



AGC Report
CSR Information
Supplement

2016

Editing Policy

The AGC Report CSR Information Supplement is a data book that complements the non-financial aspect (Sustainability Reporting) of the AGC Report 2016, in which the AGC Group publishes its business strategies and business activities to a broad audience.

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

2015 (Jan.–Dec. 2015)

Some information includes content from both 2014 and 2016

•Organizations Covered in the Report

AGC Asahi Glass and its 204 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 AGC Asahi Glass Co., Ltd.

•AGC 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

August 2016 (Last date of publication: June 2015)

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 the tenets of “Our Mission,” “Our Shared Values” and “Our Spirit” as outlined in the Group Vision **“Look Beyond,”** the AGC Group endeavors to foster trust, meet the expectations of the community, and contribute to the creation of a sustainable society. Further, the Group utilizes ISO 26000, an international standard on social responsibility as a guideline for its global CSR activities in order to establish the AGC Group Charter of Corporate Behavior.

AGC Group Charter of Corporate Behavior

Established on June 1, 2007 and revised on March 9, 2016

Under the tenet of “Our Mission” in the Group vision, **“Look Beyond,”** the AGC 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.

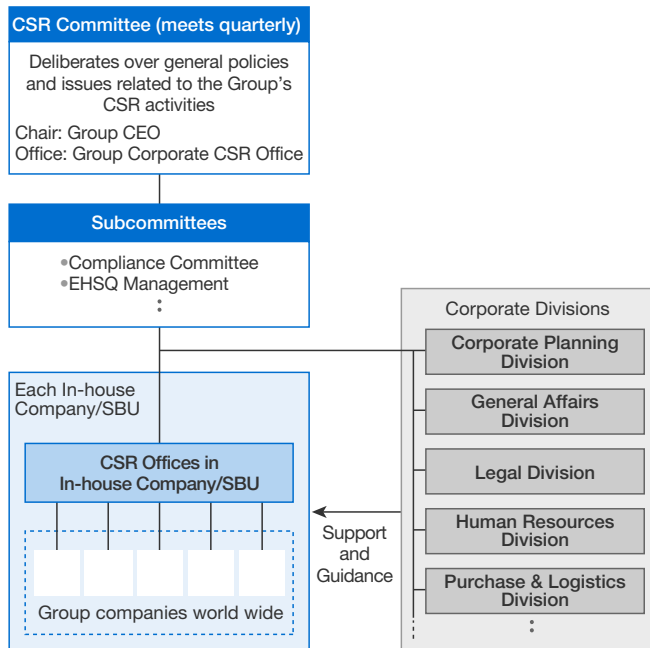
In the case of any behavior contrary to the principles of this Charter, we will work to identify the cause and prevent a recurrence, making it clear to those inside and outside Group companies that the situation is being addressed diligently. We will take appropriate corrective and disciplinary actions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

CSR Promotion System

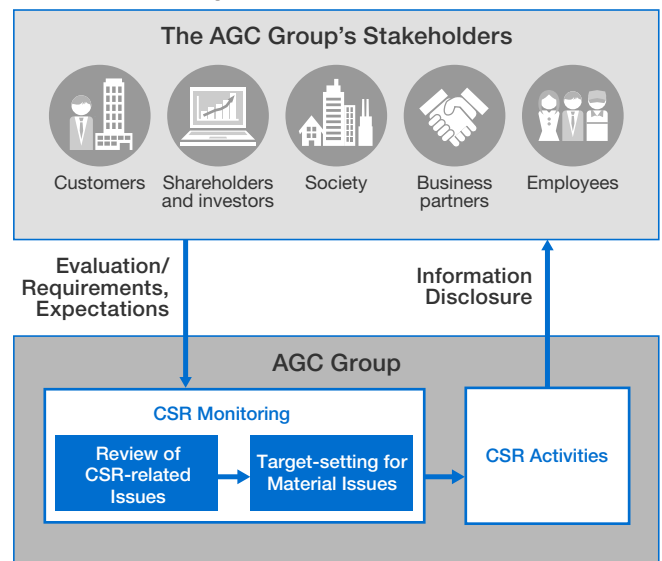
The AGC Group established the CSR Committee in 2005 as an in-house organization dedicated to promoting CSR. On the CSR Committee, the AGC Group CEO presides as the committee chair, while the heads of each business and corporate division deliberate over general policies and issues related to the Group's CSR activities four times annually.

The results of deliberations by the CSR Committee are shared globally across the AGC Group through subcommittees specializing in compliance and Environment, Occupational Health & Safety and Quality (EHSQ) management. These results are then reflected in measures implemented by the Group's In-house Companies and Strategic Business Units (SBUs).

CSR Promotion System



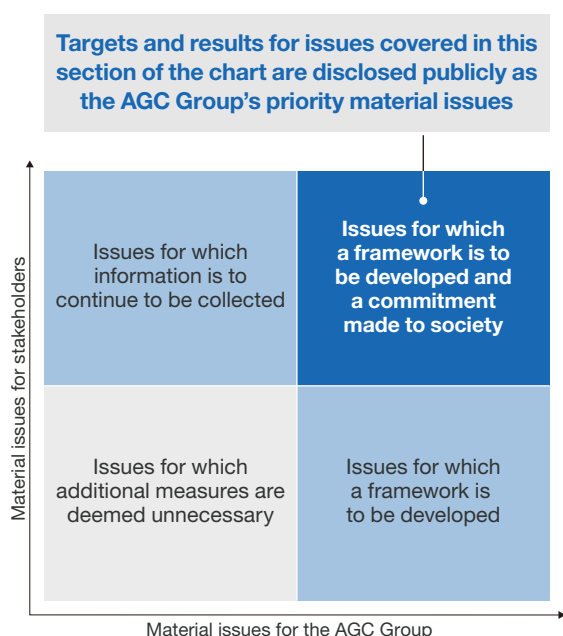
The CSR PDCA Cycle



Formulation of CSR Material Issues

In 2011, the AGC Group began to develop the 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. As a specific initiative, it created a matrix that categorizes four types of CSR issues according to their importance. One of these categories, "issues for which a framework is to be developed and a commitment made to society," is recognized as being important for both the AGC Group and its stakeholders. Accordingly, the Group has designated this category as a priority material issue, and is disclosing related targets and results to stakeholders via the AGC home page.

Matrix of CSR Issues



The AGC Group's Material Issues in Relation to ISO 26000 International Standards

ISO 26000 Items		AGC Group's material issues
Core subjects	Issues	
Organizational Governance	Decision-making processes and structures	Organizational governance
	Conditions of work and social protection	Fair working conditions
Human Rights and Labor Practices	Health and safety at work	Occupational health & safety
	Human development and training in the workplace	Human resource development
The Environment	Prevention of pollution	Pollution prevention
	Sustainable resource use	Sustainable use of resources
	Climate change mitigation and adaptation	Response to climate change
Fair Operating Practices	Anti-corruption	Anti-corruption
	Fair competition	Compliance with antitrust laws
	Promoting social responsibility in the value chain	Social responsibility in the supply chain
Consumer Issues	Protecting consumers' health and safety	Product safety

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>Decision-making processes and structures</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> •Nurture an environment in which the principle of social responsibility (accountability) is practiced •Nurture an environment in which the principle of social responsibility (transparency) is practiced •Nurture an environment in which the principle of social responsibility (ethical behavior) is practiced •Nurture an environment in which the principle of social responsibility (respect for the rule of law) is practiced •Balance the authority, responsibility and ability levels of decision-makers •Periodically review and evaluate the governance process
<p>Reasons for Selection of Material Issues</p>	<p>Organizational governance is the foundation of Core Issues in ISO26000 and is indispensable in the promotion of social responsibility. With legislation regarding disclosure of non-financial information becoming stricter in respective countries and regions, companies are required to improve the transparency and accountability of their activities, adopting ethical behavior voluntarily.</p> <p>The AGC Group recognizes that it is essential to include corporate ethics in all of its business activities in order to continue business operations.</p>

2015 Activity Results for Material Issues

ISO 26000 Issue	Decision-making processes and structures		
ISO 26000 related actions and expectations	<ul style="list-style-type: none"> • Nurture an environment in which the principle of social responsibility (accountability) is practiced • Nurture an environment in which the principle of social responsibility (transparency) is practiced 	<ul style="list-style-type: none"> • Nurture an environment in which the principle of social responsibility (ethical behavior) is practiced • Nurture an environment in which the principle of social responsibility (respect for the rule of law) is practiced 	<ul style="list-style-type: none"> • Balance the authority, responsibility and ability levels of decision-makers • Periodically review and evaluate the governance process
P 2015 targets	<p>Continue to ensure effective communications in and outside the Group</p> <ul style="list-style-type: none"> • 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 AGC plus, in ways that are easier to understand. • Continue to be selected by major SRI Indexes by appropriately responding to the demands of society through communications with stockholders 	<p>Continue to promote compliance</p> <ul style="list-style-type: none"> • Continue to conduct ongoing compliance training and online training programs for Group employees • 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) 	<p>Implementing effective audits and promoting the PDCA cycle</p> <ul style="list-style-type: none"> • 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 • Conduct theme audits on risks related to new product and technology imitations in Asia including Japan, and on risks related to outsourcing in Europe.
D 2015 major initiative results	<ul style="list-style-type: none"> • Communicated business and CSR activities to stakeholders from a cross-Group perspective in easily understandable ways through the AGC Report 2015, which included a special report on the management policy AGC plus • Extensively highlighted the AGC Group's contributions to the environment through upbeat press releases featuring Japan's energy-saving products and the Group's increased capacity to manufacture energy-saving products in Thailand, where products that lower energy use in buildings are increasingly in demand • Continued to be selected by major SRI Indexes, including, for the first time, the FTSE4Good Global Index, as well as Ethibel, MSCI, MS-SRI (Morningstar) 	<ul style="list-style-type: none"> • Implemented compliance training by region. [Results¹] -Online training: Approx. 11,500 employees (Japan), approx. 4,100 employees (Europe and North America) -Classroom training: Approx. 350 employees (Japan), approx. 1,400 employees (Europe and North America) • Approximately 80% of all Group employees is subject to submitting Personal Certifications on the Code of Conduct 	<ul style="list-style-type: none"> • Conducted 52 internal audits in the Group and continued to audit the establishment of frameworks for antitrust law compliance systems, preventing the leakage of confidential information, and prevention of bribery as global audit items. • Implemented theme audits by region. [Results] -Asia including Japan: Audited "initiatives to lower the risks related to new product and technology imitations" (8 organizations and sites in Japan) -Europe: Audited "initiatives to lower the risk related to outsourcing" (4 countries, 6 organizations and sites)
C Self-evaluation	<p style="text-align: center;">A</p>	<p style="text-align: center;">A</p>	<p style="text-align: center;">A</p>
A 2016 targets	<p>Continue to ensure effective communications in and outside the Group</p> <ul style="list-style-type: none"> • Use a variety of communication tools to provide a simple explanation of the AGC Group's initiatives and its stance of unifying and promoting business and CSR activities, together with the new management policy AGC Plus, which outlines the Group's long-term strategy "Vision 2025" • Promote dialogue with shareholders, disclose and provide information on current management policy, business performance, and major initiatives taken by the President & CEO at briefings with investors and general shareholder meetings • Communicate opinions gleaned through dialogue with shareholders to management and relevant in-house departments • Continue to be selected by major SRI Indexes by appropriately responding to the demands of society through communications with stockholders 	<p>Continue to promote compliance</p> <ul style="list-style-type: none"> • Continue to conduct ongoing compliance training and online training programs • Continue to submit Personal Certifications • Continue to expand and regularly conduct awareness surveys 	<p>Implementing effective audits and promoting the PDCA cycle</p> <ul style="list-style-type: none"> • Conduct audits in which compliance with antitrust laws, prevention from confidential information leakage, prevention of bribery and corruption, and securing the credibility of data (added) are set as globally shared items of importance • Conduct audits on the shared themes of information transfer when problems or scandals occur, securing means for consultation, and problems in operation (including the functional status of the internal reporting system)

¹ 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.

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

Attendance Rate of Directors in Board of Directors Meetings

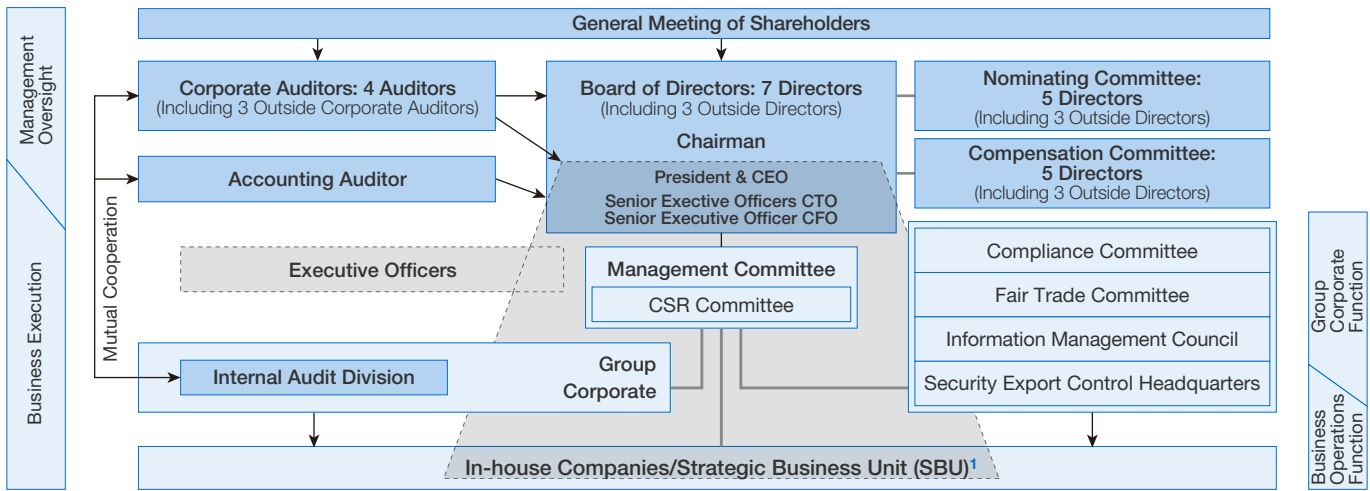
FY	Attendance rate
2013	99%
2014	99%
2015	95%

Attendance Rate of Auditors in Board of Auditors Meetings

FY	Attendance rate
2014	100%
2015	100%

Overview of Corporate Governance Structure

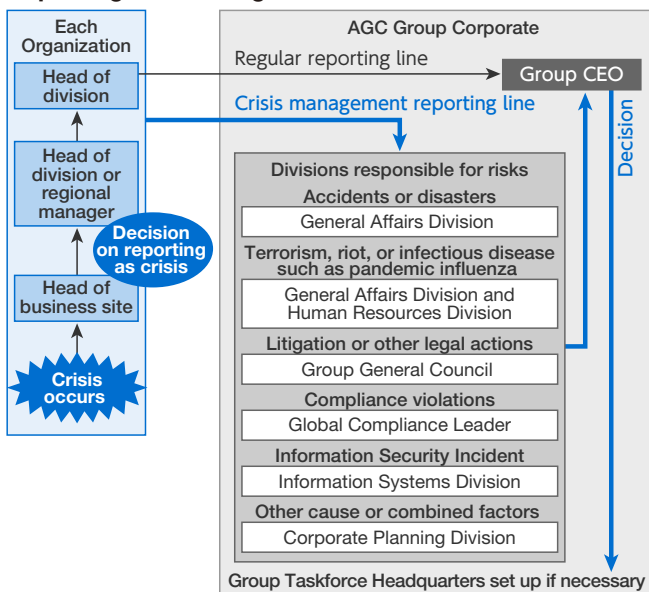
As of March 30, 2016



¹ 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.

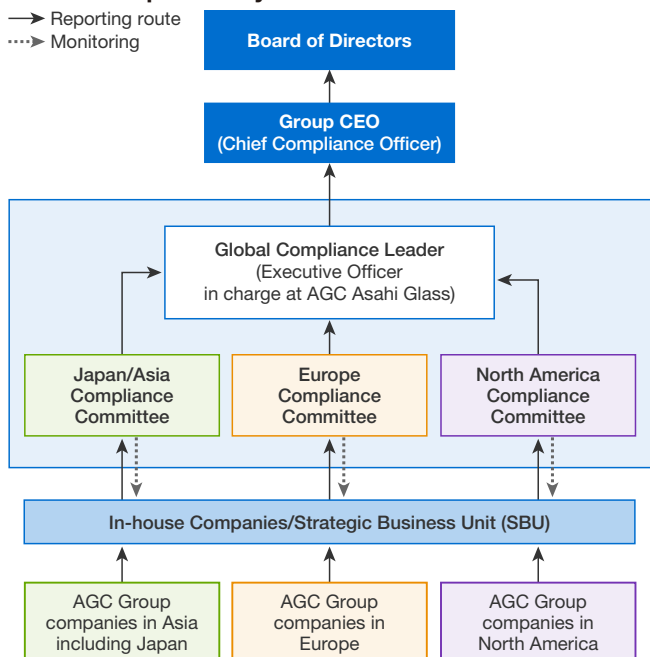


Compliance <http://www.agc.com/english/csr/integrity/compliance.html>

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 ¹	
	in Japan	in Europe and North America	in Japan	in Europe and North America
2015	Approx. 11,500	Approx. 4,100	Approx. 350	Approx. 1,400

¹ 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
2015	Approx. 300

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>Conditions of work and social protection</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Confirm the compliance of work condition with national laws and regulations and international labor standards • Comply with any obligation concerning the provision of protection for workers in the country of operation • Comply with the working hours established in laws or regulations
<p>Reasons for Selection of Material Issues</p>	<p>Company employees expect a working environment that fully values their health and safety, and also request that regulations concerning working conditions and employee protection are observed.</p> <p>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>Health and safety at work</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Develop, implement and maintain policy on occupational health and safety • Understand and apply principles of health and safety management (elimination, substitution, engineering controls, administrative controls, work procedures and personal protective equipment) • Analyze and control the health and safety risks in organizational activities
<p>Reasons for Selection of Material Issues</p>	<p>Corporations seek to create a workplace environment and working conditions that are safe and healthy for employees.</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 AGC plus, and places great importance on the creation of a working environment where employees can work under safe and healthy conditions.</p>
<p>ISO 26000 Issue</p>	<p>Human development and training in the workplace</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships • Provide all workers at all stages of their work experience with access to opportunities for career advancement
<p>Reasons for Selection of Material Issues</p>	<p>Corporations are expected to provide opportunities for their employees to grow, develop their abilities and skills and improve their standard of living, from financial, social and cultural viewpoints.</p> <p>The AGC Group believes that human resources are the driving force behind the AGC Group’s business operations, and that creating a framework that supports the growth of its employees is important.</p>

2015 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
ISO 26000 related actions and expectations	<ul style="list-style-type: none"> Confirm the compliance of work condition with national laws and regulations and international labor standards Comply with any obligation concerning the provision of protection for workers in the country of operation Comply with the working hours established in laws or regulations 	<ul style="list-style-type: none"> Develop, implement and maintain policy on occupational health and safety Understand and apply principles of health and safety management (elimination, substitution, engineering controls, administrative controls, work procedures and personal protective equipment) Analyze and control the health and safety risks in organizational activities 	<ul style="list-style-type: none"> Provide all workers at all stages of their work experience with access to skills development, training and apprenticeships Provide all workers at all stages of their work experience with access to opportunities for career advancement
P 2015 targets	<p>Create a work environment where employees can work with satisfaction and pride</p> <ul style="list-style-type: none"> Establish and implement action plans for ES improvement activities at each workplace. 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 	<p>Foster the Group's safety management activities</p> <ul style="list-style-type: none"> 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. Develop the safety training curriculum based on past occupational accidents into the on-site training at each site. Restart safety promotion activities, energize daily health and safety activities¹ and improve the level of risk assessment. <p>Promote and ensure machinery safety</p> <ul style="list-style-type: none"> Continuously expand a Prior Safety Assessment System at installing manufacturing equipment in Asia 	<p>Enhance employee education and training programs</p> <ul style="list-style-type: none"> Expand the scope of registrants of the Skill Map 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. Develop stratified training and training by occupational category with the objective of reinforcing mental aspects (motivation, winning people over, etc.)
D 2015 major initiative results	<ul style="list-style-type: none"> Implemented ES improvement activities at each workplace. Specific examples are given on the CSR website. Hosted the 2015 AGC Group CEO Awards, and presented 119 awards. Improved the award-related activities of the Group, with the first Gold Awards appearing in North America and Brazil, and the standardization of the award system across the Group 	<ul style="list-style-type: none"> There were 2 fatal accidents throughout the entire Group (including business partners) Although the results of the project were made known to Group companies around the globe, an accident occurred due to preventative measures not being adequately employed. To develop the abilities of local personnel at Asian sites so they can conduct prior safety assessments, intensive education on the subject given to managers in Thailand, China and other countries Safety education and capacity for risk assessment improved at all work places by developing core personnel for the promotion of safety activities, and by sharing up-to-date information and best practices across the company <hr/> <ul style="list-style-type: none"> Although the Prior Safety Assessment System used in installing manufacturing equipment has taken root at Asian sites, there are still discrepancies in their accuracy of assessment. 	<ul style="list-style-type: none"> Cross-divisional network activities² were developed overseas (China, Thailand). Different divisions have different needs and gaps in their training, and further training is required to improve the multiple skills possessed by Group employees Introduced training designed to strengthen mental aspects. Employees considered the meaning of their work, their connections with customers and the true value of AGC. Also, training provided for newly-appointed managers and section heads
C Self-evaluation	A	B ³ B ⁴	B ⁵
A 2016 targets	<p>Create a work environment where employees can work with satisfaction and pride</p> <ul style="list-style-type: none"> Conduct ES Survey in 2016, develop ES improvement activities based on the results 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 	<p>Foster the Group's safety management activities</p> <ul style="list-style-type: none"> All Group divisions work to ensure greater permeation of the measures determined in the Serious Accident Eradication Project Continue safety promotion activities, promoting improvements in daily health and safety, as well as risk assessment <p>Promote and ensure machinery safety</p> <ul style="list-style-type: none"> Provide further education in machinery safety, focusing on Asian sites including Japan. 	<p>Enhance employee education and training programs</p> <ul style="list-style-type: none"> In close cooperation with the personnel system, investigate and carry out training effective for helping young, female, middle-aged and older employees work with enthusiasm while fully displaying their abilities Based on the results of the reorganization, rearrange and integrate aspects of the former system to create an improved training system

¹ Health and safety conventional activities such as the 5S (seiri [sort], seiton [systematic arrangement], seiso [shine], seiketsu [standardize] and shitsuke [sustain]), hazard prediction, hiyari-hatto [near-miss management] and safety patrols

² 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.

³ Reason for "B" Grade: Two fatal accidents occurred at the global level

⁴ Reason for "B" Grade: Discrepancy in risk management levels was found between sites

⁵ Reason for "B" grade: because development of training focused on multi-skill improvement is currently pending.

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

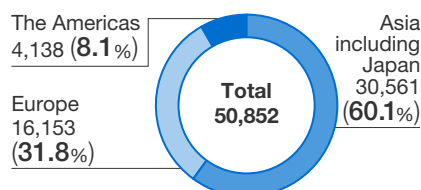
AGC Group emphasizes open communication in the workplace to create a better organizational climate.

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)

As of December 31, 2015



Number of Employees (AGC Asahi Glass)

As of December 31, 2015 (Excluding those dispatched to other Group companies)

Classification		Male	Female	Total	Percentage of females
Managers		1,900	106	2,006	5.3%
Non-managers	Career-track positions	663	141	804	17.5%
	Shop-floor workers	2,602	66	2,668	2.5%
	Clerical positions	19	476	495	96.2%
	Subtotal	3,284	683	3,967	17.2%
Total		5,184	789	5,973	13.2%

Employee-Related Data (AGC Asahi Glass)

As of December 31, 2014

	Male	Female	Total
Average age	42	40	42
Average length of service	18 years	13 years	17 years
Average overtime working hours	19.2 hours/month (average for members of the labor union)		
Percentage of paid leave taken	90.5% (average for members of the labor union)		

Retention Rate of New Employees (AGC Asahi Glass)

Year of recruitment	2013
Number of new recruits	96
Number of retained employees ¹	89
Retention rate	92.7%

¹ As of April 2016

Number of Employees Retiring (AGC Asahi Glass)

Period: April 2015 to March 2016

	Number of people
Retirees	184

Note Excluding employees retiring upon reaching mandatory retirement age

Respects for Human Rights http://www.agc.com/english/csr/employee/human_rights.html

Data about the Labor Union (AGC Asahi Glass)

FY	Number of members ¹	Average age	Average length of service
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
2015	3,815	39.6	16 years and 10 months

¹ AGC Asahi Glass adopts a union shop system under its labor agreement.

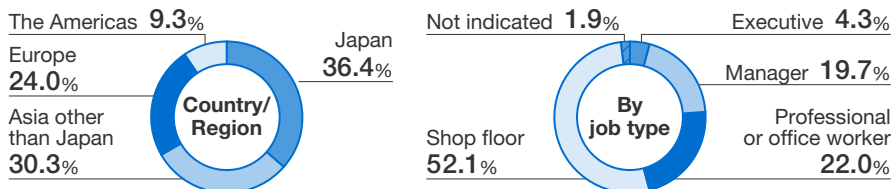
Improving Employee Satisfaction

<http://www.agc.com/english/csr/employee/es.html>

ES Survey Respondents (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 Awards Won (AGC Group)

FY	Number of Awards
2013	138
2014	127
2015	119

ES Survey Question Items

Employee 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 2015

Type	Number	Type	Number
"Look Beyond" Award	1	KAIZEN Award	15
Excellent Quality Improvement Plant Award	8	Enhancement and Transfer of Technologies & Skills Award	7
Excellent Cost Reduction Plant Award	8	Excellent Occupational Health and Safety Award	4
New Business/New Market Development Award	14	Environmental Contribution Award	4
Excellent Business Support System Award	25	Diversity Award	5
Technical Innovation & Performance Award	28	Integrity Award	0
Total 119			

Work-Life Balance

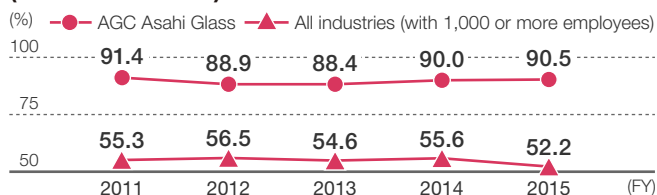
<http://www.agc.com/english/csr/employee/wlb.html>

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

FY	No. of employees who took childcare leave	No. of employees who took family care leave
2011	63 ¹ (Including 3 employees taking short-term leave)	1
2012	82 ² (Including 2 employees taking short-term leave)	4 (Including 2 employees taking short-term leave)
2013	75 ³ (Including 2 employees taking short-term leave)	0
2014	96 ⁴ (Including 2 employees taking short-term leave)	1
2015	99 ⁵ (Including 7 employees taking short-term leave)	1

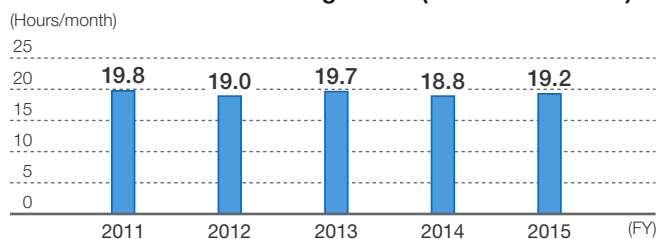
¹ of which eight employees were male ² of which five employees were male ³ of which four employees were male
⁴ of which two employees were male ⁵ of which 12 employees were male

Average Percentage of Annual Paid Leave Used (AGC 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 (AGC 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	2.4%
2015	2.9%

Note The figure was calculated based on data for 95% of all management positions group-wide, covering Asia including Japan, Europe and South America, but excluding North America.

Trends in Percentage of Female Managers¹ (AGC Asahi Glass)

FY	Proportion of female employees
2011	4.4%
2012	4.8%
2013	4.9%
2014	5.1%
2015	5.2%

Note 1 The data above is calculated based on manager positions of AGC 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 (AGC Asahi Glass)

FY	Proportion of female employees
2011	20.9%
2012	22.9%
2013	30.0%
2014	20.8%
2015	9.8%

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

FY	Exchange students in Japan	Graduates of Overseas Universities
2013	6	1
2014	2	1
2015	2	0

Employment Rate of People with Disabilities (AGC Asahi Glass)

FY	Number of people with disabilities (actual number)	Employment rate
2011	104	1.94%
2012	107	2.00%
2013	110	2.07%
2014	110	2.10%
2015	110	2.15%

Transitions in the number of continuously employed individuals aged 60 or more (AGC Asahi Glass)

FY	Number of reemployed retirees	Number of retirees	Continuous employment rate
2011	73	132	55.3%
2012	82	122	67.2%
2013	109	159	68.6%
2014	90	106	84.9%

FY	Employees over age 60 that chose retirement	Total employees age 60 or over	Percentage of employees working after age 60
2015	90	118	76.3%

Note Since 2015 AGC Asahi Glass has steadily increased the retirement age for employees. (The retirement age for employees aged 60 in 2015 was 62)

Reference: retirement age for employees based on date of turning 60 (up to 2021)

Age turning 60	Retirement age
2016	62
2017	63
2018	63
2019	64
2020	64
2021	65

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

Number of Monozukuri Training Center Users

FY	Number
2013	27,481
2014	23,218
2015	23,550

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.

Training Expenses (AGC Group in Japan)¹

FY	Annual training expenses
2013	186 million yen
2014	104.5 million yen
2015	98.3 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.

Annual Per-capita Training Hours¹ (AGC Group in Japan)

FY	Annual training hours (hours/person)
2013	9.0
2014	6.6
2015	7.9

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.

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 and Safety 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

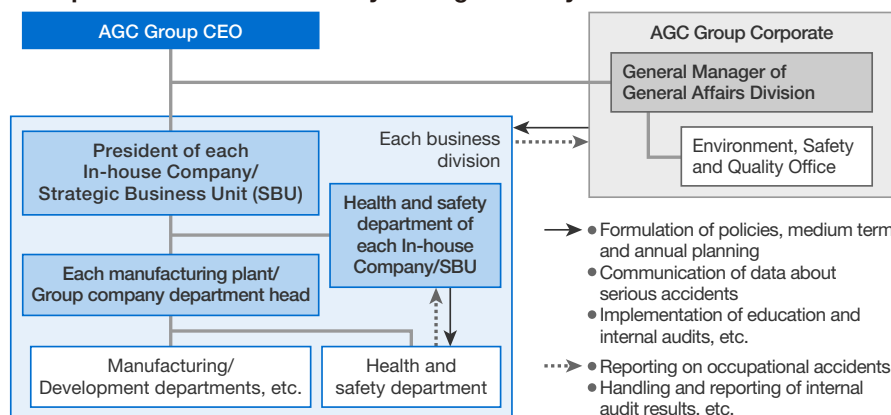
The AGC Group will actively implement measures to maintain and promote the physical and mental health of its employees, thereby supporting them in driving the growth of the Group by fully displaying their individual abilities, and in striving to lead meaningful lives.

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 AGC 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

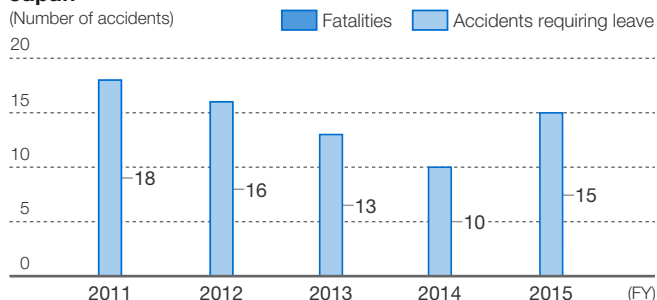
As of the end of December 2015

Coverage	Number of certified plants
AGC Asahi Glass	2
Group companies in Japan	5
Group companies in Asia other than Japan	13
Group companies in Europe	55
Group companies in North America	0
Total	75

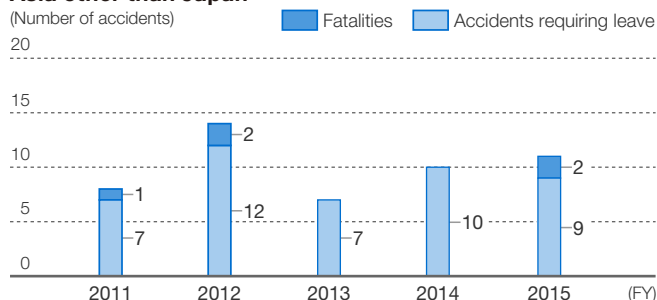
Occupational Health & Safety <http://www.agc.com/english/csr/employee/safety.html>

Number of Occupational Accidents (AGC Group including Business Partners)

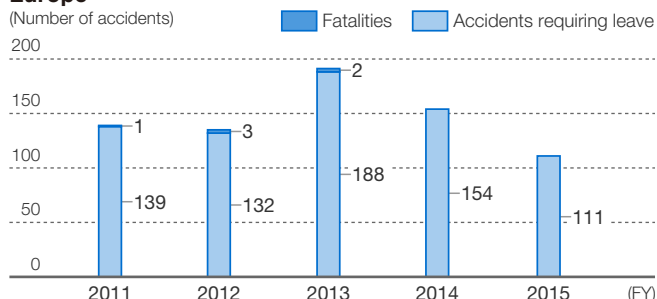
Japan



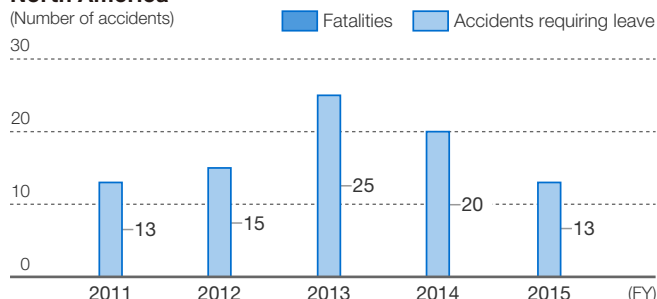
Asia other than Japan



Europe



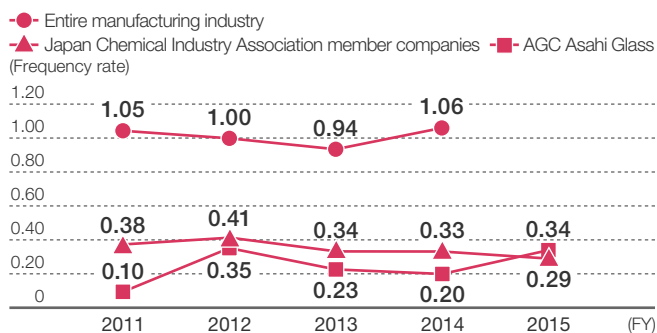
North America



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 joined the AGC Group in 2013.

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



Trend in the Severity Rate of Accidents Requiring Leave (AGC Asahi Glass including Business Partners)

	2014	2015
Entire manufacturing industry	0.09	—
Japan Chemical Industry association members	0.120	0.007
AGC Asahi Glass	0.005	0.024

Number of Occupational Accidents in 2015¹ (AGC Group including Business Partners in Asia including Japan)

Type	Japan		Group companies in Asia other than Japan	Total
		Major sites ¹		
Fatalities	0 (0)	0(0)	2 (0)	2 (0)
Accidents requiring leave	15 (10)	8 (5)	9 (10)	24 (20)
Accidents not requiring leave	13 (16)	7 (9)	8 (6)	21 (22)
Minor injuries	Not counted	31 (26)	Not counted	31(26)
Total	59 (52)	46 (40)	19 (16)	78 (68)

Note The figures in parentheses represent the numbers of occupational accidents in 2014.

¹ The numbers are totaled for AGC 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>Prevention of pollution</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Identify the impacts of its decisions and activities on the environment • Identify the sources of pollution and waste related to the activities • Measure, record and report on its significant sources of pollution and reduction of pollution, water consumption, waste generation and energy consumption • Implement measures aimed at preventing pollution and waste and properly manage unavoidable pollution and waste • Prepare an environmental accident prevention program and an emergency plan involving workers, authorities, local communities and other relevant stakeholders
<p>Reasons for Selection of Material Issues</p>	<p>The problems of environmental impact and waste stemming from corporate activity affect the planet and local environment in a variety of ways, and society is growing more concerned about preventing pollution and reducing environmental impact.</p> <p>The Group recognizes that preventing pollution and reducing environmental load are the manufacturing industry’s responsibilities.</p>
<p>ISO 26000 Issue</p>	<p>Sustainable resource use</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Identify the sources of energy, water and other resources used • Measure, record and report on its significant uses of energy, water and other resources • Implement measures to reduce its use of energy, water and other resources
<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>The AGC Group belongs to a business category that uses a relatively large amount of natural resources and energy, as well as rare metals and other materials. Accordingly, it considers the importance of limiting the procurement and use of these resources.</p>
<p>ISO 26000 Issue</p>	<p>Climate change mitigation and adaptation</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Identify the sources of direct and indirect GHG emissions and define the scope of its responsibility • Measure, record and report on its significant GHG emissions, preferably using methods defined in internationally agreed standards • Implement measures to reduce the direct and indirect GHG emissions within its sphere of influence • Realize energy savings by purchasing of energy efficient goods and development of energy efficient products
<p>Reasons for Selection of Material Issues</p>	<p>The demands and expectations of society regarding corporate initiatives to deal with 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 belongs to a business category that uses a relatively large amount of natural resources and energy. Accordingly, the Group considers its responsibility to reduce GHG emissions and energy usage.</p>

2015 Activity Results for Material Issues

ISO 26000 Issue	Prevention of pollution	Sustainable resource use	Climate change mitigation and adaptation
ISO 26000 related actions and expectations	<ul style="list-style-type: none"> Identify the impacts of its decisions and activities on the environment Identify the sources of pollution and waste related to the activities Measure, record and report on its significant sources of pollution and reduction of pollution, water consumption, waste generation and energy consumption Implement measures aimed at preventing pollution and waste and properly manage unavoidable pollution and waste Prepare an environmental accident prevention program and an emergency plan involving workers, authorities, local communities and other relevant stakeholders 	<ul style="list-style-type: none"> Identify the sources of energy, water and other resources used Measure, record and report on its significant uses of energy, water and other resources Implement measures to reduce its use of energy, water and other resources 	<ul style="list-style-type: none"> Identify the sources of direct and indirect GHG emissions and define the scope of its responsibility Measure, record and report on its significant GHG emissions, preferably using methods defined in internationally agreed standards Implement measures to reduce the direct and indirect GHG emissions within its sphere of influence Realize energy savings by purchasing of energy efficient goods and development of energy efficient products
P 2015 targets	<p>Promoting risk reduction and preventive measures</p> <ul style="list-style-type: none"> In response to the ISO14001-2015 revisions, further evolve risk assessment, industrial safety and security, and chemical substance responses. <p>Promote Zero-landfill (waste) across the Group</p> <ul style="list-style-type: none"> By 2020, reduce the total amount of waste generated by basic unit¹, and promote waste reduction initiatives in order to achieve Zero-landfill² across the entire Group 	<p>Promotion of sustainable resource use</p> <ul style="list-style-type: none"> Promote the use of cullet as raw material for glass in order to reduce CO₂ emissions by 175,000 tons by 2020³ through the use of glass cullet (excluding those generated in the glass melting process) Set water-related mid- and long-term targets. 	<p>Contributions through business initiatives regarding environmental and energy issues</p> <ul style="list-style-type: none"> Promote activities to lower the level of the AGC Environmental Indicator for greenhouse gases to 1.3 or less By 2015, reduce energy use per unit area of main offices in Japan, Europe and the Americas by 25% compared to 2011 levels. 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 CO₂ emissions in 2020.
D 2015 major initiative results	<ul style="list-style-type: none"> Revised Integrated EMS Manual to conform to the ISO14001-2015 revisions as a Group priority Conducted review of risk assessment, industrial safety and security, and chemical substance responses, etc. The global recycling rate was 96.8% (96.7% in 2014) 	<ul style="list-style-type: none"> Achieved yearly target (175,000 tons) for reduction of CO₂ emissions by 2020 through use of cullet (excluding products from the glass melting process) for the second consecutive year Evaluated and defined the AGC Group's water-related risks Set medium and long term goals for water conservation in each region and country 	<ul style="list-style-type: none"> The AGC Environmental Indicator for greenhouse gases was 2.0 (1.8 in FY2014) Reduced energy use per unit area of main offices in Japan, Europe and the Americas by 30% from 2011 levels Highlighted the benefits of energy-saving and energy-creating products in developing countries through JCM (bilateral credit) and other means
C Self-evaluation	<div style="border: 1px solid black; padding: 2px; display: inline-block;">B⁴</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">B⁵</div>	<div style="border: 1px solid black; padding: 2px; display: inline-block;">A</div>	<div style="border: 1px solid black; padding: 2px; display: inline-block;">B⁶</div>
A 2016 targets	<p>Promoting risk reduction and preventive measures</p> <ul style="list-style-type: none"> In accordance with ISO14001-2015, improve procedures for risk assessment, industrial safety and security, and chemical substance responses, and incorporate them into the environmental impact assessment <p>Promote Zero-landfill (waste) across the Group</p> <ul style="list-style-type: none"> 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 	<p>Promotion of sustainable resource use</p> <ul style="list-style-type: none"> Achieve renewable resource utilization rate of 10% by 2020 	<p>Contributions through business initiatives regarding environmental and energy issues</p> <ul style="list-style-type: none"> Promote activities to lower the level of the AGC Environmental Indicator for greenhouse gases to 1.3 or less. Promote use of cullet (excluding products derived from the glass melting process) as a raw material to reduce CO₂ emissions by 175,000t by 2020 Make progress in measures for energy-saving and GHG reduction, develop and supply energy-saving and energy-creating products

¹ The amount of waste generated for the amount of resources invested. ² Zero-landfill is defined as recycling more than 99% of waste.
³ Cullet can be melted with less energy than natural materials such as silica sand. This eliminates CO₂ emissions from the raw material itself, leading to overall reduced CO₂ emissions in the manufacturing process.
⁴ Reason for "B" Grade: The review of risk assessment, industrial safety and security, and chemical substance responses is behind schedule
⁵ Reason for B evaluation: Global recycling rate was approximately the same.
⁶ Reason for "B" Grade: The AGC Environmental Indicators increased in comparison to 2014

Environmental Management

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

The AGC Group's 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

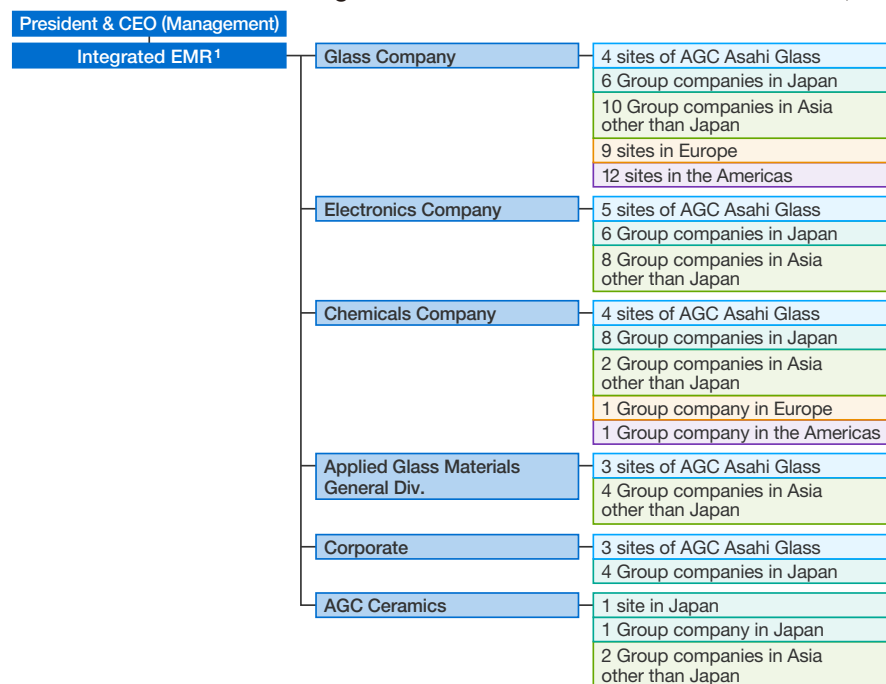
The AGC Group will implement environmental activities based on the following Guidelines throughout our business activities.

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, 2015

Region	No. of manufacturing plants	No. of certified manufacturing plants (No. of plants incorporated into the Integrated EMS)
AGC Asahi Glass	12	11 (11)
Group companies in Japan	95	71 (69)
Group companies in Asia other than Japan	35	33 (30)
Group companies in Europe	105	53 (9)
Group companies in the Americas	24	13 (11)
Total	271	181 (130)

Note As for non-manufacturing sites, a total of 131 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 December 2015. Some sites are undergoing audits by external certification bodies, and are acquiring certification through the promotion systems outlined above.)

¹ Environmental Management Representative

Environmental Impact/Environmental Accounting

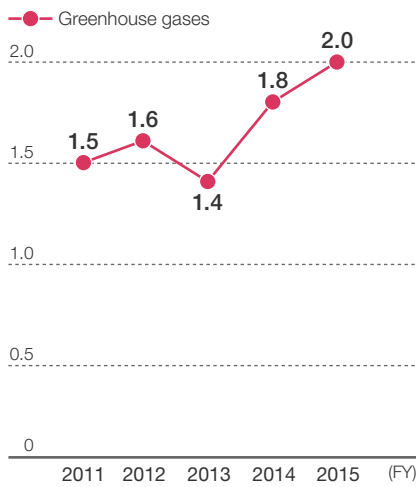
<http://www.agc.com/english/csr/env/act/co2.html>

AGC Environmental Indicator Calculation Method

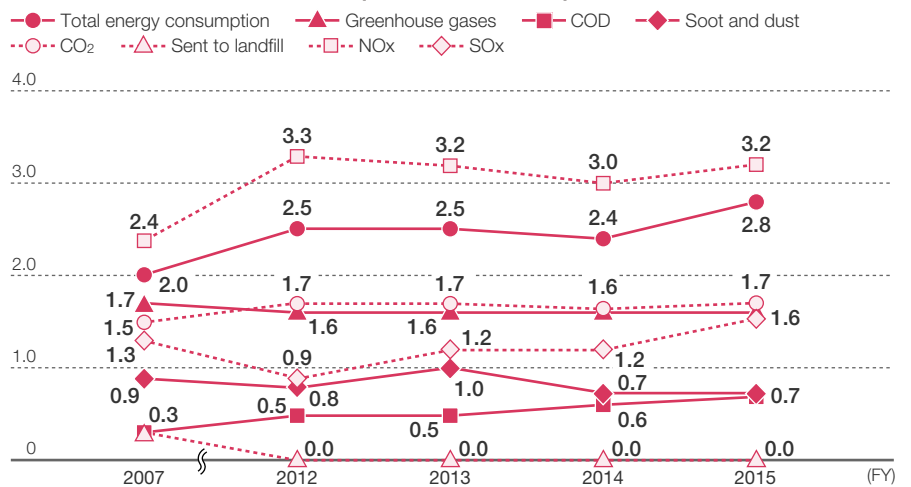
$$\text{AGC Environmental Indicator} = \frac{\text{Environmental impact ratio}}{\text{Economic contribution}} = \frac{\frac{\text{SOC}^1 \text{ emissions by AGC Group (AGC Asahi Glass)}}{\text{SOC emissions in the world (Japan)}}}{\frac{\text{Sales of AGC Group (AGC Asahi Glass)}}{\text{Global (Japan's) GDP}}}$$

¹ Substance of concern

AGC Environmental Indicator (AGC Group)

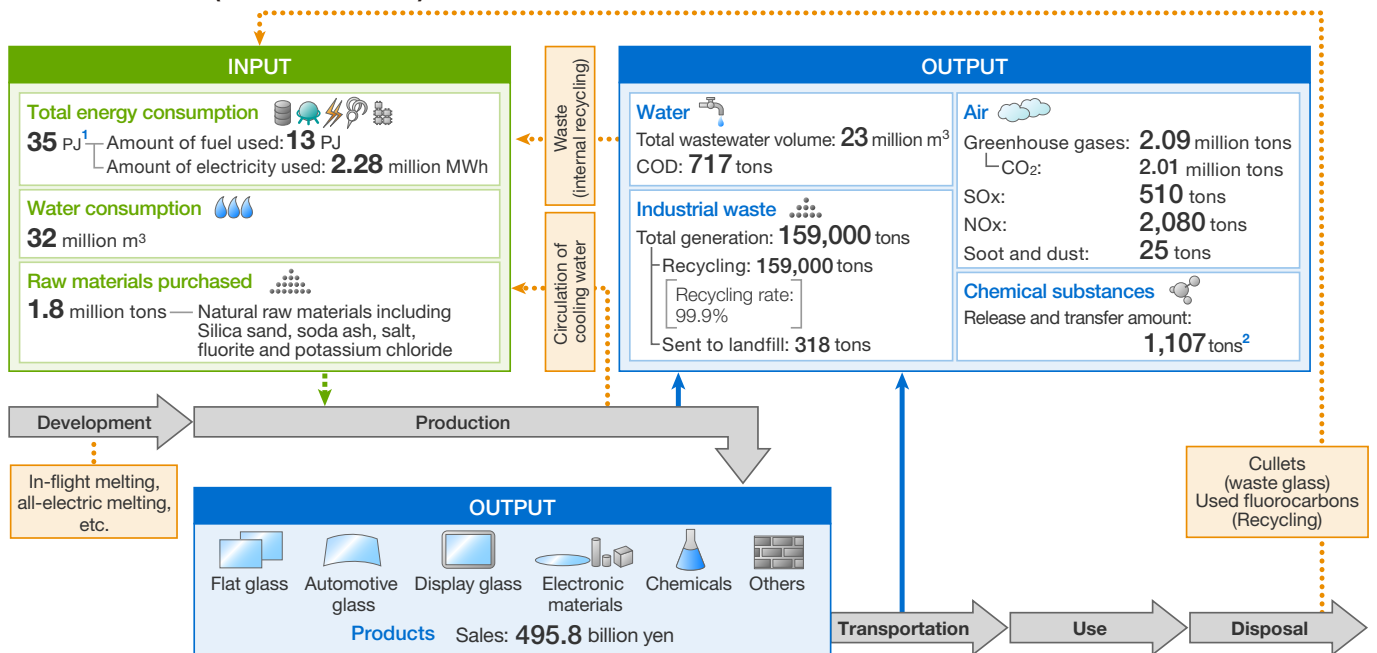


AGC Environmental Indicator (AGC Asahi Glass)



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

Material Balance (AGC 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 the CSR Information Supplement (this PDF).

¹ PJ (peta joule) = 10¹⁵ J (joule)

² Total emissions of substances regulated by the PRTR Act (in 2014)

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
2015	15,854	41,529

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

Environmental Conservation Benefits¹

Item	Change in environmental impact ²	Simple Y-to-Y change	Sales-corrected change ³
Total energy consumption	-11 PJ	-7%	-7%
CO ₂ emissions	-650,000 t	-6%	-7%
Greenhouse gas emissions	-630,000 t-CO ₂	-6%	-6%
Waste sent to landfill	0 t	0%	0%
COD emissions	380 t	16%	16%
SOx emissions	510 t	6%	6%
NOx emissions	-3,000 t	-11%	-12%
Soot and dust emissions	328 t	53%	54%

¹ 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.

² Change in environmental impact = (2015 output volume) - (2014 output volume)

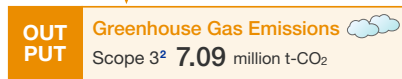
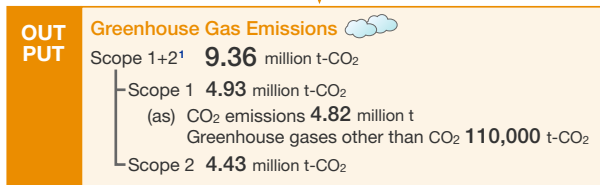
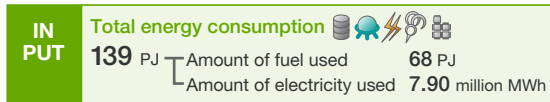
³ Sales-corrected change = Simple Y-to-Y change/Y-to-Y sales ratio

AGC Group Y-to-Y sales ratio = (2015 sales)/(2014 sales) = 13,263/13,483 = 0.98

Response to Climate Change

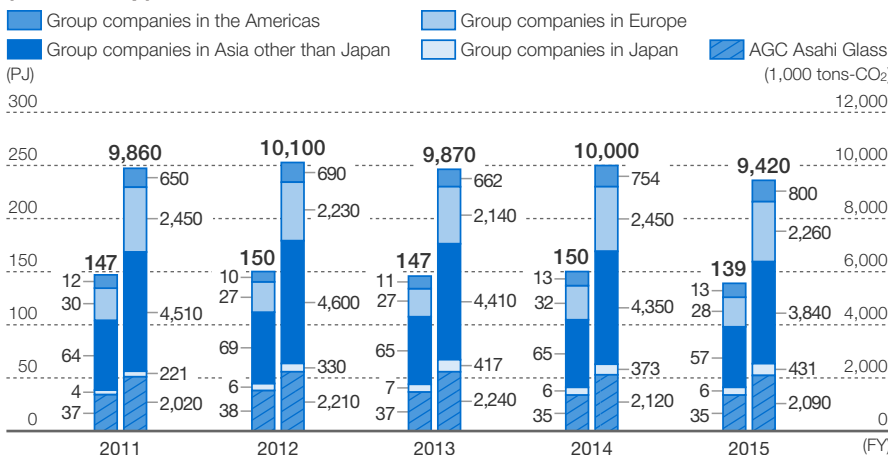
<http://www.agc.com/english/csr/env/act/gas.html>

2015 Energy-Related Material Balance (AGC Group)



¹ 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.
² 2014 figures

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)

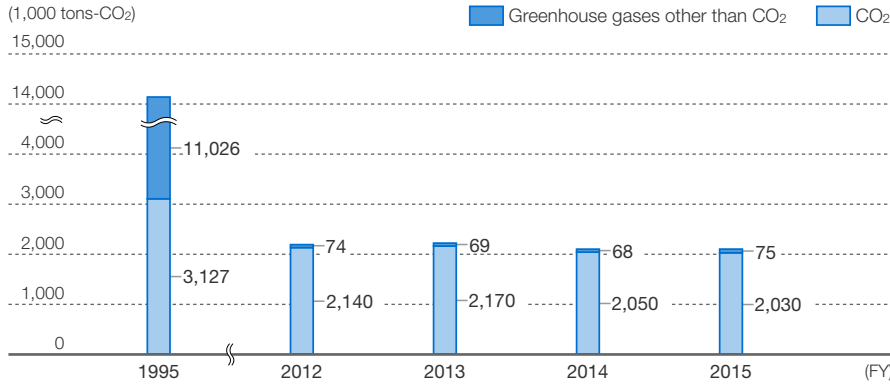
Input	2014	2015
Electricity used (million MWh)	8.23	7.90
Fuel used (PJ)	77	68

Output	2014	2015
GHG Emissions: Scope 1 (million t-CO ₂)	5.32	4.93
GHG Emissions: Scope 2 (million t-CO ₂)	4.67	4.43
CO ₂ Emissions: Scope 1+2 (million t)	9.90	9.36

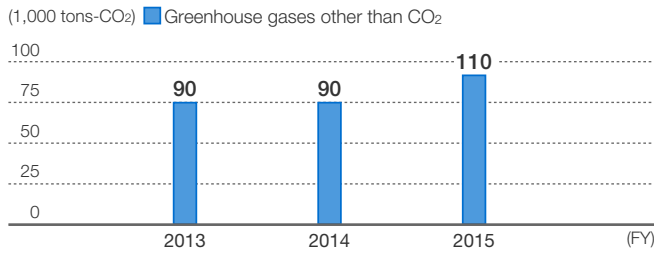
Response to Climate Change

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

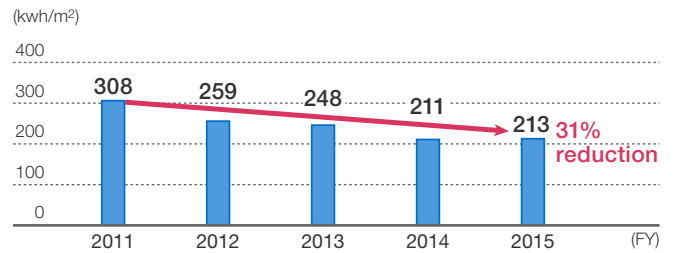
Greenhouse Gas Emissions (AGC Asahi Glass)



Emission of Greenhouse Gases Other than CO₂ (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)

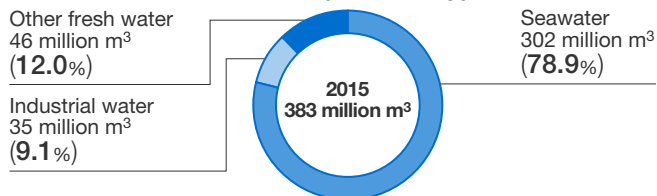
FY	Scope 3
2013 (million t-CO ₂)	6.91
2014 (million t-CO ₂)	7.09

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.

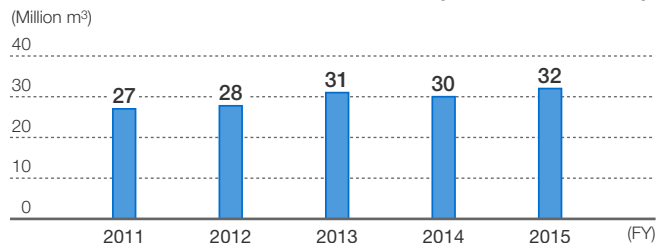
Effective Use of Water Resources and the Prevention of Water Pollution

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

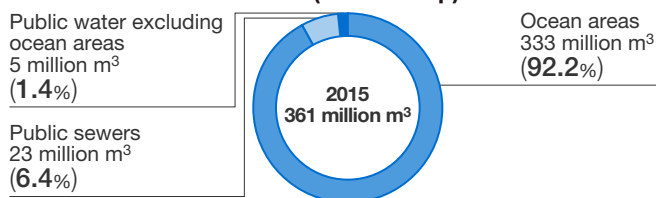
Total Water Intake Volume (AGC Group)



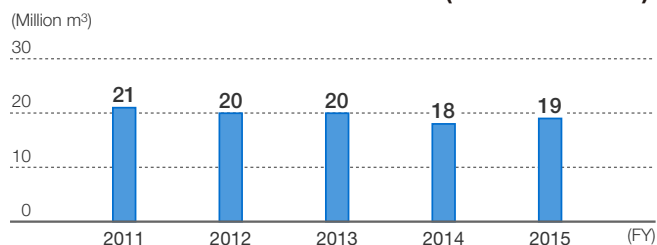
Trends in Total Water Intake Volume (AGC Asahi Glass)



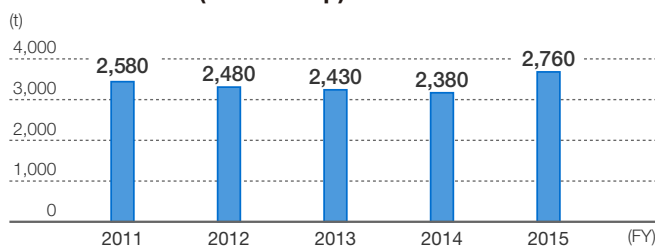
Total Wastewater Volume (AGC Group)



Trends in Total Amount of Wastewater (AGC Asahi Glass)



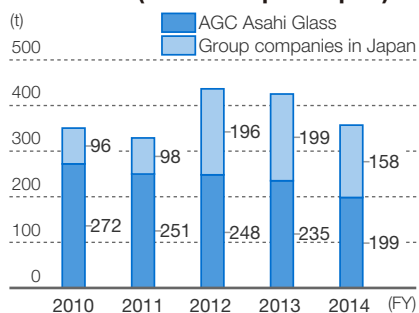
COD Emissions (AGC Group)



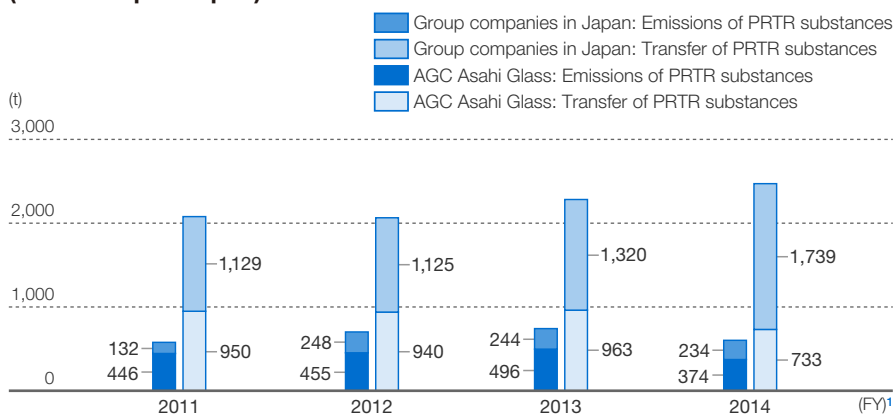
Chemical Substances Management

<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)

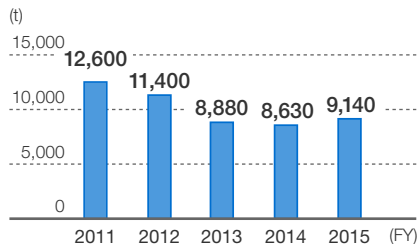


¹ Target period: April to March

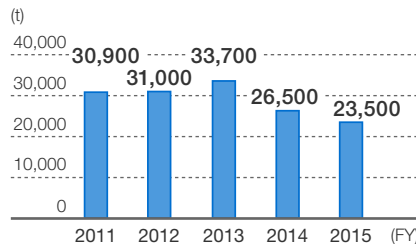
Pollution Prevention

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

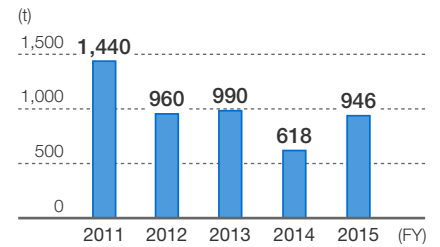
SOx Emissions (AGC Group)



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)

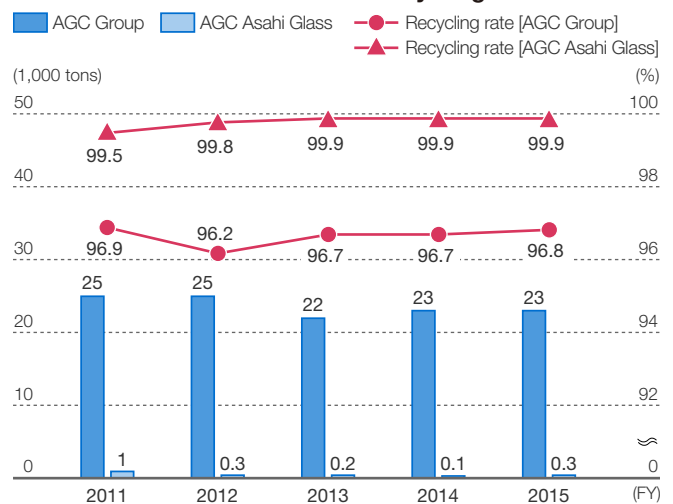
FY	Total volume of waste generated
2013 (1,000 t)	664
2014 (1,000 t)	675
2015 (1,000 t)	701

Reductions in CO₂ Emissions Through Use of Glass Cullet^(Note)

FY	AGC Group	AGC Asahi Glass
2014 (1,000 t-CO ₂)	178	41
2015 (1,000 t-CO ₂)	205	38
2020 (Target) (1,000 t-CO ₂)	175	60

Note Excludes those generated in glass melting processes

Waste Sent to Landfill and the Recycling Rates



Industrial Safety & Security

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

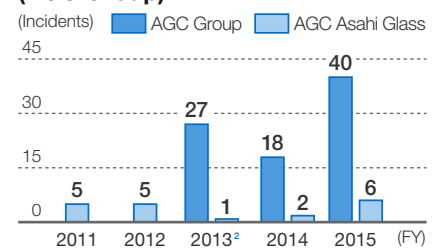
AGC Group Basic Industry Safety & Security Policy

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)¹



- ¹ 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.
- ² Collection of worldwide data began in 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

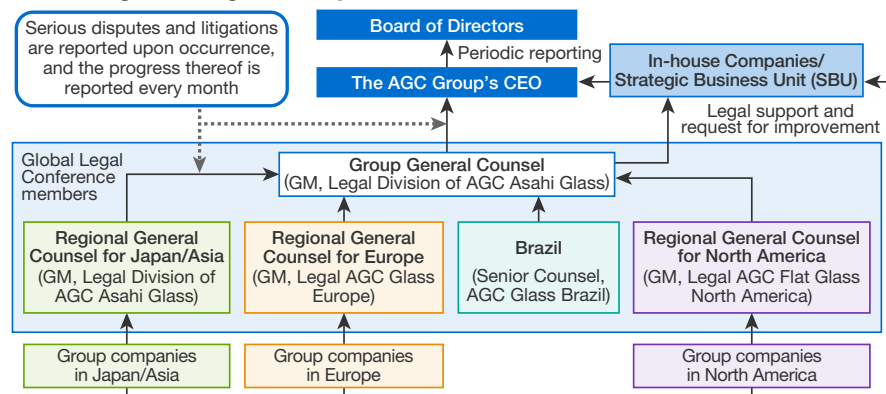
<p>ISO 26000 Issue</p>	<p>Anti-corruption</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Identify the risks of corruption and implement and maintain policies and practices that counter corruption • Provide commitment, encouragement and oversight for policy implementation regarding anti-corruption by top management • Raise awareness of corruption and preventative measures among employees, representatives, contractors and suppliers • Establish and maintain an effective anti-corruption system • Adopt mechanisms to report and follow up on information regarding violations • Promote the introduction of anti-corruption practices in the value chain
<p>Reasons for Selection of Material Issues</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 in fast-growing countries, and society’s interest in anti-corruption measures is rising.</p> <p>The AGC Group operates in approximately 30 countries and regions and conducts business on a global scale, thus it views corruption as a major risk.</p>
<p>ISO 26000 Issue</p>	<p>Fair competition</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Conduct activities in a manner consistent with competition laws and regulations, and cooperate with the appropriate authorities • Establish procedures to prevent engaging in anti-competitive behavior • Train employees on the importance of competition legislation and fair competition
<p>Reasons for Selection of Material Issues</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.</p>
<p>ISO 26000 Issue</p>	<p>Promoting social responsibility in the value chain</p>
<p>ISO 26000 related actions and expectations</p>	<ul style="list-style-type: none"> • Integrate ethical, social, environmental and gender equality criteria and health and safety in its purchasing, distribution and contracting policies • Carry out appropriate due diligence and monitoring of the organizations with which it has relationships
<p>Reasons for Selection of Material Issues</p>	<p>Corporations look to ensure compliance with laws and regulations throughout their entire supply chain as they expand worldwide.</p> <p>The Group recognizes the need to promote certain activities across its supply chain in order to resolve social issues stemming from human rights, labor practices and the environment.</p>

2015 Activity Results for Material Issues

ISO 26000 Issue	Anti-corruption	Fair competition	Promoting social responsibility in the value chain
ISO 26000 related actions and expectations	<ul style="list-style-type: none"> Identify the risks of corruption and implement and maintain policies and practices that counter corruption Provide commitment, encouragement and oversight for policy implementation regarding anti-corruption by top management Raise awareness of corruption and preventative measures among employees, representatives, contractors and suppliers Establish and maintain an effective anti-corruption system Adopt mechanisms to report and follow up on information regarding violations Promote the introduction of anti-corruption practices in the value chain 	<ul style="list-style-type: none"> Conduct activities in a manner consistent with competition laws and regulations, and cooperate with the appropriate authorities Establish procedures to prevent engaging in anti-competitive behavior Train employees on the importance of competition legislation and fair competition 	<ul style="list-style-type: none"> Integrate ethical, social, environmental and gender equality criteria and health and safety in its purchasing, distribution and contracting policies Carry out appropriate due diligence and monitoring of the organizations with which it has relationships
P 2015 targets	Reinforcement of anti-corruption training and auditing <ul style="list-style-type: none"> Implement anti-corruption training and education Audit anti-bribery control as a priority audit item, continuing at the global level. 	To further strengthen training and audit for compliance with antitrust laws	Promote social responsibility across the supply chain <ul style="list-style-type: none"> 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.
D 2015 major initiative results	<ul style="list-style-type: none"> Short-term diagnosis of the global compliance system conducted by outside specialists, AGC Group Anti-Bribery Rules and China-specific Anti-Bribery Guidelines formulated Anti-corruption lectures given by specialists for management and head of each department at AGC Asahi Glass Anti-bribery mechanisms added as a common item for auditing at the global level 	<ul style="list-style-type: none"> In Asia including Japan and Europe, educated 630 employees about antitrust laws on a classroom basis, while in North America, provided this education to 900 employees via online Mechanisms for compliance with antitrust laws added as a common item for auditing at the global level 	<ul style="list-style-type: none"> Sent the AGC Report 2015 to 239 business partners, and made the AGC Group Purchasing Policy public. Conducted "Survey of CSR Implementation Status" at a number of Group companies in Asia As part of the Group's quality auditing at certain suppliers, carried out field work on topics covered in the survey
C Self-evaluation	A	A	A
A 2016 targets	Reinforcement of anti-corruption training and auditing <ul style="list-style-type: none"> Formulate and begin to use the "AGC Group Anti-Bribery Rules" and "Anti-Bribery Guidelines" (China Version) Add anti-bribery mechanisms as a common crucial item for auditing at the global level 	To further strengthen training and audit for compliance with antitrust laws <ul style="list-style-type: none"> Observance of antitrust laws should be inspected thoroughly as a common global auditing item 	Promote social responsibility across the supply chain

Fair Transactions 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
2015	Approx. 1,500	52 (Group companies and divisions)

Respect for Property Rights http://www.agc.com/english/csr/fair/property_right.html

Self-Checks on Information Security (AGC AGC Group)

FY	AGC Asahi Glass	Group companies in Japan	Group companies in Asia other than Japan	Group companies in Europe	Group companies in North America
2013	6,500	4,500	4,700	2,500	700
2014	6,400	4,600	4,800	5,000	1,400
2015	6,100	4,300	5,300	2,500	500

Note Approximate figures

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

Supply Chain

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 subjects of Consumer Issues. The reasons for selecting these material issues are as follows.

Material Issues

ISO 26000 Issue	Protecting consumers' health and safety
ISO 26000 related actions and expectations	<ul style="list-style-type: none"> •Under normal and reasonably foreseeable conditions of use, provide products that are safe for users and other persons, their properties and the environment •Assess the adequacy of laws, regulations and standards regarding health and safety (if a response is necessary, it should exceed the minimum safety requirements) •Avoid the use of harmful chemicals in product development. If such chemicals must be included, products should be clearly labeled •Assess and disclose information regarding human health risks before the introduction of new materials, technology or production methods •Convey vital safety information to consumers using symbols •Provide consumers with instructions regarding proper use of products and warnings about the risks that use may entail
Reasons for Selection of Material Issues	<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>

2015 Activity Results for Material Issues

P 2015 targets	Improvement of risk management capabilities with regard to product safety <ul style="list-style-type: none"> •Improve risk management capabilities with regard to product quality •Implement preventive actions with regard to issues that greatly affect business.
D 2015 major initiative results	<ul style="list-style-type: none"> •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. •Improved management level of the Group by conducting an in-house inspection of management at sites in Japan, based on “Performance Standards Relating to the Consumer Product Safety Act” •Implemented design review system with more effective preventative measures and education on product safety, using FMEA and risk assessment •One serious incident involving a Group product occurred in Japan (impossible to determine whether or not the incident was due to the product)
C Self-evaluation	A
A 2016 targets	Improvement of risk management capabilities with regard to product safety <ul style="list-style-type: none"> •Improve risk management capabilities with regard to product quality •Conduct preventative measures in light of possible effects on business performance and risk to the Group's reputation

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

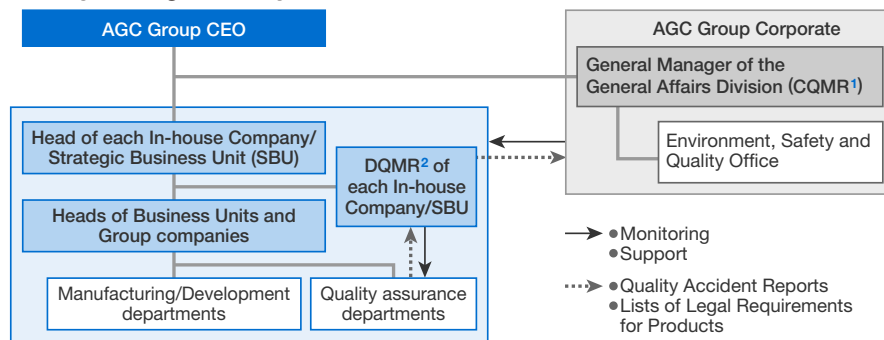
The AGC Group will continue to create the expected value by pursuing “Innovation & Operational Excellence” as one of the Shared Values in the Group Vision “*Look Beyond*”.

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 16949¹ Certification

As of the end of December 2015

Location	Number of certified organizations
Japan	34
Asia other than Japan	28
Europe	67
The Americas	13
Total	142

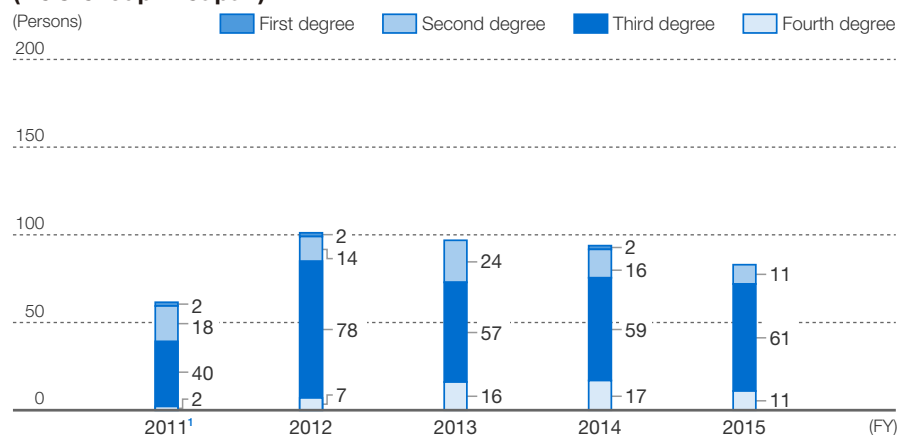
Note Percentage of AGC Group employees at the certified organizations: 86.2%

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
2011	0
2012	1
2013	1
2014	0
2015	1

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

Community

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
2012	395 million yen
2013	398 million yen
2014	509 million yen
2015	437 million yen

Total number of Employee Participation in Social Contribution Activities (AGC Group)

FY	Number of Employees
2014	25,586
2015	21,510

Total Expenditures by Field of Emphasis: 2015 (AGC Group)

Category	Amount	Rate
Support for the next generation	247 million yen	56%
Harmony with local communities	116 million yen	27%
Natural environment conservation	49 million yen	11%
Others	25 million yen	6%

Expenditures by Use: 2015 Results (AGC Group)

Purpose of Use	Amount	Rate
Donations, material donations	224 million yen	51%
Employee participation and dispatch	98 million yen	22%
Voluntary programs	69 million yen	16%
Opening of facilities, acceptance of tours	47 million yen	11%

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.



Milano Salone (Italy)

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.



Social Welfare Activities (Brazil)

NPOs/NGOs

- Periodic opinion exchanges
- Cooperation on individual projects Etc.



Site dialogue (Thailand)

Business Partners

- Satisfaction surveys
- Social gatherings
- Dialogue through the AGC 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.

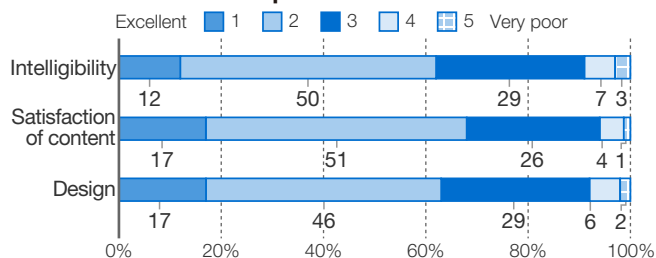


Receiving the CSR-DIW Contribution Award (Thailand)

We received feedback from Stakeholders via our website.

The AGC Group welcomes your opinions and comments regarding the AGC Report and the CSR homepage via our website. As of October 2015, the Group had received 439 responses regarding the AGC Report 2015 and the CSR homepage. 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 2015



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

AGC ASAHI GLASS

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