthened plant security to mitigate serious risks, such as information leaks and production activity stoppages. The Asahi Kasei Group operates a security operation center (SOC)¹ utilizing advanced security systems, such as endpoint detection and response (EDR)² and security information and event management (SIEM).³ We also focus efforts on employee awareness-raising activities, such as information security training, and conduct email drills several times a year to reduce the risk of cyberattacks originating from malicious emails.

¹ A SOC is an organization that monitors security. It receives alerts and other intelligence from security tools and investigates the impact scope and severity of attacks.

² EDR is a system for detecting advanced cyberattacks. The system can also respond to incidents in a variety of ways, such as by collecting logs required for analysis and isolating breached computers.

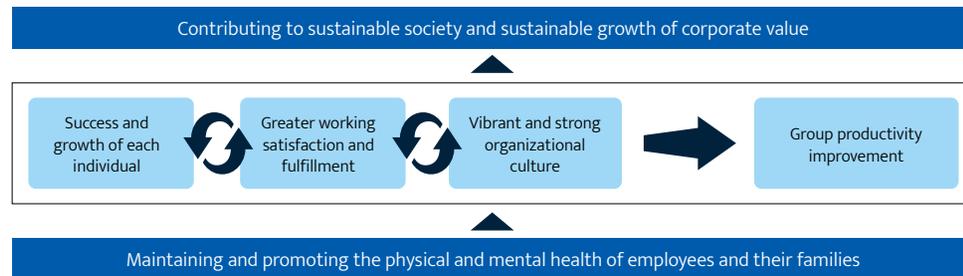
³ SIEM is a system that collects and analyzes the logs of security, network, and other devices to detect incidents and initial signs of such incidents.

Health and Productivity Management

Vibrant human resources and workplaces rooted in the health of employees and their families

We view maintaining and improving the health of our employees and their families as a top management priority, and in fiscal 2020 we issued the Asahi Kasei Group Statement on Management for Health. Based on the idea that “people are everything” for sustainably increasing corporate value, we are strengthening our support for the physical and mental well-being of employees, aiming to create an environment where all employees can play active roles.

Overview of health and productivity management initiatives



Health and productivity management targets

As KPIs for health and productivity management, in order to increase individual productivity, we are promoting measures to reduce the number of days absent from work due to illness (Targets 1 to 4). In addition, a lack of quality sleep is said to be a major factor contributing to presenteeism, where employees go to work but are unable to perform due to circumstances related to physical or mental health. We are focused on addressing this issue, striving to help employees get more sleep of better quality (Target 5).

Company-wide KPIs and targets*

KPIs	Results					Targets
	2019	2020	2021	2022	2023	2024
1) Percentage of employees on leave of absence for mental health purposes	0.91	0.98	1.00	1.07	1.16	0.64
2)-1 Percentage of employees with serious lifestyle-related illnesses	11.0	11.0	10.7	10.7	9.9	7.7
2)-2 Percentage of employees affected by metabolic syndrome	11.4	11.4	11.1	10.7	10.8	7.8
3) Number of days absent by employees due to cancer-related illnesses	79.2	68.1	87.5	88.6	75.7	67.3
4) Percentage of employees affected by smoking habits	25.8	24.7	23.5	22.5	21.8	15.5
5) Percentage of employees affected by insufficient rest from sleep	32.4	28.5	27.2	28.0	28.7	22.7

* Applicable to employees of Asahi Kasei Corp., Asahi Kasei Microdevices Corp., Asahi Kasei Homes Corp., Asahi Kasei Construction Materials Corp., Asahi Kasei Pharma Corp., Asahi Kasei Medical Co., Ltd., and certain subsidiaries and affiliates.

Priority measures

Measures to improve mental health

To enable our employees to promptly deal with stress and mental health problems, we provide “Mental Health Self-Care Education” to all employees (with 95.4% attendance in fiscal 2023). Three months following training, we conducted an additional

survey to confirm whether behavioral changes had occurred and to measure the degree to which the educational content had been retained (76.2% of respondents answered “It has already been useful” or “I think it will be useful in the future”). Furthermore, in fiscal 2024, we began conducting follow-up checks on employees who have been transferred or relocated. In many cases, the onset of mental health problems is due to work environment changes, such as joining a company or being transferred. For employees who have been handling new duties at work or changes in their living environment, we are strengthening our response to mental health disorders by checking on the state of their health and how they are adapting to their new environment, and we have occupational health staff intervene at an early stage if necessary.

We also conduct KSA surveys (engagement surveys assessing employee empowerment and growth), which enable more detailed analysis and visualization of work engagement among employees in terms of enthusiasm, immersion, and vitality. We conduct these surveys in conjunction with stress checks. We comprehensively utilize the KSA results in each workplace, and we are making efforts to improve work engagement, including by facilitating greater communication among employees.

Measures to address lifestyle-related illnesses

► Specific health guidance and the Get Fit Challenge

To promote measures to address and prevent lifestyle-related illnesses among our employees, since fiscal 2022 we have made it mandatory, as a general rule, for employees diagnosed with metabolic syndrome to undergo specific health guidance. Also, we offer the Get Fit Challenge, a program that aims to prevent the onset or progression of metabolic syndrome and other lifestyle-related diseases and their complications.

► Fitness videos to promote exercise habits

The Asahi Kasei Judo Club worked with a regional health and productivity management office to create stretching videos that employees who do a lot of desk work can use during breaks to help them refresh themselves and develop exercise habits.



Cancer awareness initiatives

We conducted “Education to Support Balancing Work with Cancer Prevention and Treatment” for all employees in order to promote accurate knowledge about cancer and increase cancer screening rates (95.7% participation in FY2023). A post-program survey revealed that 90.4% of participants said they wanted to undergo regular cancer screening and 91.3% said they planned to engage in lifestyle behavior related to cancer prevention, demonstrating the program’s contribution to improving literacy regarding cancer among employees.

Anti-smoking measures

In April 2024, we introduced a complete smoking ban during working hours (goal: elimination of indoor smoking areas) to help smokers quit and prevent employees from being exposed to unwanted second-hand smoke. In April 2025, we will implement a non-smoking policy on all premises and during banquets. We also provide support to smokers, including e-learning to help employees understand how smoking impacts their health (94.1% participation in fiscal 2023) and the Smoking Cessation Challenge in collaboration with the Asahi Kasei Health Insurance Society.

Sleep support measures

We have been conducting a trial to identify employees with severe insomnia through a sleep questionnaire and have piloted a sleep improvement program for those who wish to participate. In light of participants’ high level of satisfaction and the program’s effectiveness to a certain degree in improving sleep quality, we plan to deploy the program company-wide beginning in fiscal 2025.

Communication with Stakeholders

Internal and external dialogue for trustworthy corporate activities

Asahi Kasei's business is built on relationships of trust with a wide range of stakeholders, including customers, shareholders and investors, suppliers and other business partners, local communities, the general public, and employees. We provide various opportunities for communication with our stakeholders so that we can give heed to various opinions and expectations, and reflect them in our business activities.

Main stakeholders and communication opportunities

Main stakeholders	Main communication opportunities
Customers	<ul style="list-style-type: none"> • Direct response by sales personnel • Provision of information on products and services via website • Addressing of telephone, website, and other inquiries
Shareholders and investors	<ul style="list-style-type: none"> • General Meetings of Shareholders • Briefings and interviews for institutional investors and securities analysts • Briefings for individual investors • Information disclosure via website • Addressing of telephone, website, and other inquiries
Suppliers	<ul style="list-style-type: none"> • Safety discussion forums and other gatherings • CSR procurement questionnaire • Whistle-blowing system (Compliance Hotline)
Local communities / the general public	<ul style="list-style-type: none"> • Regular community networking events • Community contribution activities
Employees	<ul style="list-style-type: none"> • Various training programs and meetings • In-house magazine and intranet • Employee opinion surveys, etc. • Town hall meetings and roundtable discussions • Whistle-blowing system (Compliance Hotline)

Advancing dialogue for corporate value

To ensure that shareholders and investors both in Japan and overseas understand our vision for the future, our management strategy, and our path to ongoing enhancement of corporate value such as governance-related measures, we are committed to proactive information disclosure and two-way communication, including with our senior management.

In fiscal 2023, in addition to a management briefing and quarterly earnings results briefings, we held briefings on the Material sector and digital transformation strategy, the contents of which are disclosed on our website. Senior management is proactively advancing communication to enhance corporate value over the medium-to-long term through presentations at briefings, interviews, small meetings, and other venues. We strive to accelerate the transformation of our business portfolio

and improve various KPIs while also taking into account the expectations of the stock market expressed through dialogue, such as for further capital efficiency improvements.

We also put such dialogue to use in IR activities to promote understanding of our growth strategy. Specifically, we have enriched our disclosure based on feedback from investors and analysts by taking steps such as improving our earnings results briefing materials and including quantitative disclosure of profit growth trends for major M&A projects in our management briefing materials.

Plant tours

To promote greater understanding of our technological capabilities and the high quality of our products at actual manufacturing sites, we provide opportunities for investors and analysts to tour our plants and offices. In July 2023, we conducted a tour of the Nobeoka/Hyuga area of Miyazaki Prefecture, our largest manufacturing base. Visitors were able to see manufacturing plants for major products such as separators and automotive interior materials, as well as a hydroelectric power plant that supplies electricity to such manufacturing plants. In June 2024, we conducted a tour of the Fuji area of Shizuoka Prefecture, our largest R&D base, and participants had the opportunity to tour the electronic components plant and other facilities of our digital solutions business.

Dialogue between employees and management

We strive for workplaces where individual employees are respected, have a sense of fulfillment, and can fully utilize their capabilities. In addition to promoting communication within the workplace, we proactively convey messages from company executives through the in-house magazine and our intranet, and hold town hall meetings where the President himself visits various regions to directly discuss management policies. We believe that it is crucial for management to communicate our medium-term management plan and the focus of future initiatives to employees, and to have free and open dialogue to enhance employee engagement.

Major forums for dialogue with shareholders and investors in fiscal 2023

General Meeting of Shareholders	Once	Individual IR Interviews	273 times
Management Briefing	Once	Individual SR Interviews	22 times
Earnings Results Briefings	Four times	Overseas Road Shows	Twice
Business Briefings	Twice	Plant Tour	Once
Small Meetings	Twice	Briefing for Individual Investors	Once



July 2023 tour of Nobeoka/Hyuga area of Miyazaki Prefecture (visit to hydroelectric power plant)



June 2024 tour of Fuji area of Shizuoka Prefecture (electronic components plant tour)



Management briefing for employees in fiscal 2024