





We hereby report on our commitment and results for the environment and safety in our business activities for fiscal 2024.



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Basic stance on the environment and safety

Chapter 1 >>

Management policy on the environment and safety

We have established the management policy regarding the environment and safety, and under this policy, we have set targets for each component of the environment and safety, and all of our employees are striving together to achieve the targets.

Philosophy

The Asahi Yukizai Group conducts business with safety as the top priority, and is strongly aware of its corporate responsibility to preserve the irreplaceable global environment for people, and actively and continuously practices corporate activities considering the environment, safety, and health, including the Valve & Piping Systems Division businesses as well as development, manufacture, supply, and waste disposal of products in the Resin Divisions, and the Water Treatment & Natural Resources Development Division businesses.

Policy

Conserving the environment and securing the safety should form the basis for our corporate activities.

Promotion of environmental conservation activities

We actively endeavor to protect the environment, including addressing climate change, through all of our business activities related to the provision of products and services.

Promotion of safety and health activities

We strive to prevent workplace accidents through safety education, equipment safety improvement, and safety and health management.

Maintenance and promotion of health

We strive to create a comfortable working environment and maintain and promote health through health management.

4 Promotion of security and disaster prevention activities

We strive to maintain stable operations and improve security and disaster prevention, and ensure the safety of our employees and the local community.

Ensuring product safety

We ensure product safety by thoroughly improving technology and quality control at every stage, from product development to disposal.

6 Compliance with laws and rules

We understand well and comply with the laws, regulations, and internal rules related to environmental and safety management.

Chapter 2 >>

Key issues related to the environment and safety

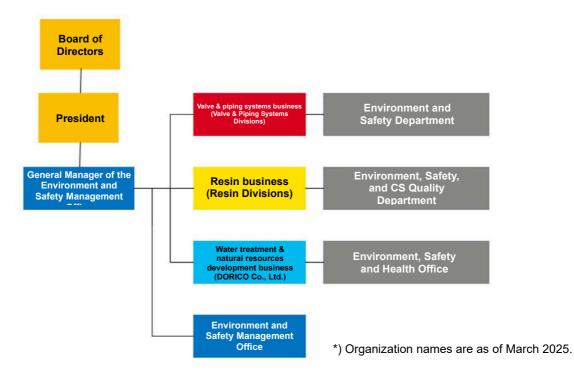
Under the "Environment and Safety Management Policy" our Group has set the following key issues, and we are endeavoring to achieve the environment and safety targets we have set for each of these key issues.

Items	Key issues				
Environmental conservation	(i) Commitment to zero emissions and a circular economy (ii) Commitment to carbon neutrality (iii) Reduction of the transfer and emissions of environmentally hazardous chemical substances (iv) Effective use of water resources (v) Promotion of community contribution activities				
Chemical substances	(i) Appropriate management of hazardous chemical substances in production activities (ii) Reduction of the environmental impact by chemical substances (iii) Reduction or total abolition of hazardous chemical substances contained in products, etc.				
Safety, hygiene, and health	(i) Promotion of 5S activities (organization, good order, cleaning, cleanliness, discipline) (ii) Pursuit of intrinsic safety for equipment and machinery through risk assessment (iii) Implementation of voluntary safety activities through the initiative of managers and supervisors (iv) Daily safety activities "education, HHK (near-miss concern), KYT (Hazard prediction training)" (v) Promotion of health maintenance and improvement through the health management promotion project				
Security and disaster prevention	(i) Improvement of the level of security and disaster prevention management to maintain stable operations (ii) Infectious disease countermeasures (iii) Implementation of effective on-site training for emergencies				

Chapter 3 >>

Internal promotion system for environmental and safety

Our Group oversees environmental and safety activities under the supervision of the General Manager of the Environment and Safety Management Office.





Chapter 4 >>

In-house system for promoting the health and productivity management

We launched the "Health and Productivity Management Promotion Project" in FY2023, and have been focusing on improving our organizational structure to protect the physical and mental health of our employees.





Chapter 5 >>

Basic policy on product safety

Our Group strives to provide products and services that satisfy our customers through "reliable quality" and "sincere response" and aims to contribute to the happiness of people and the development of society through the provision of superior and safer products and services.

Basic policy on product safety

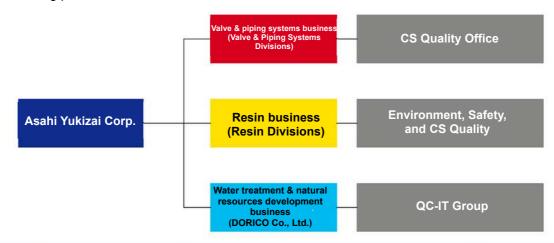
We contribute to human happiness and social development by creating superior, safer products that earn the trust and satisfaction from customers.

- Develop products from the customer's perspective.
- Improve skills and ensure quality control for manufacturing.
- Develop sales activities to ensure the correct and safe use of products.
- Consider the impact on the environment and safety at all stages from the end of the product's useful life to disposal.

Chapter 6 >>

Internal promotion system for product safety

We have established a quality assurance department within our business division to create a quality assurance and product safety system based on the ISO 9001 quality management system and are manufacturing products that are useful for customers.









Environmental conservation activities



We are striving for continuous environmental conservation on the basis of the ISO 14001-based environmental management system. We have already implemented various measures including reduction of energy consumption, lowering of per-unit consumption of energy, and reduction of waste.

Chapter 1 >>

Zero emissions and a circular economy

Based on the 4Rs (reduce, reuse, recycle, and resource recovery), which are typical activities for reducing industrial waste, we are promoting the reduction of total industrial waste emissions, the effective use of generated industrial waste, and the reduction of industrial waste disposed of simply (landfill) from the total emissions (zero emissions).

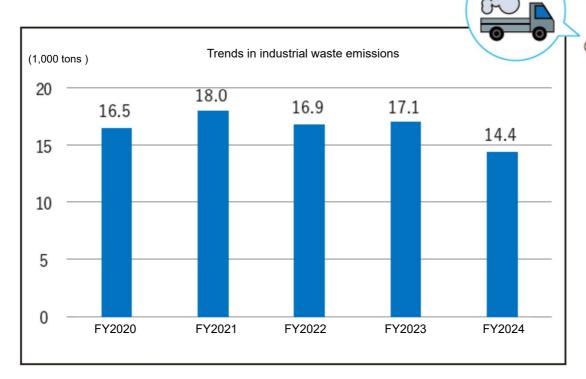
Our main activities to promote the reduction of simple (landfill) disposal, etc. include:

- Thorough implementation of the 4Rs (reduce, reuse, recycle, and resource recovery)
- Converting industrial waste into valuable resources by separation
- Exploring needs for effective use in the marketplace.

Furthermore, we will strive to reduce the simple disposal rate, which has a large environmental impact, to 1% or less in the future.

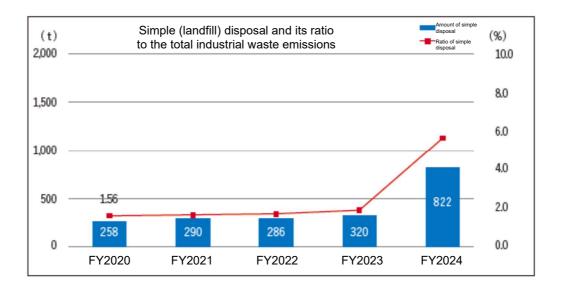
Total emissions of industrial waste

The total emissions in FY2024 stood at 14.4 thousand tons, a decrease of 15% compared to FY2023. We will continue striving to reduce waste emissions even further.



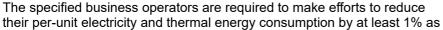
• Simple disposal (landfill) as a proportion of the total industrial waste emissions

Simple (landfill) disposal in FY2024 increased by 502 tons compared to FY2023, and the simple disposal rate (the ratio of simple (landfill) waste disposal of by simple disposal to the total industrial waste emissions) also increased by 3.83 percentage points. This, however, was because the company to which we had commissioned the process of resource recovery suspended its operation temporarily: We had no choice but to dispose of the waste, which had been recycled, by landfill till we found a new company that receives the waste. As the company has already resumed receiving those, it is expected that the figures in FY2025 will return to the level of FY2023 or before.



Chapter 2 >> Carbon neutrality

We have been designated as a "specified business operator" and as a "specified shipper" under the Act on the Rational Use of Energy and the Promotion of Non-Fossil Energy (the "Act on the Rational Use of Energy"), which submit a medium- to long-term plan and regular reports on the use of electricity and thermal energy along with a medium- to long-term plan and regular reports on the use of energy for freight transportation to the Kyushu Bureau of Economy, Trade and Industry every year.



an annual average over medium to long terms, and the specified shippers are required to make efforts to reduce their per-unit energy consumption for freight transportation by at least 1% as an annual average over medium to long terms.

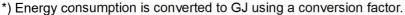
At the same time, aiming at a 42% reduction of the greenhouse gas (GHG) emission (of Scope 1 and Scope 2) compared to FY2021 by FY2030, we have actively promoted various energy saving activities including conversion of the fuel used for our facilities, replacement of facilities with those having higher efficiency, shift to the electric power with smaller per-unit emission and increases of the efficiency of transport.



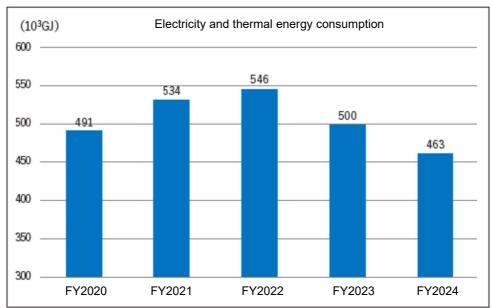


Electricity and thermal energy consumption

The usage of electricity and thermal energy at each of our factories, as calculated in accordance with the Act on the Rational Use of Energy, was approximately 463,000 GJ, a decrease of about 37,000 GJ (7.4%) compared to last year.

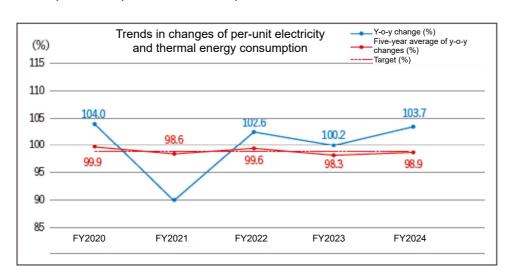






Per-unit electricity and thermal energy consumption

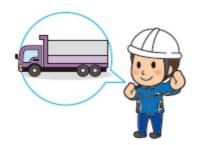
The per-unit energy consumption in FY2024 increased 3.7% compared to the last year. Major factor behind this increase was that, in FY2024, sales of products with comparatively low per-unit energy were slow and, consequently, percentage of sales of products with high per-unit energy relatively increased. Nevertheless, we have been awarded the assessment of "S" class in the classification assessment conducted by the Ministry of Economy, Trade and Industry, since we succeeded in achieving a 1% reduction in the fluctuation of the per-unit consumption as a five-year average. In FY2025, we will continue striving for increasing the efficiency of electricity and thermal energy consumption, so that we will perform the obligation of making efforts imposed on specified business operators under the Act on the Rational Use of Energy.

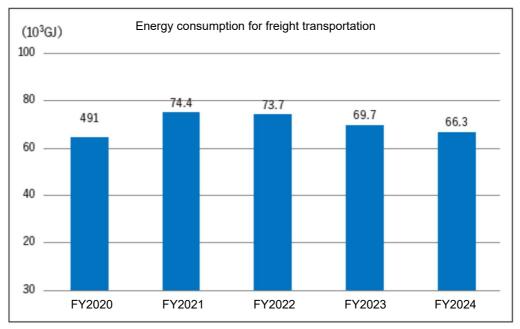


Energy consumption for freight transportation

The energy usage for freight transportation at each of our factories, calculated based on the Act on the Rational Use of Energy, was about 66.5 thousand GJ, a decrease of 3.3 thousand GJ (4.6%) compared to last year.

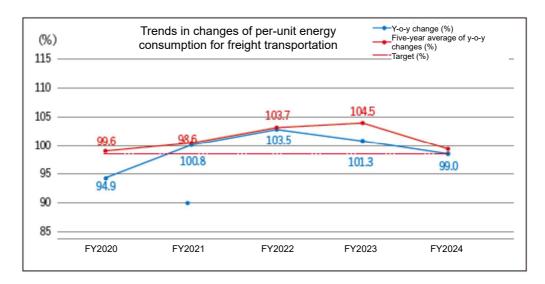






Per-unit energy consumption for freight transportation

In FY2024, per-unit energy consumption decreased 1.0% compared to the last year. Meanwhile, the five-year average of the changes in per-unit consumption proved to be 99.9% (i.e., a reduction of 0.1%), so we failed to achieve the 1% reduction we had been required to realize. We will, in FY2025, continue striving to increase the efficiency of transportation so that we will succeed in fulfilling the obligation of making efforts imposed on specified shippers under the Act on the Rational Use of Energy.

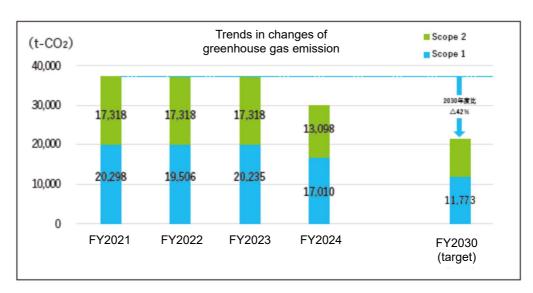




• Greenhouse gas emission

In FY2024, our greenhouse gas (GHG) emission computed based on the GHG Protocol amounted to 17,010t-CO2 in Scope 1 (direct emission generated by burning of fuel, etc.) and 13,098t-CO2 in Scope 2 (indirect emission following the use of purchased steam or electricity). A total of these amounted to 30,108t-CO2, a decrease of 15% compared to FY2023. This represents a 20% decrease if compared to FY2021. We will continue actively promoting energy-saving activities with a target of a 42% reduction by FY2030.







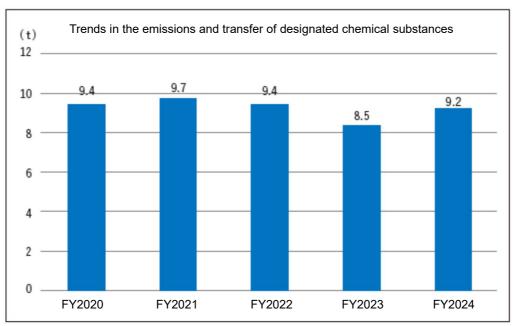
Chapter 3>>

Reduction of transfer and emission of environmentally burdensome chemical substances

We have been endeavoring to reduce the emissions of waste for which raw materials containing designated chemical substances are used, based on the Act for the Promotion of Chemical Substance Management (Act on the Promotion of the Improvement of Management and the Grasp of the Amount of Release of Specific Chemical Substances into the Environment). In the future, we will continue to properly manage designated chemical substances and strive to further reduce their emissions to the environment and their transfer.

Emissions and transfer of designated chemical substances

The amount of our emissions and transfer of designated chemical substances increased 8.8% in FY2024 compared to FY2023.



Designated chemical substances we manage based on PRTR

Factory	Names of the specified chemical substances				
Nobeoka Factory	Organotin compounds, lead and its compounds, dicyclopentadiene, methylenebis (4,1-phenylene)-diisocyanate				
Aichi Factory	Zinc water-soluble compounds, bisphenol A, epichlorohydrin, 2,4-xylenol, 2,6-xylenol, xylene, cumene, glyoxal, cresol, 1,4-dioxane, N,N-dimethyl formamide, hexamethylenetetramine, tetraethylenepentamine, triethylamine, 1,2,4-trimethylbenzene, 1,3,5-trimethylbenzene, naphthalene, phenol, formaldehyde, methylnaphthalene, methylenebis(4,1-phenylene), trinormalbutyl phosphate, lead compounds, 2-ethylhexanoic acid, caprolactam, manganese acetate, dioxins, DMF				
Tochigi Factory	Hexamethylenetetramine, organotin compounds, lead and its compounds, dioxins				
Hiroshima Factory	Hexamethylenetetramine, dioxins				

Prevention of CFC leakage

We have been striving to prevent the leakage of CFCs by complying with the CFC Emission Control Act, including thorough inspection and maintenance of CFC equipment and thorough recovery at the time of disposal of such equipment, and by promoting the use of non-CFC equipment, such as control panel coolers.

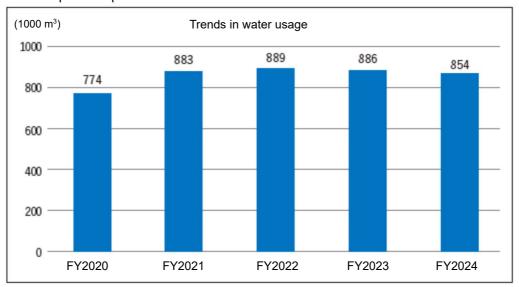
Chapter 4>> Effective utilization of water resources

The water used at our factories, etc., includes industrial water, groundwater and tap water, depending on the use. The main use of water is for cooling manufacturing equipment, so water usage depends on production volume. Under such circumstances, we are striving for efficient use of water resources and reduction of water usage through recycling, reuse, and other measures.



Status of use of water resources

The amount of water used in FY2024 decreased 1.6% compared to FY2023. We will continue striving for their efficient use to promote preservation of water resources.



Chapter 5>>

Promotion of community contribution activities

Clean-up activities in the areas surrounding our factories

We are regularly engaging in the cleaning-up activities in such areas as those surrounding factories, so that people living in the vicinity of factories will not feel uncomfortable when they come in the neighborhood of factories. Recently, we implemented the cleaning in October 2024 at our Nobeoka Factory.







Safety and health activities

In the Asahi Yukizai Group, our behavior is based on the view that the first priority should be given to safety. As key activities, based on the four perspectives, "Mental and physical health development," "Safe human development," "Safe workplace development," and "Comfortable work environment development," we are striving to prevent workplace accidents by implementing specific safety activities, including "Maintain and promote both physical and mental health through the integration of employees and the company," "Promote communication for safety," "Achieve inherent safety through 5S, risk assessment and equipment improvement," and "Actively improve the workplace environment through the efforts of everyone."





Chapter 1>>

Efforts toward safety and health activities

Safety and health round by the management

The President's Safety and Health Round, which covers all of our domestic factories, was held in June 2024 at the Tochigi Factory, followed by the Hiroshima, Aichi, and Nobeoka Factories in July. The "Safety and Health Round" is the engagement in which members of the management patrol the actual sites of factories so that they directly check issues or points to be improved at the sites and, at the same time, they have discussion with employees to listen to the voices of the actual workplaces: We have been conducting it on an annual basis. It had been called "Safety Patrol," and was changed to the name of "Safety and Health Round" in FY2022 in order to raise the safety and health status and to strengthen the relationship of mutual trust with the actual sites of business ("round" is a term meaning patrol derived from medical terminology), so that it would develop into the style which emphasizes the communication between the management and employees.

In FY2024, a report was made on the implementation of safety measures and measures to counter the heat at factories, as well as the measures to counter recent occurrences of accidents and disaster, with the theme of "thorough implementation of measures to counter the 'concern' on the premises of factories with the communication through smiling, aiming at realization of the 'lively' workplaces."



Scenery of the Round (Tochigi)



Scenery of the Round (Hiroshima)



Scenery of the Round (Aichi)



Scenery of the Round (Nobeoka)

National Safety and Health Convention

In April 2025, the 20th National Safety and Health Convention was held with the keyword "Take measures for safety, take measures for health ahead of others" as the main venue in the Nobeoka Headquarters connecting business bases of Asahi Yukizai Group via a web conference system.

In particular, while considering "safety" and "health" to be the two wheels of the cart, in order to comprehensively support and promote the health of each individual's mind and body, we are required to have a preventive and forward-looking view of "Take measures for safety, take measures for health ahead of others" and to raise the quality of the measures from prevention of recurrence to prevention of occurrence of accidents. To have such a view should be positioned as an important factor for realizing the sustainable, "health and productivity" management, as it directly leads to the improvement of workplace environment as well as reinforcement of risk management for the entire organization. As part of the efforts for actual promotion of such measures, we invited outside lecturers to deliver two special lectures on how to encourage the reformation of our mindset and modification of our behavior.

One was a lecture by Ms. Nozomi Nagamatsu, a public health nurse, on "Protect your future self: The first step for health and safety," as part of the Health Management Project. The contents were designed to further improve the mindset for health and safety, which gave many of the participants a chance to review their lifestyle. The other was a lecture by Mr. Tatsuya Minamoto of LaKeel, Inc. on the theme of "Difficulty of adult education --- Knowledge leads to awareness and helps you." He spoke in an easy-to-understand manner citing actual examples, on how important it was for adults to continue learning and how knowledge and behavior led to safety.



Special Lecture 1:
Ms. Nozomi Nagamatsu, Chief Public Health Nurse



Special Lecture 2: Mr. Tatsuya Minamoto of LaKeel, Inc.



Scenery of the National Safety and Health Convention

The DORICO Group



Scenery of the DORICO Safety Convention

In June 2024, DORICO Co., Ltd. held the regular general meeting of "DORICO Association for the Protection of Safety and Health" and the "DORICO Safety Convention" for the first time in five years in the face-to-face style. On the day, a safety lecture was given, safety awards were presented, and the results of the safety slogan vote were announced, followed by a safety declaration.



The safety slogan adopted



Chapter 2>>

Workplace accidents

Number of workplace accidents

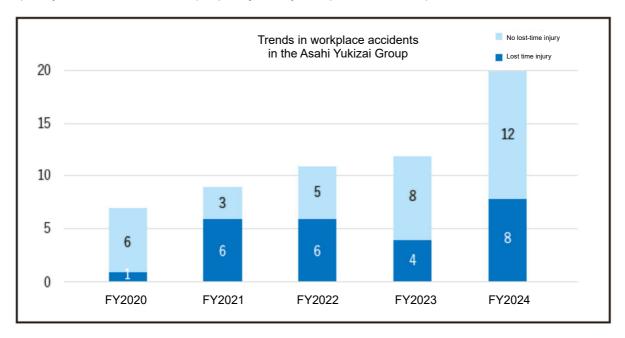
The number of workplace accidents in FY2024 across the entire Group increased to 20 including 8 cases resulting in lost-time injury (LT), compared to FY2023 (12 and 4, respectively). Consequently, the frequency rate of LTI turned out to be 1.78, surpassing that of the preceding year of 0.91. Major factors causing the accidents included incomplete instructions for operations and the carelessness: The figure is large when compared to the industry average (plastic manufacturing industry).

We will therefore continue strengthening education and enlightenment activities aiming at prevention of accidents and improving the workplace environment, so as to achieve greater safety.

*) Workplace accident: Occupational accident occurring to a worker during his/her operation caused by the operation.

Accident resulting in lost-time injury (LTI): The workplace accident which entails absence from the injured person's workplace of one day or more.

Frequency rate of LTI: Number of people injured by workplace accidents per one million man-hours.



		Actual value				
		FY2020	FY2021	FY2022	FY2023	FY2024
Number of lost-time injuries	Asahi Yukizai Corp.	1	3	1	0	4
	Group companies	0	3	5	4	4
	Consolidated total	1	6	6	4	8
	Asahi Yukizai Corp.	3	0	4	4	7
Number of no lost-time injuries	Group companies	3	3	1	4	5
	Consolidated total	6	3	5	8	12
Frequency rate of LTI	Asahi Yukizai Corp.	0.60	1.75	0.54	0.00	1.74
	Consolidated total	0.26	1.55	1.45	0.91	1.78
	* (Reference) Average for all plastic manufacturing industries	0.31	0.31	0.08	0.15	0.56
Frequency rate of all injuries	Asahi Yukizai Corp.	2.38	1.75	2.72	2.06	4.77
	Consolidated total	1.81	2.32	2.65	2.74	4.44

^{*)} Figures represent fiscal year-based data (from April to March next year)

Only the average frequency rate of LTI in the plastic manufacturing industry is based on a survey of the period from January to December each year. The source of the average frequency rate of LTI in the plastic manufacturing industry is the Survey on Trends in Occupational Accidents (Ministry of Health, Labor and Welfare).

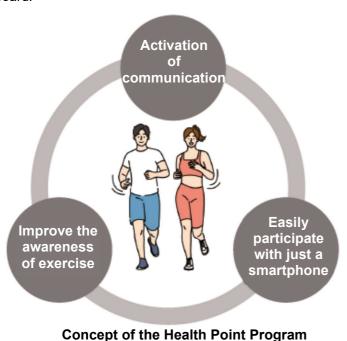


Introduction of Health Point Program

Considering the health of employees as one of our management issues, and with the aim of "health management" and "investment in human capital," we have been adopting the GUPPY health Point Program since September 2020.

The Health Point Program is a system that provides visual feedback and awareness by recording daily activities such as exercise (yoga, stretching, muscle training, etc.), number of steps taken, weight, hours of sleep, diet, and alcohol consumption.

We have set a target of 7,000 steps per person per month, and we are raising awareness of exercise by publishing monthly rankings of steps taken by individual, area, and department on an in-house bulletin board.





Mental health lecture meeting

We are committed to the mental health of our employees, and since 2012, we have been inviting Dr. Noboru Watanabe, the director of Akasaka Clinic and our company doctor, to



give a lecture on mental health every year. For this fiscal year, held online in September, Dr. Watanabe gave an important lecture related to a healthy life on "Fundamental of the sleep and clinical study of insomnia". In addition, he has been writing a monthly column entitled "Mental Health Advice" for our company newsletter, +POWER, and has been working to improve the mental health of our employees since 2012.



Dr. Noboru Watanabe, Director of Akasaka Clinic



Health checkup

In November 2024, we conducted the third "Age Friendly Health Checkup" with the kind cooperation of a public interest incorporated foundation Fukuoka Institute of Health and Welfare. The checkup, which is designed to keep pace with the aging society, measures such items as flexibility, quickness, locomotive syndrome, balancing ability, muscular strength, body component, vascular age and bone mineral density, so that employees will be able to grasp their own physical capability from a viewpoint different from that of medical examination and make use of the results in improving their lifestyle.







Explaining the results of Health Check-up

The "AY Walk"

We held, this year also, the walking event sponsored by Asahi Yukizai, the "AY Walk." In this event, employees form teams utilizing initials of their names or part of the employee number, etc., and compete with each other for the number of steps for a period of three months. An employee knows to which team he/she belongs but cannot know who other team members are. This allows employees to participate and enjoy the competition in a natural manner without being eager. Like this, with various ideas, we can create the culture which makes the people go walking for health without fail. As a result of such movement, communication among them is activated with the promotion of their health as a daily topic of conversation and a sense of unity is being created. We will continue such engagement to promote creation of healthy workplaces.

Chapter 2>> Health & Productivity Management Outstanding Organization

As a result of the efforts mentioned above, in March 2025 we received, as we did in the previous fiscal year, certification as "Health & Productivity Management Outstanding Organization 2025 (category of large corporation)" jointly conducted by the Ministry of Economy, Trade and Industry and the Japan Health Conference.





Certificate



Security and disaster prevention activities

Disaster prevention drills

In November 2024, at Aichi, Nobeoka and Tochigi Factories, we implemented evacuation drills and fire drills with an aim of raising the ability to respond, assuming occurrence of earthquakes and factory fire.

Scenery of the disaster prevention drill (Aichi)





Scenery of the disaster prevention drill (Nobeoka)





Participation in the firefighting skills competition

At the Aichi Factory, in October 2024, they participated in a firefighting skills competition organized by the Fire Prevention Division of the Niwa Wide-Area Fire Department, to raise the employees' awareness of disaster prevention. This competition is an event to compete in terms of both time and accuracy of a series of actions, from reporting a fire to rescuing injured people, initial firefighting with fire extinguishers, and reporting on activities. In the event this year, an employee of our company won a prize (in the men's category).



Scenery of firefighting skills competition (Aichi)



Won a prize in the competition (Aichi)



The Shakeout Drill

In preparation for natural disasters such as earthquakes, we have installed an emergency earthquake warning system, and we regularly conduct "shakeout drills" in conjunction with emergency earthquake warning drills. This is a drill to learn the safety action 1-2-3 "First, protect your head and stay low, and don't move" in the event of an earthquake, and it is essential to be prepared for when the time comes. As in previous years, in FY2024 we responded to calls from government agencies such as the Fire and Disaster Management Agency and conducted drills at the Aichi, Tochigi, and Hiroshima Factories in November.



Scenery of the shakeout drill



In-house seminars on quality engineering

In order to eliminate problems arising from design and development, which are the source (upstream) of quality, we started approach to "quality engineering" in September 2018, and invite an external expert, Dr. Akizo Tsuruta of JADEITE Co., Ltd., to hold a "quality engineering in-house seminar" every month. FY2024 was the sixth year of the program, and a total of 40 employees participated in the program to date.



We are actively involved in community exchange activities based on the principle of "Creating value and contributing to society," which each one of us is required to practice under the Asahi Yukizai Group Code of Conduct.

Support for the Introduction to Emergency Care Course

Employees of our Aichi Factory, who have obtained the qualification of "Emergency first-aid instructor," who provides first aid during the time between the time of notification and the arrival of the ambulance, are supporting the "Introduction to Emergency Care Course" held by the Niwa Fire Station.

In FY2024, we supported the start of life-saving techniques, including how to use AEDs, at two schools: Fuso Higashi Elementary School in June and Fuso Junior High School, both in Aichi Prefecture, in November.





Scenery of first-aid training in progress

Acceptance of technical interns from Indonesia

We are currently accepting a total of 25 trainees from Indonesia over three terms, utilizing the Technical Internship Program.

- 1st-term interns: 8 interns joined in January 2019
- 2nd-term interns: 8 interns joined in January 2020
- · 3rd-term interns: 9 interns joined in July 2023
 The purpose of this Program is to transfer Japanese skills and technology to emerging countries and contribute to the development of local human resources. There are also benefits for us in being able to acquire valuable young human resources, so we provide them with education and training.

 As of March 2025, three people to whom the Specified Skilled Worker System is applied, and nine people, to whom the Technical Internship Program is applied, are enthusiastically continuing their training.



Technical interns



Blood donation activities

The Nobeoka Factory cooperates in the blood donation promotion activities by the Miyazaki Prefecture Red Cross Center's, which is acting in line with the national policy of covering all blood products used in Japan through blood donations.

In FY2024, blood donation campaigns were held in April and October at the Nobeoka Factory with the target of collecting donations from 100 people. As a result, 109 people applied and each of 98 people donated 400ml of blood. In addition, at the Aichi Factory, each of the 14 people donated 400ml of blood in June 2024.



Blood donation event in the Nobeoka Factory

Participation in local summer festivals



We have been participating in summer festivals in the Nobeoka area of Miyazaki Prefecture and Ohtawara City of Tochigi Prefecture as part of our local revitalization activities. Due to the impact of COVID-19, these festivals were canceled for three years from 2020 to 2022, but they resumed in FY2023.

The 47th Matsuri Nobeoka festival was held in Nobeoka City in July 2024, in which about 90 of our employees participated. Our employees danced the Bamba Odori while a taiko drumming competition and a fireworks festival were also held in the premises, and succeeded in making it exciting together with the local residents.

In addition, the 41st Yoichi Festival was held in Ohtawara City in August 2024, and about 40 of our employees participated and danced the Yoichi Odori. It turned out to be a valuable opportunity to deepen interaction with the local people in that historic festival.







ASAHI YUKIZAI
Environment and Safety Report
2025

