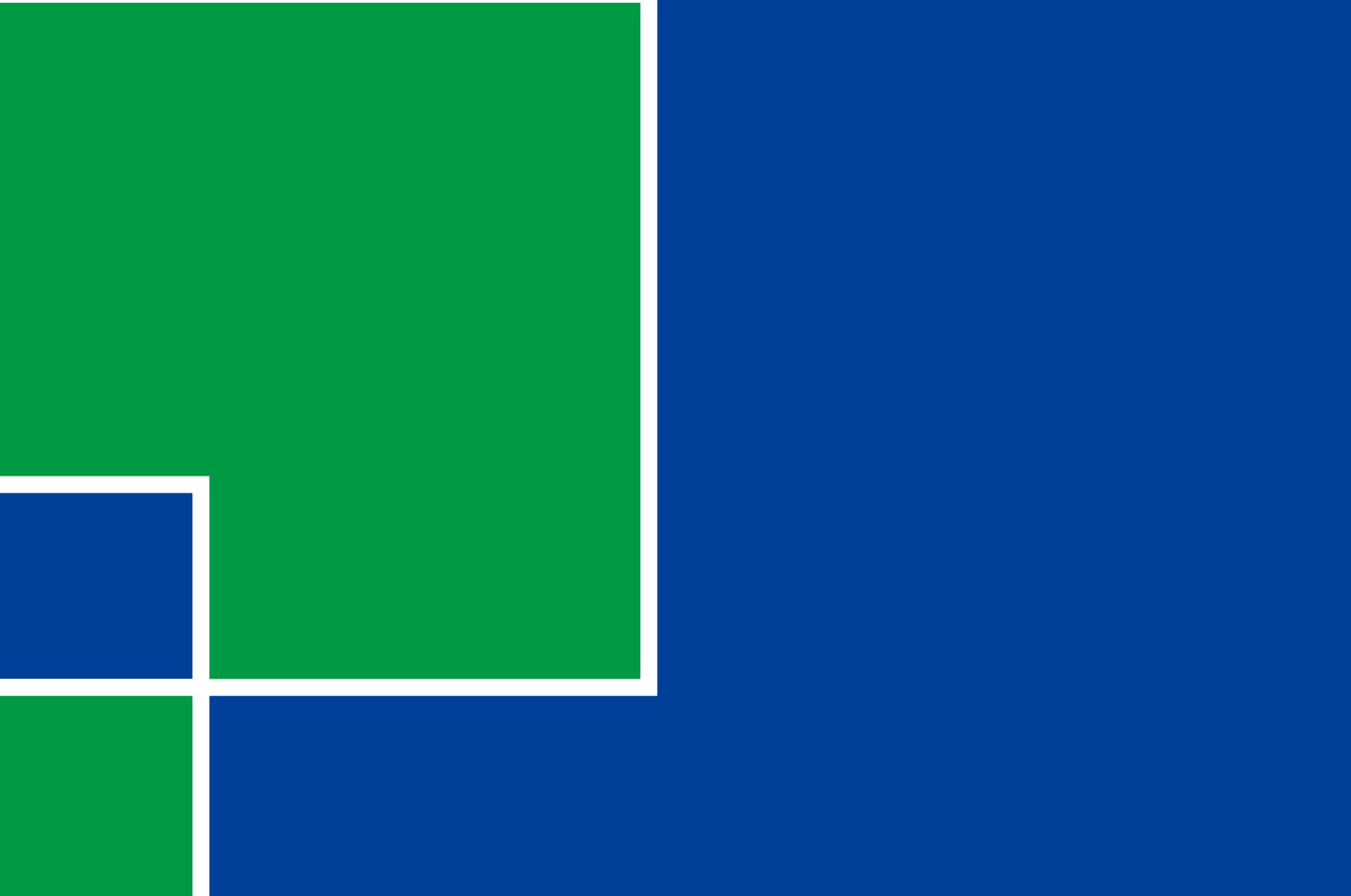


AGC Report  
CSR Information  
Supplement

2015



## Editing Policy

The AGC Report CSR Information Supplement is a data book that complements the non-financial aspect (Sustainability Reporting) of the AGC Report 2015, an annual report in which the AGC Group publishes its corporate attitude and business initiatives. The Supplement presents the AGC Group's disclosing information including non-financial data, the policies and promotion systems.

To facilitate easy access to the activity topics and related information presented on the CSR website, this report is organized into chapters centered on ISO 26000 core subjects while its headings are synchronized with the website. It should be read together with the CSR website in order to foster a deeper understanding of the social responsibility activities implemented by the AGC Group.

### Scope of This Report

#### •Reporting Period

2014 (Jan.–Dec. 2014)

Some information includes content from both 2013 and 2015

#### •Organizations Covered in the Report

Asahi Glass and its 194 consolidated subsidiaries  
(Group companies world wide)

#### •Primary Notation and Report Targets Used in the Report

##### •The AGC Group

Same as "Organizations Covered in the Report" mentioned above.

##### •The AGC Group (Japan)

Group companies in Japan including Asahi Glass Co., Ltd.

##### •Asahi Glass/the Company

AGC Asahi Glass Co. Ltd. (on an unconsolidated basis)

##### •Asia/Group companies in Asia

Group companies in Asia excluding the AGC Group (Japan)

### Date of Publication

June 2015 (Last date of publication: June 2014)

### Regarding Future Assumption, Forecasts and Plans

Future perspectives described in the AGC Report CSR Information Supplement are based on the latest information available to the AGC Group at the time of editing this report. Nevertheless, please note that results and consequences may vary with fluctuations in the business environment.

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# CSR at the AGC Group

## CSR-Related Policies

In order to fulfill its corporate mission to “Look beyond to make the world a brighter place” as outlined in the Group Vision **“Look Beyond”**, the AGC Group endeavors to both foster trust and meet the expectations of the community and contribute to the creation of a sustainable society by adopting behaviors based on our shared values (Innovation & Operational Excellence, Diversity, Environment and Integrity). Further, the Group utilizes the ISO 26000, an international standard on social responsibility, as a guideline for its global CSR activities in order to more concretely demonstrate values-based conduct and establish the AGC Group Charter of Corporate Behavior.

### AGC Group Charter of Corporate Behavior

Established on June 1, 2007 and revised on May 10, 2012

Under the Group vision, **“Look Beyond”**, the AGC Group’s mission is to look beyond to make the world a brighter place. With this objective, the Group strives to be a company trusted by all of its stakeholders, a company that meets the expectations of the world business community to grow and develop responsibly, and a company that significantly contributes to a healthier global society. To this end, the Group has established the AGC Group Charter of Corporate Behavior and acts in line with the following principles.

#### Integrity: Sincere Behavior

1. The AGC Group will develop and provide useful goods and services of superior quality, giving due consideration to safety and the environment, and will strive for customer satisfaction and loyalty.
2. The AGC Group will understand and comply with applicable laws and regulations of the countries and regions in which it does business and will respect international norms of behavior.
3. The AGC Group will promote fair trade and conduct its operations in accordance with the principle of fair competition and all applicable laws and regulations.
4. The AGC Group will maintain sound relationships with government agencies and other responsible organizations. The Group will not support any person or group that threatens the order and security of society.
5. The AGC Group will properly manage and safeguard its own proprietary information, intellectual property, and other assets and will respect the property rights and interests of others including customers and business partners.

#### Environment and Safety: With Due Consideration

6. The AGC Group regards environmental conservation as an essential responsibility of global citizens and will proactively contribute to the development of a sustainable society.
7. The AGC Group will pursue technological innovations and new product developments that reflect due consideration for the environment and will participate in activities to preserve the environment and safety and security at work.
8. The AGC Group will maintain its workplaces with a proper regard to occupational health and safety for the people related to its business activities.

#### Diversity: Respect for People

9. The AGC Group will respect human rights and will operate its business with due regard for the cultures and customs of each country and region in the world.
10. The AGC Group will respect people’s diverse capabilities and personal dignity and will create fair and open environments at its workplaces without discrimination based on race, ethnicity, religion, nationality, gender, disability, or any other legally protected group.
11. The AGC Group will not engage in forced labor or child labor and will not tolerate infringements of human rights.

#### Harmony with Society: From “Responsibility” to “Reliability”

12. The AGC Group will strive to be a trusted corporate citizen, fulfilling its responsibilities to the communities in which it does business.
13. The AGC Group will build productive and proper relationships with business partners and encourage them to adhere to business principles consistent with its own.
14. The AGC Group will communicate responsibly with customers, local citizens, shareholders, employees, and other members of society by gathering their opinions and disclosing information in a fair and appropriate manner.

The managements of all AGC Group companies, recognizing that it is their responsibility to realize the spirit of this Charter, will take the initiative to achieve an understanding of the Charter within all Group companies, and at the same time, will seek its business partners’ cooperation.

The managements will also promote the development and implementation of systems that the principles stipulated in this Charter can be duly incorporated into the Group’s decision making and implementation.

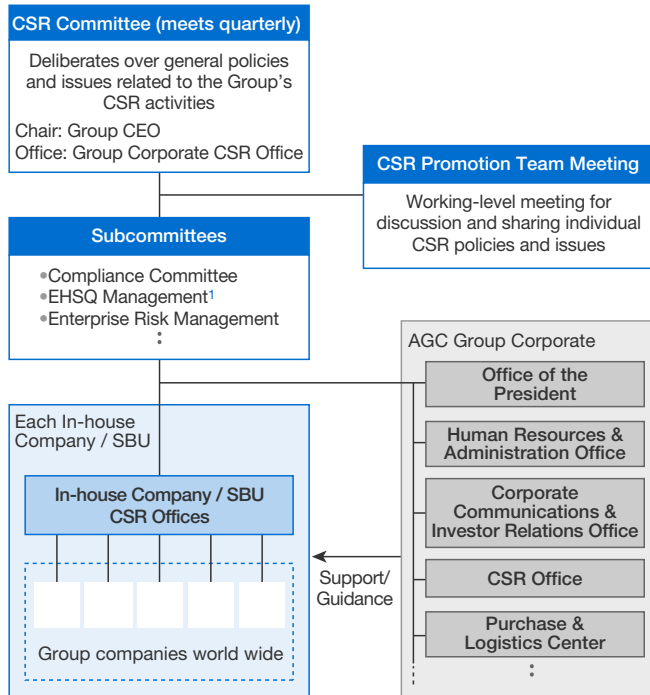
In the case of any behavior contrary to the principles of this Charter, we will work to identify the cause and prevent a recurrence, making it clear to those inside and outside Group companies that the situation is being addressed diligently. We will take appropriate corrective and disciplinary actions when necessary.

# CSR Promotion System

Within the AGC Group, specialized CSR Organizations (CSR Offices of each In-house Company) established in each business division globally share information about CSR activity policies and issues discussed and shared by the CSR Committee and CSR Promotion Team and promote these policies.

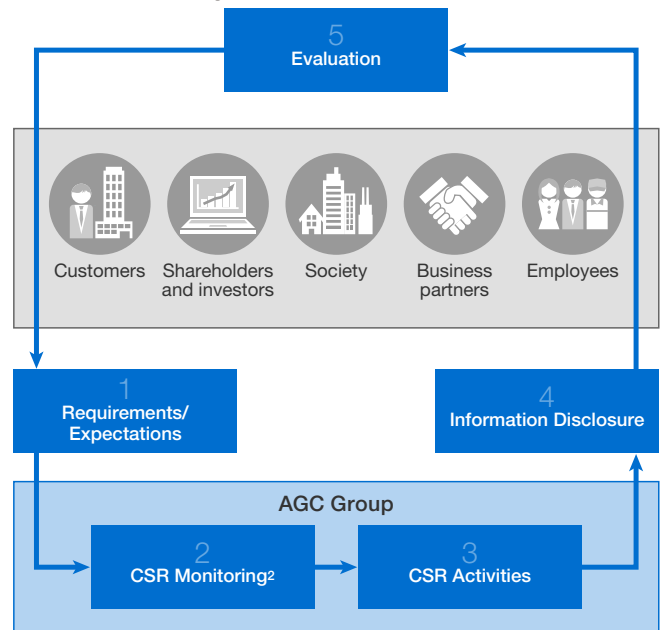
Based on this system, CSR monitoring mechanisms (see page 4 for details) are used to establish material issues. In addition, a CSR activities Plan-Do-Check-Act (PDCA) cycle is implemented repeatedly by reporting achievements and evaluating them from stakeholder perspectives.

## CSR Promotion System



<sup>1</sup> Environment, occupational Health & Safety and Quality

## The CSR PDCA Cycle



<sup>2</sup> See following page (page 4) for details.

# Formulation of CSR Material Issues

In 2011, the AGC Group began to develop a CSR monitoring framework based on ISO 26000 to assess the Group's CSR activities from the perspective of stakeholders and strengthen measures and policies that benefit the community. Within the Matrix of CSR Issues established in this framework, targets and results regarding issues for which frameworks are to be developed and commitments made to society (material issues) are reported to stakeholders through the AGC Report and other channels.

In addition, CSR issues are periodically reviewed to reflect social and business trends.

## CSR Monitoring Framework

### STEP 1 Creation and Review of the CSR Monitoring Sheet

The CSR Monitoring Sheet is based on the core subjects/issues and related actions and expectations of ISO 26000. The sheet consists of a table listing, on the vertical axis, some 200 issues relating to actions and expectations required of the AGC Group by its stakeholders; the impact on each stakeholder, the activity status (Group/ regional) and the relevant organization for each issue are given on the horizontal axis. The CSR Monitoring Sheet is periodically reviewed based on requests from society and changes in the business environment.



### STEP 2 Implementation of Communications within the Group

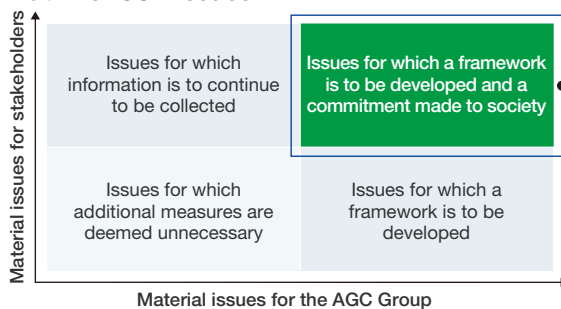
In addition to a seminar on ISO 26000 led by an outside expert, dialogues have been implemented between CSR Office staff and CSR representatives in each in-house organization. The Group seeks to deepen understanding of the content of each issue and, after narrowing the items down, positions each one in the matrix of CSR issues (diagram below) for each organization.



### STEP 3 Target-Setting and Performance Reporting for Material Issues

Items categorized as "Issues for which a framework is to be developed and a commitment made to society" (material issues) and "Issues for which a framework is to be developed" are assigned targets and organizations to oversee them, and their progress is monitored on an annual basis by organizations such as the CSR Committee. In addition, targets and achievements related to material issues are reported to stakeholders through the CSR website and other media.

## Matrix of CSR Issues



## Issues for which a framework is to be developed and a commitment made to society (material issues)

Core subjects **Organizational Governance** ▶ P. 5

Issues • Decision-making processes and structures

Core subjects **Human Rights and Labor Practices** ▶ P. 9

Issues • Conditions of work and social protection  
• Health and safety at work  
• Human development and training in the workplace

Core subjects **The Environment** ▶ P. 16

Issues • Prevention of pollution  
• Sustainable resource use  
• Climate change mitigation and adaptation

Core subjects **Fair Operating Practices** ▶ P. 24

Issues • Anti-corruption  
• Fair competition  
• Promoting social responsibility in the value chain

Core subjects **Consumer Issues** ▶ P. 27

Issues • Protecting consumers' health and safety

Note Core subjects and issues are based on ISO 26000.

# Organizational Governance

The AGC Group has introduced a CSR Monitoring Framework based on ISO 26000. Accordingly, the Group provides information for stakeholders via its CSR Website and other means, reporting on its targets and results in connection with the material issues specified in the Matrix of CSR Issues designated in this monitoring framework, namely “Issues for which a framework is to be developed and a commitment made to society.”

The AGC Group has examined the materiality of each issue by corresponding to Related Actions and Expectations of ISO 26000, and designated selected material issues to correspond to the ISO 26000 core subjects of Organizational Governance. The reasons for selecting these material issues are as follows.

## Material Issues

<p>ISO 26000 Issue</p>	<p><b>Decision-making processes and structures</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>•Nurture an environment in which the principle of social responsibility (accountability) is practiced</li> <li>•Nurture an environment in which the principle of social responsibility (transparency) is practiced</li> <li>•Nurture an environment in which the principle of social responsibility (ethical behavior) is practiced</li> <li>•Nurture an environment in which the principle of social responsibility (respect for the rule of law) is practiced</li> <li>•Balance the authority, responsibility and ability levels of decision-makers</li> <li>•Periodically review and evaluate the governance process</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>Organizational governance is the foundation of Core Issues in ISO 26000 and is indispensable in the promotion of social responsibility. Social demands for transparency and accountability in corporate activities are rising, as exemplified by advancing legislation concerning the disclosure of non-financial information worldwide, and as the influence corporations have on society grows, there is a strong demand for their ethical conduct.</p> <p>The AGC Group recognizes that promoting ethical conduct and compliance with laws and regulations is vital to its business activities. As such, it identifies Integrity as one of the four Shared Values in its Group Vision <b>“Look Beyond”</b>, and it clearly states the corporate ethics with which employees are required to comply in the AGC Group Code of Conduct.</p>

## 2014 Activity Results for Material Issues

ISO 26000 Issue	Decision-making processes and structures		
<b>ISO 26000 related actions and expectations</b>	<ul style="list-style-type: none"> <li>Nurture an environment in which the principle of social responsibility (accountability) is practiced</li> <li>Nurture an environment in which the principle of social responsibility (transparency) is practiced</li> </ul>	<ul style="list-style-type: none"> <li>Nurture an environment in which the principle of social responsibility (ethical behavior) is practiced</li> <li>Nurture an environment in which the principle of social responsibility (respect for the rule of law) is practiced</li> </ul>	<ul style="list-style-type: none"> <li>Balance the authority, responsibility and ability levels of decision-makers</li> <li>Periodically review and evaluate the governance process</li> </ul>
<b>P 2014 targets</b>	<p><b>Continue to ensure effective communications in and outside the Group</b></p> <ul style="list-style-type: none"> <li>Use the AGC Report to disclose in a easier way to understand the stance and efforts of the AGC Group with regard to promoting business and CSR activities in a way</li> <li>Continue to be selected by major SRI Indexes by appropriately responding to the demands of society through communications with stockholders</li> </ul>	<p><b>Continue to promote compliance</b></p> <ul style="list-style-type: none"> <li>Continue to conduct ongoing compliance training and online training programs for Group employees</li> <li>Further expand the scope of Group employees requested to submit Personal Certifications on the Code of Conduct (employees subject to alternate policies if the system renders the submission of certifications difficult)</li> </ul>	<p><b>Implementing effective audits and promoting the PDCA cycle</b></p> <ul style="list-style-type: none"> <li>Globally conduct audits regarding the creation of measures for preventing bribery and corruption, in addition to frameworks for antitrust law compliance systems and for preventing the leakage of confidential information</li> <li>Conduct theme audits on frameworks establishment and operation status for Asset Protection in Asia including Japan, and on business continuity management (BCM) in Europe</li> </ul>
<b>D 2014 major initiative results</b>	<ul style="list-style-type: none"> <li>Communicated business and CSR activities to stakeholders from a cross-Group perspective in easily understandable ways through the AGC Report 2014.</li> <li>Widely promoted the AGC Group's contributions in the field of environment through proactive press releases regarding energy-saving products and the CO<sub>2</sub> emissions reduction slogan, and by hosting an environment seminar in China (second year in a row).</li> <li>Continued to be selected by major SRI Indexes, including Ethibel, MSCI, MS-SRI (Morningstar), and was selected by the DJSI World Index for the fourth year in a row.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented compliance training by region. [Results<sup>1</sup>]</li> <li>Online training: Approx. 11,700 employees (Japan), approx. 1,300 employees (Europe and North America)</li> <li>Classroom training: Approx. 300 employees (Japan), approx. 1,300 employees (Europe and North America)</li> <li>Approximately 80% of all Group employees is subject to submitting Personal Certifications on the Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Conducted 45 internal audits in the Group and continued to audit the establishment of frameworks for antitrust law compliance systems and for preventing the leakage of confidential information as global audit items.</li> <li>Implemented theme audits by region. [Results]</li> <li>-Asia including Japan: Asset Protection framework design and operating effectiveness audits (4 countries, 34 organizations and sites)</li> <li>-Europe: Business continuity management (BCM) audits (5 countries, 11 organizations and sites)</li> </ul>
<b>C Self-evaluation<sup>2</sup></b>	<b>A</b>	<b>A</b>	<b>A</b>
<b>A 2015 targets</b>	<p><b>Continue to ensure effective communications in and outside the Group</b></p> <ul style="list-style-type: none"> <li>Use a variety of communication tools to disclose the AGC Group's initiatives and its stance of unifying and promoting business and CSR activities, together with the new management policy <b>AGC Plus</b>, in ways that are easier to understand.</li> <li>Continue to be selected by major SRI Indexes by appropriately responding to the demands of society through communications with stockholders</li> </ul>	<p><b>Continue to promote compliance</b></p> <ul style="list-style-type: none"> <li>Continue to conduct ongoing compliance training and online training programs for Group employees</li> <li>Further expand the scope of Group employees requested to submit Personal Certifications on the Code of Conduct (employees subject to alternate policies if the system renders the submission of certifications difficult)</li> </ul>	<p><b>Implementing effective audits and promoting the PDCA cycle</b></p> <ul style="list-style-type: none"> <li>Globally conduct audits regarding the creation of measures for preventing bribery and corruption, in addition to frameworks for antitrust law compliance systems and for preventing the leakage of confidential information</li> <li>Conduct theme audits on risks related to new product and technology imitations in Asia including Japan, and on risks related to outsourcing in Europe.</li> </ul>

<sup>1</sup> Only training directly implemented in Asia including Japan, Europe and North America by the Compliance Committee. Does not include training implemented by individual Group companies.

<sup>2</sup> Criteria for Self-evaluation **A**: Satisfactory level, in which the intended target has been achieved **B**: Almost satisfactory level, in which a part of the intended target has not yet been achieved and some issues still remain **C**: Unsatisfactory level, in which the intended target has not been achieved

**Corporate Governance** <http://www.agc.com/english/csr/integrity/governance.html>

**Attendance Rate of Directors in Board of Directors Meetings**

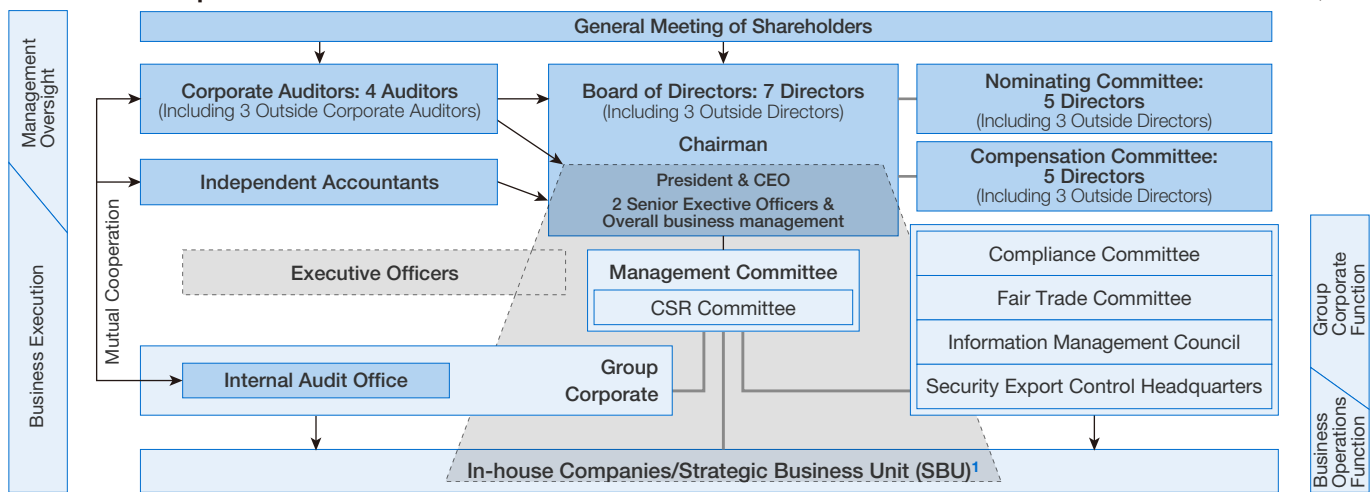
FY	Attendance rate
2012	100%
2013	99%
2014	99%

**Attendance Rate of Auditors in Board of Auditors Meetings**

FY	Attendance rate
2014	100%

**Overview of Corporate Governance Structure**

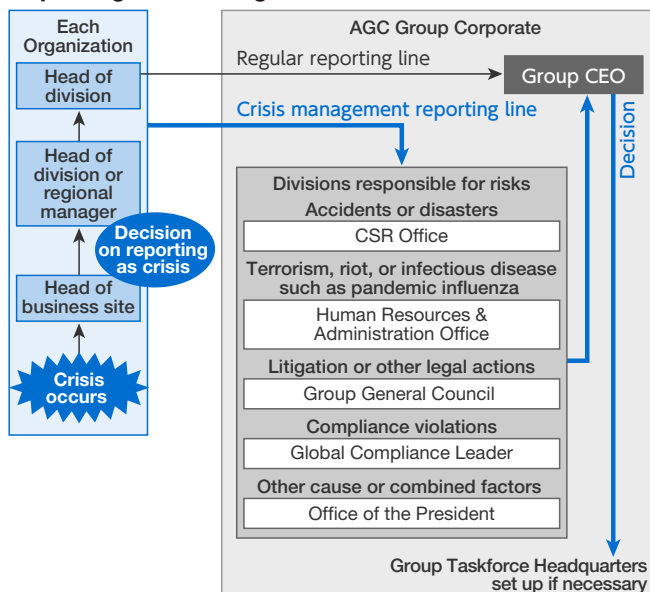
As of March 27, 2015



<sup>1</sup> An In-house Company is defined as a business unit with net sales exceeding 200 billion yen which conducts its business globally. At present, there are three In-house Companies: the Glass Company, the Electronics Company and the Chemicals Company. Business units smaller than this are defined as Strategic Business Units (SBUs).

**Risk Management** <http://www.agc.com/english/csr/integrity/riskmng.html>

**Reporting Line During a Crisis Situation**



**AGC Group Basic Policy to Cope with Natural Disasters**

Established on March 1, 2011

**Human Life and safety first, prevention of secondary disasters, contribution to society and co-existence with it, and business continuity are the four basic concepts to counter natural disasters.**

Based on the following concepts, the AGC Group shall plan and implement countermeasures against risks of massive natural disasters in advance. When a natural disaster occurs, the Group shall place utmost priority on the security of human lives and safety and make maximum efforts in preventing the spread of damage, supporting the local community and maintaining the Group's important business operations.

- We shall place the highest priority on the security of the lives and safety of all the people involved in the corporate activities of the AGC Group (employees and their families, customers, suppliers, and people in local community).
- We shall prevent the damage from spreading and the occurrence of a secondary disaster in order to ensure the safety of the surrounding region.
- We shall always try to coexist with the local community, and when a natural disaster occurs, we shall contribute to the community in a coordinated manner.
- We shall fulfill our responsibility to the society and at the same time minimize the damage to our enterprise value by maintaining/quickly restoring the Group's important business operations.



**Internal Audits** <http://www.agc.com/english/csr/integrity/audit.html>

**Internal Audit System Structure**

- Reporting of audit results, etc.
- Evaluation, policy and planning, education, etc.
- Monitoring, suggested improvements, etc.

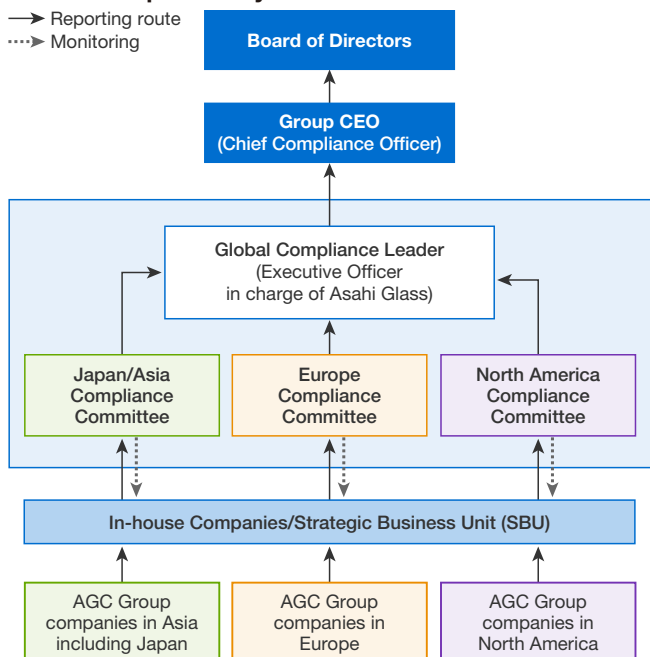


**Compliance** <http://www.agc.com/english/csr/integrity/compliance.html>

**Items for AGC Group Code of Conduct Global Requirements**

1. Foundations for Compliance
2. Fair Competition and Antitrust
3. Workplace Health and Safety
4. Environment
5. Respect for People
6. Quality and Safety of Products and Services
7. Reports and Records
8. Insider Trading
9. Company and Third-Party Assets and Confidential Information
10. Conflict of Interest
11. Gifts and Entertainment
12. Relations with Government Officials and Politicians
13. International Trade Controls

**Global Compliance System**



**Compliance Training Results**

FY	Number of employees receiving online training (e-learning)		Number of employees receiving classroom training <sup>1</sup>	
	in Japan	in Europe and North America	in Japan	in Europe and North America
2014	Approx. 11,700	Approx. 1,300	Approx. 300	Approx. 1,300

<sup>1</sup> Number of employees receiving classroom training directly provided by the Compliance Committees in Europe, North America and Asia including Japan (excluding employee education provided by each Group company)

**Help Line Consultations (AGC Group)**

FY	Number of consultations
2014	Approx. 330

# Human Rights and Labor Practices

The AGC Group has introduced a CSR Monitoring Framework based on ISO 26000. Accordingly, the Group provides information for stakeholders via its CSR Website and other means, reporting on its targets and results in connection with the material issues specified in the Matrix of CSR Issues designated in this monitoring framework, namely “Issues for which a framework is to be developed and a commitment made to society.”

The AGC Group has examined the materiality of each issue by corresponding to Related Actions and Expectations of ISO 26000, and designated selected material issues to correspond to the ISO 26000 core subjects of Human Rights and Labor Practices. The reasons for selecting these material issues are as follows.

## Material Issues

<p>ISO 26000 Issue</p>	<p><b>Conditions of work and social protection</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>• Confirm the compliance of work condition with national laws and regulations and international labor standards</li> <li>• Comply with any obligation concerning the provision of protection for workers in the country of operation</li> <li>• Comply with the working hours established in laws or regulations</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>The AGC Group identifies “Diversity” as one of the four Shared Values in its Group Vision, <b>“Look Beyond”</b>, and has declared its intent to develop its global management with respect for diverse abilities and individuals, regardless of nationality, gender or work experience. At present, the AGC Group operates in approximately 30 countries and regions. The Group complies with all local labor-related laws and regulations and is aware that promoting the creation of work environments in which employees can work with satisfaction and pride is important to its business activities.</p>
<p>ISO 26000 Issue</p>	<p><b>Health and safety at work</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>• Develop, implement and maintain policy on occupational health and safety</li> <li>• Understand and apply principles of health and safety management (elimination, substitution, engineering controls, administrative controls, work procedures and personal protective equipment)</li> <li>• Analyze and control the health and safety risks in organizational activities</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>Conscious that it has a workplace at which the risk of occupational accidents is comparatively high, the AGC Group identifies Safety as a business activity prerequisite in its management policy <b>AGC plus</b>, and places great importance on the creation of a workplace where employees can work under safe and healthy conditions.</p>
<p>ISO 26000 Issue</p>	<p><b>Human development and training in the workplace</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>• Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships</li> <li>• Provide all workers at all stages of their work experience with access to opportunities for career advancement</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>In its management policy, <b>AGC plus</b>, the AGC Group gives the provision of “plus value” to its various stakeholders, and declares that it will add “the joy of working” for its employees, the Group’s main stakeholders.</p> <p>In addition, towards the realization of this management policy, the Group emphasizes the creation of frameworks to support employee growth, considering that business growth is driven by “human resources,” and declaring that, as the orientation that should be shared by employees worldwide, the Group should come together as “One Team” to tackle issues, with the diverse technologies and knowledge of its diverse human resources as strengths.</p>

## 2014 Activity Results for Material Issues

ISO 26000 Issue	Conditions of work and social protection	Health and safety at work	Human development and training in the workplace
<b>ISO 26000 related actions and expectations</b>	<ul style="list-style-type: none"> <li>Confirm the compliance of work condition with national laws and regulations and international labor standards</li> <li>Comply with any obligation concerning the provision of protection for workers in the country of operation</li> <li>Comply with the working hours established in laws or regulations</li> </ul>	<ul style="list-style-type: none"> <li>Develop, implement and maintain policy on occupational health and safety</li> <li>Understand and apply principles of health and safety management (elimination, substitution, engineering controls, administrative controls, work procedures and personal protective equipment)</li> <li>Analyze and control the health and safety risks in organizational activities</li> </ul>	<ul style="list-style-type: none"> <li>Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships</li> <li>Provide all workers at all stages of their work experience with access to opportunities for career advancement</li> </ul>
<b>P 2014 targets</b>	<p><b>Create a work environment where employees can work with satisfaction and pride</b></p> <ul style="list-style-type: none"> <li>Establish and implement action plans for ES improvement activities at each workplace based on the results of the 4th ES survey.</li> <li>Continue to implement the award system while making improvements as a means to award jointly implemented best practices and efforts to create a work environment that recognizes and appraises achievements</li> </ul>	<p><b>Foster the Group's safety management activities</b></p> <ul style="list-style-type: none"> <li>Ensure that the measures determined through the Serious Accident Eradication Project permeate the Group all the way to the shop floors in each country and region.</li> <li>Improve safety awareness through initiatives such as hazard simulation training</li> </ul> <p><b>Promote and ensure machinery safety</b></p> <ul style="list-style-type: none"> <li>Continuously expand a Prior Safety Assessment System at installing manufacturing equipment in Asia</li> </ul>	<p><b>Enhance employee education and training programs</b></p> <ul style="list-style-type: none"> <li>Expand the scope of registrants of Skill Map</li> <li>Expand the development sites of AGC Group Improvement Activity worldwide, and develop human resources to promote these activities</li> </ul>
<b>D 2014 major initiative results</b>	<ul style="list-style-type: none"> <li>Implemented ES improvement activities at each workplace. Specific examples are given on the CSR website.</li> <li>Hosted the 2014 AGC Group CEO Awards, and presented 127 awards. The number of successful initiatives implemented through international or inter-regional cooperation had increased.</li> </ul>	<ul style="list-style-type: none"> <li>There were 0 fatal accidents throughout the entire Group (including business partners)</li> <li>Advanced the global penetration of accident prevention measures' achievements that were promoted through the Project. (Ex: The degree of penetration of the operation standards formulated by the Forklift subcommittee was verified through monitoring via on-site visits and self-diagnoses using checklists.)</li> <li>Progress was also made in instructor development, and hazard simulation training continued to be held at each site in the region of Asia including Japan.</li> <li>Continued practical training for safety patrols<sup>1</sup>. In Japan, more than 600 individuals have taken the training in the two years since 2012. A portion of the training facilities have been expanded to and established in Indonesia.</li> <li>Promoted project launch and operation establishment at production sites in Asia whose implementation rates of Prior Safety Assessment when installing manufacturing equipment are low.</li> <li>By 2013, Safety Basic Assessor<sup>2</sup> training was implemented at all sites in Asia. At the end of 2014, 560 individuals in the countries and regions of Asia had acquired qualifications as Safety Basic Assessors.</li> </ul>	<ul style="list-style-type: none"> <li>Cross-divisional network activities<sup>3</sup> were developed overseas (China, Thailand).</li> <li>As of the end of 2014, a total of 676 trainees had completed the Improvement Leader Program, while a total of 94 had completed the Improvement Manager Program. Through these programs, the development of human resources who can implement these activities at each site is progressing.</li> </ul>
<b>C Self-evaluation<sup>4</sup></b>	<b>A</b>	<b>A</b> <b>B</b> <sup>5</sup>	<b>A</b>
<b>A 2015 targets</b>	<p><b>Create a work environment where employees can work with satisfaction and pride</b></p> <ul style="list-style-type: none"> <li>Establish and implement action plans for ES improvement activities at each workplace.</li> <li>Continue to implement the award system while making improvements as a means to award jointly implemented best practices and efforts to create a work environment that recognizes and appraises achievements</li> </ul>	<p><b>Foster the Group's safety management activities</b></p> <ul style="list-style-type: none"> <li>Ensure that the measures determined through the Serious Accident Eradication Project permeated the Group all the way to the shop floors in each country and region.</li> <li>Develop the safety training curriculum based on past occupational accidents into the on-site training at each site.</li> <li>Restart safety promotion activities, energize daily health and safety activities<sup>6</sup> and improve the level of risk assessment.</li> </ul> <p><b>Promote and ensure machinery safety</b></p> <ul style="list-style-type: none"> <li>Establish a Prior Safety Assessment System at time of manufacturing equipment installation in Asia</li> </ul>	<p><b>Enhance employee education and training programs</b></p> <ul style="list-style-type: none"> <li>Expand the scope of registrants of the Skill Map</li> <li>Consider training with the objective of improving multiple skills, so that employees can respond and act smoothly when transferred to other places due to changes in business structure and other factors.</li> <li>Develop stratified training and training by occupational category with the objective of reinforcing mental aspects (motivation, winning people over, etc.)</li> </ul>

<sup>1</sup> Training performed on a mock production line with approximately 100 various flaws, in order to cultivate the individuals' ability to point out serious risks lurking at the production site from a perspective of machinery safety through a safety patrol.

<sup>2</sup> An equipment-related safety technician certification system established by some organizations including the Nippon Electric Control Equipment Industries Association (NECA). The system currently consists of four ranks: Safety Lead Assessor, Safety Assessor, Safety Sub-Assessor and Safety Basic Assessor.

<sup>3</sup> An activity based on the Skill Map system. It allows employees who, although they have common skills, belong to different organizations and so have no points of contact during routine work, to act together on various levels, from information exchange to joint research.

<sup>4</sup> Criteria for Self-evaluation: **A**: Satisfactory level, in which the intended target has been achieved. **B**: Almost satisfactory level, in which a part of the intended target has not yet been achieved and some issues still remain. **C**: Unsatisfactory level, in which the intended target has not been achieved.

<sup>5</sup> Reason for B Evaluation: The implementation rate of Prior Safety Assessments when installing manufacturing equipment was low at some production sites in Asia including Japan, and accidents of getting caught and involved in machinery, arising from unsatisfactory machinery safety practices, increased at sites in Asia.

<sup>6</sup> Conventional health and safety activities such as the 5S (seiri [sort], seiton [systematic arrangement], seiso [shine], seiketsu [standardize] and shitsuke [sustain]), hazard prediction, near-miss management (hiyari-hatto) and safety patrols

## AGC Group Human Resources Management <http://www.agc.com/english/csr/employee/principle.html>

### AGC Group “7 Key Principles for People”

AGC Group wishes to pursue these principles as the foundation of our “7 Key Principles for People” to maximize our performance as a truly global corporation.

#### Implementation of “Look Beyond”

AGC Group requires all employees to commit to our Shared Values of “Look Beyond” —Our four Shared Values: Innovation & Operational Excellence, Diversity, Environment, and Integrity.

#### Diversity for Organizational Competitiveness

AGC Group builds teams of diverse people who support our four Shared Values of “Look Beyond” and have the abilities to contribute to organizational competitiveness.

#### Development and Growth

AGC Group encourages employees to grow and provides them with opportunities for self-development.

#### Job Satisfaction and Pride

AGC Group encourages employees to achieve their goals so that they feel a sense of pride and satisfaction in their work.

#### Work Environment and Conditions

AGC Group provides a safe and healthy work environment.

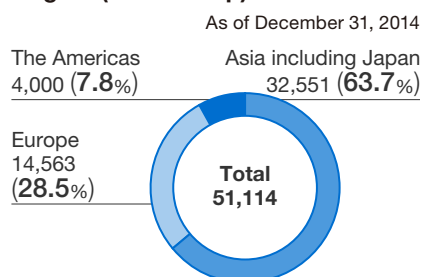
#### Open Communication

AGC Group emphasizes open communication in the workplace to create a better organizational climate.

#### Evaluation, Recognition and Rewarding Performance

AGC Group evaluates and recognizes employees who contribute to the organization and rewards their contributions.

### Number of Group Employees by Region (AGC Group)



### Number of Employees (Asahi Glass)

As of December 31, 2014 (Excluding those dispatched to other Group companies)

Classification		Male	Female	Total	Percentage of females
Managers		1,935	103	2,038	51%
Non-managers	Career-track positions	733	150	883	17.0%
	Shop-floor workers	2,645	67	2,712	2.5%
	Clerical positions	19	480	499	96.2%
	Subtotal	3,397	697	4,094	17.0%
Total		5,332	800	6,132	13.0%

### Employee-Related Data (Asahi Glass)

As of December 31, 2014

	Male	Female	Total
Average age	42	39	41
Average length of service	18 years	13 years	17 years
Average overtime working hours	18.8 hours/month (average for members of the labor union)		
Percentage of paid leave taken	90% (average for members of the labor union)		

### Retention Rate of New Employees (Asahi Glass)

Year of recruitment	2012
Number of new recruits	134
Number of retained employees <sup>1</sup>	125
Retention rate	93.3%

<sup>1</sup> As of April 2015

### Number of Employees Retiring (Asahi Glass)

Period: April 2014 to March 2015

	Number of people
Retirees	171

**Note** Excluding employees retiring upon reaching mandatory retirement age

## Respects for Human Rights [http://www.agc.com/english/csr/employee/human\\_rights.html](http://www.agc.com/english/csr/employee/human_rights.html)

### Data about the Labor Union (Asahi Glass)

FY	Number of members <sup>1</sup>	Average age	Average length of service
2010	4,230	37.9	15 years and 4 months
2011	4,215	38.1	15 years and 6 months
2012	4,245	37.4	14 years and 6 months
2013	4,121	37.8	14 years and 8 months
2014	3,955	38.9	15 years and 11 months

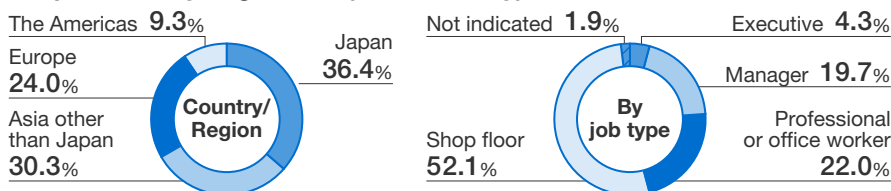
<sup>1</sup> Asahi Glass adopts a union shop system under its labor agreement.

## Improving Employee Satisfaction <http://www.agc.com/english/csr/employee/es.html>

### Respondents of ES Survey (AGC Group)

	Eligible employees	Respondents	Response rate
First survey (conducted in July 2005)	9,247	8,435	91%
Second survey (conducted in November 2007)	40,100	31,126	78%
Third survey (conducted in November 2010)	39,055	31,729	81%
Fourth survey (conducted in November 2013)	40,321	33,214	82%

### Respondents by Region/Job (4th ES Survey)



### Total Number of AGC Group Awards Won (AGC Group)

FY	Number of Awards
2012	154
2013	138
2014	127

### ES Survey Question Items

#### Employee Engagement (Initiative)

1. Clear and Promising Direction
2. Confidence in Leadership
3. Quality and Customer Focus
4. Respect and Recognition
5. Development Opportunities
6. Compensation

#### Employee Enablement

1. Performance Management
2. Authority and Empowerment
3. Resources
4. Collaboration
5. Work Efficiency

### Commendations Awarded across the AGC Group and Numbers Thereof in 2014 (AGC Group)

Type	Number	Type	Number
<b>"Look Beyond"</b>	0	KAIZEN Award	17
Excellent Quality Improvement Plant Award	6	Enhancement and Transfer of Technologies & Skills Award	6
Excellent Cost Reduction Plant Award	7	Excellent Occupational Health and Safety Award	10
New Business/New Market Development Award	17	Environmental Contribution Award	7
Excellent Business Support System Award	19	Diversity Award	7
Technical Innovation & Performance Award	31	Integrity Award	0
<b>Total 127</b>			

## Work-Life Balance <http://www.agc.com/english/csr/employee/wlb.html>

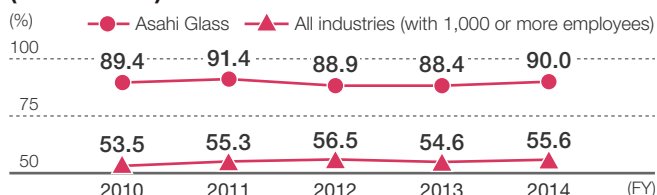
### Employees Taking Childcare/Family Care Leaves (Asahi Glass)

FY	No. of employees who took childcare leave	No. of employees who took family care leave
2010	70 <sup>1</sup> (Including 2 employees taking short-term leave)	4 (Including 2 employees taking short-term leave)
2011	63 <sup>2</sup> (Including 3 employees taking short-term leave)	1
2012	82 <sup>3</sup> (Including 2 employees taking short-term leave)	4 (Including 2 employees taking short-term leave)
2013	75 <sup>4</sup> (Including 2 employees taking short-term leave)	0
2014	96 <sup>5</sup> (Including 2 employees taking short-term leave)	1

<sup>1</sup> of which two employees were male    <sup>2</sup> of which eight employees were male    <sup>3</sup> of which five employees were male  
<sup>4</sup> of which four employees were male    <sup>5</sup> of which two employees were male

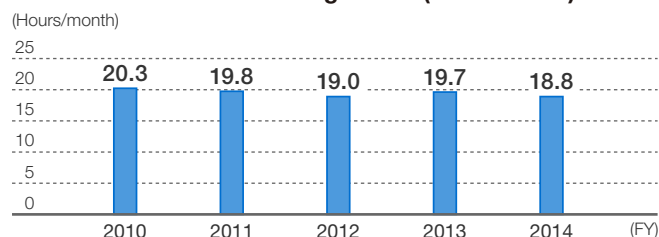
## Work-Life Balance <http://www.agc.com/english/csr/employee/wlb.html>

### Average Percentage of Annual Paid Leave Used (Asahi Glass)



**Note** Excluding managers **Note** Industry data from a working conditions survey by the Ministry of Health, Labour and Welfare

### Trends in Overtime Working Hours (Asahi Glass)



## Global Promotion of Diversity <http://www.agc.com/english/csr/employee/diversity.html>

### Percentage of Women in Management Positions (AGC Group)

FY	Proportion of female employees
2014	2.68%

**Note** The figure was calculated based on data for 93% of all employees group-wide, covering Asia including Japan, Europe and South America, but excluding North America.

### Trends in Percentage of Female Managers<sup>1</sup> (Asahi Glass)

FY	Proportion of female employees
2010	4.1%
2011	4.4%
2012	4.8%
2013	4.9%
2014	5.1%

**Note 1** The data above is calculated based on manager positions of Asahi Glass, which are not consistently defined for the AGC Group as a whole, therefore it does not allow simple comparison with other global data.

### Proportion of Female New Graduates Recruited for General Career-Track Positions (Asahi Glass)

FY	Proportion of female employees
2011	20.9%
2012	22.9%
2013	30.0%
2014	20.8%

### Foreign Nationals Hired during New Graduate Recruitment for Career-Track Positions (Asahi Glass)

FY	Exchange students in Japan	Graduates of Overseas Universities
2012	2	8
2013	6	1
2014	2	1

### Employment Rate of People with Disabilities (Asahi Glass)

FY	Number of people with disabilities (actual number)	Employment rate
2010	105	1.98%
2011	104	1.94%
2012	107	2.00%
2013	110	2.07%
2014	110	2.10%

### Continuous Employment Rate of Retirees (Asahi Glass)

FY	Number of reemployed retirees	Number of retirees	Continuous employment rate
2010	13	117	11.1% <sup>1</sup>
2011	73	132	55.3%
2012	82	122	67.2%
2013	109	159	68.6%
2014	90	106	84.9%

**1** As a result of implementing a range of employment measures in response to the economic recession that hit the world in the fall of 2008, the continuous employment rate decreased from the 2008 level in 2010 (non-managers).

## Employee Education <http://www.agc.com/english/csr/employee/education.html>

### Number of Monozukuri Training Center Users

FY	Number
2012	31,973
2013	27,481
2014	23,218

**Note** Due to the conversion of training to online training, and to each type of training being made shorter and more efficient, the number of people who use the training center is decreasing.

### Annual Per-capita Training Hours<sup>1</sup> (AGC Group in Japan)

FY	Annual training hours (hours/person)
2012	11.5
2013	9.0
2014	6.6

**Note** Due to the conversion of training to online training, and to each type of training being made shorter and more efficient, the number of annual training hours is decreasing.

**1** Training hours include the hours spent in the education on technologies and skills and stratified educational seminars given at the AGC Monozukuri Training Center but do not include the hours spent in the training provided independently by each department or in external training.

### Training Expenses (AGC Group in Japan)<sup>1</sup>

FY	Annual training expenses
2013	186 million yen
2014	104.5 million yen

**Note** Due to the decreasing number of users and training hours, and to the reduction in training expenses caused by reviewing training content and making it more efficient, annual training expenses are decreasing.  
**1** Total amount of training expenses for technical and skills training, stratified education carried out at the AGC Monozukuri Training Center and support funding for self-development activities. Expenses for training provided independently by in-house organizations are not included.



## Occupational Health & Safety <http://www.agc.com/english/csr/employee/safety.html>

### AGC Group Basic Occupational Health & Safety Policy

Established on February 9, 2001 and revised on March 29, 2013

#### Basic Policy

The AGC Group will manage its Occupational Health and Safety (hereinafter "OH & S") under the policy of "No Production without Safety" and all managers will ensure that the OH & S policy should be clearly understood and permeated throughout the Group and that all of the employees should be actively involved in the promotion of OH & S activities.

#### Guidelines for Occupational Health Activities

We will actively implement OH & S activities by addressing any possible issues on occupational accidents and illnesses to achieve continual improvement in our OH & S performance, based on the following guidelines.

1. We will enhance the level of our Risk Assessments to promote effective use of our OHSMS.
2. We will continue our conventional on-site safety activities without making them mere repetitive routine.
3. Managers will treat their subordinates like a family member and ensure safety at workplaces. We will promote intrinsic safety of equipment, and look for continual improvement in the workplace environment.
4. We will implement OH & S activities as a part of production line activities. The departments in charge of OH & S will provide necessary support for line management.
5. We will comply with OH & S related laws and requirements.
6. We will encourage proactive employee participation in all OH & S activities through open, honest and fair interactions and communication at workplaces.

### Health Management Policy

Established on March 1, 2007

The AGC Group has established the following health management policy to be followed by its employees in conducting their business operations, to continuously create value for the world under the Group vision "**Look Beyond**"

#### Health consciousness

Employees represent one of the most important assets for the AGC Group, and health is one of the most important elements of the daily lives of employees.

#### Corporate support for employee health

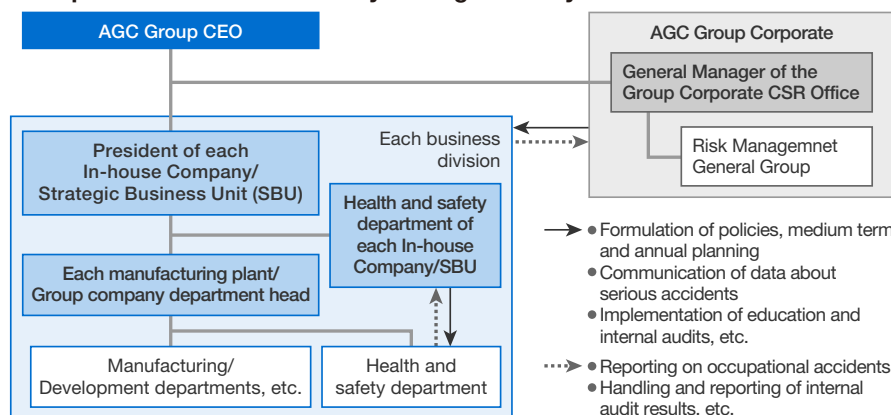
The AGC Group will actively implement measures to maintain and promote the physical and mental health of its employees, thereby supporting them in driving the growth of the Group by fully displaying their individual abilities, and in striving to lead meaningful lives.

#### Self-discipline by employees

Employees themselves must be aware of the importance of their health, and they must maintain and promote their health through self-discipline, taking responsibility for their own health.

**Note** The AGC Group plans to extend this Health Management Policy from Asahi Glass to Group companies in and outside of Japan in the future.

### Occupational Health and Safety Management System



### Number of Plants Obtaining Third-Party Certification for OHSMS

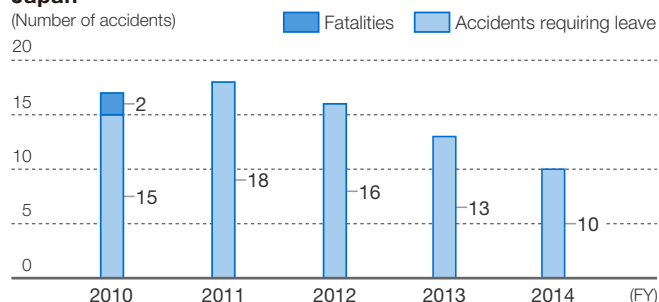
As of the end of December 2014

Coverage	Number of certified plants
Asahi Glass	2
Group companies in Japan	6
Group companies in Asia other than Japan	13
Group companies in Europe	58
Group companies in North America	0
<b>Total</b>	<b>79</b>

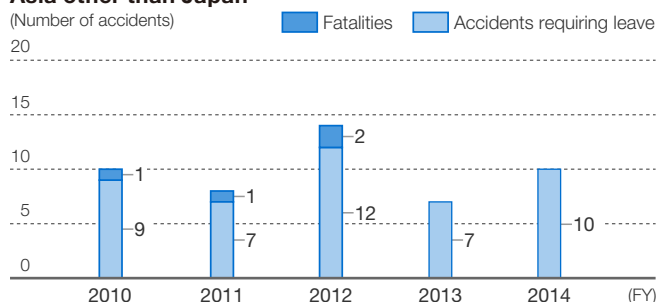
## Occupational Health & Safety <http://www.agc.com/english/csr/employee/safety.html>

### Number of Occupational Accidents (AGC Group including Business Partners)

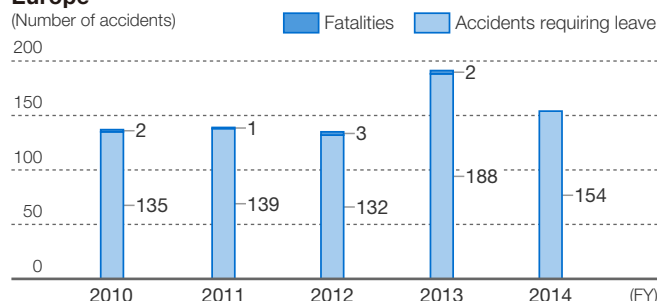
#### Japan



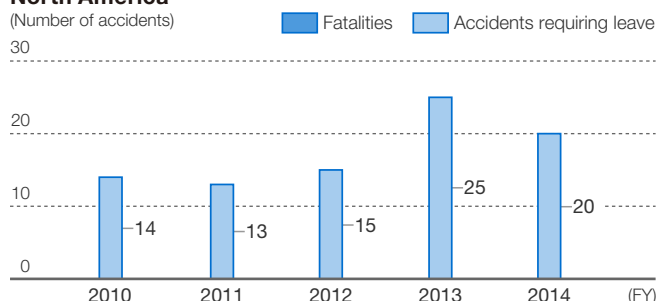
#### Asia other than Japan



#### Europe



#### North America



**Note** The assessment criteria for accidents requiring leave differ among Asia including Japan, Europe and North America, which disables the simple comparison of the numbers of occupational accidents among each region.

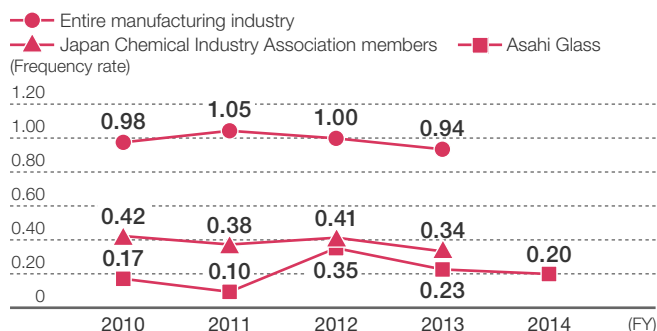
**Note** Accidents requiring leave have increased in Europe due to figures for new locations which have recently joined the AGC Group in 2013.

**Note** The 2013 figure for the number of accidents resulting in fatalities in Europe has been revised to include one additional fatality. This was because a person involved in an accident in 2013 died in 2014.

### Breakdown of Fatal Accidents in 2014 (AGC Group)

Area	Employees	Business Partners	Third Parties
Japan	0	0	0
Asia other than Japan	0	0	0
Europe	0	0	0
North America	0	0	0

### Trend in Frequency Rate for Accidents Requiring Leave (Asahi Glass including Business Partners)



### Number of Occupational Accidents in 2014<sup>1</sup> (AGC Group including Business Partners in Asia including Japan)

Type	Japan		Group companies in Asia other than Japan	Total
		Major sites <sup>1</sup>		
Fatalities	0(0)	0(0)	0(0)	0(0)
Accidents requiring leave	10(13)	5(6)	10(7)	20(20)
Accidents not requiring leave	16(18)	9(10)	6(4)	22(22)
Minor injuries	Not counted	26(29)	Not counted	26(29)
<b>Total</b>	<b>52(60)</b>	<b>40(45)</b>	<b>16(11)</b>	<b>68(71)</b>

**Note** The figures in parentheses represent the numbers of occupational accidents in 2013.

<sup>1</sup> The numbers are totaled for Asahi Glass and some Group companies in Japan.



# The Environment

The AGC Group has introduced a CSR Monitoring Framework based on ISO 26000. Accordingly, the Group provides information for stakeholders via its CSR Website and other means, reporting on its targets and results in connection with the material issues specified in the Matrix of CSR Issues designated in this monitoring framework, namely “Issues for which a framework is to be developed and a commitment made to society.”

The AGC Group has examined the materiality of each issue by corresponding to Related Actions and Expectations of ISO 26000, and designated selected material issues to correspond to the ISO 26000 core subjects of the Environment. The reasons for selecting these material issues are as follows.

## Material Issues

<p>ISO 26000 Issue</p>	<p><b>Prevention of pollution</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>• Identify the impacts of its decisions and activities on the environment</li> <li>• Identify the sources of pollution and waste related to the activities</li> <li>• Measure, record and report on its significant sources of pollution and reduction of pollution, water consumption, waste generation and energy consumption</li> <li>• Implement measures aimed at preventing pollution and waste and properly manage unavoidable pollution and waste</li> <li>• Prepare an environmental accident prevention program and an emergency plan involving workers, authorities, local communities and other relevant stakeholders</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>The problems of environmental impact and waste stemming from corporate activity affect the environment of surrounding areas in a variety of ways, and society is growing more concerned about them.</p> <p>Recognizing that its operations have considerable impact on the environment, the AGC Group identifies Environment as one of the four Shared Values in its Group Vision, <b>“Look Beyond”</b>, and is focusing on reducing its environmental load and preventing pollution.</p>
<p>ISO 26000 Issue</p>	<p><b>Sustainable resource use</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>• Identify the sources of energy, water and other resources used</li> <li>• Measure, record and report on its significant uses of energy, water and other resources</li> <li>• Implement measures to reduce its use of energy, water and other resources</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>As the world economy develops, resource procurement risks are becoming apparent on a global scale. Risks are particularly marked in energy and water procurement, and in rare metals which are supplied by only a few regions.</p> <p>With an awareness of the large amount of natural resource and energy usage in its business activities, the AGC Group recognizes that making efficient use of limited resources and energy is important.</p>
<p>ISO 26000 Issue</p>	<p><b>Climate change mitigation and adaptation</b></p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> <li>• Identify the sources of direct and indirect GHG emissions and define the scope of its responsibility</li> <li>• Measure, record and report on its significant GHG emissions, preferably using methods defined in internationally agreed standards</li> <li>• Implement measures to reduce the direct and indirect GHG emissions within its sphere of influence</li> <li>• Realize energy savings by purchasing of energy efficient goods and development of energy efficient products</li> </ul>
<p>Reasons for Selection of Material Issues</p>	<p>The interest of society in corporate initiatives regarding climate change issues is rising, to the extent that corporations are being requested to disclose their strategies for climate change and their specific amount of greenhouse gas emissions.</p> <p>The AGC Group does more than simply work to reduce the greenhouse gas emissions generated in its production processes. It develops and sells energy-saving and energy-creating products under the slogan of encouraging greenhouse gas reduction over the lifecycle of products, viewing these and other efforts to mitigate climate change as important.</p>

## 2014 Activity Results for Material Issues

ISO 26000 Issue	Prevention of pollution	Sustainable resource use	Climate change mitigation and adaptation
<b>ISO 26000 related actions and expectations</b>	<ul style="list-style-type: none"> <li>Identify the impacts of its decisions and activities on the environment</li> <li>Identify the sources of pollution and waste related to the activities</li> <li>Measure, record and report on its significant sources of pollution and reduction of pollution, water consumption, waste generation and energy consumption</li> <li>Implement measures aimed at preventing pollution and waste and properly manage unavoidable pollution and waste</li> <li>Prepare an environmental accident prevention program and an emergency plan involving workers, authorities, local communities and other relevant stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Identify the sources of energy, water and other resources used</li> <li>Measure, record and report on its significant uses of energy, water and other resources</li> <li>Implement measures to reduce its use of energy, water and other resources</li> </ul>	<ul style="list-style-type: none"> <li>Identify the sources of direct and indirect GHG emissions and define the scope of its responsibility</li> <li>Measure, record and report on its significant GHG emissions, preferably using methods defined in internationally agreed standards</li> <li>Implement measures to reduce the direct and indirect GHG emissions within its sphere of influence</li> <li>Realize energy savings by purchasing of energy efficient goods and development of energy efficient products</li> </ul>
<b>P 2014 targets</b>	<p><b>Promoting risk reduction and preventive measures</b></p> <ul style="list-style-type: none"> <li>Based on the results of the Serious Accident Eradication Project, incorporate into each division's unique industrial safety and security activities, and develop preventative measures</li> </ul> <p><b>Promote Zero-landfill (waste) across the Group</b></p> <ul style="list-style-type: none"> <li>By 2020, reduce the total amount of waste generated by basic unit<sup>1</sup>, and promote waste reduction initiatives in order to achieve Zero-landfill<sup>2</sup> across the entire Group</li> </ul>	<p><b>Promotion of sustainable resource use</b></p> <ul style="list-style-type: none"> <li>Set mid- to long-term targets for renewable resource usage rates and promote reuse initiatives</li> </ul>	<p><b>Contributions through business initiatives regarding environmental and energy issues</b></p> <ul style="list-style-type: none"> <li>Promote activities to lower the level of the AGC Environmental Indicator for greenhouse gases to 1.3 or less</li> <li>By 2015, reduce energy use per unit area of main offices in Japan, Europe and the Americas by 25% compared to 2011 levels.</li> <li>Achieve an environment-related sales ratio of 19% by 2015, and of 30% by 2020</li> </ul>
<b>D 2014 major initiative results</b>	<ul style="list-style-type: none"> <li>Based on the results of the Project, each division promoted industrial safety and security activities. (Ex: Re-inspection for chemical facilities<sup>3</sup> was newly initiated as a follow-up for the Explosions and Leaks subcommittee.)</li> <li>The global recycling rate was 96.7% (96.7% in 2013)</li> </ul>	<ul style="list-style-type: none"> <li>Established mid- to long-term targets regarding the improvement of renewable resource usage rates. (For details, see 2015 targets.)</li> </ul>	<ul style="list-style-type: none"> <li>The AGC Environmental Indicator for greenhouse gases was 1.8</li> <li>Through energy saving projects, utilities at main manufacturing sites in Japan were reduced by the equivalent of approximately 25% of the amount of electricity used in the base year (2012).</li> <li>Reduced energy use per unit area of main offices in Japan, Europe and the Americas by 31.5% from 2011 levels.</li> <li>Environment-related sales ratio was 16% (15% in 2013)</li> <li>Formulated a slogan for CO<sub>2</sub> emissions avoided through environment-related products (see 2015 targets for details).</li> </ul>
<b>C Self-evaluation<sup>4</sup></b>	<div style="background-color: #008000; color: white; padding: 5px; margin: 5px auto; width: 30px;">A</div> <div style="background-color: #008000; color: white; padding: 5px; margin: 5px auto; width: 30px;">B<sup>5</sup></div>	<div style="background-color: #008000; color: white; padding: 5px; margin: 5px auto; width: 30px;">A</div>	<div style="background-color: #008000; color: white; padding: 5px; margin: 5px auto; width: 30px;">A</div>
<b>A 2015 targets</b>	<p><b>Promoting risk reduction and preventive measures</b></p> <ul style="list-style-type: none"> <li>In response to the ISO14001-2015 revisions, further evolve risk assessment, industrial safety and security, and chemical substance responses.</li> </ul> <p><b>Promote Zero-landfill (waste) across the Group</b></p> <ul style="list-style-type: none"> <li>By 2020, reduce the total amount of waste generated by basic unit, and promote waste reduction initiatives in order to achieve Zero-landfill across the entire Group</li> </ul>	<p><b>Promotion of sustainable resource use</b></p> <ul style="list-style-type: none"> <li>Promote the use of cullet as raw material for glass in order to reduce CO<sub>2</sub> emissions by 175,000 tons by 2020<sup>6</sup> through the use of glass cullet (excluding those generated in the glass melting process)</li> <li>Set water-related mid- and long-term targets.</li> </ul>	<p><b>Contributions through business initiatives regarding environmental and energy issues</b></p> <ul style="list-style-type: none"> <li>Promote activities to lower the level of the AGC Environmental Indicator for greenhouse gases to 1.3 or less.</li> <li>Continue to achieve 25% reduction in energy use per unit area in main offices in Japan, Europe and the Americas (compared to 2011 levels) in 2015.</li> <li>Promote the development and supply of energy-saving and energy-creating products based on the slogan that the AGC Group, through its products, will enable avoidance of over six times AGC Group's own annual CO<sub>2</sub> emissions in 2020.</li> </ul>

<sup>1</sup> The amount of waste generated for the amount of resources invested. <sup>2</sup> Zero-landfill is defined as recycling more than 99% of waste.  
<sup>3</sup> Implement new risk assessment for all chemical plant facilities, including pre-existing plants, in addition to new facilities.  
<sup>4</sup> Criteria for Self-evaluation: **A**: Satisfactory level, in which the intended target has been achieved **B**: Almost satisfactory level, in which a part of the intended target has not yet been achieved and some issues still remain **C**: Unsatisfactory level, in which the intended target has not been achieved  
<sup>5</sup> Reason for B evaluation: Global recycling rate was approximately the same and some regions lag behind in recycling.  
<sup>6</sup> Because cullet can be melted with less energy than silica sand and other natural materials, they lead to reduced CO<sub>2</sub> emissions in the manufacturing process.

## Environmental Management

<http://www.agc.com/english/csr/env/act/mng.html>

### AGC Group Basic Environmental Policy

Established on February 9, 2001 and revised on June 25, 2008

#### Basic Policy

The AGC Group has designated environmental activities as one of the Shared Values in the Group Vision, **“Look Beyond”** with the awareness of large amount of natural resources and energy usage in its activities.

As a global material and component provider, we shall contribute to the development of a sustainable society through:

- effective use of limited natural resources and energy, and
- consideration of the influence of our activities on the natural environment including climate change and biological diversity.

#### Slogan

Play your part as a responsible citizen in creating a better environment.

#### Guidelines for Environmental Activities

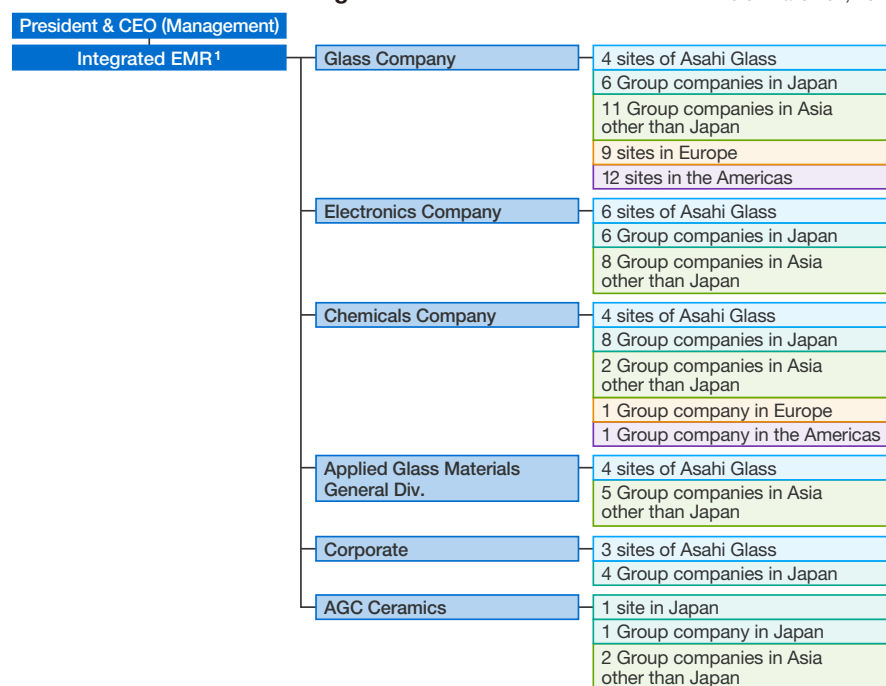
The AGC Group will implement environmental activities based on the following Guidelines throughout our business activities.

1. We will make continuous improvements based on the Integrated Environmental Management System.
2. We will comply with all regulations and standards prescribed by environmental laws, ordinances, treaties and agreements.
3. We will take steps to reduce environmental impact and to prevent pollution. We will set voluntary targets as regards resource conservation, global-warming countermeasures, waste reduction and recycling, and the proper control of chemicals. We will work to accomplish these goals while making further improvements.
4. We will develop and provide eco-conscious products, technologies, services, and facilities for society in all areas of our activities.
5. We will actively communicate with society to foster an appropriate understanding of all aspects of our environmental activities.

The AGC Group Basic Environmental Policy is disclosed to the public.

### Promotion Structure of Integrated EMS

As of March 31, 2015



### ISO 14001-Certified Manufacturing Plants

As of December 31, 2014

Region	No. of manufacturing plants	No. of certified manufacturing plants (No. of plants incorporated into the Integrated EMS)
Asahi Glass	12	12 (12)
Group companies in Japan	95	71 (68)
Group companies in Asia other than Japan	36	34 (31)
Group companies in Europe	91	54 (9)
Group companies in the Americas	22	11 (10)
<b>Total</b>	<b>256</b>	<b>182 (130)</b>

**Note** As for non-manufacturing sites, a total of 100 locations are ISO 14001-certified (including the Integrated EMS).

**Note** For plants and Group companies belonging to more than one In-house Company/SBU, the above numbers are indicated per In-house Company/SBU in duplication.

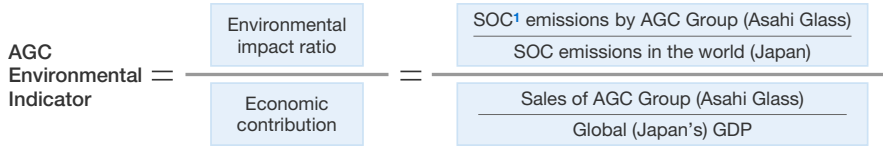
**Note** Organizations incorporated into the Integrated EMS are each ISO 14001-certified, undergoing examinations by an external certification body based on the same examination criteria. (As of the end of March 2015. Some sites are undergoing audits by external certification bodies, and are acquiring certification through the promotion systems outlined above.)

<sup>1</sup> Environmental Management Representative

## Assessing Environmental Impact (Environmental Impact/Environmental Accounting)

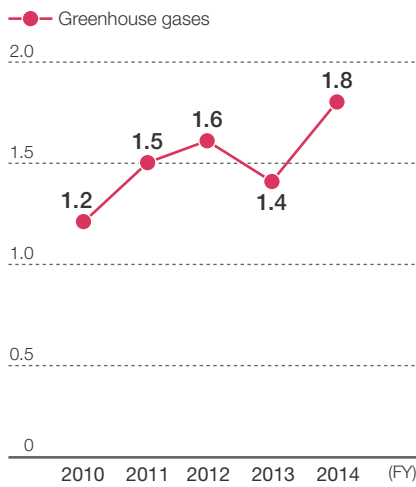
<http://www.agc.com/english/csr/env/act/co2.html>

### AGC Environmental Indicator Calculation Method

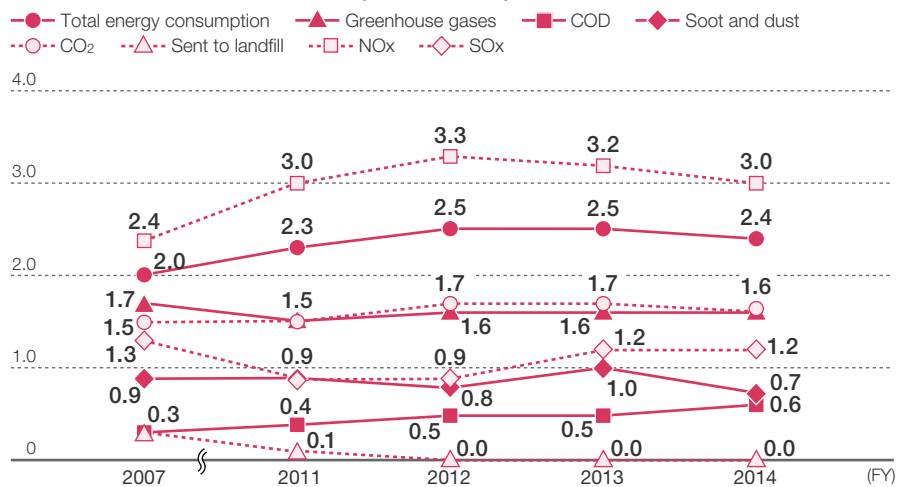


<sup>1</sup> Substance of concern

### AGC Environmental Indicator (AGC Group)

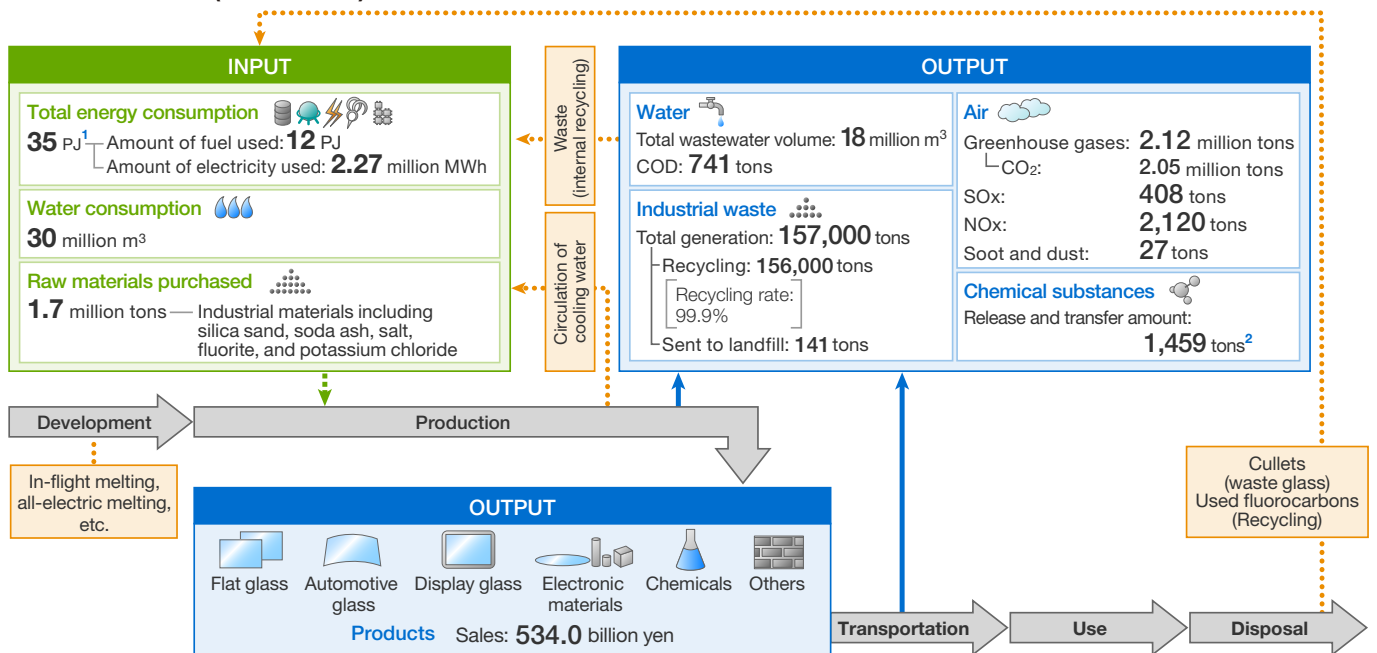


### AGC Environmental Indicator (Asahi Glass)



Note At present, the Group is implementing improvements based on 2007 actual results.

### Material Balance (Asahi Glass)



Note Due to rounding, the percentage sum for each item does not necessarily amount to 100%.

Note For detailed environmental performance data, please refer to the Environment section on the Web site and to the CSR Information Supplement (this PDF).

<sup>1</sup> PJ (peta joule) = 10<sup>15</sup> J (joule)

<sup>2</sup> Total emissions of substances regulated by the PRTR Act (in 2013)

## Assessing Environmental Impact (Environmental Impact/Environmental Accounting)

<http://www.agc.com/english/csr/env/act/co2.html>

### Environmental Conservation Cost (AGC Group)

(Millions of yen)

	Investment	Cost
2014	10,020	45,590

**Note** Some data used in the environmental conservation cost calculation process, is estimated based on actual performance data from Asahi Glass.

### Environmental Conservation Benefits<sup>1</sup>

Item	Change in environmental impact <sup>2</sup>	Simple Y-to-Y change	Sales-corrected change <sup>3</sup>
Total energy consumption	3 PJ	2%	2%
CO <sub>2</sub> emissions	180,000 t	2%	2%
Greenhouse gas emissions	180,000 t-CO <sub>2</sub>	2%	2%
Waste sent to landfill	1,000 t	5%	4%
COD emissions	-50 t	-2%	-2%
SOx emissions	-250 t	-3%	-3%
NOx emissions	-7,200 t	-21%	-21%
Soot and dust emissions	-372 t	-38%	-37%

<sup>1</sup> Change in environmental impact and simple Y-to-Y change: A positive figure indicates an increase and a negative figure indicates a decrease in environmental impact from the previous year's level.

<sup>2</sup> Change in environmental impact = (2014 output volume) - (2013 output volume)

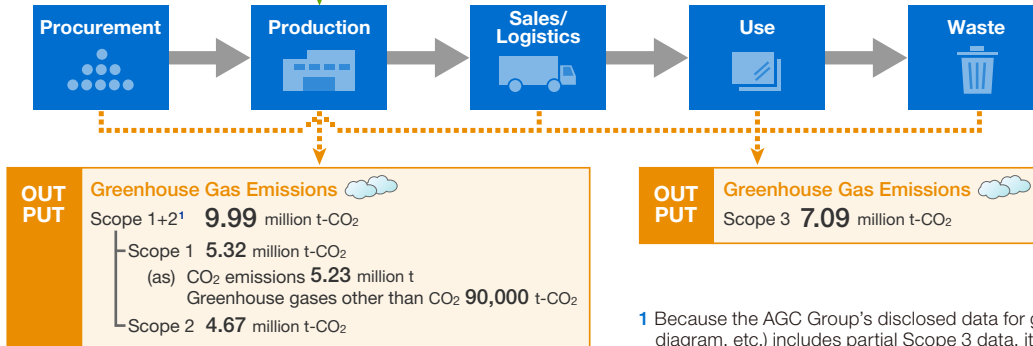
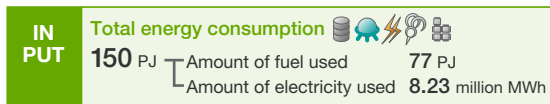
<sup>3</sup> Sales-corrected change = Simple Y-to-Y change/Y-to-Y sales ratio

AGC Group Y-to-Y sales ratio = (2014 sales)/(2013 sales) = 13,483/13,200 = 1.02

## Response to Climate Change

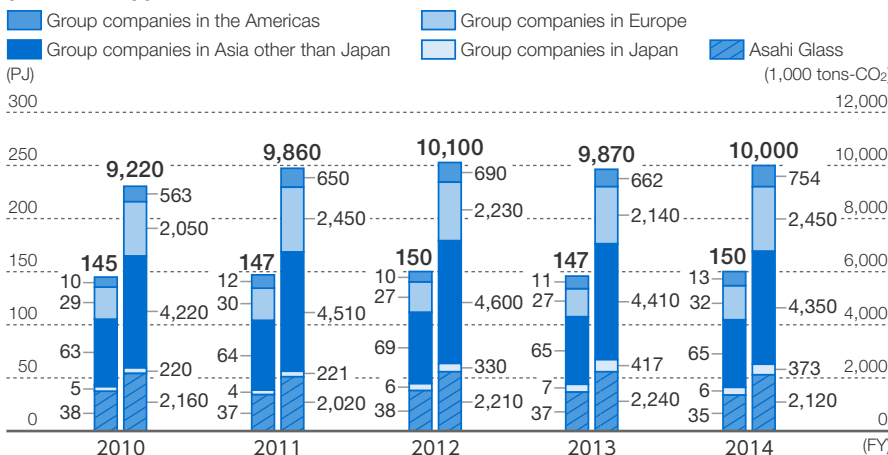
<http://www.agc.com/english/csr/env/act/gas.html>

### 2014 Energy-Related Material Balance (AGC Group)



<sup>1</sup> Because the AGC Group's disclosed data for greenhouse gas emissions (the following diagram, etc.) includes partial Scope 3 data, it differs from the values for Scope 1 + 2.

### Total Energy Consumption (Left) and Greenhouse Gas Emissions (Right) (AGC Group)



**Note** Due to rounding, the percentage sum for each item does not necessarily amount to 100%.

### Trends in Energy-Related Data in Production Processes (AGC Group)

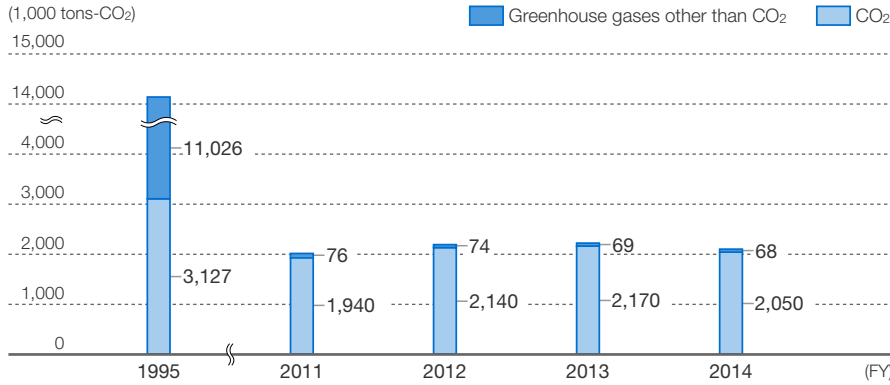
Input	2013	2014
Electricity used (million MWh)	8.12	8.23
Fuel used (PJ)	75	77

Output	2013	2014
GHG Emissions: Scope 1 (million t-CO <sub>2</sub> )	5.27	5.32
GHG Emissions: Scope 2 (million t-CO <sub>2</sub> )	4.55	4.67
CO <sub>2</sub> Emissions: Scope 1+2 (million t)	9.73	9.90

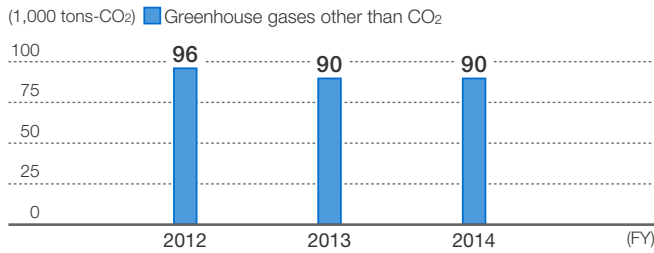
## Response to Climate Change

<http://www.agc.com/english/csr/env/act/gas.html>

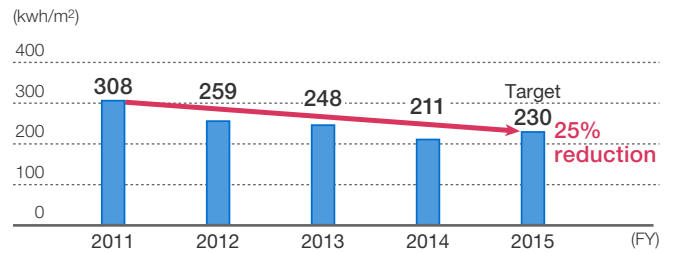
### Greenhouse Gas Emissions (Asahi Glass)



### Emission of Greenhouse Gases Other than CO<sub>2</sub> (AGC Group)



### Reduction in Office Energy Use per Unit Area



Note Applies to major office buildings in Japan, Europe and the Americas.

### Scope 3 Greenhouse Gas Emissions (AGC Group)

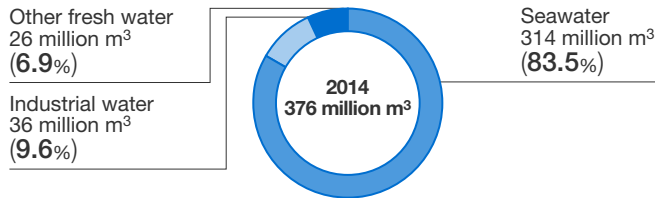
FY	Scope 3
2013 (million t-CO <sub>2</sub> )	6.89
2014 (million t-CO <sub>2</sub> )	7.09

Note Scope 3 calculations are performed for the following categories (items): Purchased goods and services; capital goods; fuel and energy-related activities not included in Scopes 1 or 2; upstream transportation and distribution; waste generated in operations; business travel; employee commuting; use of sold products; end-of-life treatment of sold products; and investments.

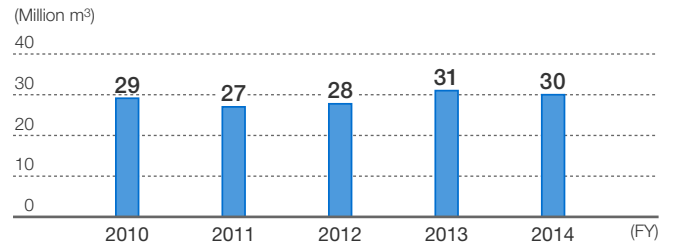
## Effective Use of Water Resources and the Prevention of Water Pollution

<http://www.agc.com/english/csr/env/act/water.html>

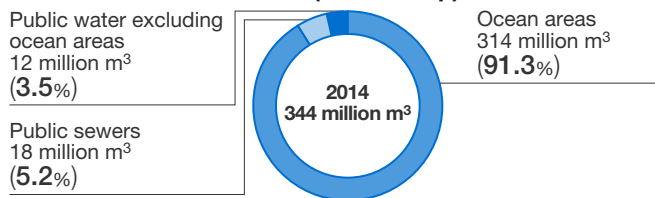
### Total Water Intake Volume (AGC Group)



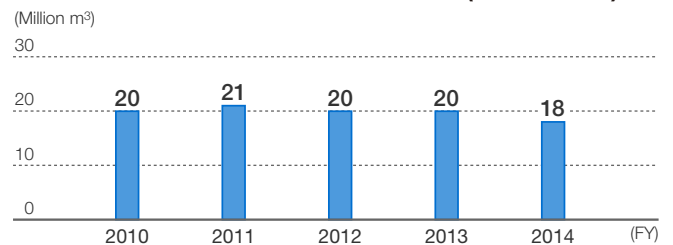
### Trends in Total Water Intake Volume (Asahi Glass)



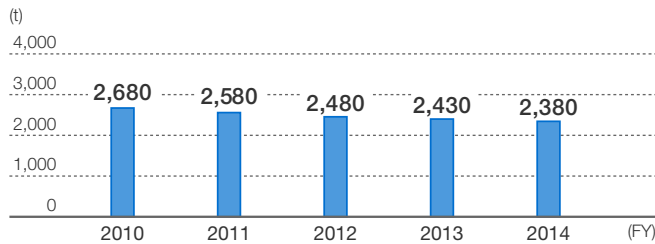
### Total Wastewater Volume (AGC Group)



### Trends in Total Amount of Wastewater (Asahi Glass)



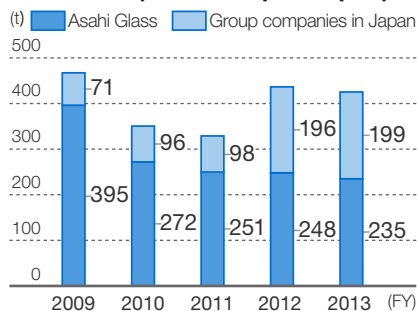
### COD Emissions (AGC Group)



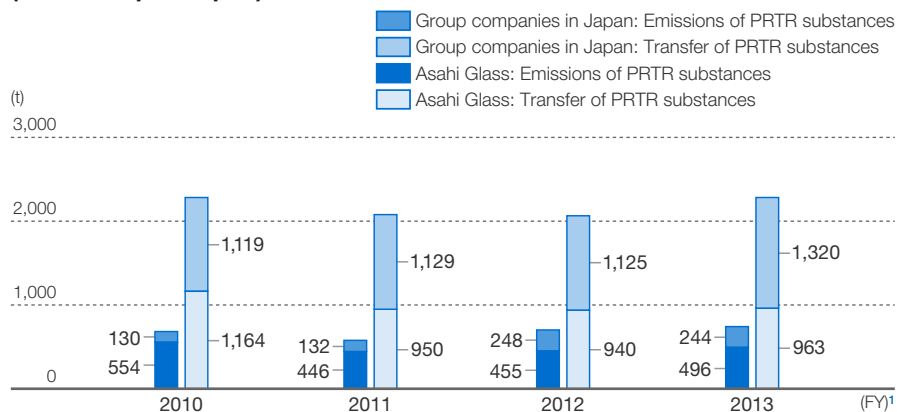
## Chemical Substances Management

<http://www.agc.com/english/csr/env/act/chemical.html>

### Volatile Organic Compound (VOC) Emissions (AGC Group in Japan)



### Emissions and Transfer of Substances Regulated by the PRTR Act (AGC Group in Japan)



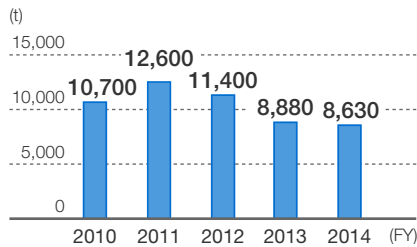
1 Target period: April to March



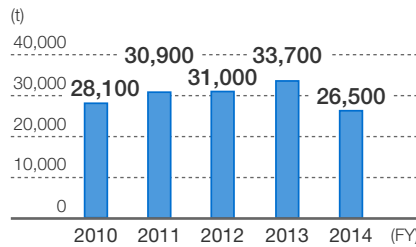
## Pollution Prevention

<http://www.agc.com/english/csr/env/act/pollution.html>

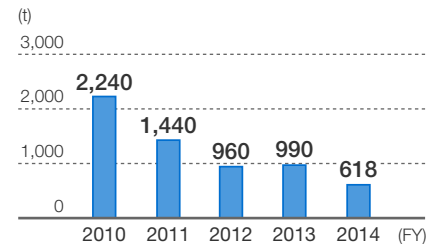
### SOx Emissions (AGC Group)



### NOx Emissions (AGC Group)



### Soot and Dust Emissions (AGC Group)



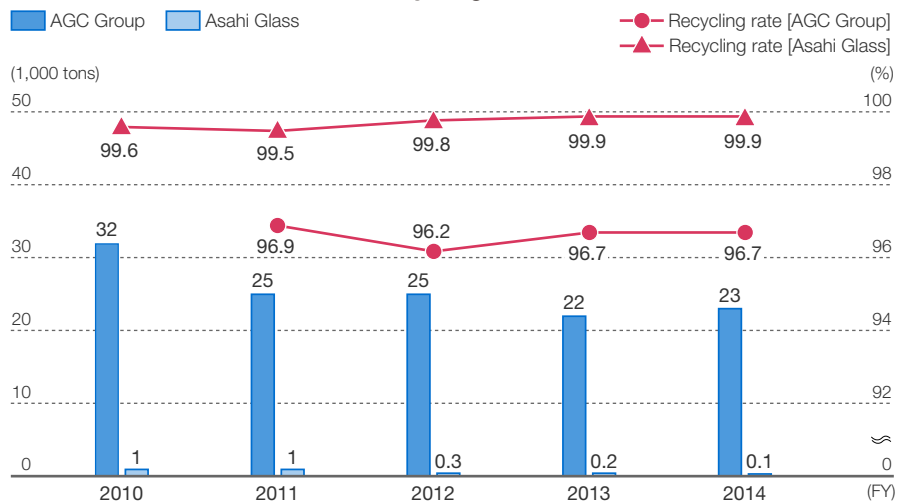
## Sustainable Use of Resources

<http://www.agc.com/english/csr/env/act/waste.html>

### Total Volume of Waste Generated (AGC Group)

FY	Total volume of waste generated
2013 (1,000 t)	664
2014 (1,000 t)	675

### Waste Sent to Landfill and the Recycling Rates



### Reductions in CO<sub>2</sub> Emissions Through Use of Glass Cullet<sup>(Note)</sup>

FY	AGC Group	Asahi Glass
2014 (1,000 t-CO <sub>2</sub> )	178	41
2020 (Target) (1,000 t-CO <sub>2</sub> )	175	60

**Note** Excludes those generated in glass melting processes

## Industrial Safety & Security

<http://www.agc.com/english/csr/env/security.html>

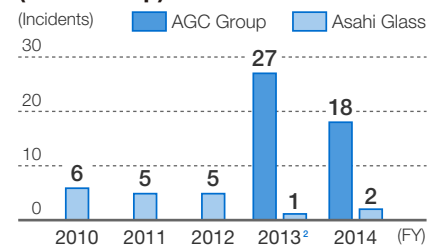
### AGC Group Basic Industry Safety & Security Policy

Established on February 7, 2003 and revised on March 28, 2008

The AGC Group, in the pursuit of **“Look Beyond”** carries out the following activities for industrial safety & security under the principle that industrial safety and site safety are part of its responsibility towards the local community as a corporate citizen.

1. The AGC Group shall comply with all laws, ordinances, treaties and standards etc. concerning industrial safety and securities, both nationally and locally.
2. The AGC Group shall carry out activities for industrial safety & security to prevent accidents or disaster from occurring, and shall strive for continual improvement.
3. The AGC Group shall make efforts to communicate with stakeholders such as the local community.

### Trends in Number of Fires (AGC Group)<sup>1</sup>



- <sup>1</sup> Fires included in the total figures are those that required fire extinguishing, from small fires put out with a single fire extinguisher to larger fires put out by a municipal fire department.
- <sup>2</sup> Collection of worldwide data began from 2013. Some Group companies in Europe were not subject to data collection.



# Fair Operating Practices

The AGC Group has introduced a CSR Monitoring Framework based on ISO 26000. Accordingly, the Group provides information for stakeholders via its CSR Website and other means, reporting on its targets and results in connection with the material issues specified in the Matrix of CSR Issues designated in this monitoring framework, namely “Issues for which a framework is to be developed and a commitment made to society.”

The AGC Group has examined the materiality of each issue by corresponding to Related Actions and Expectations of ISO 26000, and designated selected material issues to correspond to the ISO 26000 core subjects of Fair Operating Practices. The reasons for selecting these material issues are as follows.

## Material Issues

<p><b>ISO 26000 Issue</b></p>	<p><b>Anti-corruption</b></p>
<p><b>ISO 26000 related actions and expectations</b></p>	<ul style="list-style-type: none"> <li>• Identify the risks of corruption and implement and maintain policies and practices that counter corruption</li> <li>• Provide commitment, encouragement and oversight for policy implementation regarding anti-corruption by top management</li> <li>• Raise awareness of corruption and preventative measures among employees, representatives, contractors and suppliers</li> <li>• Establish and maintain an effective anti-corruption system</li> <li>• Adopt mechanisms to report and follow up on information regarding violations</li> <li>• Promote the introduction of anti-corruption practices in the value chain</li> </ul>
<p><b>Reasons for Selection of Material Issues</b></p>	<p>With anti-corruption given as one of the United Nations Global Compact’s ten principles, European and American laws and regulations related to anti-corruption are being strengthened, the exposure of corruption is advancing, particularly in fast-growing countries, and society’s interest in corporate initiatives for anti-corruption is rising.</p> <p>The AGC Group operates in approximately 30 countries and regions, and views efforts regarding anti-corruption in these countries and regions as important.</p>
<p><b>ISO 26000 Issue</b></p>	<p><b>Fair competition</b></p>
<p><b>ISO 26000 related actions and expectations</b></p>	<ul style="list-style-type: none"> <li>• Conduct activities in a manner consistent with competition laws and regulations, and cooperate with the appropriate authorities</li> <li>• Establish procedures to prevent engaging in anti-competitive behavior</li> <li>• Train employees on the importance of competition legislation and fair competition</li> </ul>
<p><b>Reasons for Selection of Material Issues</b></p>	<p>In recent years many countries, including fast-growing nations, have strengthened their regulations and enforcement regarding antitrust laws, and there is strong demand for corporate compliance.</p> <p>Due to the features of its business (a large share or an oligopolistic industry) and having received orders of payment for surcharges from the authorities concerned in the past, the AGC Group is aware that antitrust law violations pose a major risk to its business activities, and views efforts regarding antitrust law compliance as important.</p>
<p><b>ISO 26000 Issue</b></p>	<p><b>Promoting social responsibility in the value chain</b></p>
<p><b>ISO 26000 related actions and expectations</b></p>	<ul style="list-style-type: none"> <li>• Integrate ethical, social, environmental and gender equality criteria and health and safety in its purchasing, distribution and contracting policies</li> <li>• Carry out appropriate due diligence and monitoring of the organizations with which it has relationships</li> </ul>
<p><b>Reasons for Selection of Material Issues</b></p>	<p>As corporate supply chains expand globally, society is showing a growing interest in social problems regarding human rights and environmental issues in developing nations.</p> <p>As a corporation that contributes to the realization of a sustainable society, the AGC Group works with business partners on initiatives intended to resolve social issues regarding human rights, labor practices and the environment, and views the promotion of social responsibility within its supply chain as important.</p>

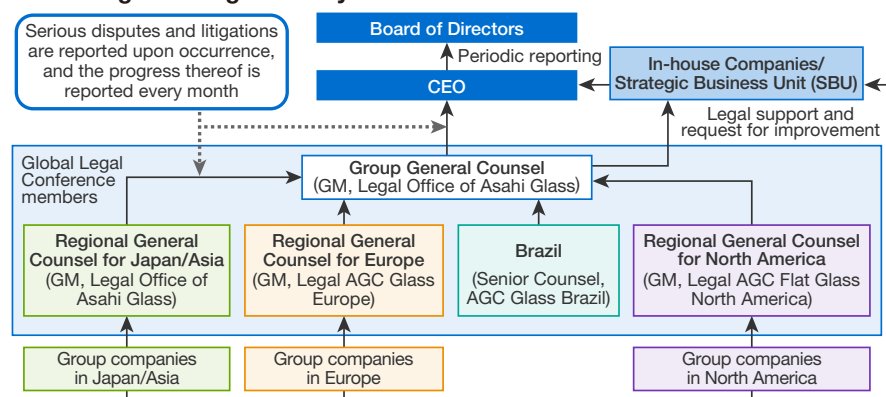
## 2014 Activity Results for Material Issues

ISO 26000 Issue	Anti-corruption	Fair competition	Promoting social responsibility in the value chain
<b>ISO 26000 related actions and expectations</b>	<ul style="list-style-type: none"> <li>Identify the risks of corruption and implement and maintain policies and practices that counter corruption</li> <li>Provide commitment, encouragement and oversight for policy implementation regarding anti-corruption by top management</li> <li>Raise awareness of corruption and preventative measures among employees, representatives, contractors and suppliers</li> <li>Establish and maintain an effective anti-corruption system</li> <li>Adopt mechanisms to report and follow up on information regarding violations</li> <li>Promote the introduction of anti-corruption practices in the value chain</li> </ul>	<ul style="list-style-type: none"> <li>Conduct activities in a manner consistent with competition laws and regulations, and cooperate with the appropriate authorities</li> <li>Establish procedures to prevent engaging in anti-competitive behavior</li> <li>Train employees on the importance of competition legislation and fair competition</li> </ul>	<ul style="list-style-type: none"> <li>Integrate ethical, social, environmental and gender equality criteria and health and safety in its purchasing, distribution and contracting policies</li> <li>Carry out appropriate due diligence and monitoring of the organizations with which it has relationships</li> </ul>
<b>P 2014 targets</b>	<b>Reinforcement of anti-corruption training and auditing</b> <ul style="list-style-type: none"> <li>Implement anti-corruption training and education in main Asian countries</li> <li>Include bribery prevention systems as an audit item of global priority and conduct internal audits.</li> </ul>	<b>To further strengthen training and audit for compliance with antitrust laws</b>	<b>Promote social responsibility across the supply chain</b> <ul style="list-style-type: none"> <li>Disseminate the AGC Group Purchasing Policy to its suppliers and expand measures determining policy adherence to major business partners in Europe and North America.</li> </ul>
<b>D 2014 major initiative results</b>	<ul style="list-style-type: none"> <li>Anti-corruption training was implemented for compliance managers and management in Thailand, Indonesia, the Philippines, Taiwan and South Korea. Total attendance was approximately 70.</li> <li>Implemented online training regarding bribes for Asahi Glass's managers.</li> <li>Implemented 45 internal audits, and performed audits with regard to anti-bribery control as one of the global common audit items.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented antitrust law training for approximately 7,000 employees across the Group.</li> <li>Implemented 45 internal audits, and performed audits with regard to antitrust law compliance systems as one of the shared global audit items.</li> </ul>	<ul style="list-style-type: none"> <li>Sent the AGC Report 2014 to 245 business partners, and made the AGC Group Purchasing Policy public.</li> <li>Conducted a CSR Implementation Survey for the major business partners at Group companies in Europe and North America.</li> </ul>
<b>C Self-evaluation<sup>1</sup></b>	<b>A</b>	<b>A</b>	<b>A</b>
<b>A 2015 targets</b>	<b>Reinforcement of anti-corruption training and auditing</b> <ul style="list-style-type: none"> <li>Continuous implementation of anti-corruption training and auditing</li> <li>Audit anti-bribery control as a priority audit item, continuing at the global level.</li> </ul>	<b>To further strengthen training and audit for compliance with antitrust laws</b>	<b>Promote social responsibility across the supply chain</b> <ul style="list-style-type: none"> <li>In addition to maintaining dissemination of the AGC Group Purchasing Policy and a grasp of compliance status with it, examine methods of confirming compliance status.</li> </ul>

<sup>1</sup> Criteria for Self-evaluation **A**: Satisfactory level, in which the intended target has been achieved **B**: Almost satisfactory level, in which a part of the intended target has not yet been achieved and some issues still remain **C**: Unsatisfactory level, in which the intended target has not been achieved

## AGC Group Initiatives (Fair Transactions) [http://www.agc.com/english/csr/fair/fair\\_trading.html](http://www.agc.com/english/csr/fair/fair_trading.html)

### Global Legal Management System



### Measures Implemented in 2014 to Prevent Antitrust Law Violations (AGC Group)

FY	Number of participants in antitrust law training	Number of internal antitrust law compliance audits
2014	Approx. 7,000	45 (Group companies and divisions)

## AGC Group Initiatives (Respect for Property Rights) [http://www.agc.com/english/csr/fair/property\\_right.html](http://www.agc.com/english/csr/fair/property_right.html)

### Self-Checks on Information Security (AGC Group)

FY	Asahi Glass	Group companies in Japan	Group companies in Asia other than Japan	Group companies in Europe	Group companies in North America
2012	4,900	4,000	3,800	- <sup>1</sup>	900
2013	6,500	4,500	4,700	2,500	700
2014	6,400	4,600	4,800	5,000	1,400

Note Approximate figures

<sup>1</sup> Due to a revision in the Group's IT security policy, self-checks were not carried out at Group companies in Europe.

## Promoting Social Responsibility across the Supply Chain

[http://www.agc.com/english/csr/fair/business\\_partner.html](http://www.agc.com/english/csr/fair/business_partner.html)

### AGC Group Purchasing Policy

Established in 2009

AGC Group values the idea of the Group Vision **"Look Beyond"** and the "AGC Group Charter of Corporate Behavior" and will regulate our performances on purchasing which are explicitly stated in the following "AGC Group Purchasing Policy".

#### 1. Basic Purchasing Principle

##### 1. Fair & Equitable trade

Our procurement policy is to consistently search for innovative technologies, product and services with a "Fair" and "Equitable" manner globally.

##### 2. Compliance to related Laws & Regulations, and Pro-environment behavior

AGC Group will comply with the applicable laws and regulations of each country where our procurement takes place, and give due regard to safety and environment.

##### 3. Partnership

AGC Group will establish a long-term, mutual prosperous partnership, based on our shared vision, to produce a better product with our business partners. To this end, we shall endeavor to keep close communication with our business partners to build and enhance our trusting relationship.

##### 4. Protection of information, intellectual property and other assets

AGC Group will properly manage and protect the proprietary information, intellectual property and assets of our business partners while procuring goods and services.

#### 2. Criteria for Selecting Business Partners

AGC Group will apply key criteria to evaluate and select business partners, as follows.

1. Sound management, Steady supply and Flexibility to match with the fluctuating demand.

2. Appropriate Quality, Pricing, Delivery date punctuality and technical service level.

#### 3. Expectation of Business Partners

The AGC Group strives to be a company trusted by all its stakeholders, a company that meets the expectations of the world business community to grow and develop responsibly, and a company that significantly contributes to a healthier global society.

Essentially, CSR activities are performed on voluntary basis initiated by each individual company. However, for the AGC group, to pursue the CSR policy, it is imperative for all the supply-chain linked companies to pursue their individual CSR activities as well. Accordingly, to enable us to jointly work with our business partners, we kindly ask our partners to understand our policy and to cooperate.

The factors related with our Business Partners are,

1. Concentrate to supply products and services with good quality, considering Safety & Environment and Compliance to Laws & Regulations of each country.
2. Secure and proper managing of Proprietary information and Intellectual property.
3. Not to be engaged to forced labor or child labor and never tolerate infringements of human rights.
4. Make efforts to environment preservation and ensuring safety and security.
5. Maintain adequate level of occupational health and safety.

# Consumer Issues

The AGC Group has introduced a CSR Monitoring Framework based on ISO 26000. Accordingly, the Group provides information for stakeholders via its CSR Website and other means, reporting on its targets and results in connection with the material issues specified in the Matrix of CSR Issues designated in this monitoring framework, namely “Issues for which a framework is to be developed and a commitment made to society.”

The AGC Group has examined the materiality of each issue by corresponding to Related Actions and Expectations of ISO 26000, and designated selected material issues to correspond to the ISO 26000 core subject of Consumer Issues. The reasons for selecting these material issues are as follows.

## Material Issues

<b>ISO 26000 Issue</b>	<b>Protecting consumers' health and safety</b>
<b>ISO 26000 related actions and expectations</b>	<ul style="list-style-type: none"> <li>•Under normal and reasonably foreseeable conditions of use, provide products that are safe for users and other persons, their properties and the environment</li> <li>•Assess the adequacy of laws, regulations and standards regarding health and safety (if a response is necessary, it should exceed the minimum safety requirements)</li> <li>•Avoid the use of harmful chemicals in product development. If such chemicals must be included, products should be clearly labeled</li> <li>•Assess and disclose information regarding human health risks before the introduction of new materials, technology or production methods</li> <li>•Convey vital safety information to consumers using symbols</li> <li>•Provide consumers with instructions regarding proper use of products and warnings about the risks that use may entail</li> </ul>
<b>Reasons for Selection of Material Issues</b>	<p>In recent years, as safety consciousness of society grows, the level of consumer product safety required by society has continued to rise.</p> <p>As a materials manufacturer, the AGC Group is aware that promoting solid initiatives for product safety with regard to its own products is important to its business activities.</p>

## 2014 Activity Results for Material Issues

<b>P</b> 2014 targets	<b>Improvement of risk management capabilities with regard to product safety</b>
<b>D</b> 2014 major initiative results	<ul style="list-style-type: none"> <li>•Identified the products and processes which each business division should focus on, set themes tailored to its business content, and improved the level of management.</li> <li>•Completely revised the “Consumer Product Safety Act Working Standards” for business in Japan, and improved the level of product safety management.</li> <li>•No serious product accidents occurred in Japan.</li> </ul>
<b>C</b> Self-evaluation <sup>1</sup>	<b>A</b>
<b>A</b> 2015 targets	<b>Improvement of risk management capabilities with regard to product safety</b> <ul style="list-style-type: none"> <li>•Improve risk management capabilities with regard to product quality</li> <li>•Implement preventive actions with regard to issues that greatly affect business.</li> </ul>

<sup>1</sup> Criteria for Self-evaluation A: Satisfactory level, in which the intended target has been achieved B: Almost satisfactory level, in which a part of the intended target has not yet been achieved and some issues still remain C: Unsatisfactory level, in which the intended target has not been achieved

## Customer Satisfaction (CS) <http://www.agc.com/english/csr/consumer/cs.html>

### Number of Participants in CS Related Training Given in 2014 (AGC Group in Asia including Japan)

Name	Target	Theme	Number of participants
CS Seminar, etc.	Managers and general employees	Basics and tips for CS	97

**Quality Assurance** <http://www.agc.com/english/csr/consumer/qms.html>

**AGC Group Basic Quality Policy**

Established on September 8, 2004 and revised on March 29, 2013

**Basic Policy**

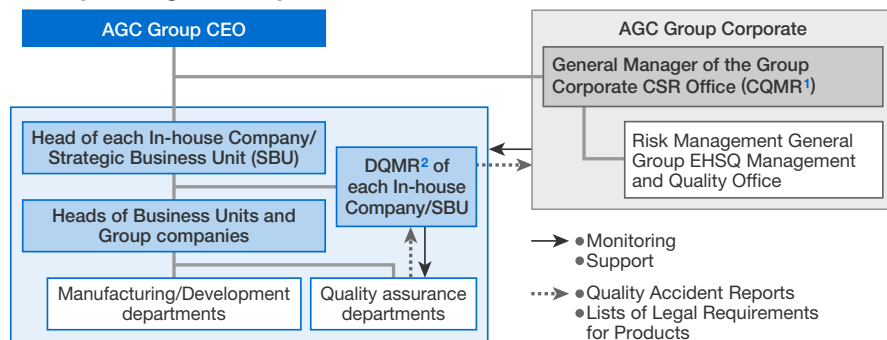
The AGC Group will continue to create the expected value by pursuing “Innovation & Operational Excellence” as one of the Shared Values in the Group Vision “*Look Beyond*”.

**Guidelines for Quality Activities**

Having “Incorporating the concept of CS into daily work processes” as the fundamental of our businesses, we will act to gain trust from our stakeholders including customers, based on the following guidelines.

1. We will provide products and services that conform to the requirements of laws, regulations, and customers.
2. We will ensure and improve the quality of our products and services including appropriate consideration to safety and environment.
3. We all will participate in the continual improvement of effectiveness and efficiency of our quality management, and each of us will individually strive to enhance the value of our work.
4. In order to ensure that the above points are materialized, each will establish individual policy and target, and implement the PDCA cycle.

**Quality Management System**



1 CQMR: Corporate quality management representative  
2 DQMR: Division quality management representative

**Acquisition of ISO 9001 and ISO/TS 16949<sup>1</sup> Certification**

As of the end of December 2014

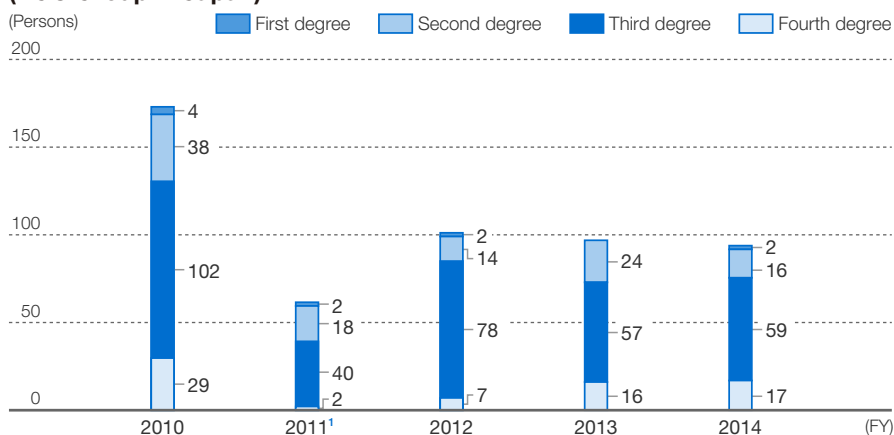
Location	Number of certified organizations
Japan	34
Asia other than Japan	28
Europe	69
North America	13
<b>Total</b>	<b>143</b>

**Note** Percentage of AGC Group employees at the certified organizations: 90.2%  
**1** Standards for quality management systems to be applied in the automotive industry, which requires compliance with the global procurement criteria for automotive parts

**Change in the Number of Reported Serious Product Accidents (AGC Group in Japan)**

FY	Number of cases
2010	0
2011	0
2012	1
2013	1
2014	0

**Number of Employees who Passed the QC Certification Examination (AGC Group in Japan)**



**1** Only one quality control certification exam was held in 2011 due to the Great East Japan Earthquake, which explains the reduction in number of those who passed the exam compared to 2010.

# Community Involvement and Development

## Social Contribution Activities <http://www.agc.com/english/csr/social/index.html>

### AGC Group Social Contribution Basic Policy

Established on February 10, 2010

In its AGC Group Charter of Corporate Behavior, the AGC Group declares it will “strive to be a trusted corporate citizen, fulfilling its responsibilities to the communities in which it does business.” To achieve this, we conduct social contribution activities in three priority areas.

#### Priority Areas

##### 1. Support for the Next Generation

We, as a creator of future value, support the development of children, who will carry the future, helping them to live out their dreams.

##### 2. Harmony with Local Communities

We, as a member of the communities in which we operate, contribute to their sustainable development.

##### 3. Natural Environment Conservation

We, as a global enterprise, contribute to the solution of global environmental problems.

### Total Financial Expenditure on Social Contribution Activities (AGC Group)

FY	Amount
2011 <sup>1</sup>	814 million yen
2012	395 million yen
2013	398 million yen
2014	509 million yen

<sup>1</sup> Due to expenditures related to the Great East Japan Earthquake, the amount is comparatively greater than other years.

### Employee Participation in Social Contribution Activities: 2014 Results (AGC Group)

FY	Number of Employees
2013	21,882
2014	25,586

### Total Expenditures by Category: 2014 Results (AGC Group)

Category	Amount	Rate
Support for the next generation	252 million yen	50%
Harmony with local communities	170 million yen	33%
Natural environment conservation	57.6 million yen	11%
Others	30.2 million yen	6%

### Expenditures by Use: 2014 Results (AGC Group)

Category	Amount	Rate
Donations, material donations	253 million yen	50%
Employee participation and dispatch	122 million yen	24%
Voluntary programs	88.3 million yen	17%
Opening of facilities, acceptance of tours	46.8 million yen	9%



# Communication with Stakeholders

The corporate behavior of the AGC Group is based in its relations, not only with customers, but with all stakeholders, including shareholders, investors, business partners, governments, NPOs/NGOs, local communities, and employees and their families.

To that end, in order to facilitate stakeholder expectations and trust, the Group promotes bilateral communication, in part by establishing various opportunities to utilize comments received from its stakeholders in its management plans.

## AGC Group Communication with Stakeholders

### Customers

- Information dissemination with press releases
- Exhibition booths at trade shows
- AGC studio showroom
- Customer centers Etc.



SID Conference (U.S.)

### Shareholders and Investors

- Regular stockholders' meetings
- Financial settlement briefings
- Information sessions for investors
- Facility tours
- The newsletter for shareholders, AGC Review Etc.



Earnings presentation (Japan)

### Employees and their Families

- The Group's in-house magazine, We are AGC!
- Information over the Intranet
- Opportunities to exchange views directly with the CEO
- Employee satisfaction surveys
- Help Lines
- Labor-management talks Etc.



The Group's in-house magazine, We are AGC!



### Local Communities

- Plant tours, job training
- Employee participation in local events
- Social contribution activities Etc.



Volunteer activities (Russia)

### NPOs/NGOs

- Periodic opinion exchanges
- Cooperation on individual projects Etc.



Site dialogue (Thailand)

### Business Partners

- Satisfaction surveys
- Social gatherings
- Dialogue through the Asahi Glass Supplier's Association Etc.



Meeting with business partners (Japan)

### Governments

- Dialogue through economic organizations and industry associations
- Dialogue and cooperation with local governments
- Social contribution activities Etc.

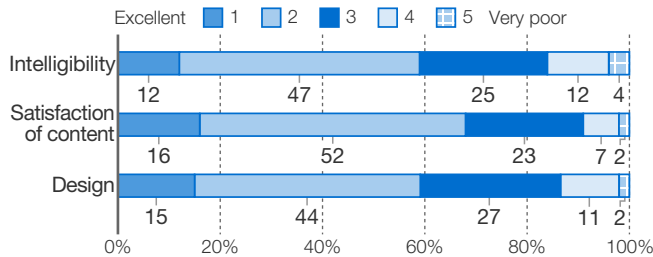


Receiving the CSR-DIW Contribution Award (Thailand)

## We received feedback from Stakeholders via our website.

The AGC Group welcomes your opinions and comments regarding the AGC Report via our website. As of the end of April 2015, the Group had received 460 responses regarding the AGC Report 2014. We take these responses into account to further improve our CSR activities, and use them in the creation of our reports and website.

### Comments on AGC Report 2014

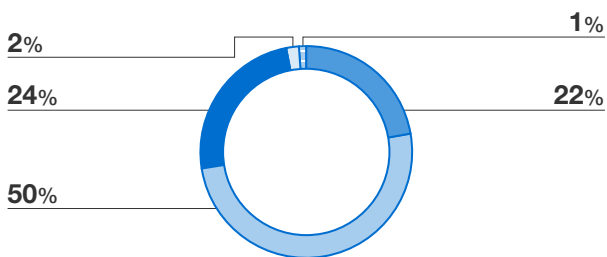


**Note** Due to rounding, the percentage sum does not amount to 100%.

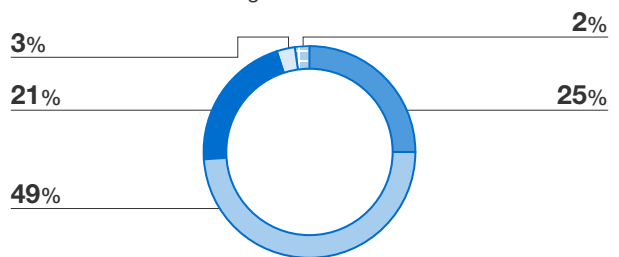
### Feedback on the AGC Group CSR Activities Introduced in the AGC Report 2014

Excellent 1 2 3 4 5 Very poor

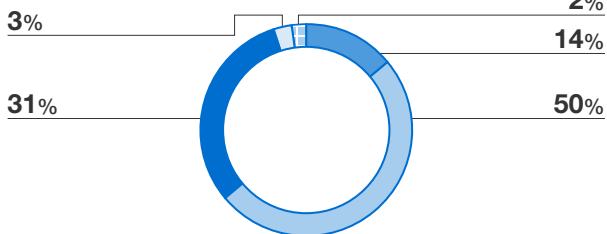
Feedback on Chapter II: For the Earth – Ingenuity in Energy Conservation Goes Global



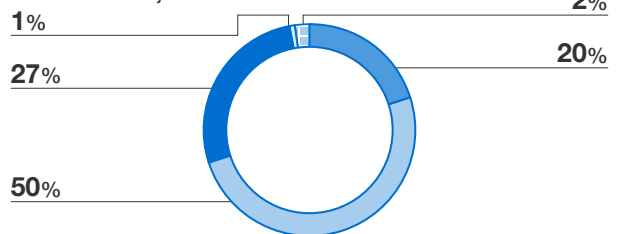
Feedback on Chapter II: For the Earth – Slogan for CO<sub>2</sub> Emissions Avoided through Environmental-related Products



Feedback on Chapter III: For People – Skill Map: A Unique Personnel Database



Feedback on Chapter III: For People – the Serious Accident Eradication Project



**Note** Due to rounding, the percentage sum does not always amount to 100%.

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