



AGC Report
CSR Information
Supplement

2013

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Vision and Charter of Corporate Behavior

AGC Group Charter of Corporate Behavior

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

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

Integrity: Sincere Behavior

1. The AGC Group will develop and provide useful goods and services of superior quality, giving due consideration to safety and the environment, and will strive for customer satisfaction and loyalty.
2. The AGC Group will understand and comply with applicable laws and regulations of the countries and regions in which it does business and will respect international norms of behavior.
3. The AGC Group will promote fair trade and conduct its operations in accordance with the principle of fair competition and all applicable laws and regulations.
4. The AGC Group will maintain sound relationships with government agencies and other responsible organizations. The Group will not support any person or group that threaten 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.

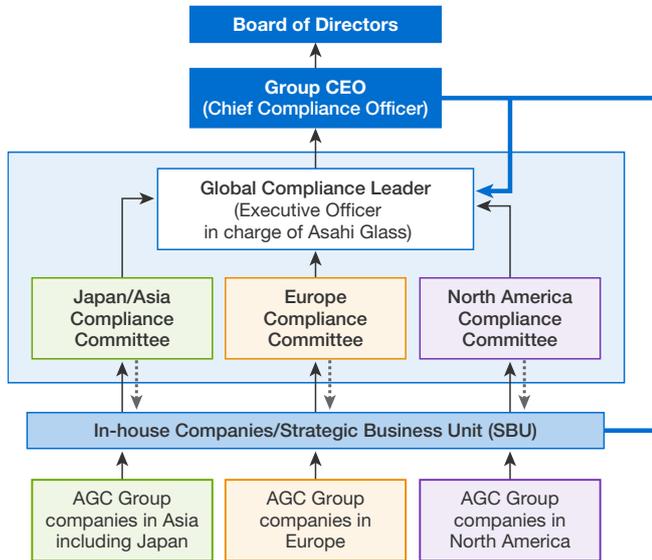
In the case of any behavior contrary to the principles of this Charter, we will work to identify the cause and prevent a recurrence, making it clear to those inside and outside Group companies that the situation is being addressed diligently. We will take appropriate corrective and disciplinary actions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

Compliance

Items for AGC Group Code of Conduct Global Requirements

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

Global Compliance System



→ Immediate reporting route for serious incidents of noncompliance
 → Periodic reporting route
 --- Monitoring

Submission of Personal Certification on the Code of Conduct

FY	Number of employees subject to submission (percent of total)
2012	Approx. 40,000 (81%)

Compliance Training Results

FY	Number of employees receiving online training (e-learning)		Number of employees receiving classroom training ¹	
	in Japan	in North America	in Japan	in North America
2012	Approx. 12,000	Approx. 1,200	Approx. 3,200	Approx. 3,400

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)

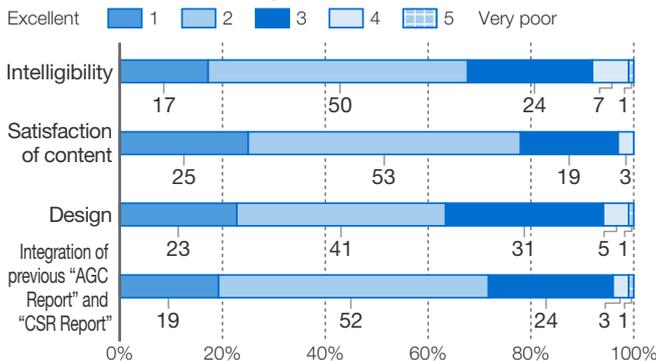
Help Line Consultations

FY	Number of consultations
2012	Approx. 550

AGC Report and Website Feedback

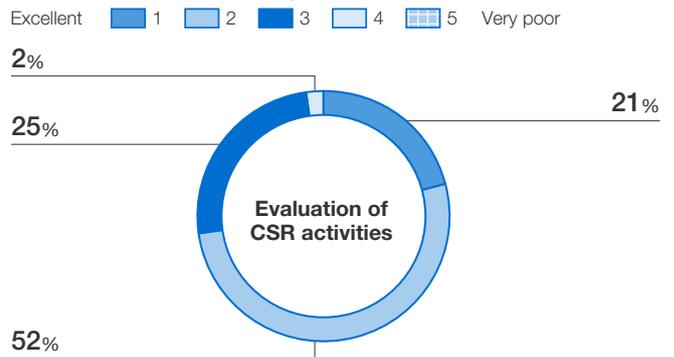
Responses through the AGC Report 2012 questionnaire: 144 (92 of which came from countries other than Japan)
 Opinions through the website: 404

Comments on AGC Report 2012



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

Evaluation of AGC Group CSR Activities



The AGC Group Human Resource Management Vision

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

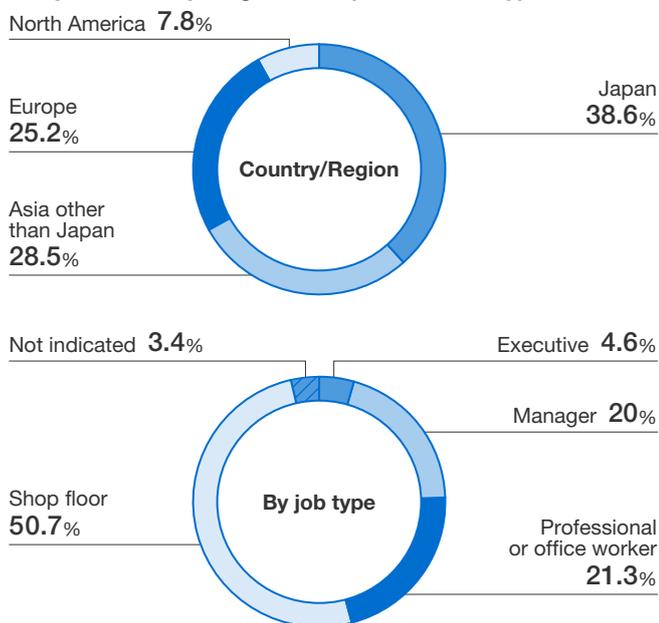
AGC Group evaluates and recognizes employees who contribute to the organization and rewards their contributions.

Respect for Human Rights and Sufficient Labor Practices

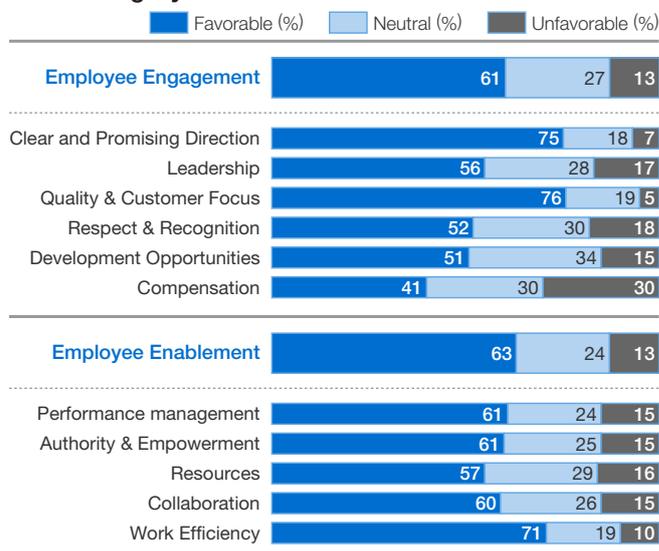
Respondents of ES Survey

	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%

Respondents by Region/Job (3rd ES survey)



Results of the Third Employee Satisfaction Survey in Each Category



Commendations Awarded across the AGC Group and Numbers Thereof in Fiscal 2012

Type	Number
"Look Beyond" Award	8
Excellent Quality Improvement Plant Award	6
Excellent Cost Reduction Plant Award	7
New Business/New Market Development Award	9
Excellent Business Support Award	18
Technical Innovation & Performance Award	28
KAIZEN Award	21
Enhancement and Transfer Technologies & Skills Award	7
Excellent Safety Plant Award	34
Environmental Contribution Award	8
Diversity Award	5
Integrity Award	3
Total	154

Total Number of Awards Won

FY	Number of Awards
2010	122
2011	145
2012	154

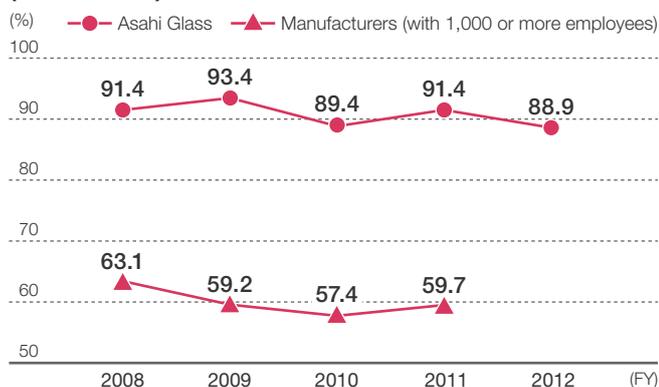
Respect for Human Rights and Sufficient Labor Practices

Employees Taking Childcare/Family Care Leaves (Asahi Glass)

FY	No. of employees who took childcare leave	No. of employees who took family care leave
2008	42 ¹ (Including 2 employees taking short-term leave)	2
2009	54 ² (Including 2 employees taking short-term leave)	1
2010	70 ³ (Including 2 employees taking short-term leave)	4 (Including 2 employees taking short-term leave)
2011	63 ⁴ (Including 3 employees taking short-term leave)	1
2012	82 ⁵ (Including 2 employees taking short-term leave)	4 (Including 2 employees taking short-term leave)

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

Average Percentage of Annual Paid Leave Used (Asahi Glass)



Note Excluding managers

Data about the Labor Union (Asahi Glass)

FY	Number of members ¹	Average age	Average length of service
2008	3,974	40.1	18 years and 4 months
2009	4,009	39.2	16 years and 11 months
2010	4,230	37.9	15 years and 4 months
2011	4,215	38.1	15 years and 6 months
2012	4,245	37.4	14 years and 6 months

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

Making the Most of Diversity

Number of Group Employees by Region

(As of December 31, 2012)

Total	Asia including Japan	Europe	North America
49,961	31,139 (62%)	14,899 (30%)	3,923 (8%)

Number of Employees (Asahi Glass)

As of December 31, 2012, excluding those dispatched to other Group companies

Classification		Male	Female	Total	Percentage of females
Managers		1,899	96	1,995	4.8%
Non-managers	E Course ¹	808	119	927	12.8%
	S Course ²	2,869	65	2,934	2.2%
	C Course ³	14	504	518	97.3%
	Subtotal	3,691	688	4,379	15.7%
Total		5,590	784	6,374	12.3%

¹ E Course: Applied to employees who will promote business strategies and implement enhancement measures for their departments as key persons

² S Course: Applied to employees who will contribute to manufacturing activities by acquiring, improving, and handing down manufacturing technologies and skills

³ C Course: Applied to employees who will be in charge of conducting clerical work accurately and quickly

Making the Most of Diversity

Employee-Related Data (Asahi Glass)

(As of December 31, 2012)

	Male	Female	Total
Average age	40.6	38.3	40.3
Average length of service	17 years and 1 month	11 years and 11 month	16 years and 6 months
Average overtime working hours	19.0 hours/month (average for members of the labor union)		

Number of Global Management Staff¹ Recruited from Annually Hired Graduates Designated for Career-Track Positions, E Course (Asahi Glass)

FY	Number of non-Japanese graduates from Japan	Number of Japanese graduates from abroad ²
2010	4	2
2011	9	5
2012	9	0

¹ Human resources whose achievement at a global level is expected.

² Japanese who graduated from overseas university

Proportion of Women Recruited for Career-Track Positions, E Course from Annually Hired Graduates (Asahi Glass)

FY	Proportion of female employees
2010	10.4%
2011	20.9%
2012	22.9%

Continuous Employment Rate of Retirees (Asahi Glass)

FY	Number of reemployed retirees	Number of retirees	Continuous employment rate
2008	94	159	59.1% ¹
2009	70	176	39.8% ²
2010	13	117	11.1% ²
2011	73	132	55.3%
2012	82	122	67.2%

¹ In April 2008, a new continuous employment system was introduced. As a result, the continuous employment rate increased from the levels in fiscal 2007.

² As a result of implementing a range of employment measures in response to the economic recession that hit the world in the fall of 2008, the continuous employment rate decreased from the fiscal 2008 level in fiscal 2009 and 2010 (non-managers).

Employment Rate of People with Disabilities (Asahi Glass)

FY	Number of people with disabilities (actual number)	Employment rate
2008	105	1.95%
2009	104	1.97%
2010	105	1.98%
2011	104	1.94%
2012	107	2.00%

Employee Education

Number of Monozukuri Training Center Users

FY	Number
2010	29,664
2011	24,259
2012	31,973

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

FY	Annual training hours (hours/person)
2010	10.6
2011	8.4 ²
2012	11.5

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.

² Training hours have been shortened due to the effects of the Great East Japan Earthquake.

Occupational Health & Safety

AGC Group Basic Occupational Health & Safety Policy

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

Basic Policy

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

Guidelines for Occupational Health Activities

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

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

Health Management Policy

(Established on March 1, 2007)

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

Health consciousness

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

Corporate support for employee health

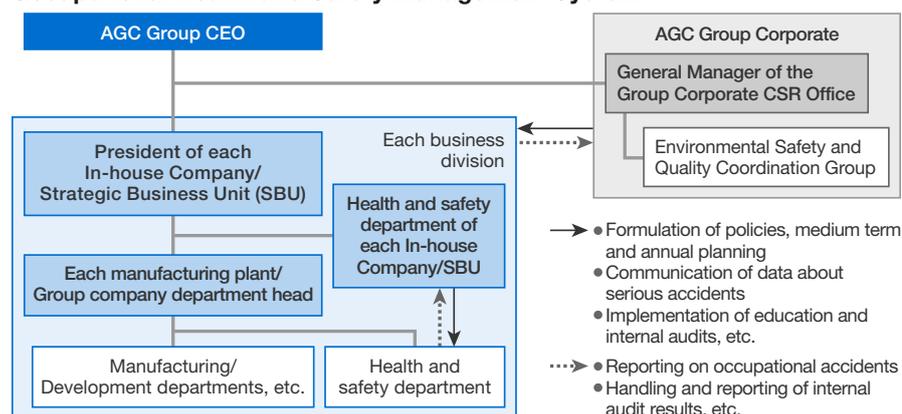
The AGC Group will actively implement measures to maintain and promote the physical and mental health of its employees, thereby supporting them in driving the growth of the Group by fully displaying their individual abilities, and in striving to lead meaningful lives.

Self-discipline by employees

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

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

Occupational Health and Safety Management System



Number of Plants Obtaining Third-Party Certification for OHSMS

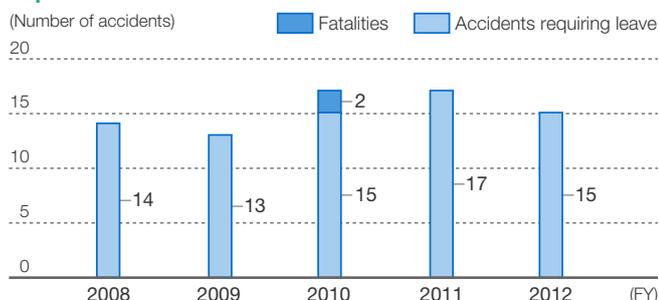
(As of the end of December 2012)

Coverage	Number of certified plants
Asahi Glass	2
Group companies in Japan	6
Group companies in Asia other than Japan	12
Group companies in Europe	65
Group companies in North America	0
Total	85

Occupational Health & Safety

Number of Occupational Accidents

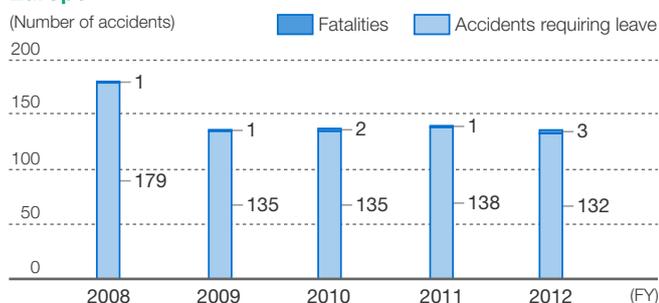
Japan



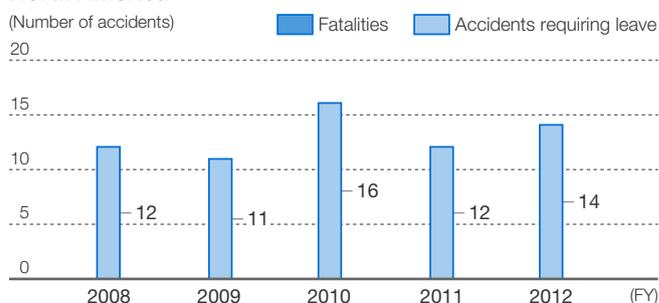
Asia other than Japan



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.

Number of Occupational Accidents in Fiscal 2012¹ (AGC Group in Asia including Japan)

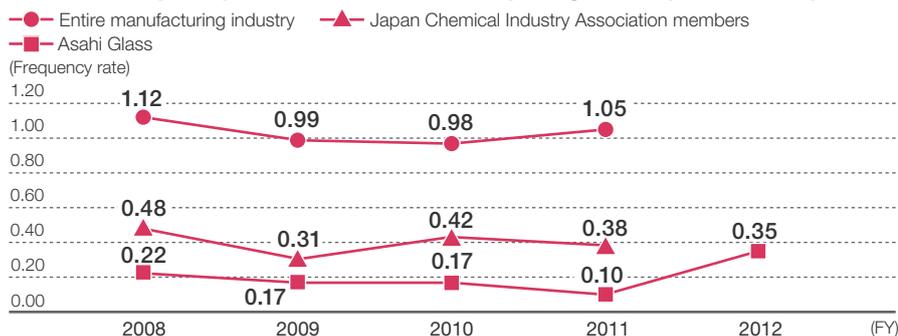
Type	Japan		Group companies in Asia other than Japan	Total
		Major sites ¹		
Fatalities	0 (0)	0 (0)	2 (1)	2 (1)
Accidents requiring leave	15 (18)	10 (3)	12 (7)	27 (25)
Accidents not requiring leave	22 (17)	14 (7)	4 (12)	26 (29)
Minor injuries	Not counted	17 (22)	Not counted	17 (22)
Total	54 (57)	41 (32)	18 (20)	72 (77)

Note The figures in parentheses represent the numbers of occupational accidents in fiscal 2011.

Note The figures include the employees of business partners.

¹ The numbers are totaled for Asahi Glass and some Group companies in Japan.

Trend in Frequency Rate for Accidents Requiring Leave (Asahi Glass)



Environmental Management

AGC Group Basic Environmental Policy

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

Basic Policy

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

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

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

Slogan

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

Guidelines for Environmental Activities

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

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

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

Promotion Structure of Integrated EMS

(As of December 31, 2012)

President & CEO (Management)		
Integrated EMR ¹		
Glass Company	4 plants of Asahi Glass	
	6 Group companies in Japan	
	11 Group companies in Asia other than Japan	
	9 Group companies in Europe	
	9 Group companies in North America	
Electronics Company	6 plants of Asahi Glass	
	7 Group companies in Japan	
	8 Group companies in Asia other than Japan	
Chemicals Company	5 plants of Asahi Glass	
	8 Group companies in Japan	
	2 Group companies in Asia other than Japan	
	1 Group company in North America	
Production Technology Center	1 plant of Asahi Glass	
Purchase & Logistics Center	1 site of Asahi Glass	
	1 Group company in Japan	
Engineering Center	1 plant of Asahi Glass	
	1 Group company in Japan	
Research Center	1 site of Asahi Glass	
Corporate Center	2 sites of Asahi Glass	
	1 Group company in Japan	
AGC Ceramics	1 plant in Japan	
	1 Group company in Japan	
	1 Group company in Asia other than Japan	
Tokai Kogyo	2 plants in Japan	

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.

¹ Environmental Management Representative

ISO 14001-Certified Manufacturing Plants

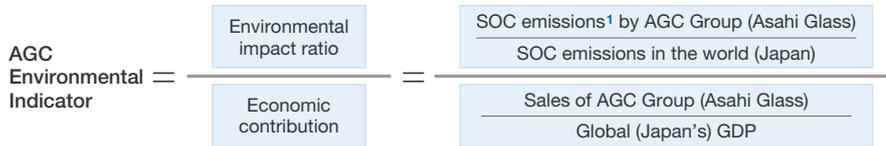
(As of December 31, 2012)

Region	No. of manufacturing plants	No. of certified manufacturing plants (No. of plants incorporated into the Integrated EMS)
Asahi Glass	12	12 (12)
Group companies in Japan	89	74 (71)
Group companies in Asia other than Japan	33	32 (29)
Group companies in Europe	75	57 (8)
Group companies in North America	33	8 (8)
Total	242	183 (128)

Note As for non-manufacturing sites, a total of 48 locations are ISO 14001-certified (including the Integrated EMS).

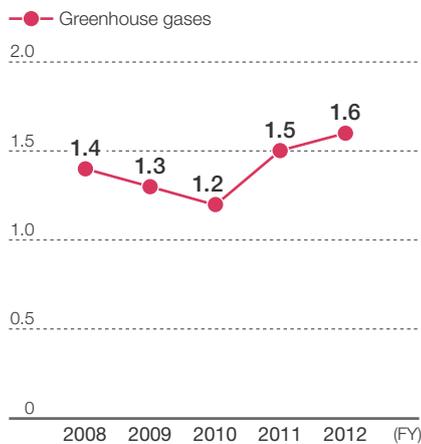
Assessing Environmental Impact

AGC Environmental Indicator Calculation Method

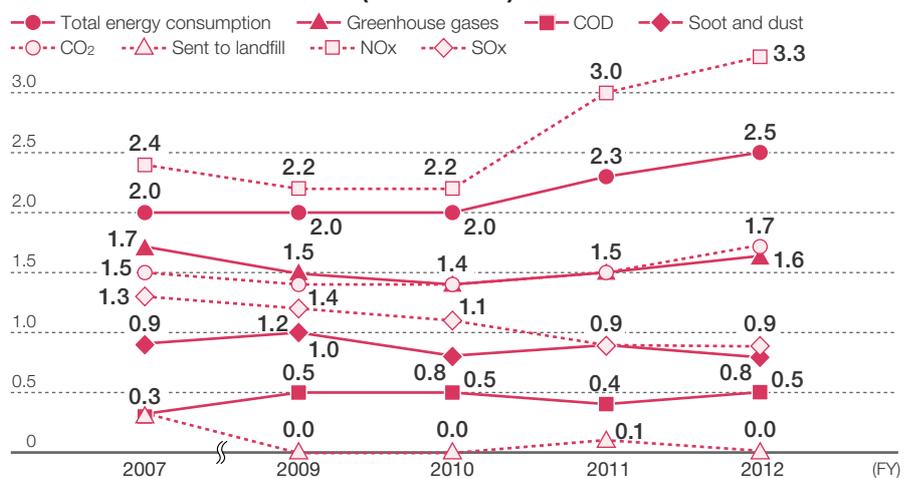


¹ Substance of Concern

AGC Environmental Indicator (AGC Group)

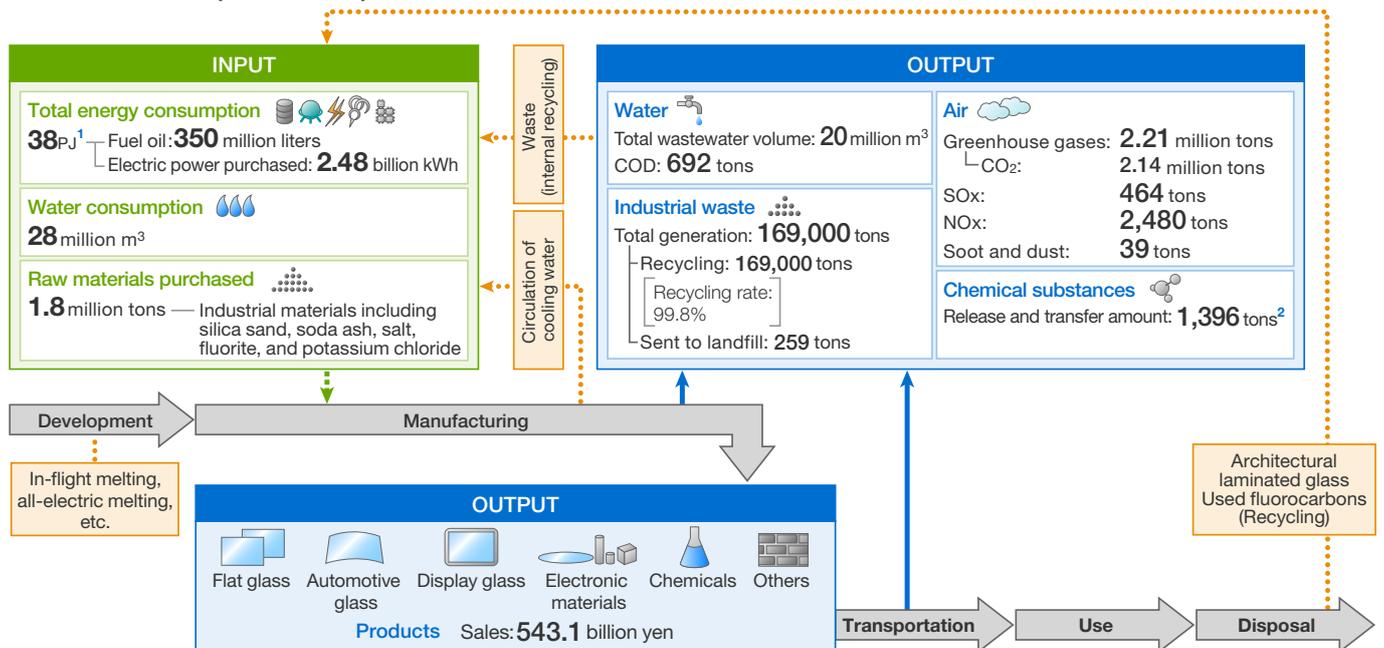


AGC Environmental Indicator (Asahi Glass)



Note At present, the Group aims to make improvements based on the actual results in fiscal 2007.

Material Balance (Asahi Glass)



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

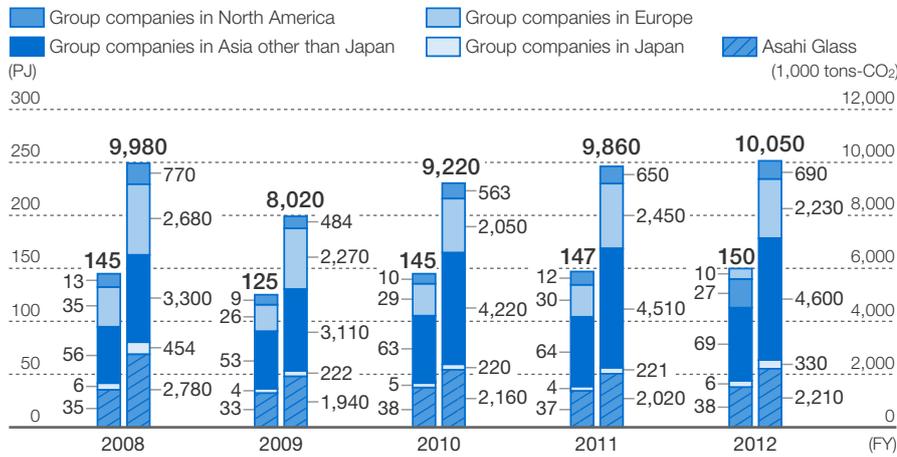
Note For detailed environmental performance data, please refer to page 12 and onwards, and to the Environment section on the CSR website.

¹ PJ (peta joule) = 10¹⁵ J (joule)

² Total emissions of substances regulated by the PRTR Act (in fiscal 2011)

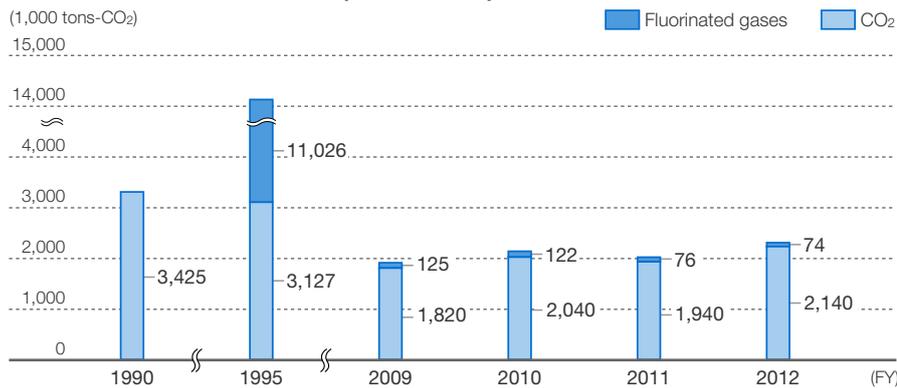
Energy Conservation and Reduction in Greenhouse Gas Emissions

Total Energy Consumption (Left) and Greenhouse Gas Emissions (Right)



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

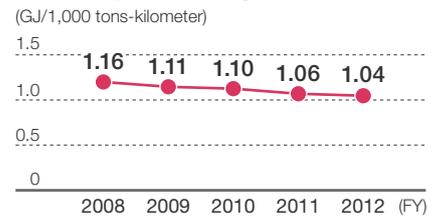
Greenhouse Gas Emissions (Asahi Glass)



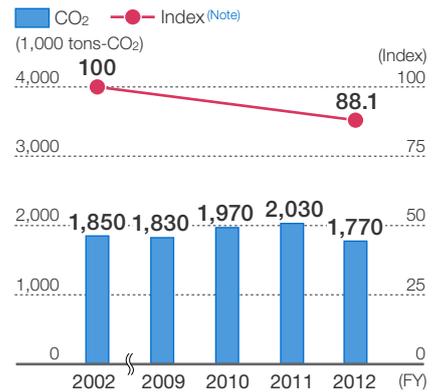
Emission of Greenhouse Gases Other than CO₂ (AGC Group)

FY	Fluorinated gases
2011	125,000 tons-CO ₂
2012	96,000 tons-CO ₂

Per Unit Change of Energy Consumption in Logistics



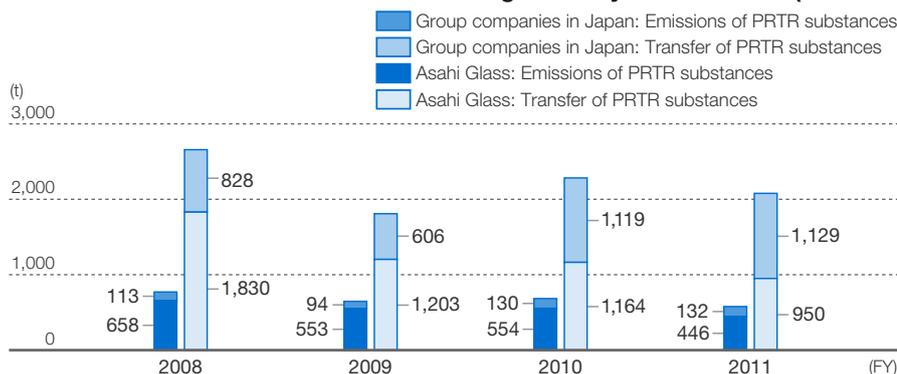
CO₂ Emissions (AGC Glass Europe)



Note Indexed with fiscal 2002 CO₂ emissions as the standard (100).

Chemical Substances Management

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

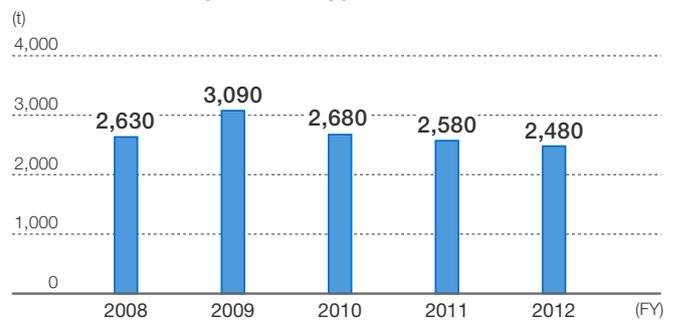


Water Resource Usage

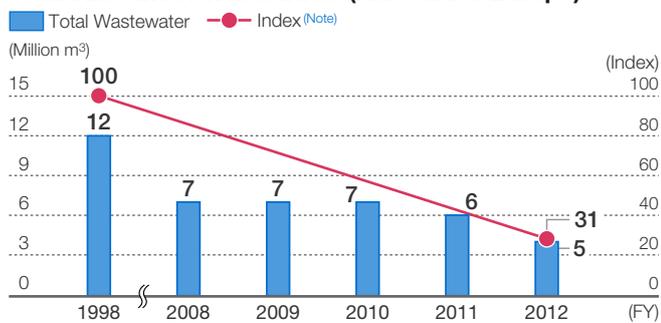
Total Amount of Wastewater (AGC Group in Japan)



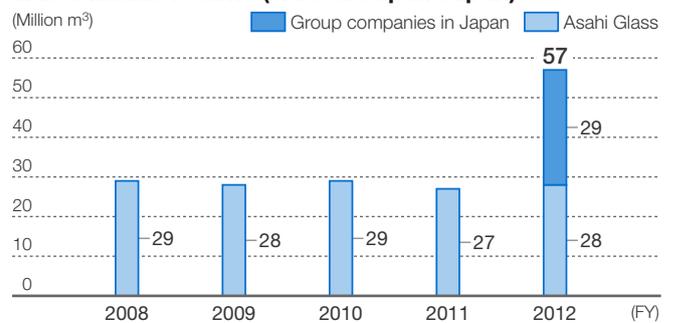
COD Emissions (AGC Group)



Total Amount of Wastewater (AGC Glass Europe)



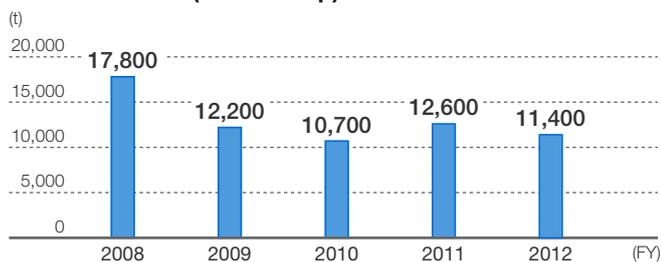
Water Intake Volume (AGC Group in Japan)



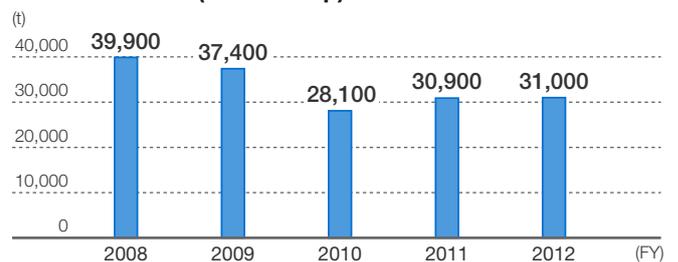
Note Indexed with fiscal 1998 total wastewater volume as the standard (100).

Pollution Prevention

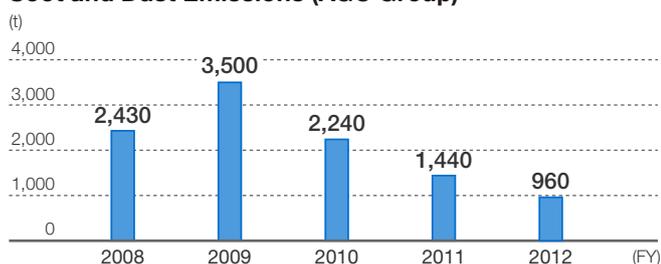
SOx Emissions (AGC Group)



NOx Emissions (AGC Group)

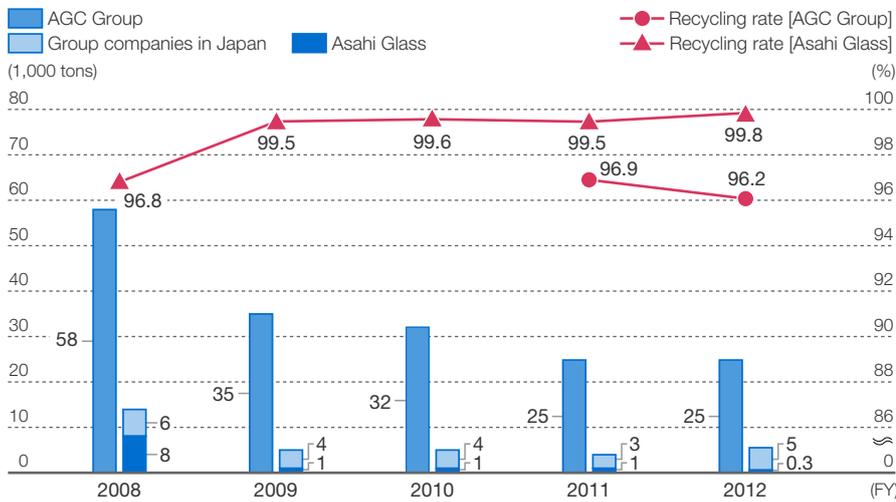


Soot and Dust Emissions (AGC Group)



Waste Reduction

Waste Sent to Landfill and the Recycling Rates



Industrial Safety & Security

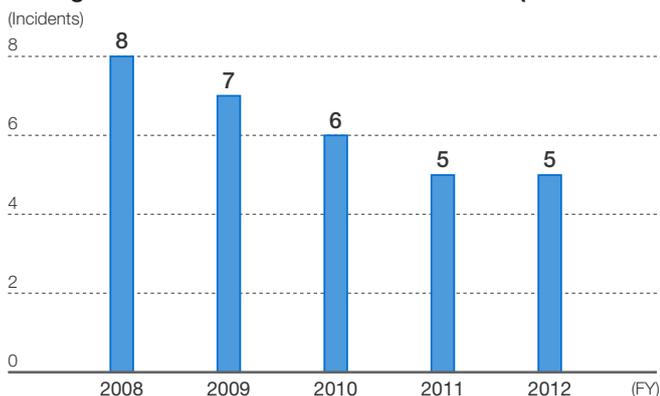
AGC Group Basic Industry Safety & Security Policy

(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.

Changes in Number of Small Fire Incidents (Asahi Glass)



Environmental Accounting

Scope of data: Asahi Glass
Target period: January 1 to December 31, 2012

Environmental Conservation Cost (Millions of yen)

Item	Investment	Cost
(1) Business area	4,722	5,070
Breakdown (1)-1 Pollution prevention	567	3,356
(1)-2 Global environmental conservation	4,155	488
(1)-3 Resource circulation	0	1,226
(2) Upstream/downstream	0	641
(3) Administration	0	495
(4) R&D	3,326	11,095
(5) Social activity	0	8
(6) Environmental remediation	0	657
Total	8,048	17,966

Note The breakdown figures do not always add up to the total because of rounding.

Environmental Conservation Benefits¹

Item	Change in environmental impact ²	Simple Y-to-Y change	Sales-corrected change ³
Total energy consumption	1 PJ	3%	3%
CO ₂ emissions	200,000 t	10%	11%
Greenhouse gas emissions	190 tCO ₂	9%	10%
Waste sent to landfill	-553 t	-68%	-71%
COD emissions	62 t	10%	10%
SO _x emissions	-10 t	-2%	-2%
NO _x emissions	40 t	2%	2%
Soot and dust emissions	-6 t	-13%	-14%
Effect on upstream/downstream cost	Recycling of packaging materials for products' shipment		(Actual benefits listed in table below)
Other environmental conservation benefits	Benefits associated with transportation and other operations (not measured by Asahi Glass)		

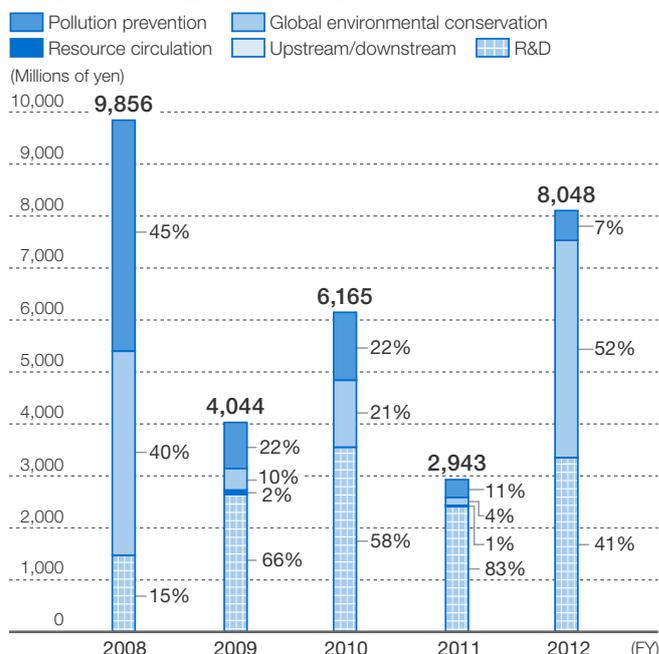
- Change in environmental impact and simple Y-to-Y change: A positive figure indicates an increase and a negative figure indicates a decrease in environmental impact from the previous fiscal year's level.
- Change in environmental impact = (Fiscal 2012 output volume) - (Fiscal 2011 output volume)
- Sales-corrected change = Simple Y-to-Y change/Y-to-Y sales ratio
Asahi glass Y-to-Y sales ratio = (Fiscal 2012 sales)/(Fiscal 2011 sales) = 5,431/5,605 = 0.96

Economic Benefit Associated with Environmental Conservation (Actual Benefit) (Millions of yen)

Benefit	Value
Revenue	Revenue from the recycling of used products and waste from core business operations 591 (418)
Cost reduction	Effects of energy saving 1,821 (1,354)
	Lower waste treatment costs due to resource saving/recycling 233 (284)

Note Numbers in parentheses are figures from fiscal 2011.

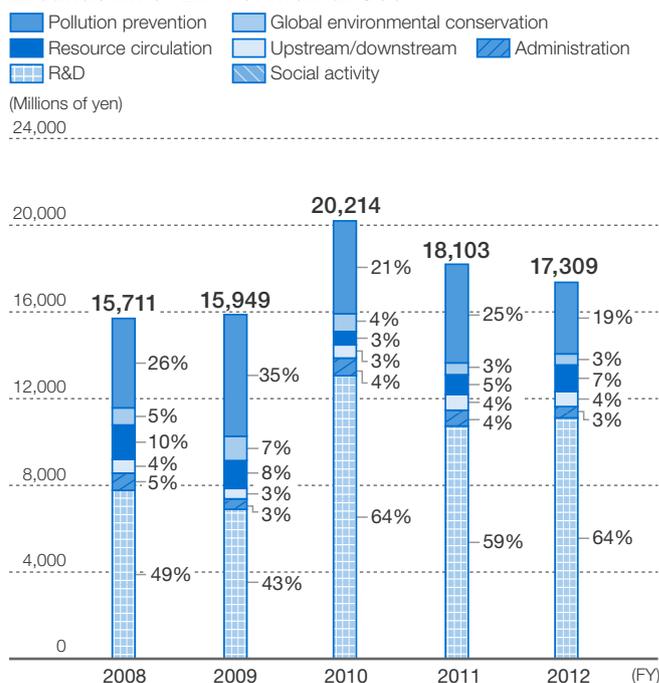
Breakdown of Environmental Investment



Note Environmental remediation costs are excluded from the above summation because the method of allocating cost and investment differs depending on the year of calculation.

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

Breakdown of Environmental Cost

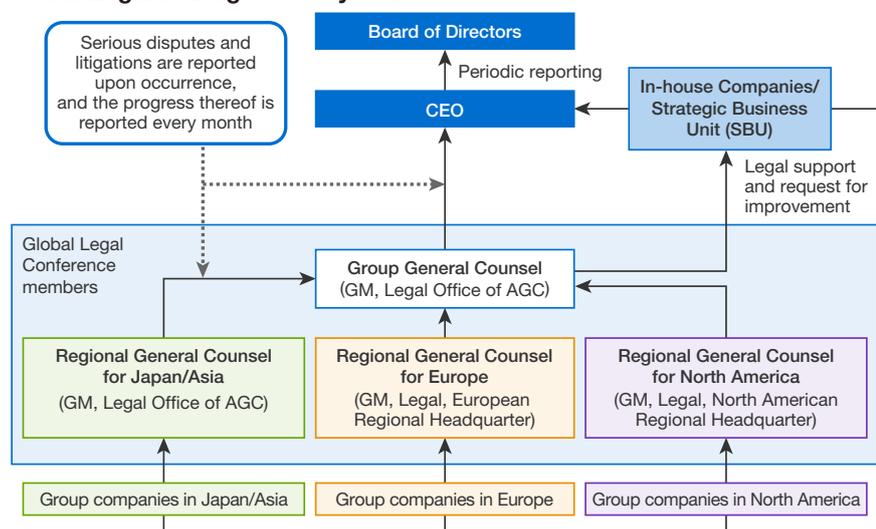


Note Environmental remediation costs are excluded from the above summation because the method of allocating cost and investment differs depending on the year of calculation.

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

Fair Operating Practices

Global Legal Management System



Measures Implemented in Fiscal 2012 to Prevent Noncompliance with Antitrust Laws

FY	Number of employees receiving online training (e-learning)	Number of employees receiving group training	Number of internal audited sites
2012	Approx. 5,900	Approx. 2,900	46 Group companies and divisions

Self-Checks on Information Security

FY	Asahi Glass	Group companies in Japan	Group companies in Asia other than Japan	Group companies in Europe	Group companies in North America
2010	6,100	3,400	3,300	4,400	1,600
2011	4,400	3,700	3,500	4,000	1,500
2012	4,900	4,000	3,800	- ¹	900

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.

Promoting social responsibility across the supply chain

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 responsibility, 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.

Customer Satisfaction (CS)

Number of Participants in CS Related Training Given in Fiscal 2012 (AGC Group in Asia including Japan)

Name	Target	Theme	Number of times held		Number of participants	
			In Japan	Other countries	In Japan	Other countries
CS Dialogue	Mainly managers	Business administration incorporating the concept of CS	5	3	28	15
CS Seminar, etc.	Managers and general employees	Basics and tips for CS	12	2	325	40

Quality Assurance

AGC Group Basic Quality Policy

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

Basic Policy

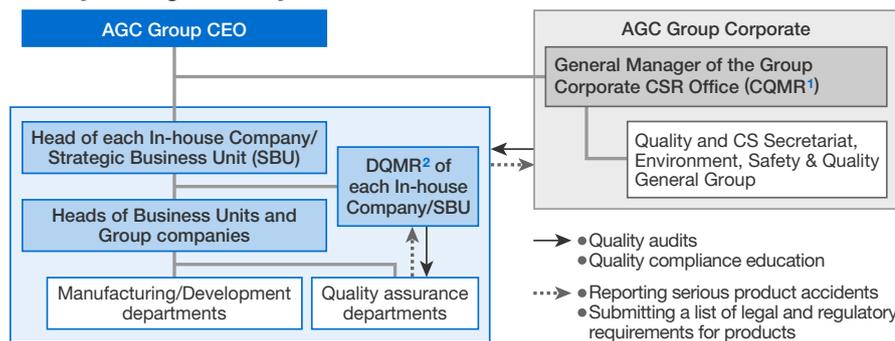
The AGC Group will continue to create the expected value by pursuing “Innovation & Operational Excellence” as one of the Shared Values in the Group Vision **“Look Beyond”**.

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 2012)

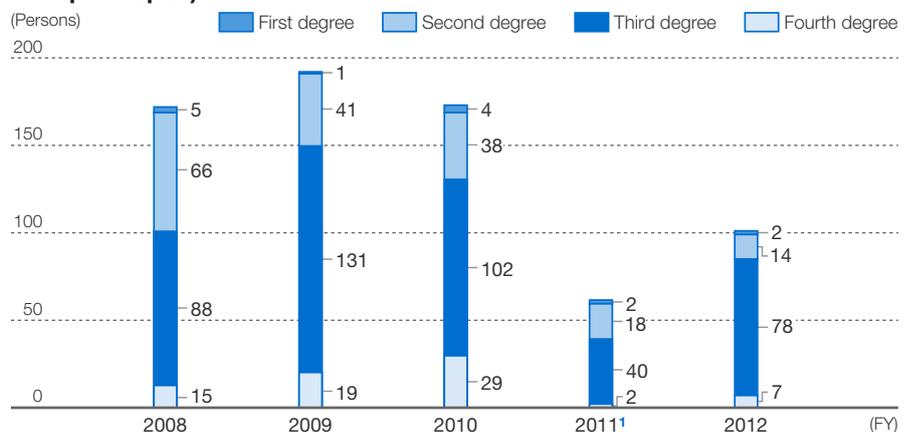
Location	Number of certified organizations
Japan	31
Asia other than Japan	23
Europe	65
North America	13
Total	132

Note Percentage of AGC Group employees at the certified organizations: 81.3%
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
2008	3
2009	0
2010	0
2011	0
2012	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 compared to fiscal 2010.

Social Contribution Activities

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.

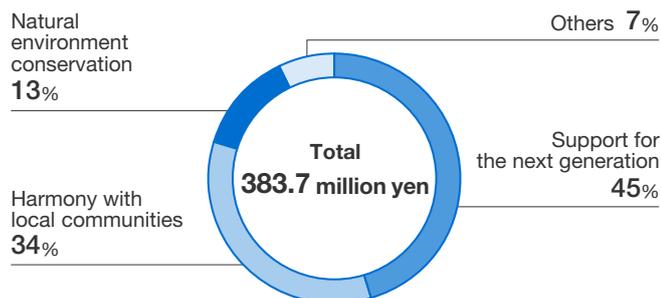
2. Harmony with Local Communities

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.

Expenditures in Fiscal 2012 for Social Contribution Activities



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

Financial Expenditure on Social Contribution Activities for Fiscal 2012 and its Breakdown

Category	Amount	Rate
Support for the next generation	172.9 million yen	45%
Harmony with local communities	132.3 million yen	34%
Natural environment conservation	50.6 million yen	13%
Others	27.9 million yen	7%

Total Financial Expenditure on Social Contribution Activities

FY	Amount
2010	525 million yen
2011 ¹	814 million yen
2012	383.7 million yen

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

Scope of Report

Fiscal 2012 (Jan.—Dec. 2012)

Some information includes content from fiscal 2011 and before, as well as from fiscal 2013.

Organizations Covered in the Report

Asahi Glass and its 202 consolidated subsidiaries (Group companies) in and outside Japan

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) Domestic (Japan) Group companies including Asahi Glass Co. Ltd.
- Asahi Glass/the Company Asahi Glass Co. Ltd. (on an unconsolidated basis)
- The AGC Group (Asia) Group companies in Asia excluding the AGC Group (Japan)

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