

AGC Sustainability Data Book 2026

For the Year Ended December 31, 2025



Contents

Message from the CEO02

Message from the GM of Sustainability Division03

Sustainability at the AGC Group

AGC Group Philosophy04

Approach to Sustainability05

Recognition of Long-Term Social Issues (Materiality)06

Stakeholder Engagement08

Governance

Corporate Governance09

Internal Controls10

Risk Management12

Compliance14

Digital Governance16

Respect for Intellectual Property Rights17

EHSQ Management18

Tax Payments18

Environment

Environment19

Addressing Climate Change28

Effective Use of Resources43

Main Communication Tools of the AGC Group

At the AGC Group, we offer a variety of communication tools tailored to the needs of our stakeholders. In addition to the information below, we also share updates through AGC's official website and social media platforms such as Facebook and Instagram.

Considering Relationships with Local Communities and the Environment51

Environmental Management56

Environmental Performance Results Management59

Social

Respecting Human Rights63

Human Resource Management65

Global Promotion of Diversity68

Employee Education71

Improving Employee Engagement73

Ensuring Work-Life Balance75

Creating a Comfortable Workplace77

Occupational Health and Safety80

Industrial Safety and Security85

Supply Chain87

Fair Transactions89

Ensuring Quality91

Product Safety Initiatives93

Pursuit of Customer Satisfaction (CS)94

Social Contribution Activities95

GRI and SASB Standards Index

GRI and SASB Standards Index96

Editorial Policy

This booklet is a data book to supplement the non-financial (sustainability reporting) aspects of the AGC Integrated Report 2026, which provides an overview of the AGC Group's corporate stance, business strategies, operations, and more. The booklet reports the AGC Group's disclosed non-financial data, sustainability-related policies, implementation structures, and performance results. It has been compiled with reference to the Global Reporting Initiative (GRI) Standards (GRI 1: Foundation 2021), while also taking into consideration the Sustainability Accounting Standards Board (SASB) Standards.

In 2019, the report's title changed from CSR Activity Report (Detailed) to Sustainability Data Book. In addition to non-financial data, individual policies, promotional structures, and business activity achievements are reported in regard to the AGC Group's Corporate Social Responsibility (CSR) activities. Initiatives in the countries and regions in which the AGC Group operates are introduced on the AGC Group's sustainability website. The Sustainability Data Book should be viewed alongside the sustainability website to foster a deeper understanding of the social responsibility activities implemented by the AGC Group. The AGC Group regularly asks for opinions and comments regarding the AGC Integrated Report and its official website. We take these responses into account to further improve our sustainability activities and use them in the creation of various reports and our official website.

Scope of This Report

Reporting Period

2025 (Jan.–Dec. 2025)

Some information includes content from 2024 and/or 2026.

Organizations Covered in the Report

AGC Inc. and its consolidated subsidiaries (Group companies worldwide)

Primary Notation and Report Subjects 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 Inc.
- AGC If there is no note, it is the same as the AGC Group
- Group companies in Asia Group companies in Asia, excluding the AGC Group (Japan)

Dates of Publication

August 2026 (Previous date of publication: August 2025)

Future Assumptions, Forecasts, and Plans

AGC Sustainability Data Book 2026 is based on the latest information available to the AGC Group at the time of editing this report. Nevertheless, please note that information regarding future forecasts may vary with fluctuations in the business environment that lead to unexpected results and/or phenomena. Please note in advance.

AGC Sustainability Data Book 2026 Operation Guide

- Click the table of contents to go to each page
- Go to an external website
- p. XX Go to the relevant page

	Financial Information	Non-Financial Information
PDF	AGC Integrated Report 2026 Introducing a wide range of corporate policies, business strategies, and activities aimed at enhancing corporate value over the long term	AGC Sustainability Data Book 2026 (This Data Book) Reporting on non-financial data and policies for various initiatives aimed at achieving sustainability
	Financial Review 2025 (English version only) Reporting on financial matters, including business overviews and consolidated financial statements	
Web	Shareholder and Investor Information Distributing detailed, timely information on the AGC Group to investors, with a focus on financial information	Sustainability Reporting on non-financial data and policies for various initiatives aimed at achieving sustainability
	The AGC Website Providing a broad range of in-depth, timely information on the AGC Group	Also includes quantitative ESG data

Message from the CEO

We are committed to creating new value and contributing to the realization of the dreams and aspirations of society and people around the world.

In 2018, the AGC Group established the brand statement “Your Dreams, Our Challenge.” This expresses our corporate stance and declares that we will challenge ourselves to make people’s dreams reality using our unique technologies and providing solutions, while building solid relationships of trust with our customers. In 2025, we redefined **“Look Beyond,”** our previous Group Vision, as our new Group Philosophy. We also updated the details behind it—Our Purpose, Our Shared Values, and Our Spirit—to align with the times. Based on this, we have defined “AGC, an Everyday Essential Part of Our World” as Our Purpose and committed ourselves to supporting leading industries and the lives of people around the world by providing unique materials and solutions. While strengthening our business resilience, we will continue to pursue the long-term initiatives outlined below and remain a company with a strong presence, contributing to the realization of the dreams and aspirations of society and people around the world.

■ Utilizing Human Capital

The AGC Group has grown by leveraging a wide range of technologies, handling materials from inorganic to organic, and by building strong ties with leading companies in various industries. Underpinning these strengths is human capital, the most important part of our management capital, as is evident from our motto, “AGC People: Driving our Growth!” Within a free and open corporate culture that supports and celebrates those who take on challenges, we believe that the most important thing is for every individual to grow and become a trusted presence for our customers. Intellectual capital is the product of such people. Combined, they make the AGC Group’s technological capabilities possible.

To fully leverage our human capital, we will utilize DX and generative AI to dramatically improve efficiency and productivity in all of our business activities, transforming the way we work and operate. By connecting our entire supply chain digitally and creating win-win relationships with our customers, business partners, and other stakeholders, we will provide new value to a wide range of customers and society as a whole.

■ Utilizing Natural Capital

For AGC as a materials manufacturer, it is absolutely critical to find ways to utilize natural capital—environmental resources and so on—to thrive in the future. When I became CEO in 2021, we set out to reduce greenhouse gas (GHG) emissions and declared our goal of achieving Carbon Net Zero for Scope 1 and Scope 2 GHG Emissions by 2050. Since then, we have continued to work to solve social issues related to natural capital, such as resource circularity through the recycling and reuse of glass.

■ Strengthening Our Business Foundation

At the AGC Group, one of “Our Shared Values” is “Integrity &

Trust.” With this, we are working to strengthen governance by changing our organizational structure. One step is having the corporate Internal Audit Division act as a bridge between organizations, while the presidents of each in-house company participate in group-wide management through regular communication. Following the general meeting of shareholders in spring 2026, AGC transitioned from a company with an Audit and Supervisory Board to a company with an Audit and Supervisory Committee. As a result, six independent directors now make up the majority of the Board, with the other four seats held by internal directors, making it easier for outside oversight to take effect. We believe this will further strengthen corporate governance.

AGC is a materials manufacturer. It can take 10 to 20 years to go from research and development to commercialization to contributing to business. At the same time, a wide range of changes and fluctuations are sure to occur during that time. I am renewing my commitment to building a resilient business structure that will remain unshaken by changes, continuing to create new value, and making sure AGC is always “an Everyday Essential Part of Our World.”



Representative Director,
President & CEO
Yoshinori Hirai

Message from the GM of Sustainability Division



AGC's sustainability management is deeply rooted in our corporate philosophy, **"Look Beyond."** With "AGC, an Everyday Essential Part of Our World" as our purpose, we have aimed to remain an indispensable presence in society, supporting the lives of people around the world with our unique materials and solutions. At the core of this approach are our three social values: Blue planet, Innovation, and Well-being. Their creation generates economic value and enhances corporate value. This value creation spiral is the fundamental concept behind AGC's sustainability management.

We will steadily take necessary action from a medium- to long-term perspective without being distracted by short-term trends.

To tie this concept to effective management, we have established a governance structure with a Sustainability Committee chaired by the CEO. We have established sustainability KPIs and monitor the status on an ongoing basis to ensure that we are steadily working to deepen our sustainability management as set forth in our **AGC plus-2026** medium-term management plan.

We index and monitor the status of representative businesses that create the three social values as KPIs to measure business growth from a sustainability point of view. Blue planet contributes to societal GHG reduction through high-performance energy-saving glass and next-generation low-GWP refrigerants. Innovation provides materials and solutions for semiconductors and other advanced fields. Well-being supports safe and secure living through chlor-alkali products and CDMO services. Steady progress is being made in each field. GHG emission reductions and employee engagement scores have been established as KPIs to measure the sustainability of our management foundation. We incorporate internal carbon pricing into investment decisions, visualize the relationships between reduction potentials and costs using marginal abatement cost curves, and use these to formulate economically rational reduction plans. Under the banner "AGC People: Driving our Growth!" we are committed to fostering an organizational culture that allows us to maximize our strengths by emphasizing both the growth and motivation of employees and the creation of an environment to realize these.

As we enter the final year of our medium-term management plan, the issues that need to be strengthened have become

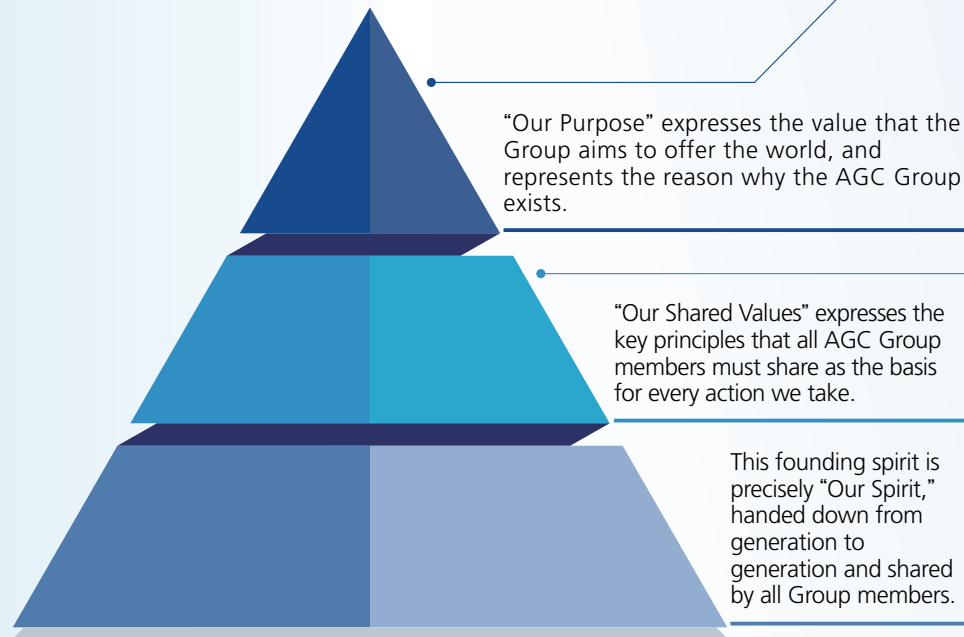
clear. As a materials manufacturer, our mission is to support people's daily lives by utilizing the earth's resources while also reducing environmental impacts from a long-term perspective. In addition to addressing climate change, we are also working to solidify policies and targets in environmental fields such as resource circularity and harmony with nature. We are also reassessing materiality given changes in the external environment and designing the next KPIs. In the area of human rights, following the formulation of policies and the establishment of systems, we are advancing efforts to identify human rights impacts arising from our business activities and take appropriate action. This requires initiatives that look not only at our own operations but also across the entire value chain. The driving force behind these efforts is none other than our people. Building on our diversity initiatives, we will leverage the strengths of our diverse talent and connect them to the creation of value for our organization.

Even as national policies and public opinion change, addressing global environmental issues and respecting human rights remain management priorities that must not be rolled back. Without being swayed by short-term trends, we will steadily take the actions required from a medium- to long-term perspective.

As General Manager of the Sustainability Division, I will incorporate these priorities into our strategies and KPIs and drive execution in a way that strengthens our growth and competitiveness. Through these efforts, we will further accelerate the positive cycle of solving social issues while enhancing corporate value. AGC will continue to grow sustainably alongside society.

AGC Group Philosophy

“Look Beyond”



Our Purpose

“AGC, an Everyday Essential Part of Our World”

We **“Look Beyond”** to make people's lives better around the world by delivering our unique materials and solutions.

We, the AGC Group, aim to continue being the “first choice” solution provider for our customers by building long-term, trust-based relationships with them through unique materials and solutions developed using our wide-ranging material and production technologies. We will continue offering products and solutions that customers and society need, thereby making people's lives better around the world every day.

Our Shared Values

Innovation & Operational Excellence

- We always **“Look Beyond”** and tirelessly pursue innovations in technology, products, and services.
- We aim for excellence in quality and efficiency through continuous improvement.
- We continually challenge ourselves to deliver value through innovation and operational excellence.

Sustainability for a Blue Planet

- We contribute to creating a sustainable society and constantly grow and evolve.
- We achieve economic value through fostering social value.
- We strive to create safe and secure workplaces.

One Team with Diversity

- We value different perspectives.
- We seek diverse capabilities and personalities of individuals of all backgrounds and beliefs, and by leveraging each other's strengths we create value as One Team.

Integrity & Trust

- We comply with all applicable laws and regulations, building open and fair relationships with all our stakeholders based on the highest ethical standards.
- We aim to achieve customer satisfaction and trust for all our products and services.
- We create trust with all stakeholders, internally and externally, by acting with integrity.

Our Spirit

“Never take the easy way out, but confront difficulties.”

These are the words of Toshiya Iwasaki who founded Asahi Glass Co., Ltd. in September, 1907.

Management Policy

The Management Policy sets the course of action for all the Group's business activities providing social and business aspirations, guidelines, and directives. It is revised as necessary to reflect changes in the business environment and circumstances of the Group.

[Management Policy AGC plus 2.0](#)

Charter of Corporate Behavior

The Group Charter sets forth and declares the perspectives that form the basis of our behavior to ensure that the AGC Group will remain a good corporate citizen.

[AGC Group Charter of Corporate Behavior](#)

Code of Conduct

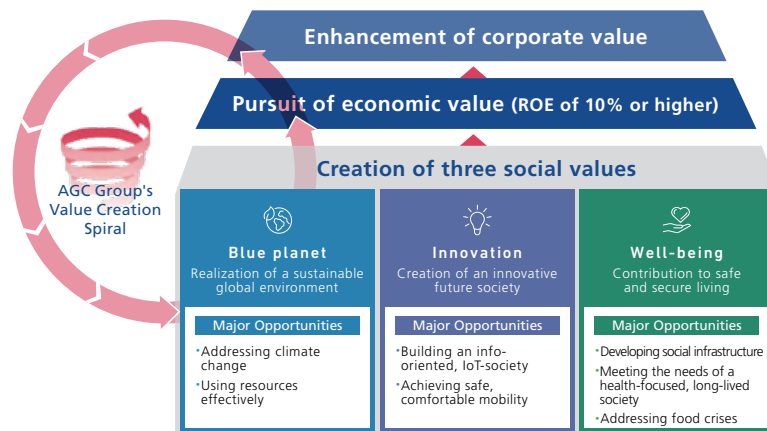
The Code of Conduct sets forth standards to be observed by all Group members from the perspective of “integrity” in Our Shared Values under the AGC Group philosophy **“Look Beyond.”**

[AGC Group Code of Conduct](#)

Approach to Sustainability

The cornerstone of the AGC Group's sustainability management is addressing social issues through our products and technology while creating three types of social value: "Blue planet," "Innovation," and "Well-being." Through our business activities, we aim to create an upward spiral of value creation, in which the creation of these three social values generates economic value and enhances corporate value.

In the AGC Group, we identify major risks and opportunities that could affect the long-term direction of management and corporate value as the AGC Group's materiality. Based on this, we work to resolve issues by responding appropriately to risks and making the most of opportunities.



Sustainability Management System

The AGC Group has established the Sustainability Committee chaired by the CEO as the body responsible for deliberating on basic policies and measures related to sustainability. Particularly important matters are decided by the Board of Directors.



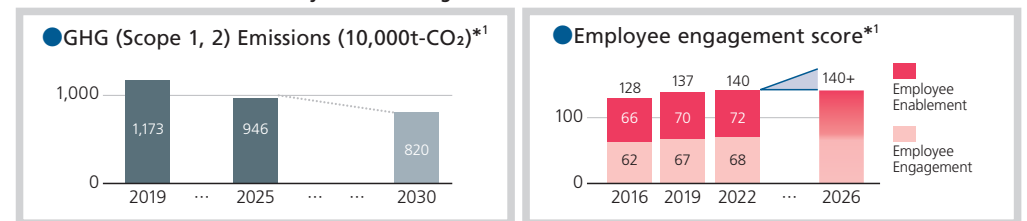
Committee Name	Purpose	Frequency	Attendees
Management Committee	Deliberation on executive decision-making and business management monitoring	Approx. 26 times a year	CEO, CFO, CTO, and others nominated according to the agenda
Sustainability Committee	Deliberation on basic policies and measures for Group sustainability management initiatives	4 times a year	CEO, CFO, CTO All division heads
HR Committee	Deliberation on identification and development of group management human resources and promotion of diversity	7 times a year	CEO, CFO, CTO, GM of the human resources division In-house company presidents
Environmental Response Meeting	Discussion and deliberation of environment-related sustainability management issues	8 times a year	GM of EHSQ General Div., and others nominated by the heads of the relevant corporate functions, and environment and sustainability officers of in-house companies / SBUs
AGC Group EHS Committee*	Discussion and deliberation of management issues related to the environment and occupational health and safety of the AGC Group	4 times a year	GM of EHSQ General Div., heads of in-house companies / SBUs in charge of EHS (safety and environment) and corporate division officers in charge of EHS promotion
Human Rights Issues Liaison Meeting	Sharing and strengthening cooperation on AGC's salient human rights issues toward establishing and maintaining a system for respect for human rights	Twice a year	GM of Sustainability Division Divisions involved in addressing human rights issues

* EHS: Environment, Health and Safety

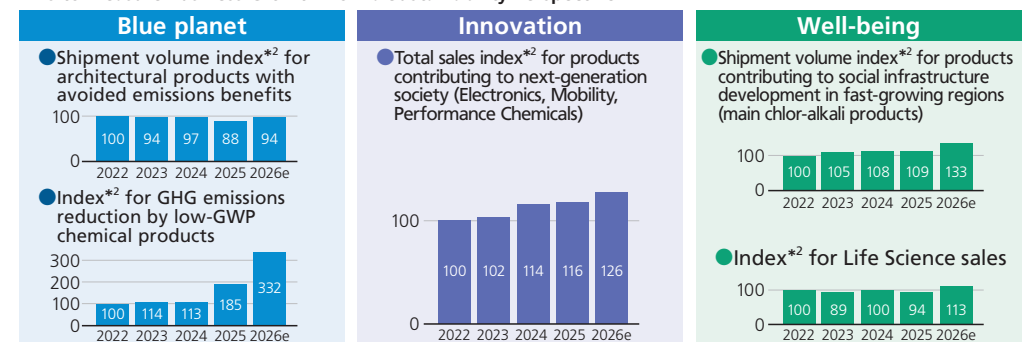
Sustainability KPIs

In light of trends in long-term social issues, the AGC Group sets long-term management strategies, business strategies, and sustainability goals and KPIs based on major risks and opportunities to contribute to a sustainable society and achieve the sustainable growth of the Group.

KPIs to Measure the Sustainability of Our Management Foundations



KPIs to Measure Business Growth from a Sustainability Perspective



*1 Items reflected in executive remuneration. However, for GHG emissions, GHG emissions intensity per unit of net sales is used in the calculation of executive remuneration.

*2 Indexes: Figures converted from 2023 on using 2022 as a base of 100.

Recognition of Long-Term Social Issues (Materiality)

The AGC Group identifies long-term social issues as major risks and major opportunities that might have an impact on the long-term direction of business and corporate value.

Taking these major risks and opportunities into account, the AGC Group has established long-term management strategies, individual business strategies, and sustainability KPIs to guide its business activities.

Major Risks	Solving Social Issues through Healthy Corporate Activities
Major Opportunities	Solving Social Issues through Products and Technologies

● Recognition of Long-Term Social Issues (Materiality) and Their Relevance to Business Activities

The AGC Group's Recognition of Long-Term Social Issues (Materiality)			Policy on Addressing Issues	Examples of the AGC Group's initiatives Governance/Environmental/Social		
Addressing Climate Change	Since the Paris Agreement was reached in 2015, a shift toward decarbonization has been gathering momentum. Stricter energy-related policies and statutory regulations are expected. Also, socially calls are growing for companies to achieve net-zero greenhouse gas emissions.	Major Risks	While advancing GHG emission reduction across the value chain, we will promote decarbonization mainly in our Glass and Chemicals Businesses. In addition, we will expand our supply of products that reduce emissions during the use phase, and strive to balance regulatory compliance with strengthened competitiveness by achieving KPIs related to our own emissions and contributions to emission reduction.	● Reduction of Scope 1, 2, and 3 emissions This Issue p. 39	● Transition plan in the Glass Business This Issue p. 34	● Transition plan in the Chemicals Business This Issue p. 35
		Major Opportunities		● Window glass for improved thermal insulation and heat shielding performance This Issue p. 40	● Automotive glass that cuts infrared rays and reduces heat This Issue p. 41	● Next-generation coolants and solvents This Issue p. 41
Effective use of resources	There are concerns that stricter regulations on the use of depletable resources, such as rare earths, and higher demand for water resources accompanying further urbanization could seriously impact the production activities of companies. In addition, as the recycling-based economy accelerates, society increasingly expects companies to reduce waste and promote recycling.	Major Risks	By expanding recycling through resource recovery and recycling, we will reduce our natural resource consumption and mitigate risks related to resource depletion and procurement. We also aim to mitigate regulatory risk and capture new demand by developing circular products that are easy to recycle and have a long life. Through these activities, we will mitigate risks and help to enhance the AGC Group's medium- to long-term competitive advantage. We are building eco-friendly business models and enhancing our ability to respond to customer needs to address social demands while producing economic outcomes.	● Recycling of cover glass for solar panels This Issue p. 46	● Recycling of waste glass from buildings This Issue p. 46	● Chemical recycling of fluorine resources (third-party certification) This Issue p. 47
		Major Opportunities		● Insulating glass with long service life and easy recycling This Issue p. 48	● Material recycling of fluorine film This Issue p. 47	● Highly weather resistant fluoropolymer coating that reduces resource consumption through longer service life This Issue p. 48
Creating socially and environmentally-conscious supply chains	As supply chains become more globalized and complex, the risk of issues arising in relation to illegal employment, such as forced labor and child labor, at suppliers and subcontractors is increasing. Further, tighter environmental regulations are leading to concern over potential regulatory violations at operating bases.	Major Risks	As described in the AGC Group Charter of Corporate Behavior, we strive to establish mutually beneficial and appropriate relationships with business partners, ensuring together that the principles of the charter are in line with the fundamental stance of the AGC Group. The Procurement & Logistics Division plays the main role in conducting initiatives to solve social issues involving human rights, labor practices, and the environment with the rest of the supply chain.	● Point of contact for compliance in procurement activities This Issue p. 87	● Initiatives in concert with our business partners This Issue p. 87	● Promoting green procurement This Issue p. 87
Ensuring fair and equal employment and workplace safety	There is a growing need for compliance in employment and respect for workers' rights as well as for safety measures at manufacturing sites due to the increasing number of unskilled and elderly workers.	Major Risks	The AGC Group positions workers' health and safety as a significant human rights issue, and the relevant divisions work together to promote initiatives related to human rights and labor practices as part of day-to-day operations. We also believe that safety, the environment, quality, and compliance are prerequisites for conducting business. Guided by the Group philosophy "Look Beyond" and corresponding management policies, we are promoting EHSQ (Environment, Industrial Safety & Security, Occupational Health & Safety, Quality) management across all aspects of our business activities.	● Establishment of a global hotline This Issue p. 15	● Self-assessments of human rights and labor practices This Issue p. 63	● Empowering women This Issue pp. 68-69
Considering Relationships with Local Communities and the Environment	Due to population growth and urbanization in various parts of the world, interest in expanding living areas and maintaining biodiversity in surrounding areas is growing. Also, in emerging countries there is an increasing focus on improving quality of life as living standards improve. Efforts to build good relationships with local residents and governments in the vicinity of operating bases are also becoming more important.	Major Risks	The AGC Group Charter of Corporate Behavior sets forth our commitment to fulfilling our responsibilities to society and local communities as a trusted corporate citizen. We promote social contribution initiatives in the priority areas of "support for the next generation", "harmony with local communities", and "natural environment conservation." We also thoroughly mitigate negative environmental impacts and manage risks related to environmental safety at our operational sites, and build relationships of trust through dialogue with local communities.	● Addressing major process safety risks This Issue p. 85	● Volunteer leave and sabbatical system This Issue p. 95	● Mitigating Environmental Impacts and Promoting Ecosystem Restoration through Practical Implementation This Issue pp. 24-25

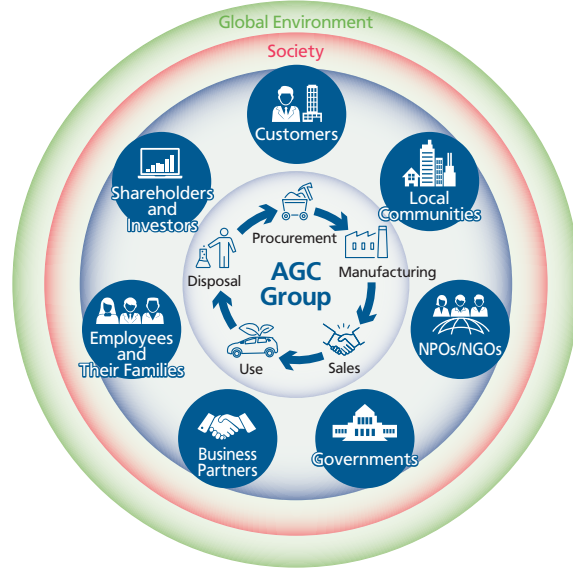
The AGC Group's Recognition of Long-Term Social Issues (Materiality)			Policy on Addressing Issues	Examples of the AGC Group's initiatives Governance/Environmental/Social		
Developing social infrastructure	While the economic growth of emerging countries necessitates the development of such social infrastructure as housing, roads, railroads, and public services, developed countries must deal with the aging of their social infrastructure. Moreover, there is a growing need to develop resilient infrastructure that can withstand the intensified disasters being caused by climate change.	Major Opportunities	At the AGC Group, we provide a wide range of solutions globally that drive three social values, leveraging diverse world-class materials and technologies, a broad customer base, and advanced production techniques cultivated over our 110-year history. By solving social issues in our business activities, we will simultaneously achieve sustainable growth and corporate value creation.  Blue planet Realization of a sustainable global environment We contribute to the sustainability of the planet on which all life depends by reducing the environmental impact of our products from raw material procurement to use by customers.  Innovation Creation of an innovative future society We contribute to the creation of innovative future society by providing materials and solutions that support the world's most advanced technologies.  Well-being Contribution to safe and secure living We contribute to safe, secure, comfortable, and healthy lives by providing products necessary for daily life, infrastructure, and healthcare in a more stable manner.	● Sodium hypochlorite contributing to water quality improvement This Issue p. 55	● Contribution through the Chlor-Alkali Business AGC Website	● Building-integrated photovoltaics (BIPV) This Issue p. 40
Achieving safe, comfortable mobility	The spread of automobiles in emerging countries is causing concern over rising traffic accident deaths. Meanwhile, addressing the mobility needs of the elderly, those living in less-populated areas, and other vulnerable groups in society is becoming increasingly important. Further, as autonomous driving becomes more widespread, expectations are increasing with respect to the establishment of safety technologies, such as sensors and cameras, and the enhancement of in-car entertainment.	Major Opportunities		● Windshield glass equipped with FIR camera AGC Website	● Low-E coated glass for automotive panoramic roofs This Issue p. 41	● Next-generation display system for safer and more advanced cockpits AGC Website
Addressing food crises	The problems of hunger and malnutrition in the world's poorest regions have yet to be resolved, and there are concerns that the situation will worsen due to disasters and droughts caused by the climate change of recent years. Also, to cope with a growing world population, food productivity must improve.	Major Opportunities		● An agricultural fluoropolymer resin film used in greenhouses This Issue p. 48	● Contract development and manufacturing of agrochemicals AGC Website	● Feed additives for livestock heat protection AGC Website
Building an info-oriented, IoT society	With the spread of information and communication technologies in emerging countries, reliable, inexpensive access to information needs to be provided. In developed countries, the early dissemination of next-generation high-speed communication technologies, such as 5G, promises to improve the quality of remote medical care and information transmission.	Major Opportunities		● Next-generation semiconductors supported by AGC's fundamental technology Integrated Report p. 32–35	● Glass substrates with micropores contributing to miniaturization and high-speed operation of electronic devices AGC Website	● Glass antenna that turns a window into a base station AGC Website (Japanese only)
Facilitating better health and longevity	Given that the number of young people losing their lives due to non-communicable diseases remains high worldwide, there is a need to reduce such deaths by providing stable supplies of pharmaceuticals for prevention and treatment. In addition, a trend toward increased division and specialization in the pharmaceutical industry, which is aimed at improving the productivity of the industry as a whole and diversifying its risks, is becoming more pronounced.	Major Opportunities		● Contract development and manufacturing of biopharmaceuticals and gene/cell therapeutics AGC Website	● Contract development and manufacturing of pharmaceutical ingredients and intermediates AGC Website	● Highly reactive neutralizer for exhaust gas treatment that contributes to air quality improvement This Issue p. 55

Stakeholder Engagement

Fundamental Approach

The corporate behavior of the AGC Group is based on its relations not only with customers but also with all stakeholders, including shareholders, investors, business partners, governments, NPOs/NGOs, local communities, and employees and their families as well as future generations who will lead a sustainable society. The AGC Group Charter of Corporate Behavior states that the AGC Group will seek to communicate with all its stakeholders and listen to their opinions and disclose corporate information promptly and fairly.

[Multi-Stakeholder Policy](#)



Management Structure

The AGC Group has established a support department for each stakeholder group and cooperates with relevant departments to proactively disclose corporate information in a prompt and proper manner. The Group also creates opportunities to act on the opinions of its stakeholders for business management, promoting two-way communication between stakeholders and the AGC Group.

Communication Approach

Disclosure Policy

Concerning the timely disclosure of Company information, supervisors nominated from each business division and major Group companies obtain and release information through the Corporate Communications & Investor Relations Division. In addition, negative information is also appropriately disclosed on the official AGC website and via the media.

[Disclosure Policy](#)

Group Communication Guidelines

The AGC Group has established Group Communication Guidelines to accurately disseminate Group information. Adhering to guidelines of the public relations divisions of Group companies in Japan, the rest of Asia, Europe, and the Americas, the Group follows rules regarding the dissemination and receipt of information within and outside the Group.

The AGC Group Communication with Stakeholders

Stakeholders	Key Issues	Engagement Methods (Examples)
Customers	Providing safe, high-quality products and services, considering product safety and the environment, and improving customer satisfaction	Sales activities, trade shows, websites, press releases, and technical support 
Local Communities	Coexisting with local communities, preserving the environment, ensuring the safety of operating sites, and contributing to the sustainable development of local communities	Plant tours, on-site classes, social contribution activities, and employee participation in local events 
NPOs/NGOs	Addressing social issues, tackling human rights and environmental issues, and enhancing social responsibility	Opinion exchanges, joint projects, and donation and social contribution activities 
Governments	Legal compliance, responding to policies, collaborating on social issue resolution, and responsible business activities as an industry	Dialogue through industrial and economic organizations, policy proposals, and collaboration with government 
Business Partners	Fair and transparent transactions, responsible procurement, consideration for human rights and the environment, and compliance throughout supply chains	Supplier meetings, satisfaction surveys, business partner meetings, and sustainable procurement activities 
Employees and Their Families	Respecting human rights, respecting diversity, improving job satisfaction, creating a safe and healthy work environment, and providing growth opportunities	Internal newsletter, intranet, employee surveys, labor-management consultations, and CEO dialogue opportunities 
Shareholders and Investors	Disclosing timely and appropriate information, enhancing corporate value, and ensuring transparent management for sustainable growth	Annual general meeting of shareholders, financial results briefings, investor briefings, facility tours, and publication of IR materials 

Corporate Governance

Fundamental Approach

Corporate governance is a vital management foundation that supports the AGC Group's sustainable growth and the enhancement of its corporate value over the medium to long term. The AGC Group is committed to continually pursuing the optimal form of corporate governance.

The cornerstones of the AGC Group's corporate governance efforts are as follows.

- (1) AGC respects the rights and equal treatment of shareholders and promotes constructive dialogue with them.
- (2) The AGC Group promotes cooperation with a diverse range of stakeholders (including shareholders, investors, customers, business partners, employees, future generations, and local communities) and endeavors to build relationships of trust.
- (3) The AGC Group ensures appropriate disclosure of information to stakeholders and ensures transparency in such disclosure.
- (4) The Board of Directors and the Audit and Supervisory Committee of AGC Inc. serve as the core of the corporate governance system, make timely and decisive decisions, and exercise effective oversight and audit functions.

For more information on the AGC Group basic policies and corporate governance, please see here.

[Corporate Governance](#)

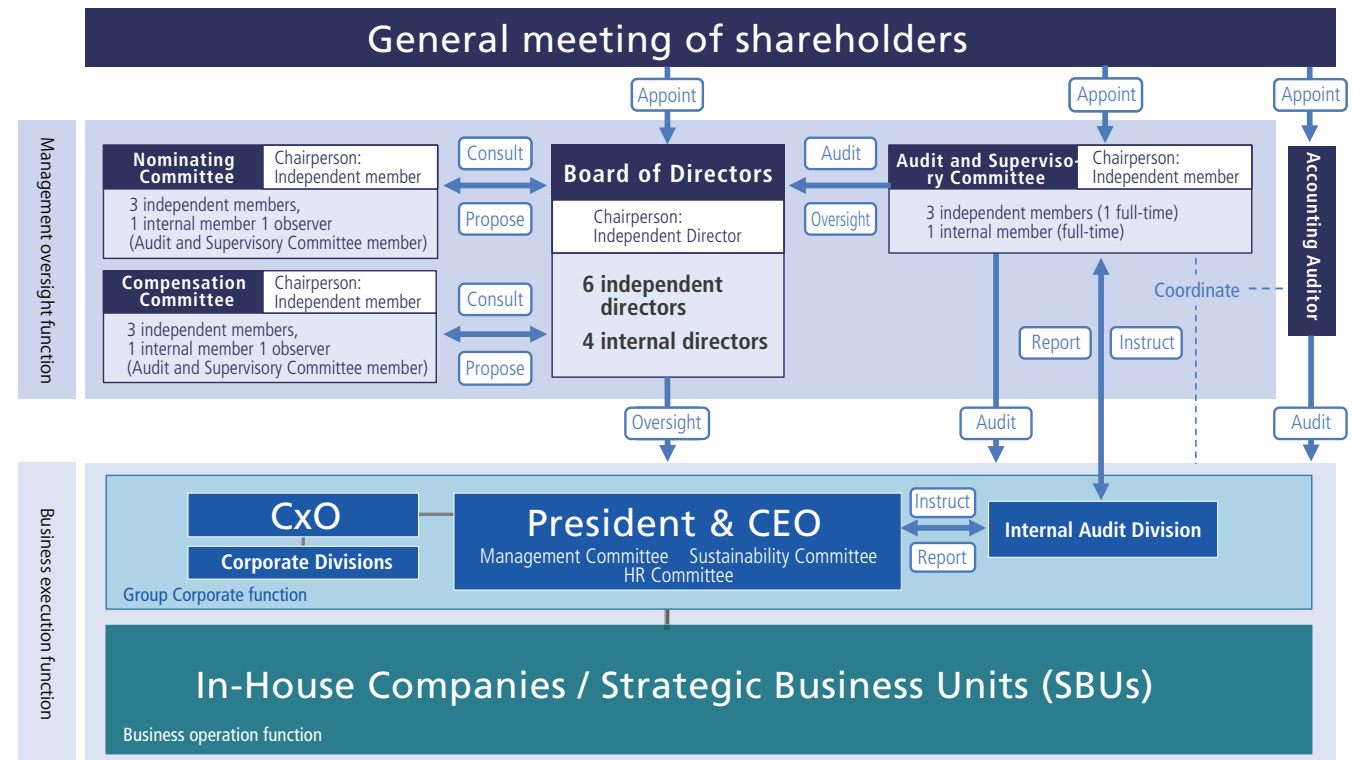
● Attendance of Directors at Board of Directors' Meetings

Year	Attendance
2021	99%
2022	100%
2023	99%
2024	100%
2025	99%

● Attendance of Audit & Supervisory Committee Members at Board of Directors' Meetings

Year	Attendance
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%

● The AGC Group's Corporate Governance System (as of March 27th, 2026)



- Clearly separated management oversight and business execution functions
- **A majority of the Board of Directors consists of independent directors, and an independent director serves as chairperson**
- The Company has established a Nominating Committee and a Compensation Committee to deliberate on the appointment, dismissal, and compensation of the President & CEO, etc. **Both committees are composed of a majority of independent directors, and independent directors serve as chairpersons of both committees**
- The Board of Directors has substantially delegated authority for management decision-making to the President & CEO, etc.
- Streamlined and improved the efficiency of decision-making through the adoption of an in-house company system (quasi-subidiaries within the Group) that clearly separates corporate functions from business execution functions
- **Management Committee, Sustainability Committee, and HR Committee established as advisory bodies to the President & CEO**
- The Audit and Supervisory Committee, in collaboration with the Internal Audit Division and the accounting auditor, audits and oversees the performance of duties by directors (excluding directors who are Audit and Supervisory Committee members)

Internal Controls

Fundamental Approach

In response to the enforcement of the Companies Act, the establishment of AGC's Corporate Policy over Internal Control was approved by a resolution of the Board of Directors at a meeting held in May 2006. The aim was to review and ensure the appropriateness of the Company's business operation systems, including the compliance system.

Basic Items for Corporate Policy over Internal Control

1. Compliance program
2. Information retention and management system
3. Risk management system
4. System for efficient business execution
5. System for reports to AGC by AGC Group companies
6. Audit system of the Audit & Supervisory Committee

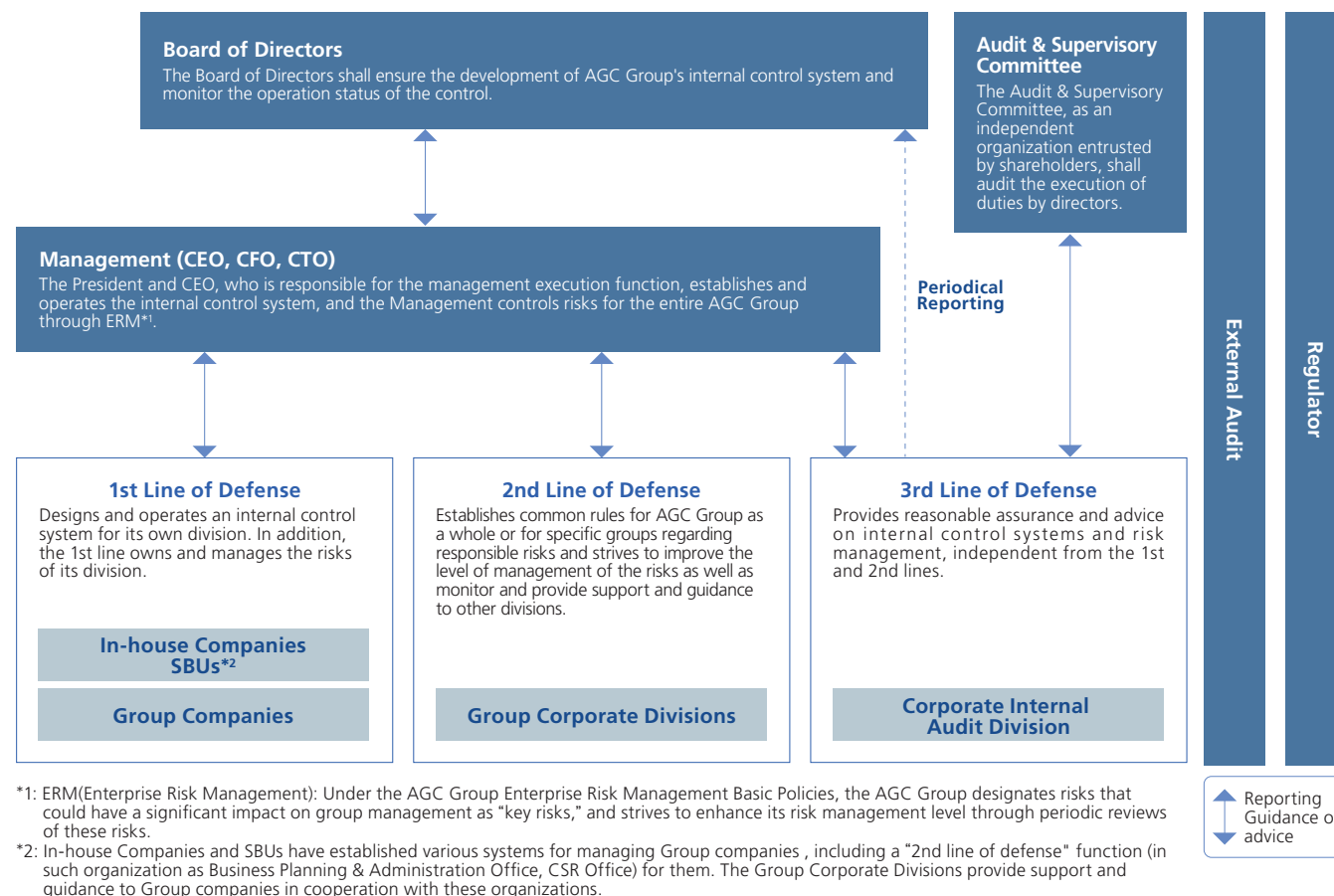
This corporate policy is reviewed annually by the Board of Directors, and the AGC Group ensures the appropriateness of the Group's operations through the operation of the "Internal Control System" established in accordance with this policy.

Management Structure

The AGC Group's internal control system is established and operated by the President and CEO, who is responsible for the management execution functions, to strengthen the Group's internal control. The Board of Directors, which fulfills a management oversight function, approves the corporate policy and periodically monitors the establishment and operational status of the internal control system. In addition, Audit & Supervisory Committee members monitor and verify the internal control system from an independent standpoint and evaluate its effectiveness.

With respect to business execution under this structure, the AGC Group Three Lines of Defense Model has organized the business divisions, Group corporate divisions, and Internal Audit Division respectively as the first, second, and third lines of defense. A framework has thus been established to ensure the appropriateness of operations of the entire Group.

●The AGC Group Three Lines of Defense Model



Internal Audits

As the 3rd line of defense and to maintain its independence, the AGC Internal Audit Division has appointed a corporate internal audit global leader (General Manager of the AGC Internal Audit Division) who reports directly to the President & CEO, overseeing the person in charge of each audit division located in Asia, Europe, and North America. Through internal audits, audit divisions in each region promote the establishment, operation, and improvement of Group companies' internal controls. In addition, the corporate internal audit global leader promptly reports important matters identified by audits to the President & CEO and Audit & Supervisory Committee members, and also regularly reports to the Board of Directors and Audit & Supervisory Committee.

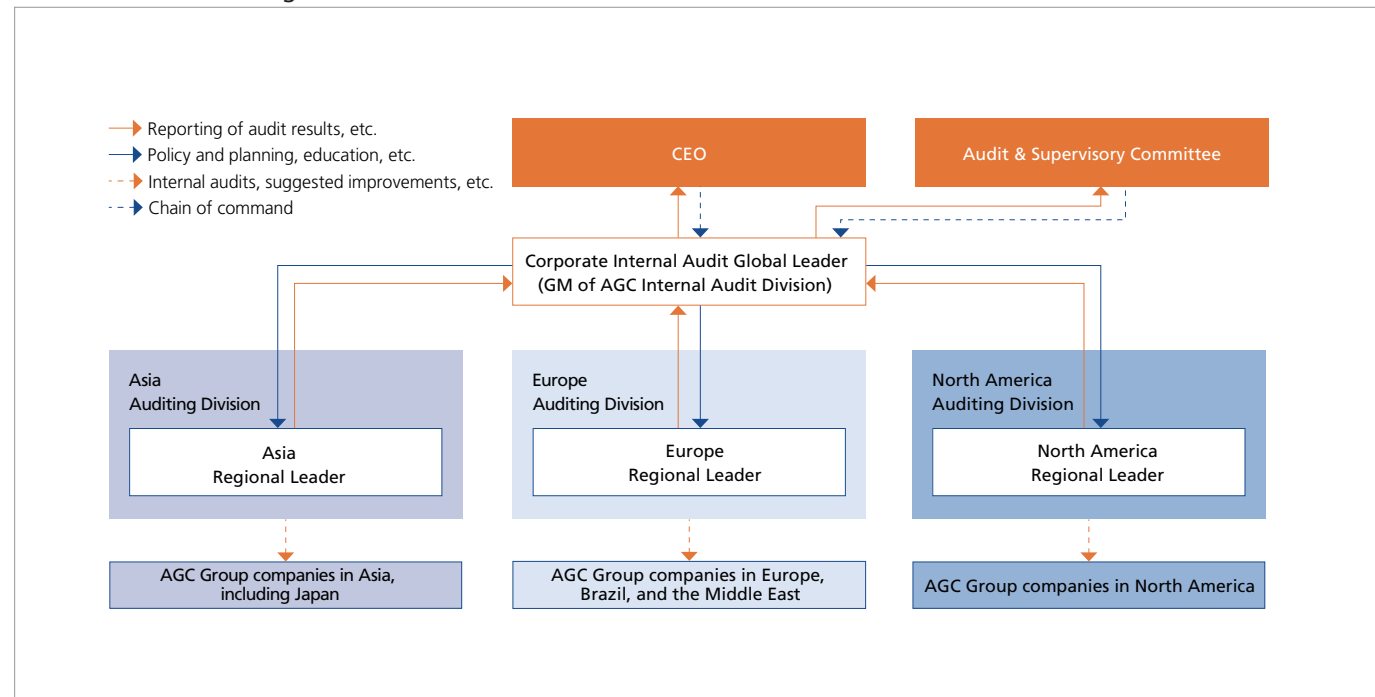
In carrying out internal audits, the AGC Group establishes common global auditing items. In 2025, the Group established (1) Compliance with Antitrust Laws and Regulations, (2) Information Security Management, (3) Anti-Bribery Control, and (4) Data Accuracy as focus items. In addition, when selecting items for audit, the Group uses criteria established on the basis of risk. In 2025, the Group audited 39 Group companies globally by combining on-site audits, remote audits, collaborative audits with the internal audit divisions of the Group companies, and data-enabled digital audits in ways that were best suited to the situations at the Group companies being audited.

The Group also conducts pre-operational and M&A audits to assess the internal control status of newly established companies and companies that have joined the AGC Group through M&A. In 2025, the Group performed four such audits globally. In addition, as part of its "Theme Audit," which examines specific business domains or cross-organizational control activities, in 2025 the Group conducted an audit of the control activities of the AGC Corporate Division.

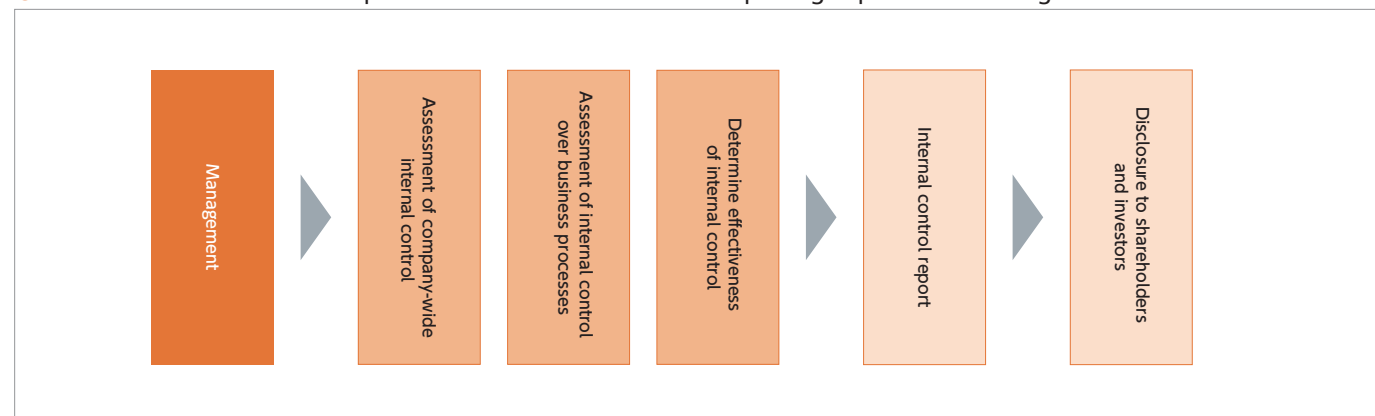
Internal Controls for Financial Reporting

The AGC Group established "AGC Group Internal Control over Financial Reporting Implementation Regulations" in compliance with the Financial Instruments and Exchange Act. Based on these regulations, the Group establishes, operates, and evaluates internal controls for financial reporting. Internal controls regarding financial reporting were evaluated as being effective in 2025, and the appropriateness of the valuation has also been reported by the external auditor.

Global Internal Auditing Structure



Processes Based on "AGC Group Internal Control over Financial Reporting Implementation Regulations"



Risk Management

Fundamental Approach

At the AGC Group, in accordance with the Corporate Policy over Internal Control resolved by the Board of Directors, and for the purpose of appropriately managing risks that could hinder the achievement of Group management objectives and establishing and operating a crisis response framework, we have formulated the AGC Group Enterprise Risk Management Basic Policies. The Group as a whole is working on enterprise risk management based on this policy.

Management Structure

We identify risks that could hinder the achievement of the Group's management objectives, divide them into management levels for suppressing the occurrence of risks and response levels for when risks occur, and implement measures based on Enterprise Risk Management (ERM) framework.

In implementing ERM, we have clearly defined the corporate divisions responsible for individual risks and crisis events in accordance with "The AGC Group Three Line Defense Model," and we are working to continuously improve our risk response capabilities through collaboration with business divisions. The status of risk management is reported annually to the Board of Directors for monitoring.

Long-term sustainability risks are addressed by the Sustainability Committee.

Group-wide Initiatives

Risk Management

The AGC Group has established the AGC Group Risk Management Implementation Regulations, and among the risks that could hinder the achievement of the Group's management targets, those that require particularly intensive monitoring from the perspective of their potential impact on the Group's management and the likelihood of their occurrence are selected as key risks.

The Group implements measures aimed at mitigating the materialization of such risks, and conducts annual self-assessments across the Group to continuously improve the level of risk management.

AGC Group Risk Classification

- Strategy
- Operation
- Compliance
- Sustainability
- Natural disasters / Infectious diseases
- Cybersecurity / Information security
- Financial

 [Business Risks](#)

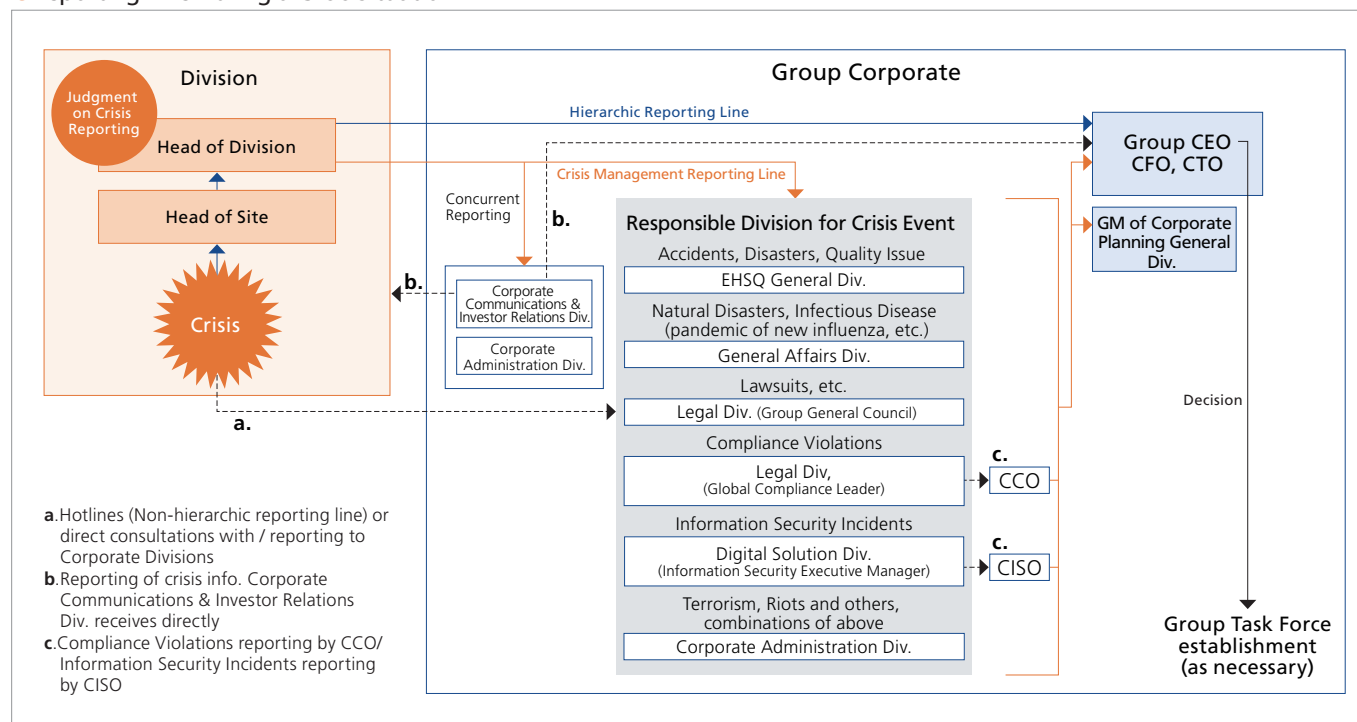
Business Continuity / Crisis Management

The AGC Group has established a Business Continuity Management (BCM) system to minimize the impact of crises that may have a significant effect on business activities and has set forth procedures for reporting and responding to such crises in the AGC Group Rules for Crisis Management and Business Continuity Management.

Under this system, we have established a "Crisis Management Reporting Line" to ensure prompt and reliable access to information in the event of a crisis. We have also established response procedures so that a Group Task Force Headquarters can be immediately set up as necessary to ensure a smooth crisis response.

In order to respond properly to crises especially in the event of accidents or disasters, each site implements safety and disaster prevention initiatives. In addition, the AGC Group has developed a Business Continuity Plan (BCP) to ensure the continuation of operations, and strives to continuously enhance and improve its level of responsiveness to achieve recovery and restore operations in a rapid manner.

Reporting Line During a Crisis Situation



■ BCP Establishment and Improvement

The AGC Group, under the AGC Group Rules for Crisis Management and Business Continuity Management, has established four basic policies for responding to accidents and disasters. These policies are: "human life and safety first," "prevention of secondary disasters," "contribution to and harmony with local communities," and "business continuity." Each business division and site develops its own BCP. In 2025, we issued the BCP Formulation Guidelines, which describe the recommended process for formulating BCPs. In addition to standardizing BCPs, we are promoting activities to improve the effectiveness of BCPs based on business impact analyses and risk analyses in critical businesses.

In line with these policies, we have evaluated risks relating to earthquakes, high winds, floods, etc., across our major Group sites around the world (approximately 200 locations). We have created a hazard map, which categorizes the severity of hazard risks through color-coding. At sites in high-risk areas, we are advancing efforts to develop BCPs. Please refer to "Addressing Climate Change" on p. 28, as our medium- to long-term response to natural disasters is addressed as a physical risk of climate change.

For earthquakes in particular, we have developed BCPs for our main high-risk sites in Japan and Asia. Every year at our headquarters, we conduct a Group Task Force Headquarters drill involving the Group CEO, division heads, and relevant key personnel, with the aim of raising awareness and improving the effectiveness of BCPs. In 2025, we conducted a discussion-based case study simulating a Nankai Trough earthquake, during which we reviewed our response measures in the event of a disaster, and conducted decision-making drills on business continuity and whether to continue or suspend operations.

At the AGC Group (Japan), we have been operating an employee safety confirmation system since 2009 that checks the safety of employees and their families in case of a disaster, and we conduct Group-wide safety notification drills twice a year in Japan. We also conduct response training for power outages caused by natural disasters at our business locations in Southeast Asia.

We will verify the effectiveness of our established BCPs through repeated drills while continuing to improve our BCPs.

Regarding infectious diseases, we have continued our operations through the implementation of BCP prepared by businesses including each site during the global spread of COVID-19 that started in 2020. Even today, in preparation for the next outbreak of large-scale infectious diseases, the AGC Group has established and maintains a BCP-based response system that incorporates various measures, such as remote work, to ensure

human life and safety as well as to minimize the impact and continue operations in such an event.

Compliance

Fundamental Approach

The AGC Group upholds “Integrity & Trust” as one of “Our Shared Values” within our corporate philosophy, **“Look Beyond”** and regards compliance as a prerequisite for our business activities.

Formulating a Groupwide Code of Conduct

The AGC Group has established the AGC Group Code of Conduct, which sets forth standards to be observed by all employees in the workplace. The Code of Conduct consists of Global Common Standards, which set out universal values such as human rights, and Country/Region-Specific Standards, which take into account differences in laws, regulations, and business practices in different countries or regions.

The working regulations of each AGC Group company state that a violation of the AGC Group Code of Conduct is grounds for disciplinary action. In addition, if an employee voluntarily reports his or her own Code of Conduct violation, this will be taken into consideration when determining disciplinary action.

[AGC Group Code of Conduct](#)

Management Structure

Establishment of Global Compliance System

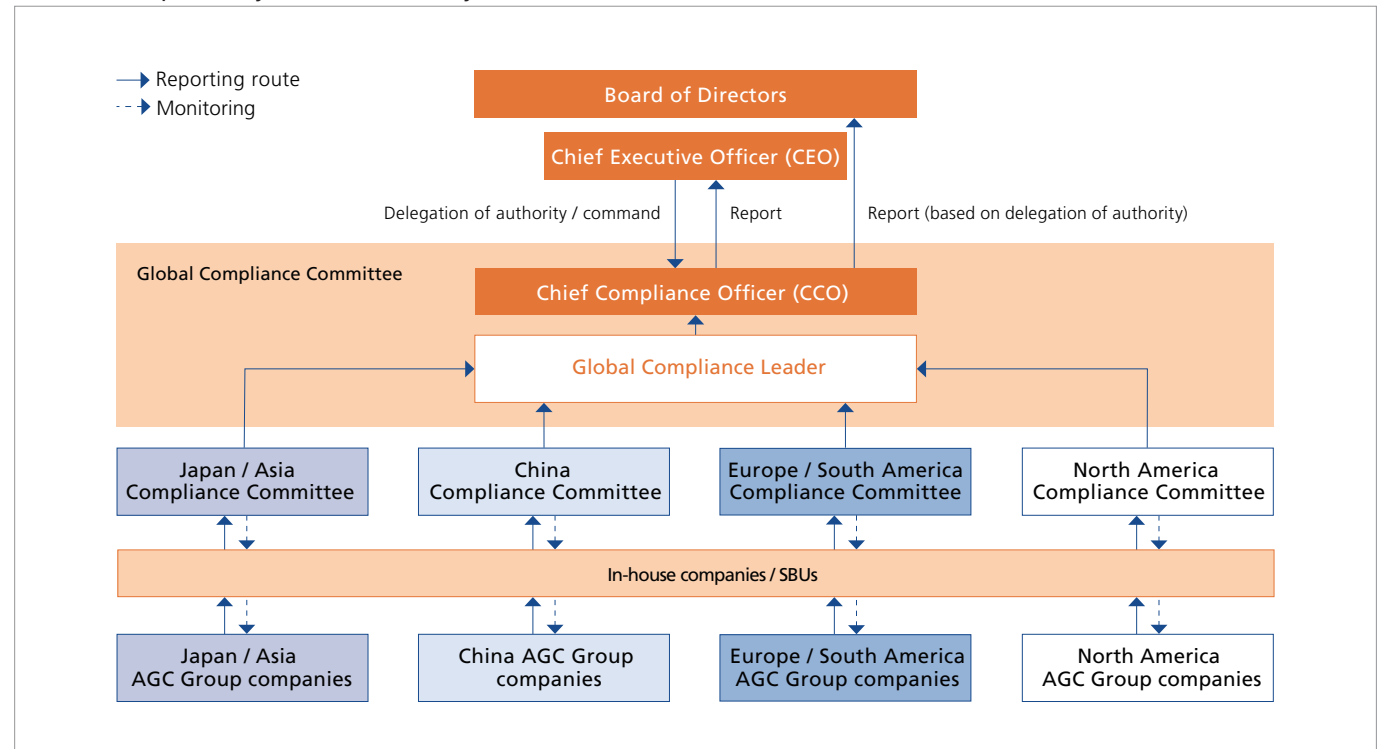
The AGC Group has appointed a Chief Compliance Officer (CCO) responsible for the development of the compliance framework and promotion of compliance in the AGC Group. Under the supervision of the CCO, a global compliance leader, the Global Compliance Committee, and regional compliance committees plan and implement compliance programs, monitor respective regions' compliance efforts, and regularly report to the Board of Directors regarding Groupwide policies and the current status of the compliance system. In accordance with the guidelines of the compliance reporting system, the AGC Group has established a system for promptly reporting serious

compliance violations to senior management.

Submission of Personal Certification on the Code of Conduct

The AGC Group has introduced a system in which its employees periodically submit a personal certification to follow the AGC Group Code of Conduct. The goal of the system is to turn the submission of certifications into an opportunity for all employees to renew their awareness of compliance and take a fresh look at business affairs and the workplace.

Global Compliance System (as of January 1, 2026)



Group-wide Initiatives

■ Establishment of a Global Hotline

The AGC Group has established various reporting and consultation hotlines related to our Code of Conduct. As a general rule, each Group company has its own internal reporting hotline, and there are also common hotlines at both the regional and global levels. In some regions, the reporting hotline also offers consultation services with an external third-party lawyer. The global reporting hotline is available in local languages.

To encourage employees to use the hotlines, the Group makes full consideration to ensure the anonymity of whistleblowers and strictly forbids any act of retaliation or attempts to identify the whistleblower. When whistleblowers offer their real names, communication is facilitated, and feedback is provided on the status and results of handling the reported issues.

To provide contact information for the hotlines, hotline contacts are listed in the AGC Group Code of Conduct distributed to all employees. These contacts are also publicized in each country and region through efforts such as placing posters at each site.

● Number of hotline consultations

2025	Japan / Asia	China	Europe / South America	North America	Total
Reports of conflict between employees (sexual harassment, power harassment, etc.)	131	16	18	42	207
Other reports	85	11	27	29	152
Questions, inquiries, requests	220	4	13	12	249
Total	436	31	58	83	608

■ Implementing Compliance Training

In order to promote the Code of Conduct globally, the AGC Group provides various training opportunities to its employees around the world and has placed particular emphasis on strengthening compliance training worldwide. For example, the Group continuously implements compliance-related training for officers and employees. It proactively promotes training activities intended to reinforce compliance in each country and region, including classroom training, implementing e-learning using training materials incorporating illustrations and quizzes, as well as the production of pocket-sized compliance cards, newsletters, video materials for training, and educational posters. In addition, in light of the strengthening of anti-corruption regulations and measures against bribery in the international community, we are focusing on implementing anti-bribery education particularly in countries and regions with high bribery risks. Furthermore, we have proactively carried out training activities by holding numerous online training and e-learning sessions in various regions.

■ Implementing Compliance Surveys

The AGC Group uses surveys to gauge the level of compliance in the workplace and awareness of hotlines, and implements any necessary measures based on the results.



Digital Governance

Fundamental Approach

The AGC Group has formulated the Group-wide “AGC Group Information Security Basic Policy” and “AGC Group Common Privacy Policy.” As well as promoting the proper storage, use, and management of information assets and the protection of personal information, we are aware of our social responsibilities and operate our business in strict compliance with laws and regulations concerning privacy protection and personal information.

In addition, while the use of AI enhances competitiveness, the Group recognizes that its misuse may unintentionally lead to human rights violations. Based on the AGC Group Basic Policy for AI Ethics, we work to assess and manage risks associated with the introduction and operation of AI, and to continuously improve the level of our risk management.

Furthermore, we have organized the basic principles that make up digital trust across the areas of personal information protection, information security, and AI ethics. By handling data properly and using technology safely and fairly, we aim to earn the trust of users, customers, and society, and thereby drive sustainable value creation.

[AGC Group Information Security Basic Policy](#)

[AGC Group Common Privacy Policy](#)

[AGC Group Basic Policy for AI Ethics](#)

Management Structure

Information Security

Under the AGC Group Information Security Basic Policy, the AGC Group has formulated its management regulations and guidelines based on the AGC Group's common initiative items, and has established a necessary management system in line with the ISO 27000 series of international standards for information security management systems. We have also established a specialized unit (CSIRT: Computer Security Incident Response Team) and response procedures to minimize the impact of any serious information security incidents. Depending on the severity of the impact, a Group Task Force Headquarters may be set up in accordance with the AGC Group Rules for Crisis Management and Business Continuity Management.

The AGC Group Chief Information Security Officer (CISO) is ultimately responsible for making decisions regarding information security management for the entire Group, and the role is held by an executive officer or above of AGC Inc. The CISO appoints AGC Group Information Security Executive Manager, and oversees the

management structure and status of the AGC Group. AGC Group Information Security Executive Manager also reports on the status of information security to the CISO several times a year, and to the Board of Directors and senior management once a year.

Group-wide Initiatives

Strengthening Response Capabilities Against Cyberattacks

To maintain stable transactions with its customers, the AGC Group is reinforcing initiatives for tackling the increasing threat of cyberattacks.

- We have formulated Groupwide common management regulations based on international standards for measures to address the security of our information systems and production equipment as well as improve our protection and detection solution. At the same time, we have put in place a management system under which we are working to improve structures and carry out training with a view to strengthening our ability to respond quickly in the event of an information security incident occurring. We conduct an annual cyber risk assessment and consider threat trends, vulnerabilities, and business impacts before formulating countermeasures based on an order of priority. We also engage external security consulting firms for the assessment and formulation processes.
- In light of the diversification of working patterns in the post-COVID-19 era, we have responded by strengthening our existing security measures for remote work.

As a result of these efforts, we had zero serious information security incidents in fiscal 2025. We also had no customer complaints regarding violations of privacy.

Internal Audits on Information Security

The AGC Group has selected “measures for preventing leaks of important confidential information” as one of the shared priority items for internal audits (see p. 11, “Internal Audits.”).

Information Security Training

The AGC Group strives to raise awareness of information security and privacy protection by providing training to new graduates and career employees upon joining, as well as annual training to existing employees, in order to respond appropriately to cyberattacks and other security risks.

Respect for Intellectual Property Rights

Fundamental Approach

As stipulated in the AGC Group Charter of Corporate Behavior, the AGC Group properly manages and protects the Company's information, intellectual property rights, and assets, and it strives to respect the intellectual property rights of others, including customers and business partners.

Management Structure

Under the supervision of the CTO, the Intellectual Property Division conducts various intellectual property activities. We have organized teams corresponding to each business division, and we carry out tasks such as formulating intellectual property strategies, applying for patents and securing rights, and conducting research and analysis in collaboration with business divisions and research laboratories.

Group-wide Initiatives

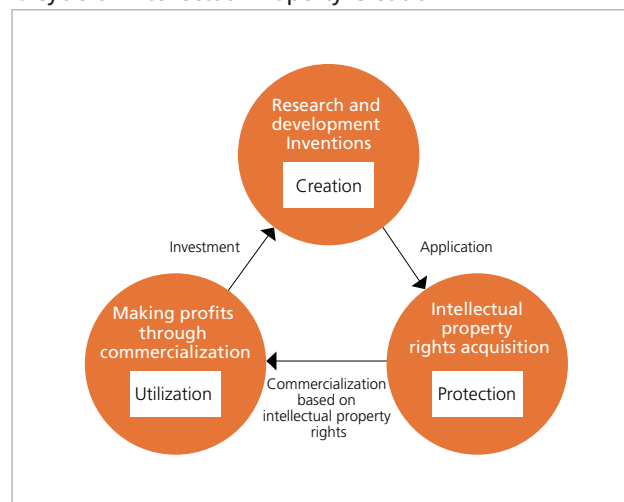
Protection and Utilization of Intellectual Property Rights Created by the AGC Group

The AGC Group engages in intellectual property activities to enhance its competitive advantage by creating, protecting, and strengthening intellectual property rights (such as patent rights, utility model rights, trademark rights, design rights, copyrights, etc.) as important resources for its business strategy. Through this, we aim to contribute to the creation of continuous profits through the power of intellectual property.

For example, the Group globally files intellectual property applications for inventions created at development sites in each country and works to acquire rights adapted to its business activities. Since procedures for the protection of intellectual property rights differ by country, rights acquisition is conducted in cooperation with local patent attorney offices and Group companies. The Group also takes strict action on any infringements of its intellectual property rights by other parties in compliance with the local laws and regulations of each country.

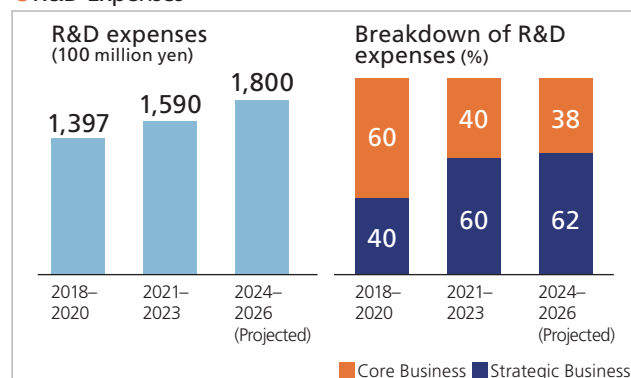
In addition, intellectual property conferences attended by the heads of each business division are regularly held by each division to promote intellectual property strategies linked to their business and brand strategies by utilizing the intellectual property rights held by the Group.

● Cycle of Intellectual Property Creation



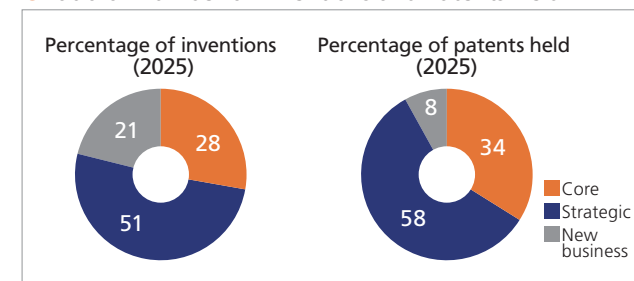
Under its “ambidextrous development” strategy, the AGC Group has been gradually increasing its total R&D expenses in line with the scale of its business, while increasing the ratio of R&D expenses to create and strengthen Strategic Businesses, with a view to transforming its business portfolio. In line with this, the Intellectual Property Division is also building a strategic intellectual property portfolio.

● R&D Expenses



Note: The figures for 2018–2020 are based on the previous medium-term management plan, while the figures for 2021–2023 and 2024–2026 are based on the definition of Core and Strategic in the new medium-term management plan.

● Ratio of Number of Inventions and Patents Held



Prevention of Infringement of the Intellectual Property Rights of Other Parties

The AGC Group is creating a framework, including employee education, to prevent infringement of the intellectual property rights of others. The Group continuously monitors the intellectual property rights of others and checks to make sure it will not be violating said rights before new products are released or new business operations commence.

Employee Training regarding Intellectual Property Rights

The AGC Group emphasizes employee training regarding intellectual property rights from the dual perspectives of adequately protecting its own intellectual property rights and respecting those of others.

In Japan, we provide intellectual property education from the early stages of employment, and various IP training programs for all employees. IP education is also promoted at our in-house companies, technical divisions, and research divisions as necessary. Additionally, IP training is implemented at overseas Group companies and tailored to suit local conditions.

Award System for Inventors of Employees

AGC Inc. has a substantial Award System for Inventors in place for outstanding employee inventions. Similar systems are being prepared at Group companies in Japan.

In addition, reward systems are being prepared overseas based on the legal framework in each country and region, taking each location's present circumstances into consideration.

[Award system for inventors](#)

EHSQ Management

Fundamental Approach

The AGC Group believes that safety, the environment, quality, and compliance are prerequisites for conducting business, under our management policy based on our philosophy **“Look Beyond”**. To this end, we have established EHSQ (Environment, Health, Safety, and Quality) policies and management systems covering all business activities, and are committed to continuous improvement.

[AGC Group EHSQ Policy](#)

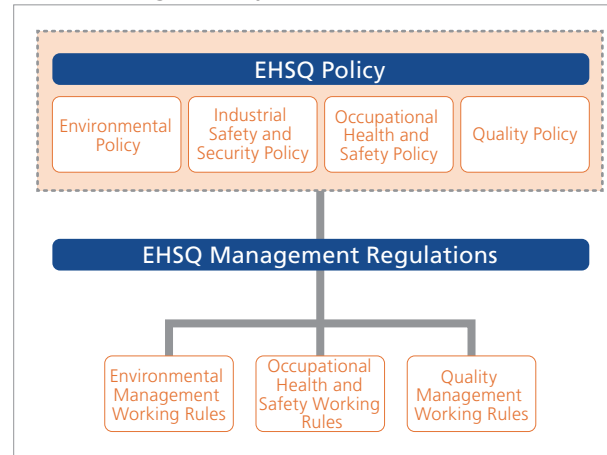
Management Structure

EHSQ management must be carried out in coordination with senior management, business divisions, and operational sites. The AGC Group implements management tailored to the business structure of each business division throughout the Group.

Furthermore, since 2013, the Group has been using the EHSQ Management System to manage EHSQ across the entire Group. Under this system, the roles and responsibilities of the Group CEO, the EHSQ Management Representative, and all division heads are clarified in accordance with the AGC Group EHSQ Management Regulations. We

also set Group-wide EHSQ challenges, and their progress and related activities are periodically reviewed by the CEO. Continuous improvement is pursued through the PDCA (Plan-Do-Check-Act) cycle.

● EHSQ Management System



- 📖 p. 56 Environmental Management
- 📖 p. 80 Occupational Health and Safety
- 📖 p. 91 Ensuring Quality

Tax Payments

Fundamental Approach

The AGC Group recognizes that proper tax payments impact the economic and social development of each country and region. Ensuring proper tax payment as a corporate social responsibility, we endeavor to ensure accurate and timely tax returns pursuant to the tax laws and the spirit of law of each country and region. We have formulated the AGC Group Tax Compliance Policy based on this basic view of taxation.

[AGC Group Tax Compliance Policy](#)

Environment

Fundamental Approach

Global environmental issues are emerging as structural risks that are intricately linked to various challenges such as climate change, resource constraints, and biodiversity loss, against the backdrop of population growth and expanding economic activities. Individual environmental impacts such as resource consumption, changes in land use, and the emission of chemical substances interact with each other and pose risks to business continuity and supply chain stability for companies. As a company that plays a role in global economic activities, the AGC Group recognizes that it is affected by environmental changes, while also recognizing that its own business activities have impacts on the environment.

Based on this recognition, the AGC Group regards harmony with the global environment as one of its key management priorities in both its business activities and the products and solutions it provides. By addressing complex environmental challenges, we are strengthening the resilience of our business while enhancing our medium- to long-term corporate value. In addition, we are promoting initiatives aimed at achieving both a sustainable society and sustainable growth through an integrated environmental strategy that turns challenges into opportunities.

The AGC Group considers compliance with laws and regulations at its sites around the world to be a prerequisite for its business and is working to reduce environmental impacts throughout the entire value chain, from raw materials to product usage and disposal. We also aim to achieve sustainable growth as a company while contributing to the sustainability of the planet that supports all life.

Environmental Materialities

Taking into account social trends and a long-term perspective, the AGC Group has identified the following four environmental materialities (material issues):

- Addressing Climate Change
- Effective Use of Resources
- Considering Relationships with Local Communities and the Environment
- Creating Socially and Environmentally Conscious Supply Chains

These materialities have been identified based on an assessment of both the impacts of our business activities on the environment and society and the impacts of environmental changes on our business. They are positioned as management priorities for the AGC Group.

See p. 06, ("Recognition of Long-Term Social Issues (Materiality).")

Further details on the AGC Group's response to these environmental materialities are provided in the following sections:

- ▢ p. 28 Addressing Climate Change
- ▢ p. 43 Effective Use of Resources
- ▢ p. 51 Considering Relationships with Local Communities and the Environment
- ▢ p. 87 Creating Socially and Environmentally Conscious Supply Chains ("Supply Chains")

Environmental Policy

To communicate the AGC Group philosophy, **"Look Beyond"** and its fundamental approach to addressing environmental issues as a consistent policy shared both within and outside the Group, the AGC Group has established the AGC Group Environment Policy. Approved by the President and CEO, this policy will be steadily implemented throughout the Group.

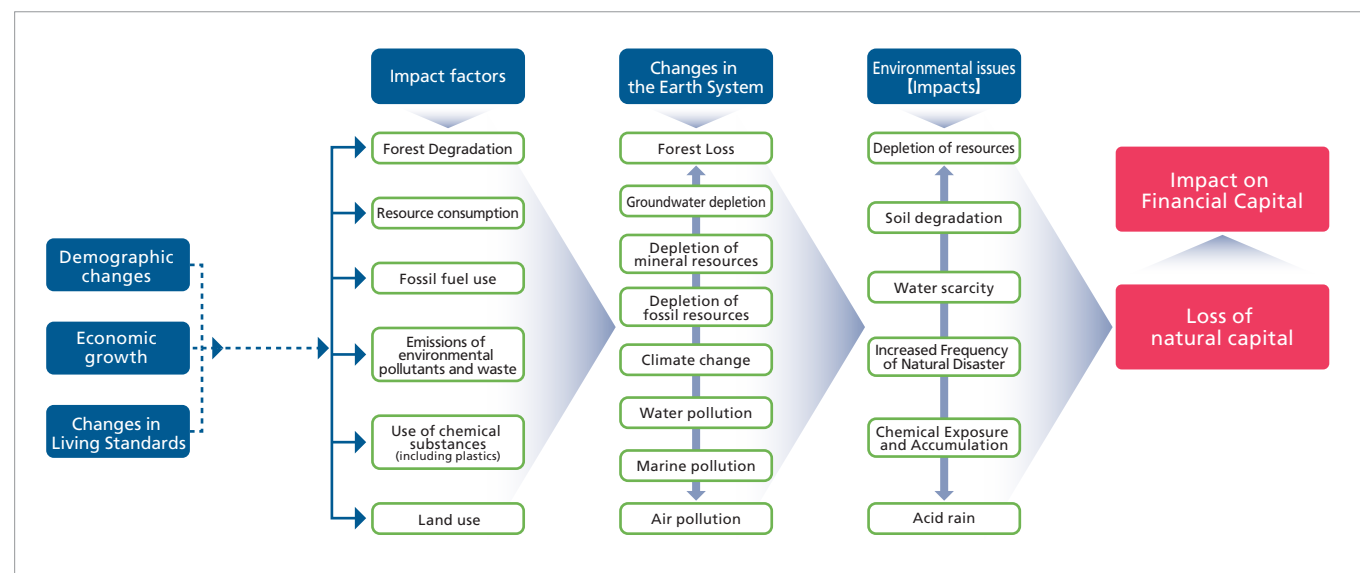
AGC Group Environment Policy

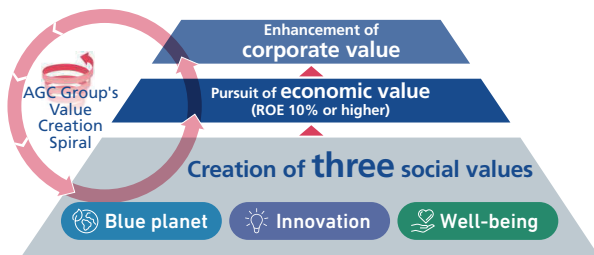
Environmental Strategy in the Medium-Term Management Plan "AGC plus-2026"

With the launch of the **AGC plus-2026** Medium-Term Management Plan in 2024, the AGC Group redefined the social value it aims to create through its business activities into three pillars: Blue planet, Innovation, and Well-being. Among these, "Blue planet" aims to contribute to the realization of a sustainable global environment by reducing environmental impacts throughout the entire value chain, from raw materials to product usage and disposal, thereby contributing to the sustainability of Earth, on which all life depends. This aims to contribute to reducing environmental impacts in society through the provision of solutions enabled by our products and technologies, while achieving both the resolution of global environmental issues and business growth, thereby enhancing corporate value.

We also consider the realization of nature-positive to be important from the perspective of building a resilient society and ensuring the sustainability of our business through the conservation and restoration of natural capital. Natural capital, including biodiversity, is a fundamental management resource that underpins the value creation of the AGC Group, and we believe that maintaining and restoring its integrity is essential for long-term business continuity.

Interrelationships Among Global Environmental Issues and Their Impact on Business





■ Environmental Information Disclosure

Based on the AGC Group's environmental policies and strategies, for climate-related information, we are committed to climate-related disclosures in accordance with the disclosure framework based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). At the same time, we also refer to the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), which incorporate the recommendations of the TCFD. In addition, with regard to the conservation of natural capital, we are communicating our initiatives with reference to the disclosure framework developed by the Task Force on Nature-related Financial Disclosures (TNFD).

■ Collaboration with Various Initiatives

The AGC Group participates in various initiatives and actively engages in the establishment of international rules and the sharing of best practices.

■ Major Environmental Initiatives in Which the AGC Inc. Participates

30by30 Alliance for Biodiversity

✎ [\(Ministry of the Environment, Japan\) 30by30 Alliance | Ministry of the Environment](#)

Overview: A public-private partnership framework established to achieve the international 30by30 target of conserving at least 30% of the world's land and sea as healthy ecosystems by 2030.

Purpose of participation: We participate in the initiative based on the belief that accelerating efforts across society to conserve and restore natural capital is directly linked to the sustainability of corporate activities.

Achievements: The area along the Tsurumi Line where the AGC Yokohama Technical Center is situated has been registered as a certified Nationally Certified Sustainably Managed Natural Site.

✎ [AGC Yokohama Technical Center's Rare Orchid Conservation Area Becomes Japan's First Coastal Industrial Area Certified as a Nationally Certified Sustainably Managed Natural Site](#)



Keidanren Nature Conservation Council

✎ [Keidanren Nature Conservation Fund / Keidanren Nature Conservation Council](#)

Overview: An organization within Keidanren that was established to promote nature and biodiversity conservation through the business community. It collaborates with nature conservation organizations in Japan and abroad to carry out a wide range of conservation activities.

Purpose of participation: We participate to contribute to nature conservation from a corporate perspective and to contribute to sustainable development through policy recommendations and dialogue with society.

Accomplishments: In 2024, we joined the Keidanren delegation to COP16 and actively participated in international conservation discussions.



Governance

In response to the increasing complexity of environment-related social issues, we have established a governance system that supports regular reviews and strategic decision-making at the Board of Directors level to appropriately evaluate and manage the risks and opportunities that may affect the AGC Group.

Within the executive management structure, identified risks and opportunities and the status of their management are regularly monitored by the Board of Directors and the Management Committee to drive continuous improvement and enhance responsiveness.

In addition, we have established a system whereby each corporate division, in-house company, and SBU (strategy business unit) conducts risk analyses and develops response policies tailored to their respective

businesses and individual projects. Where necessary, matters are submitted to the Management Committee for deliberation and to the Board of Directors for decision-making.

■ Oversight and Management Centered on the Board of Directors

The AGC Group positions environmental issues, including climate change, resource constraints, environmental pollution, and biodiversity loss, as key considerations in formulating its management strategy, and has established a governance structure centered on the Board of Directors. The Board of Directors deliberates and makes decisions on the Group's overall management targets and policies for particularly important environmental risks and opportunities.

In addition, the AGC Group's Board of Directors includes independent directors with expertise in sustainability and the global environment.

■ Executive Compensation Performance Indicators

Under **AGC plus-2026**, which aims to deepen sustainability management, Scope 1 and Scope 2 GHG emissions intensity per unit of net sales is used as a key performance indicator in determining stock-based compensation for directors, including the CEO, and executive officers. This indicator has been incorporated into the executive compensation system alongside financial KPIs such as ROE, EBITDA, and relative TSR, thereby strengthening incentives for management to enhance corporate value through sustainable management, including climate change initiatives.

■ Management and Executive Management and Executive-Level Framework

Sustainability Committee

The AGC Group has established the Sustainability Committee as the highest-level body for deliberating sustainability-related basic policies and initiatives, serving as an advisory body to the CEO. The committee is chaired by the President and CEO and meets four times a year, with the CFO, CTO, and the heads of all in-house companies, SBUs, and corporate divisions in attendance.

In the Sustainability Committee, environmental issues such as climate change, resource use constraints, and biodiversity loss, as well as risk assessments and response policies, are discussed in an integrated manner with business strategies. Details are reported to the Board of Directors twice a year.

Environmental Response Meeting

The Environmental Response Meeting is an executive-level meeting

that conducts specialized analyses of environmental risks and develops response measures based on the deliberations and decisions of the Sustainability Committee. Chaired by the executives responsible for environmental matters and sustainability promotion, this meeting is attended by representatives responsible for environmental matters from the business divisions and corporate divisions.

The AGC Group EHS Committee

The AGC Group has established the AGC Group EHS Committee as a forum for specialized discussions on environmental issues that are directly linked to the stable operation of its business, such as compliance with environmental laws and regulations and the status of accident prevention, which are among the matters deliberated by the Sustainability Committee.

Human Rights Policy and Initiatives for Stakeholders Affected by Our Business, Including Indigenous Peoples and Local Communities, and Oversight by the Board of Directors and Senior Management

The AGC Group has established the AGC Group Charter of Corporate Behavior and the AGC Group Human Rights Policy and conducts its business in accordance with the UN Guiding Principles on Business and Human Rights and other internationally recognized human rights standards.

We recognize that consideration for the human rights and living environments of indigenous peoples and local communities is essential in evaluating the relationship with natural capital. Alongside our responsibility to the environment, we position respect for human rights as a fundamental principle of our management. Based on the AGC Group Human Rights Policy, we are working to identify and address our impacts.

☞ See p. 63 "Respecting Human Rights."

Strategy

The AGC Group regards the management of nature-related risks and the conservation of natural capital as key priorities for enhancing long-term corporate value and contributing to the realization of a sustainable society.

Identified Environmental DIRO

For the AGC Group, natural capital is one of the key management resources that underpins its business activities. We believe that strategically addressing our relationship with natural capital is important not only for the sustainable growth of our business, but also for contributing to the realization of a sustainable society.

Furthermore, we recognize that dependencies, impacts, risks, and opportunities (DIRO) related to natural capital interact with one another, and that their synergistic and trade-off relationships, rather than one-way relationships, are intricately intertwined and significantly influence our environmental strategy.

Based on this perspective, we apply the LEAP approach (Locate, Evaluate, Assess, Prepare) recommended by the TNFD to analyze our interfaces with natural capital and DIRO across the entire value chain. Our aim is to create social value through sustainable business operations and the conservation of natural capital by identifying risks and opportunities in areas most relevant to our business and by understanding our dependencies and impacts on natural capital.

Dependencies

The AGC Group's business activities depend on the following natural capital and social infrastructure.

- ◆ **Energy supply:** The AGC Group depends on fossil fuels and electricity, particularly for high-temperature processes such as glass manufacturing.
- ◆ **Water resources:** Large amounts of water are used for multiple purposes, including cooling, cleaning, and reaction processes in the manufacturing operations.
- ◆ **Natural resources and raw materials:** The AGC Group depends on naturally derived raw materials such as silica sand, soda ash, rare metals, and palm oil.
- ◆ **Climate stability:** Business continuity depends on stable climatic conditions, including temperature, precipitation, and the frequency of natural disasters.
- ◆ **Regulatory and policy environment:** Business activities depend on compliance with legal and regulatory frameworks, including carbon pricing systems, environmental standards, and hazardous substance regulations.

Impacts

The AGC Group's business activities have the following impacts.

- ◆ **Environmental impacts associated with raw materials procurement:** Impacts on ecosystems and land use resulting from mineral resource extraction and agricultural land development.
- ◆ **Impacts on the atmosphere, including GHG emissions:** Greenhouse gas emissions across the value chain and emissions of air pollutants within regulatory limits.
- ◆ **Impacts on wastewater and water quality:** Wastewater containing pollutants within regulatory limits, and thermal and chemical impacts on aquatic ecosystems.
- ◆ **Use and discharge of hazardous substances:** Use of specified substances in certain products.
- ◆ **Indirect impacts on biodiversity:** Indirect impacts resulting from raw materials procurement, including deforestation, water pollution, and soil degradation, as well as impacts on ecosystems associated with the use and disposal of plastics.
- ◆ **Provision of products and solutions that contribute to addressing environmental issues**

Risks

The AGC Group recognizes the following environment-related risks arising from dependencies and impacts.

- ◆ **Transition risk (climate change)**
 - Increased costs due to the introduction of carbon pricing and the tightening of regulations
 - Declining market demand for GHG-intensive products
- ◆ **Physical risks (climate and disasters)**
 - Operational disruptions and damage to facilities caused by extreme weather events such as floods, heat waves, and droughts
 - Production constraints due to regional water scarcity
- ◆ **Resource constraints and price fluctuation risks**
 - Supply uncertainties and cost increases for mineral and biological resources
- ◆ **Compliance and reputation risk**
 - Reputational damage resulting from non-compliance with international environmental standards, including applicable laws and regulations
 - Escalation of environmental and social issues throughout the supply chain

Opportunities

The AGC Group recognizes the following opportunities through

addressing environmental issues.

- ◆ **Development of products that contribute to a low-carbon society**
 - Contributing to customers' CO₂ emissions reductions through the provision of energy-efficient, lightweight, and long-life products
- ◆ **Use of renewable energy and renewable resources**
 - Transformation of the cost structure and enhancement of external recognition through the adoption of renewable energy and the use of recycled materials
- ◆ **Building a green supply chain**
 - Gaining stakeholder trust through compliance with environmentally responsible procurement standards and the acquisition of third-party certifications such as RSPO*
- ◆ **Products and technologies with reduced environmental impacts**
 - Strengthening market competitiveness through the selection of materials with lower impacts on natural capital and improvements in manufacturing processes
- ◆ **Strengthening the brand value through environmental initiatives**
 - Staying ahead of regulatory changes and enhancing medium- to long-term reputation among investors, customers, and local communities

Furthermore, we have identified the following examples of the interplay between dependencies and impacts.

- ◆ **Examples of trade-off relationships:**
 - Chemical manufacturing, which is highly dependent on water resources, faces increased production risks during water shortages
 - Glass manufacturing is highly dependent on upstream natural resources. As measures are taken to reduce the impacts of resource extraction and logistics on ecosystems, procurement risks may increase.
 - Businesses with a high environmental impact face increased risks of business impacts from tighter regulations and declining social trust.
- ◆ **Examples of synergistic relationships:**
 - Reducing environmental impacts creates opportunities for new product development and market expansion (e.g., low-carbon glass and the use of recycled materials).
 - Responding to environmental risks drives technological innovation and strengthens competitiveness (e.g., improved energy efficiency and wastewater reuse).

* RSPO (Roundtable on Sustainable Palm Oil): International certification system for sustainable palm oil

Scenarios Used for Environmental DIRO Assessment

The AGC Group uses multiple external scenarios and analytical tools to identify and assess relationships between its business activities and a wide range of environmental issues. Specifically, we use the following international assessment tools.

- ENCORE (Natural Capital Finance Alliance): Visualization of dependencies and impacts between natural capital and business activities
- Biodiversity Risk Filter (WWF): Screening of nature-related material issues
- SBTN Sector Materiality Screening Tool (Science Based Targets Network): Materiality screening for nature-related issues

In addition to the above, with regard to climate change, we conduct both quantitative and qualitative analyses of transition risks (e.g., carbon pricing and tighter regulations) and physical risks (e.g., rising temperatures and natural disasters). These analyses are based on the Net Zero Emissions by 2050 Scenario (NZE), which limits global warming to 1.5°C above pre-industrial levels, the Announced Pledges Scenario (APS), which reflects national climate commitments, and the RCP8.5 scenario, which assumes a temperature increase of approximately 4°C.

The results of this analysis are explained on p. 29.

Ecosystem Impact Assessment and Response at Operating Sites

The AGC Group conducted ecosystem surveys to assess the impacts of its operating sites on biodiversity. In conducting these surveys, we utilized data from KBA^{*1}, WDPA^{*2}, IUCN^{*3} Red List, and IBAT^{*4}, among other sources, to identify protected areas and critical ecosystems around our domestic and overseas sites (within an approximately 10 km radius), while also assessing impacts on specific species and ecosystem services. Based on these data, we assessed potential biodiversity impact risks using indicators such as the proximity to and overlap with protected areas and critical ecosystems, as well as the presence or absence of potentially affected species. Based on the results, we determined the significance of impacts and prioritized the identified risks.

In conducting our assessment, we applied the Mitigation Hierarchy (avoidance, minimization, restoration, and offsetting), with particular emphasis on impact avoidance and minimization. As a result, we identified no significant impacts on biodiversity from the AGC Group's direct operations at this time.

Through this assessment, we have clarified our understanding of biodiversity-related risks and the importance of responding to them, and we are using the findings as a foundation for our future initiatives.

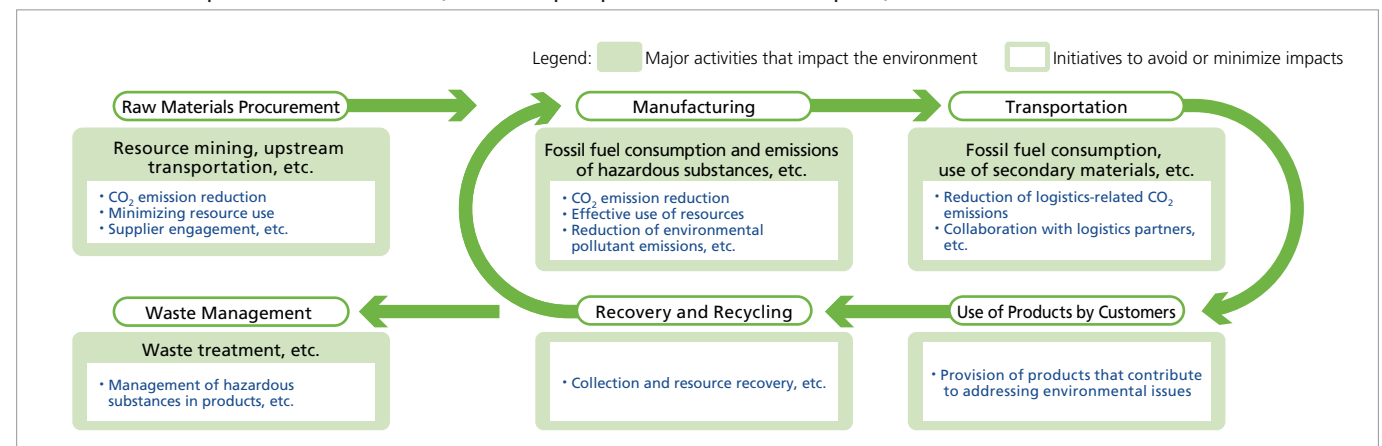
*1 KBA: Key Biodiversity Area

*2 WDPA: The World Database on Protected Areas

*3 IUCN: International Union for Conservation of Nature

*4 IBAT (Integrated Biodiversity Assessment Tool)

Value Chain Impacts and Initiatives (from the perspective of natural capital)



● Number of Protected Areas and IUCN Red List Species within 10 km and 50 km of AGC Group Sites

	Within 10 km			Within 50 km
	Protected areas	WDPA	KBA	IUCN Red List species, etc.
Asia	127	124	77	134
Europe	102	100	60	104
The Americas	15	15	8	14

● Number of IUCN Red List Species and Nationally Protected Species found within 50 km of AGC Group sites

IUCN Red List Categories	Number of species
Critically Endangered (CR)	265 species
Endangered (EN)	650 species
Vulnerable (VU)	1,050 species
Near Threatened (NT)	1,006 species

● Major Dependencies and Impacts of the AGC Group's Business on Natural Capital and Biodiversity

	Business activities	Impacts and Dependencies on Natural Capital			Monitoring metrics	Activity
		ENCORE	BRF *1	MST *2		
Dependencies	Water resource use	Groundwater / Surface water use	Water scarcity	—	Water withdrawal by business and water source	p. 49–
Impacts	Water resource use	Water resource use	—	Water resource use	Water withdrawal from areas with high water stress	
	GHG emissions	GHG emissions	—	GHG emissions	Scope 1, Scope 2, and Scope 3 GHG emissions: Reduce emissions by 30% by 2030 compared with 2019 levels	p. 39–
	Waste generation	Solid waste	—	Solid waste	The landfill rate to less than 1% by 2025	p. 44–
	Pollutant emissions	Non-GHG air pollutant emissions / Soil pollutants / Water pollutants	Pollution	Soil pollutant emissions / Water pollutant emissions	Pollutant emissions Appropriate management of chemical substances contained in products	p. 51–
	Mineral resource extraction / Land use	Terrestrial ecosystem use	Forest area loss	Use of terrestrial, freshwater, and marine ecosystems	Currently under consideration	—

*1 BRF: Biodiversity Risk Filter. Tool for screening and prioritizing biodiversity-related risks

*2 MST: Materiality Screening Tool. Tool recommended in Step 1a (Materiality Screening) of the SBTN Methodologies

Environmental Impact Assessment for Development and Capital Investment

When constructing new business sites or facilities and implementing large-scale projects, the AGC Group complies with applicable environmental impact assessment laws and regulations in each country and region and assesses impacts on the natural environment and biodiversity.

Risk and Impact Management

The AGC Group believes it is important to appropriately identify and assess nature-related risks and opportunities, as well as the impacts of its business activities on nature, and to reflect these in its business strategy and operations. By applying the LEAP approach recommended by the TNFD to analyses across the entire value chain, we identify, assess, and manage nature-related risks and opportunities.

Organizational Process for Managing Environmental DIRO

The AGC Group considers environment-related risks to be a key management issue and evaluates and manages them under an integrated management framework. Environmental risks are assessed from both transition and physical risk perspectives, using scenario analysis and tools issued by international organizations. These risks are

overseen and managed at the senior management level, and continuous improvement is achieved through the PDCA cycle.

The results of risk identification and analysis are deliberated by the Sustainability Committee and reported to the Board of Directors. Each business division conducts site-level risk assessments and continuously monitors and improves its risk management.

Integration into Company-wide Risk Management

The AGC Group promotes the assessment and management of environment-related risks under its Enterprise Risk Management (ERM) framework to comprehensively identify, assess, and manage such risks across the Group. In risk assessments conducted every three years, we identify risks related to climate change, resource use constraints, and biodiversity loss from multiple perspectives. Risks identified as particularly significant are deliberated and monitored by the Management Committee and overseen by the Board of Directors in accordance with the AGC Group Enterprise Risk Management Basic Policy, and company-wide actions are implemented.

Furthermore, in accordance with the AGC Group Risk Management Implementation Rules, various organizations including corporate divisions, in-house companies, and SBUs formulate and implement policies and management plans to address environment-related risks. In addition to year-end self-assessments conducted by each organization, senior management reviews are carried out to ensure the effective operation of the PDCA cycle and drive continuous improvement.

Furthermore, the Internal Audit Division independently monitors the risk management process and regularly verifies the appropriateness of the risk assessment process and the effectiveness of the overall management framework. Through this multi-layered system of audits, evaluations, and reviews, we ensure transparency and reliability in our risk management.

See p. 12 "Risk Management."

To address environmental impacts across the value chain beyond our own operations, we require all suppliers to comply with the "Integrated Green Procurement Guidelines" and promote environmentally responsible procurement. As part of our green procurement initiatives, we rigorously manage hazardous substances contained in the raw materials and services we procure, while giving preference to suppliers that have obtained and maintain third-party certification for their environmental and quality management systems. In addition to complying with applicable laws and regulations, the AGC Group requires the accurate and timely disclosure of information on environmentally hazardous substances specified by

the Group. As a general principle, we require suppliers to maintain certification for environmental management systems and to cooperate with our environmental initiatives.

See p. 87 for details on green procurement

Metrics and Targets

To evaluate environment-related risks and opportunities, we have established Scope 1, Scope 2, and Scope 3 GHG emission reduction targets and growth indicators for products that contribute to reducing GHG emissions. These indicators are incorporated into management decision-making.

Based on the results of the environmental DIRO analysis, we are expanding our sustainability KPIs beyond climate change to include areas such as environmental incident prevention, efficient water use, and the reduction of pollutant emissions. While achieving our short-term KPIs, we are also promoting initiatives to establish mid- to long-term targets.

Targets and Indicators

Theme	KPIs and Monitoring Metrics	Sustainability KPIs
Climate change	Scope 1 and Scope 2 GHG emissions	★
	Scope 1 and Scope 2 GHG emissions intensity per unit of net sales	
	Scope 3 GHG emissions	
	Shipment volume index for architectural products with avoided emissions benefit	★
	Index for GHG emissions reduction by low-GWP chemical products	★
	Percentage of major suppliers setting GHG emissions reduction targets	
	Percentage of high water risk sites with measures implemented	
Depletion of resources	Percentage of measures implemented at high water risk sites	
Environmental pollution	Landfill rate	
Environmental accidents	Number of significant environmental incidents	
Common Themes	Implementation of initiatives related to biodiversity conservation	

Metrics for Assessing and Managing Dependencies and Impacts

To ensure the appropriate identification and management of our dependencies on and impacts on all forms of natural capital, we have established common environmental management guidelines across the AGC Group and centrally manage environment-related data through a shared cloud-based system.

Going forward, we will further enhance the visualization and analysis of our dependencies on and impacts on natural capital.

The calculation methodology for environmental performance data is described on p. 59, "Management of Environmental Performance Results."

Initiatives to Achieve Environmental Targets (Product Stewardship)

The AGC Group integrates consideration of natural capital and biodiversity into its management strategy and promotes multifaceted initiatives spanning institutional development, technology development, partnerships, and implementation at operating sites.

Furthermore, the AGC Group's initiatives are aligned with the key perspectives emphasized by the TNFD, including understanding dependencies and impacts on nature, reducing impacts, supporting policy development, and promoting strategic collaboration based on scientific evidence.

Value Creation Across the Product Lifecycle: Value

The AGC Group creates environmental benefits through its products by reducing environmental impacts and maximizing resource circulation throughout the product lifecycle, from design to use and end-of-life stage.

In our Glass and Chemicals businesses, we promote initiatives to address climate change and advance resource circulation through collection, reuse, recycling, and remanufacturing. Rather than treating waste simply as something to be disposed of, we recognize it as a valuable resource and create new value through reuse and resource recovery. These initiatives form part of our environmental commitment throughout the product lifecycle, including the post-use phase, and are implemented in ways tailored to the characteristics of each business. We monitor the progress of these initiatives and communicate our progress through sustainability-related disclosures.

Further details of these initiatives are provided in the sections on "Addressing Climate Change" and "Effective Use of Resources."

Ecodesign and Design-Stage Initiatives: Design

As part of our efforts to identify impacts on natural capital, we have begun conducting life cycle assessments (LCAs) from the planning, design, and development stages to assess environmental impacts, with the aim of reducing environmental burden throughout the product life cycle.

Furthermore, by assessing environmental impacts across the entire product life cycle, we will incorporate environmental considerations from the product design stage onward, helping to reduce environmental burden across the value chain and promote sustainable product development.

Value Creation from Manufacturing to the Use Phase: Value Creation

Through the functions and performance of our products during the use phase, we contribute to reducing our customers' environmental impacts.

In our architectural and automotive glass businesses, our highly thermally insulating glass products reduce energy consumption in buildings and vehicles, thereby contributing to lower CO₂ emissions during the product use phase.

In the chemicals business, we offer our next-generation refrigerant series AMOLEAT[™] with a global warming potential (GWP) of less than 1. While maintaining performance equivalent to conventional refrigerants, these products contribute significantly to reducing GHG emissions.

We also contribute to improved resource efficiency by extending the lifespan of buildings and facilities through products such as waterproofing and refractory materials. Furthermore, by providing solvents and surface treatment agents with reduced environmental impacts, we support our customers in reducing the use of hazardous substances in their manufacturing processes and complying with regulations, thereby contributing to enhanced chemical management and reduced risks.

Through our diverse product portfolio, we create environmental benefits by reducing energy consumption and GHG emissions and improving resource efficiency. Together with our customers, we are working toward the realization of a sustainable society.

End-of-Life Stewardship: End-of-Life

In the post-use stage of our products, we are working to reduce environmental impacts while promoting waste reduction and resource circulation.

In the architectural glass business, we have developed horizontal recycling technology that reuses cover glass from end-of-life solar

panels as raw material for flat glass. In 2025, we began commercial application of a hybrid process incorporating a new separation technology. This enables the reuse of materials as high-quality cullet, contributing to waste reduction, conservation of natural resources, and reduced GHG emissions in the manufacturing process. Looking ahead, we will continue to expand the scale of recycling toward 2030. Furthermore, in collaboration with external partners, we are building a horizontal recycling scheme for end-of-life window glass from buildings, covering collection, sorting, resource recovery, and remanufacturing.

 [Japan's First Practical Application of Hybrid Recycling of Solar Panel Cover Glass into Flat Glass](#)

 [ORIX Group and AGC Establish Japan's First Horizontal Recycling Scheme for Window Glass](#)

In the chemicals business, we are promoting the effective use of scarce resources and resource circulation throughout the supply chain through technology that recovers fluorine compounds emitted during the use stage and recycles them into fluorite.

We monitor the progress and outcomes of these initiatives and continuously work to improve them. Through these efforts, we are redefining waste as a resource and promoting the creation of environmental benefits throughout the product life cycle. Going forward, we will contribute to the realization of a circular economy through the advancement of resource recovery technologies and collaboration with partners.

■ Deployment Across Society: Collaboration

To expand these initiatives throughout society, we work with external partners and research institutions to promote standardization activities and participate in external projects.

Contribution to Institutional Development and Standardization

Environmental issues cannot be resolved through the efforts of individual companies alone, and it is essential to develop social infrastructure such as systems and standards. The AGC Group contributes to building a common foundation for a sustainable society by feeding back the knowledge gained through its products and processes into institutional development and participating in cross-industry rulemaking.

Specifically, we actively participate in international standardization activities, including ISO, IEC, and CEN, by providing technical expertise for the development of standards related to recycled water use, circularity indicators, biomass material evaluation, and biodiversity considerations. We also participate in discussions on revisions to the Extended Producer Responsibility (EPR) system, particularly in Europe, and contribute the perspective of a materials manufacturer to the design of a circular economy.

Social Implementation and Value Creation

Innovative environmental technologies and intellectual property strategies are essential to transforming solutions to environmental challenges into market value. The AGC Group positions the acquisition of patents related to environmental technologies as part of its management strategy and promotes the protection of technologies for products and processes that contribute to solving environmental issues, as well as their market adoption.

As of December 2025, the AGC Group held 692 patents related to SDG Goals 7 (Affordable and Clean Energy), 12 (Responsible Consumption and Production), and 13 (Climate Action), accounting for approximately 11% of its total patent portfolio.

Nature-Positive Assessment in Collaboration with Academia

To advance natural capital assessment, in 2023 we established the AGC Nature-Positive Assessment Research Field, a joint industry-academia program with the Graduate School of Engineering, Hokkaido University. In this program, we are working to establish methods for quantitatively assessing the positive and negative impacts of corporate activities on natural capital by utilizing environmental performance data accumulated over many years.

In addition, we are also exploring disclosures aligned with the TNFD LEAP approach to enhance the identification and disclosure of nature-related risks and opportunities.

 [Hokkaido University and AGC Establish "AGC Nature-Positive Assessment Research Field" for Industry Creation](#)

Participation in a Demonstration Project for Nature Footprint Assessment

Since fiscal 2024, we have participated as a materials manufacturer in a demonstration project on nature footprints selected under the Cabinet Office's BRIDGE program (Program for Bridging R&D and Society 5.0). The project aims to develop methods for quantitatively assessing impacts and dependencies on biodiversity and ecosystem services. Using the Nature Footprint methodology, we assessed the impacts of climate change, land-use change, and water consumption on biodiversity for approximately 20 major raw materials. Going forward, we will continue to use this indicator to visualize and reduce our impacts on natural capital.

 [Program for Bridging R&D and Society 5.0](#)

Participation in Biodiversity-Related Certification Schemes

As part of the AGC Group's sustainability initiatives, EPINITY™ promotes sustainable raw material sourcing. By obtaining RSPO certification, we promote the use of palm oil sourced with consideration for environmental conservation and human rights, thereby contributing to improved sustainability throughout our supply chain.

EPINITY™

Product Introduction

EPINITY™ is a 100% bio-based epichlorohydrin made from renewable glycerin derived from vegetable oils.

Environmental Considerations

The raw material, renewable glycerin, has obtained RSB Certification*, an international certification for sustainable resource use, and RSPO Certification for sustainable palm oil sourcing. We consider sustainability throughout the entire product life cycle. In GHG emission calculations using the Life Cycle Assessment (LCA) methodology, EPINITY™ has been confirmed to reduce GHG emissions by up to 67% compared with petroleum-derived products, thereby contributing to climate change mitigation.

* RSB(Roundtable on Sustainable Biomaterials)

 [EPINITY - AGC Vinylthai](#)

Initiatives to Achieve Environmental Targets (Water Stewardship)

Water-Related Challenges

Currently, freshwater ecosystems such as lakes, rivers, and wetlands, as well as the surrounding natural environments, including forests and grasslands across their watersheds, are undergoing significant degradation and decline worldwide.

These changes are considered to be even more severe than those affecting terrestrial and marine ecosystems.

It is also estimated that more than a quarter of the wildlife species that depend on freshwater environments are at risk of extinction.

In light of these circumstances, the AGC Group recognizes water resources as one of our important management resources and is committed to conserving sustainable water resources by improving water-use efficiency, identifying water risks, and promoting water management, including engagement with suppliers.

Fundamental Approach

We recognize water resources as one of the important natural assets supporting our business activities, and our fundamental approach is to achieve both their sustainable use and conservation.

Framework for Our Initiatives

To ensure the appropriate management of water resources, we are working to improve water-use efficiency, identify water risks, promote water management across our value chain, and collaborate with relevant stakeholders.

Management Structure

Within the AGC Group, policies and initiatives related to water are reviewed and shared by the Sustainability Committee as necessary from the perspectives of water risks and water use, and the outcomes are reported to senior management.

Under this management structure, water-related risks and opportunities are appropriately considered within the framework of company-wide sustainability management.

Water Management Plan

To reduce water risks associated with our business activities, we have established a systematic framework for water-related initiatives, including improving water-use efficiency and appropriately managing wastewater, and continuously implement these initiatives.

We also work to identify risks and opportunities associated with

water resources, taking into account regional water stress conditions and regulatory trends.

These initiatives are primarily implemented at our operating sites. We monitor water use and wastewater discharge at each site and take appropriate actions as needed.

Further details of these initiatives are provided in the sections on "Addressing Climate Change," "Effective Use of Resources," and "Considering Relationships with Local Communities and the Environment."

Environment-Related Supplier Engagement

The AGC Group has established the "AGC Group Purchasing Policy" that requires suppliers to provide environmentally friendly, high-quality products and services, reduce environmental impacts, and ensure product and workplace safety. In addition, we have established the AGC Group "Integrated Green Procurement Guideline", which sets out specific environmental requirements for our suppliers.

Our Green Procurement Guidelines are based on two main principles: (1) managing hazardous substances contained in procured raw materials, products, and services; and (2) giving preference to suppliers that have obtained and maintain third-party certification for environmental and quality management systems.

We have also set the following environmental requirements for our suppliers.

- Compliance with environmental laws and regulations
- Timely and accurate disclosure of information on environmentally hazardous substances designated by the AGC Group
- Obtaining and maintaining environmental management system certification, in principle
- Cooperation with the AGC Group's environmental initiatives

Some of our purchasing agreements also stipulate that we may terminate a business relationship if a supplier's response is deemed inadequate.

PFAS Initiatives

AGC's Approach to PFAS

Generally, "PFAS" (per- and polyfluoroalkyl substances) are defined as a group of chemical substances that contains at least one fully fluorinated carbon atom. There are said to be more than 12,000 types of PFAS*. Among those 12,000 types of PFAS, only four groups of substances, i.e., PFOS, PFOA, PFHxS and LC-PFCAs (Long Chain Perfluorocarboxylic Acids), their salts, and related compounds are currently listed under the Stockholm Convention, because they have been found to be persistent in the environment and bioaccumulative, and may have potential adverse effects for the environment and living organisms. Among these listed substances, the AGC Group has never manufactured PFOS or PFHxS, and it discontinued the use, manufacture, and sale of PFOA and LC-PFCAs prior to their listing under the Stockholm Convention.

Given the diverse range of fluorinated compounds, each with distinct properties, we believe that fluorinated compounds should not be regulated collectively as PFAS, and that any applicable regulations should be tailored to the properties of each group of substances. Because each fluorinated compound has chemically unique properties, current potential alternatives to fluorinated compounds do not offer the same level of performance in many applications. As a responsible manufacturer of fluorinated products, the AGC Group complies with applicable laws and regulations, and continues to take voluntary measures to strengthen emission management across our manufacturing processes and to make ongoing investments in technologies aimed at reducing emissions.

Furthermore, since the 1990s, the AGC Group has been working on the proper disposal of used products, such as collection and destruction of used fluorinated refrigerants. We are also working on the resource circulation of calcium fluoride under third-party verification. We responsibly manage chemicals throughout their entire life cycle (For further details, please refer to "Effective Use of Resources," p. 43). Through this, we contribute to building a circular society for fluorine resources and reducing environmental impact.

* See "PFAS Master List of PFAS Substances," United States Environmental Protection Agency.

PFAS Stewardship

The AGC Group recognizes the reduction of environmental impact during the manufacturing stage — particularly the strengthening of emissions management — as a key responsibility. In recent regulatory discussions on PFAS in Europe, there has been a growing emphasis on minimizing emissions across the entire product lifecycle. Consequently,

the importance of robust emissions management and monitoring at manufacturing sites has grown. In response to these developments, the AGC Group is advancing initiatives to strengthen its emissions management systems and reduce emissions at each of its sites, in accordance with the principle of “Responsible Manufacturing.”

Specifically, the AGC Group is working to reduce emissions through the stringent monitoring and management of emissions across its manufacturing processes, along with capital investment and ongoing process improvements. In this regard, we have established a Group-wide indicator based on an average emission factor to ensure the quantitative monitoring and continuous reduction of emissions in fluoropolymer manufacturing. In particular, the AGC Group has set a management target whereby, by 2030, an average emission factor of non-polymeric PFAS residues in wastewater, originating from polymerisation aids technology*¹ used in the fluoropolymer manufacturing process, will be achieved at 0.0006% of the total annual volume of fluoropolymers produced at each site*² across the Group. We are systematically advancing emission reduction initiatives at each site to achieve this goal.

Going forward, the AGC Group will continue to ensure compliance with applicable regulations, and to pursue appropriate management and emission reduction initiatives based on scientific knowledge, thereby contributing to the realization of a sustainable society through responsible manufacturing activities.

*1: Polymerisation aid is as defined in the European Chemicals Agency (ECHA)’s PFAS restriction proposal Annex A: “Polymerisation aid is the term used to describe a surfactant or emulsifier, fluorinated or non-fluorinated.”

*2: The emission reduction targets have been set out in the Fluoropolymers Product Group (FPG) Manufacturing Program, a voluntary program established by the European fluoropolymer industry.

bluesign® certification, which verifies that textile products are manufactured through a sustainable supply chain.

PFAS-Related Products and Manufacturing

Technologies Supporting Societal and Customer Needs

The AGC Group is actively developing new products and manufacturing technologies in response to growing customer demand for environmental impact reduction and regulatory compliance, while also taking into account the ongoing regulatory discussions concerning fluorinated compounds.

Specifically, the AGC Group has developed the SF grade, a new addition to its fluoroelastomer “AFLAS™ FFKM” series, which eliminates the use of surfactants and fluorinated polymerization solvents in the manufacturing process. Commercial sales of this SF grade commenced in 2025. In addition, the Group is expanding its product lineup to include FibrLAST™, a non-fluorinated water-repellent agent applicable across a wide range of applications, including textiles and nonwoven fabrics. This product has obtained

Addressing Climate Change

Fundamental Approach

The AGC Group considers climate change and global warming to be important issues that have a serious impact on society and the environment, and that initiatives to address these issues are part of our corporate social responsibility. Climate change also affects our own business activities, and addressing it is essential for sustainable growth. The AGC Group is committed to contributing to the resolution of social issues through the capabilities of materials and considers addressing climate change to be a top management priority.

The medium-term management plan **AGC plus-2026** integrates business activities and climate action based on the three social values of “Blue planet,” “Innovation,” and “Well-being,” including the development and deployment of decarbonization technologies, improvement of energy efficiency, and broader use of circular raw materials.

We have positioned climate change as a key management issue directly linked to business continuity and competitiveness, which we see as essential to achieving our goal of Carbon Net-Zero by 2050 for Scope 1 and Scope 2 GHG emissions. Amid a business environment characterized by rapidly changing energy supply, resource prices, and customer needs, we proactively identify risks and opportunities presented by climate change and incorporate them into our business strategy.

We also actively seek to understand the intent and direction of relevant policies and systems being developed in various countries and regions, implementing proactive measures in response. This enables us to not only promote the reduction of our own greenhouse gas (GHG) emissions, but also to develop and deliver products and solutions that contribute to reducing GHG emissions during the use phase.

In addition, we have set a goal of achieving Carbon Net-Zero by 2050 for Scope 1 and Scope 2 GHG emissions, with 2030 as a milestone, and are steadily advancing phased reductions in line with progress in technological innovation and the energy transition. Through such initiatives, we aim to contribute to a sustainable society while enhancing corporate value.

Governance

The AGC Group has positioned climate change as a key management issue, and the Board of Directors regularly oversees the setting and execution of strategies and targets. In addition, we promote the assessment of risks and opportunities in collaboration with business divisions through discussions at the Management Committee while endeavoring to improve the effectiveness of our governance system by

reflecting the achievement of climate-related indicators and targets in the officer compensation system.

We conduct regular reviews and strategic decision-making at the Board of Directors level to effectively address climate-related risks and opportunities. Also, we have strengthened our executive management structure and regularly monitor identified climate change-related risks and their management status through Board of Directors and Management Committee meetings. In addition, corporate divisions and in-house companies / SBUs analyze risks and consider appropriate actions for each business or case, and discuss the identified risks and proposed countermeasures at the meetings of Board of Directors and Management Committee meetings when necessary.



Oversight and Management Centering on the Board of Directors

The AGC Group positions climate change as one of its most important management issues, and the Board of Directors deliberates and passes resolutions on group-wide management targets and policies for particularly important environmental risks and opportunities.

Important matters regarding climate change (examples: TCFD-based risk assessments, GHG emission reduction targets, transition plans, progress on key KPIs, etc.) are discussed by the Management Committee and Sustainability Committee and, if necessary, submitted to the Board of Directors for final oversight and decision-making.

The Board of Directors also receives regular reports from executives, including the CEO, and monitors the company-wide status of climate change initiatives.

In this way, with or without committees, the Board of Directors remains the substantive center of climate-related governance.

Indicators for Evaluating Executive Compensation Related to Climate Change

Under **AGC plus-2026**, which aims for the deepening of sustainability management, Scope 1 and Scope 2 GHG emissions per unit of sales has been incorporated as a performance metric for determining executive compensation for directors and executive officers. This indicator has been incorporated into the compensation system alongside financial KPIs such as ROE, EBITDA, and relative TSR, strengthening incentives for management to work toward enhancing corporate value in a sustainable manner, including climate change response. This creates a framework whereby executive compensation is linked to progress in GHG emissions reductions, thereby clarifying accountability of senior management for addressing climate change. This evaluation indicator applies to senior management, including the CEO, and is incorporated into performance-based compensation such as short-term incentives.

Role of Senior Management and Executive Bodies Management Committee

The Management Committee is chaired by the CEO and held every other week in principle. The CFO, CTO, and persons designated according to the content of the discussion attend to discuss important company-wide issues. When sustainability issues related to the products and services of each in-house company and SBU are integrated into business strategies, the direction and progress of such initiatives are also included in the agenda and monitored.

Sustainability Committee

The AGC Group's Sustainability Committee is integrated into strategic decision-making as the highest-level authority for climate risk management. As an advisory body to the CEO, it is responsible for deliberating and deciding on climate-related matters and taking the lead in reporting to the Board of Directors.

Chaired by the CEO, the committee meets four times a year and is composed of the CFO, CTO, and all department heads. The committee supports strategic decision-making by assessing climate-related risks and considering response measures and reporting the results to the Board of Directors twice a year. In alignment with our management strategies, the committee is promoting the enhancement of climate risk management and the strengthening of competitive advantage.

Environmental Response Meeting

The Environmental Response Meeting is an organization that evaluates and responds to all environmental risks, including climate change risks, at a specialized and practical level, based on the outcomes of

deliberations by the Sustainability Committee. The meeting is led by the General Manager of the EHSQ General Division, who is the executive officer in charge of environmental affairs, and the General Manager of the Sustainability Division, Corporate Planning General Division, who is the executive officer in charge of sustainability promotion. Participants include individuals designated by the sustainability officers of the business divisions and by the heads of the relevant corporate divisions.

The meeting is held eight times a year in principle, and by organizing specialized projects for each issue, we are able to rapidly analyze and formulate actions for the emerging environmental issues and risks. This enables the meeting to convey timely information to senior management, support more informed decision-making, and play a role in reducing risk and achieving sustainable business operations.

Strategy

The AGC Group identifies transition and physical risks and business opportunities arising from climate change and incorporates them into its strategic decision-making. We have assessed our financial impacts using international scenarios and are in the process of reviewing our business portfolio and planning for energy conservation and for renewable energy investments to achieve decarbonization. We promote management strategies that both strengthen the medium- and long-term climate resilience and enhance corporate value.

Methodology for Climate Change Scenario Analysis

The AGC Group positions scenario analysis as one of its climate-specific risk management processes for understanding the medium- and long-term risks and opportunities posed by climate change to its business and to incorporate the findings into strategy development and resilience enhancement. Specifically, we use the IEA's NZE and APS and the IPCC's RCP8.5 to qualitatively and quantitatively analyze transition risks and physical risks. We also use assumptions such as carbon pricing and natural disaster risks to assess the impact on our business, costs, and finances, and reflect the results in our medium-term management plan and company-wide risk management.

Time Horizon for Evaluation

Short-term (1 year), medium-term (–2030), and long-term (–2050)

Scope of Analysis

Risks and opportunities associated with climate change, and natural disaster risks affecting manufacturing sites

Analysis Steps

- Selection of envisioned scenarios
- Extracting risks and opportunities and setting evaluation criteria
- Impact assessment (quantitative/qualitative) by site and business
- Integration into strategy and business planning

Scenarios Used and Main Applications

- Net Zero Emissions by 2050 Scenario (NZE scenario):
A scenario developed by the International Energy Agency (IEA) that assumes the achievement of the goal of limiting the global temperature rise from pre-industrial times to less than 1.5°C. Used to assess the impacts of the transition to a low-carbon economy.
- Announced Pledges Scenario (APS):
A scenario that reflects the NDC (Nationally Determined Contribution) targets decided by each country based on the Paris Agreement. Used to forecast carbon prices and strengthened regulations.
- RCP8.5 scenario:
Climate scenario for acute physical risks (e.g., heavy rainfall, typhoons, high temperatures, drought, etc.) projecting a

temperature rise of around 4°C from pre-industrial levels. Particularly used to assess natural disaster risks at manufacturing sites.

Type of Evaluation

- Quantitative evaluation:
 - Estimated cost impact of rising carbon prices and energy costs
 - Sensitivity analysis based on GHG emissions by Scope (1, 2, and 3) category and energy consumption by business, etc.
- Qualitative evaluation:
 - Location characteristics (flood risk, temperature changes)
 - Vulnerability in the supply chain and impact on social license to operate, etc.

Use of Scenario Analysis

Based on the evaluation results of each scenario, we apply the findings to diversification of energy sources, prioritization of capital expenditures, formulation of emission reduction plans, and KPI management, etc., and operate in alignment with the business plan for **AGC plus-2026**.

Business Impact and Response Based on Climate-related Scenarios

Main categories	Risks/ Opportunities	Scenarios	Financial Impacts	Responses
Transition Risks	Carbon Price Increase	Developed countries: US\$180/ t-CO ₂ Emerging countries: US\$125/t-CO ₂ (2035 / NZE (1.5°C))	Up to approximately US\$1,368 million/year *Assumes no change from 2024 emissions level (Scope 1 and 2 GHG emissions) *Considers possible introduction of carbon pricing in each country and region by 2035 consolidated basis / NZE (1.5°C)	• Fuel Switching, Oxy-Fuel Combustion, and Electrification in Float Glass Melting Furnaces • Reduction of Grid Electricity Consumption and Introduction of Renewable Energy at Cleanrooms and Other Electrical Facilities • Decarbonization Investments through Internal Carbon Pricing • Business Portfolio Assessment and Management with Consideration of Carbon Efficiency
Physical Risks	Sudden Disasters (Floods)	2050 / RCP8.5 (4°C)	0.22 billion yen/year (18 sites in Japan and other countries)	• Deployment of flood and storm surge prevention equipment
Opportunities	Building renovation market	2030 / APS (less than 2°C)	Renovation rates in Europe to double by 2030 compared to 2020 levels	• Sales of highly insulating and recyclable architectural glass • Sales of Building Integrated Photovoltaics (BIPV)
	Market for next-generation refrigerants and solvents	2030 / APS (less than 2°C)	Low-GWP refrigerant market expected to expand 2.2x in size compared to 2019 by around 2030	• Sales of next-generation environmentally preferable refrigerants and solvents
	Hydrogen market	2030 / NZE (1.5°C)	Growth in installed water electrolyzer capacity (cumulative) (2024 actual 4.9 GW → 558 GW)	• Sales of materials for hydrogen production and utilization

Identified Risks and Opportunities

Overview of Transition Risks

Among transition risks, we assessed that a rise in carbon prices would have a particularly significant impact on our business. Based on estimates assuming carbon prices in 2035, we calculated that the maximum annual cost burden could be US\$1,368 million.

Overview of Physical Risks

We recognize that natural disasters caused by climate change and chronic environmental changes pose significant risks to business continuity. In particular, extreme weather events such as floods, storm surges, and droughts can lead to operational shutdowns at manufacturing sites or disruptions to logistics, potentially resulting in a decline in sales and increased costs associated with response measures. Furthermore, we consider the decline in cooling efficiency of equipment and deterioration of working conditions caused by rising temperatures and heat waves as well as the impact on manufacturing processes caused by water resource depletion and water quality deterioration to be risks that cannot be overlooked.

Overview of Opportunities

Leveraging our strengths, we have identified specific business opportunities that can contribute to reducing GHG emissions and avoiding emissions during the use phase, such as architectural window glass with high thermal insulation and durability, and a core product line of solvents and refrigerants with extremely low global warming potential (GWP). All of these are areas where future market growth is expected, as they meet social demands for energy efficiency and reduced environmental impact over their lifecycle.

Impact of Risks and Opportunities on Business, Strategic, and Financial Planning

Impact of Transition Risks

Risks Related to Policies and Regulations: Rising Business Costs and Adaptation Burdens from Strengthened Carbon Regulation

We assess the impact of carbon pricing policies across different countries and regions and manage financial risks. Assuming that current Scope 1 and Scope 2 GHG emissions are maintained, rising carbon prices by 2035 could result in up to US\$1,368 million in additional annual costs*¹.

This estimate is based on AGC Group's Scope 1 and Scope 2 GHG emissions*² as of 2024, taking into account the possibility of carbon pricing introduction and increases in each country*³. For example, under the EU ETS (Emissions Trading Scheme), the carbon price is

expected to reach US\$180/t-CO₂ or more by 2035*⁴, and corresponding cost increases are anticipated. In addition, there are moves to introduce or strengthen carbon pricing in Asia and North America*⁵.

This analysis quantifies the significant financial impacts that advances in carbon pricing will have on energy-intensive manufacturing industries, reaffirming the necessity of reducing emissions at the Group and the importance of measures to avoid costs.

*1 Estimates are based on AGC's proprietary carbon pricing simulation and are subject to change due to policy changes in each country.

*2 Scope 1 and Scope 2 GHG emissions as of 2024 are calculated based on the latest GHG inventory data.

*3 Considering the carbon pricing introduction and increase policies of each country (IEA, national policy documents, etc.)

*4 The carbon price under the European Emissions Trading Scheme (EU ETS) was about US\$60/t-CO₂ as of 2024. Projected values through to 2035 are US\$90–US\$180/t-CO₂ (Source: IEA, European Commission Report)

*5 Source: Government publications of each country, IEA

➡ Measures to Address the Impact of Policy and Regulatory Risks

The AGC Group is advancing the following types of initiatives to mitigate the impact of these transition risks.

- Improve energy efficiency, convert fuels, introduce oxygen combustion, and electrify float glass melting furnaces
- Reduce electricity consumption intensity and increase the use of renewable electricity in chlor-alkali electrolysis facilities
- Apply internal carbon pricing in investment decisions
- Evaluate the business portfolio based on scenario analyses and GHG emissions efficiency

In addition, under **AGC plus-2026**, the Company has planned to allocate over 50 billion yen for investments to reduce Scope 1 and Scope 2 GHG emissions, accelerating the transition to a low-carbon society.

Technology-related Risks: Shifts in Competitive Advantage and Rising Adaptation Costs Driven by Advances in Low-Carbon Technologies

We have identified the rising costs associated with energy transition and the adoption of low-carbon technologies as factors impacting the entire Group. This includes higher direct costs for fossil fuel alternatives, increased capital expenditures for low-carbon technology development, and rising capital costs for renewable energy and energy-efficient technologies.

As markets shift toward decarbonization, companies are under

growing pressure to decarbonize and lower GHG emissions, heightening the risk of increased capital expenditures and rising operational costs. The AGC Group assesses these risks and estimates their financial impacts.

➡ Measures to Address the Impact of Technology-Related Risks

The AGC Group is implementing the following measures to minimize the impact of transition risks.

- Expanding low-carbon businesses through strategic business portfolio review
- Accelerating investment in the reduction of Scope 1 and Scope 2 GHG emissions
- Enhancing incentives for the development of low-carbon technologies through the implementation of an internal carbon pricing (ICP) system
- Deploying energy-saving technologies and implementing renewable energy

In addition, under **AGC plus-2026**, the Group has planned to allocate over 50 billion yen to accelerate Scope 1 and Scope 2 GHG emissions reduction through the development and deployment of low-carbon technologies.

Reputation and Litigation Risks: Stakeholder Perceptions and Legal Challenges

Disclosing climate-related information may entail the risk of stakeholder concerns stemming from differences in interpretation, as well as the associated burden of responding to them. We also recognize the potential litigation risk from investors and stakeholders should the response to climate change be deemed insufficient. In particular, we carefully assess the disclosure of climate-related risks in our securities reports, as there is a risk that statements regarding their impact on financial results and business operations could be misinterpreted.

➡ Measures to Address Reputation and Litigation Risk

The AGC Group works to ensure reliable and appropriate disclosure of climate-related information, reduce related risks, and comply with relevant disclosure requirements in each country.

- Highly transparent disclosure aligned with TCFD recommendations
- Appropriate assessment of climate-related risks and review of disclosure, in alignment with applicable climate laws and

reporting standards in each country

- Ensuring consistency in disclosures to prevent misinterpretation
- Enhancing stakeholder trust through strengthened dialogue and engagement

Market-related Risks: Market Shifts Driven by Climate Action

As global climate policies and the transition to low carbon advance, we anticipate increasing demand for low-carbon and renewable energy solutions, accompanied by a structural decline in demand for conventional high-carbon products. In addition, customers' decarbonization strategies and tighter environmental regulations may shift product selection criteria and intensify market competition.

Furthermore, rising transaction costs for products and raw materials with high GHG emissions (product carbon footprint) over the product life cycle, as well as reduced competitiveness in carbon-regulated markets, may adversely affect business performance. Given the potential impact of these factors on the AGC Group's revenue and profit, we are assessing market risks and implementing appropriate actions.

➡ Measures to Address Market Risks

The AGC Group is implementing the following initiatives to address market risks associated with climate change and to maintain and enhance its business competitiveness.

- Strengthening product carbon footprint management and ensuring transparent disclosure
- Shifting toward a lower carbon footprint product portfolio
- Strengthening the development and sales of low-carbon and environmentally conscious products to respond to shifting demand
- Enhancing solution offerings aligned with customers' decarbonization strategies

Through these initiatives, we aim to achieve sustainable growth by leveraging climate-driven market changes as opportunities to enhance our competitiveness.

Impact of Physical Risks

Acute Physical Risks: Damage from Extreme Weather Events

Extreme weather events and climate change may cause damage from physical risks such as floods, storm surges, and droughts. These risks are particularly concentrated in Asia, where we anticipate the following financial impacts.

Flood risk:

15 sites in Asia, 2 sites in Europe, 1 site in the Americas
Maximum projected damage as of 2050: 20 billion yen
Average annual damage (considering a 1-in-100-year probability): 200 million yen

Storm surge risk:

3 sites in Asia

Maximum damage as of 2050: 2 billion yen

Average annual damage: 20 million yen

Drought risk:

17 sites in Asia, 3 in Europe, 1 in the Americas

Potential impacts on production processes and raw materials procurement

Physical risks in the supply chain are recognized as a critical issue. Factors such as the geographic concentration of raw material sources, long procurement lead times, suppliers located in high water-risk regions, and limited flexibility in logistics networks are recognized as key contributors to increased supply chain vulnerability.

➡ Measures to Address Acute Physical Risks

Based on site-specific physical risk assessments, the AGC Group implements measures in phases at 15 major sites in Asia where the risks of flooding and storm surges are high, including reinforcing drainage facilities, installing flood barriers, and elevating facilities. In addition, at three sites in Europe where there is a risk of drought, we are diversifying water sources and expanding water recycling and reuse.

• Measures at Our Own Sites

Establishing business continuity plans: Standardized response measures for wind and flood events

Reinforcing physical resilience measures: Installation of waterproof barriers and drainage pumps, as well as flood control measures

Utilizing insurance: Procuring coverage for losses caused by wind and flood events

• Measures for the Supply Chain

Diversifying the supply chain: Decentralizing procurement sources and ensuring alternative sourcing routes

Optimizing inventory strategy: Mitigating supply risks by increasing inventories of products and raw materials

• Strengthening Long-term Risk Management

Currently, each site is responding to risks. Going forward, we aim to implement a group-wide PDCA cycle for managing physical risks over the medium to long term. As part of this effort, we are enhancing our internal systems and governance rules to promote integrated and strategic risk management.

Chronic Physical Risks: Damage from Global Warming

Chronic physical risks associated with climate change and global warming, such as rising temperatures, changes in precipitation, and water stress, may have a material impact on manufacturing processes and raw materials in our Glass and Chemicals Businesses.

➡ Measures to Manage Chronic Physical Risks

We consider these risks to be manageable through appropriate adaptation measures, enabling the continuity and stability of our operations. We are enhancing our resilience to chronic physical risks by strengthening site management, improving energy efficiency, and diversifying our raw material sourcing. In addition, we are securing greater operational flexibility by promoting sustainable water resource use and optimizing production systems, while maintaining the competitiveness of our Glass and Chemicals Businesses.

Positive Impacts from Opportunities

The AGC Group expects business opportunities to expand especially under an NZE scenario. By leveraging market projections from credible third-party institutions, we analyze changes in product markets and integrate the findings and insights into our business planning.

Under the NZE and APS scenarios, the decarbonization market is forecast to expand at an accelerated pace. For example, the renovation ratio is projected to double compared to 2020, while the cumulative installed capacity of water electrolysis equipment is expected to surge from 4.9 GW in 2024 to 558 GW. Furthermore, the market size of low-GWP refrigerants is expected to grow to 2.2 times its 2019 level by 2030, and EV sales are also expected to increase to 2.2 times the 2024 results. These trends will accelerate the adoption of next-generation low-carbon technologies across the construction, automotive, and chemical sectors, thereby strengthening the AGC Group's product competitiveness.

Based on these future projections, we are promoting the market launch of such products as durable and recyclable architectural insulating window glass designed with resource circulation in mind, next-generation refrigerants and solvents with low GWP, and

Building Integrated Photovoltaics (BIPV) glass. Through these products, we seek to contribute to the reduction of GHG emissions while responding to new market needs and strengthening our competitiveness.

In addition, in anticipation of stricter regulations, we are accelerating the development of products that contribute to a low-carbon society to strengthen regulatory alignment and translate emerging market opportunities into business growth. The AGC Group is investing in decarbonization technologies and optimizing its business portfolio with the aim of achieving both sustainable economic growth and reduced environmental impact.

➡ Response to Realize Opportunities

The AGC Group views the expansion of the decarbonization market as a growth opportunity. To respond swiftly and appropriately to these market changes, we plan to invest a total of more than 80 billion yen over the three years from 2024 to 2026 under our medium-term management plan, **AGC plus-2026**.

More than 30 billion yen of this has been allocated to investment aimed at expanding sales of products that enable avoided emissions. We are accelerating the development and deployment of low-carbon technologies, particularly in the construction, automotive, and chemical sectors, including energy-efficient glass, next-generation energy-related materials, and low-GHG-emission products.

Furthermore, we are advancing technological development to improve energy efficiency throughout manufacturing processes and broaden the application of low-carbon technologies. By strengthening our global supply network, we are also building a resilient business foundation capable of ensuring stable product supply and responding to market shifts.

Resilience of Scenario-Based Strategies

The AGC Group is strengthening the resilience of its business strategies to ensure sustainable growth under diverse climate scenarios. To address both transition and physical risks while maintaining business competitiveness and financial stability, we are advancing the following strategic initiatives.

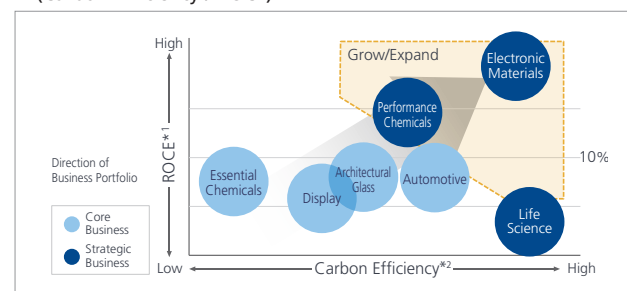
1. Strengthening Portfolio Resilience

In accordance with its long-term management strategy and medium-term management plan, the AGC Group is working to build a business portfolio resilient to changes in market conditions with high asset efficiency, growth potential, and carbon efficiency. To achieve this, the Group is focusing on transforming the business

structure and business models of its Core Businesses, expanding strategic businesses, and accelerating growth.

In the architectural, automotive, and chemical sectors, we are advancing the development of low-carbon technologies and expanding our product lineup in alignment with transition to a decarbonized society. In particular, we aim to simultaneously address climate change and strengthen our business portfolio by leveraging the market growth potential of low-carbon products such as high-insulation glass, components for zero-emission vehicles (ZEVs), and next-generation refrigerants and solvents.

● Direction of the Business Portfolio Transformation (Carbon Efficiency / ROCE)



ROCE: (OP of the year) ÷ (Operating asset at the year-end), OP for each business is before allocation of common expenses

*1 Created based on 2024 ROCE

*2 Based on 2023 emissions per 2024 sales

2. Enhancing Resilience Through Technological Innovation

To prepare for long-term climate change risks, we are advancing the development of hydrogen-related technologies and energy-efficient products to enhance our market competitiveness. This approach ensures our ability to maintain business continuity and pursue growth under any scenario.

3. Technology Investment

To achieve its milestones, the AGC Group is promoting technological innovation in glass melting processes and increasing the use of renewable electricity in its Chlor-Alkali business. Through these initiatives, we are advancing the decarbonization of our manufacturing processes and building a framework to transform transition risks into growth opportunities.

Regarding float glass melting furnaces, we are promoting a technology implementation strategy aimed at reducing GHG emissions and formulating a strategy to adapt to a decarbonized society by 2050. By leveraging simulations of energy prices and

carbon costs through 2050, we assess the economic viability of low-carbon technologies. At the same time, we promote global deployment of these technologies and optimize resource allocation to strengthen our long-term competitiveness.

4. Rule-Making Initiatives

Alongside developing products that contribute to the realization of a low-carbon society, the AGC Group is actively engaged in shaping international rules and standards. By leading standardization initiatives and proactively responding to regulations, we aim to expand market presence and establish distinct competitive advantage.

5. Internal Carbon Pricing System

The AGC Group has introduced an internal carbon pricing (ICP) system as one of the methods used to align future capital investments with decarbonization targets and assess the financial impacts of greenhouse gas emissions, in anticipation of future carbon taxes and increases in market prices. Under this ICP system, carbon prices are set for each region and future year, with Japan applying US\$42/t-CO₂ in 2030 and US\$205/t-CO₂ in 2040. ICP covers Scope 1 and Scope 2 GHG emissions and is used to calculate NPV (Net Present Value) in capital investment decision-making. Comparing ICP-adjusted and conventional NPV calculations enables the promotion of low-carbon investments, reflection in strategic and financial planning, and support of decision-making that considers climate-related risks.

6. Participation in Initiatives to Address Climate Change

Addressing climate change involves initiatives across the entire value chain, from raw materials to product usage and disposal. Through collaboration with diverse stakeholders, we aim to minimize environmental impact and generate shared social value.

We regularly verify the consistency of our policies with the positions on climate change of the industry associations to which we belong. If there are inconsistencies, we encourage improvement through dialogue, etc. If significant divergence or conflict persists, we will consider actions such as clarifying our position, reviewing our involvement, and withdrawing from the association concerned.

For more information on stakeholder engagement in general, see p. 08 of this Data Book "Stakeholder Engagement."

Japanese Business Alliance for Smart Energy Worldwide (JASE-W)

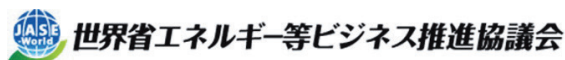
 [Japanese Business Alliance for Smart Energy Worldwide \(JASE-W\)](#)

Outline: An organization that promotes the expansion of Japan's energy and decarbonization businesses overseas and contributes to the transition to a decarbonized society by providing Japan's energy-saving, new energy, and decarbonization technologies to the world through strong collaboration between member companies and the government.

Purpose of participation: To promote the global deployment of our energy-saving and decarbonization technologies and to actively contribute to council activities

Achievements: We contributed to promoting ZEB initiatives in ASEAN countries by actively participating in the ZEB Solution Working Group, which aims to promote the gradual spread and realization of the ZEB* concept as a foundation for disseminating building-related equipment and technologies in Japan, with the goal of facilitating wider adoption in ASEAN countries.

In Malaysia, it has been decided that a three-year ZEB demonstration project will be carried out from 2026 by four member companies under the auspices of NEDO. The project aims to reduce the primary energy consumption of the SEDA (Sustainable Energy Development Authority) office building, a government agency responsible for energy-related matters, by 76%. The Company is also participating in this project.



* ZERO Energy Building: A Building designed to achieve a comfortable indoor environment while aiming to reduce the annual primary energy balance of the building to zero.

Energy Conservation Center (Japan)

 [Energy Conservation Center, Japan \(ECCJ\)](#)

Overview: A core organization that promotes energy conservation both in Japan and internationally, providing support through policies, human resource development, and technical information.

Purpose of participation: Sharing the latest policy and technical information, exchanging cross-industry knowledge, and advancing energy management at our manufacturing sites.

Achievements: The President of the AGC Group serves as a member of the Advisory Board, supporting the promotion of energy

conservation activities.



Climate Change Initiative (Japan)

 [Japan Climate Initiative – JCI](#)

Overview: Under the slogan “Toward a Japan that leads the world in combating climate change,” a network of diverse actors, including businesses, local governments, and NGOs, is working together to accelerate action toward the realization of the Paris Agreement and the creation of a decarbonized society.

Purpose of participation: We endorse the objectives of JCI and participate in the network to advance decarbonization through our business activities and promote climate action across the entire supply chain.

Achievements: In 2023, we endorsed a carbon pricing proposal to simultaneously achieve our 2030 GHG emission reduction targets and enhance international competitiveness.



GX League (Japan)

 [GX League official website](#)

Overview: A framework for corporate collaboration to tackle the challenge of Japan's transition to carbon neutrality and lead the way in GX (green transformation)

Purpose of participation: Participation in various working groups for the emissions trading system (GX-ETS) and the creation of new markets

Achievements: GX-ETS sets short- and medium-term reduction targets and publishes progress on the GX Dashboard. In addition, we have been certified as a “GX Acceleration Declaration Company” in recognition of our active efforts to promote the social implementation of GX products and services and to advance GX throughout the supply chain, based on the evaluation of GX value.



Flat Glass Manufacturers Association of Japan

 [Flat Glass Manufacturers Association of Japan official website](#)

Overview: An industry association that addresses various issues such as the environment, safety, and energy conservation with the aim of promoting the sound development of the flat glass industry and contribution to society.

Purpose of participation: Addressing shared issues in the flat glass industry, promoting the establishment of standards in technology, the environment, and safety, and collaborating to ensure the healthy development of the industry as a whole and to address social issues

Achievements: We participate in the Sustainability Special Committee of the association. Through the Whole Life Carbon Subcommittee, we have contributed to the calculation of GHG emissions (embodied carbon) generated before architectural flat glass is used in buildings and other structures, as well as to the review of whole life carbon, which takes into account GHG reduction contributions (operational carbon) achieved through the use of Eco Glass and other products. We have also contributed to the development of a whole life carbon simulation tool (Eco Glass Whole Life Carbon Simulation). In addition, through the Flat Glass Recycling and Resource Subcommittee of the committee, and in collaboration with Circular Partners, we have set and publicly disclosed a post-consumer recycling target for flat glass products after use. To achieve these targets, we are leading efforts such as a pilot demonstration for recovering glass from end-of-life vehicles (FY2024 Subsidy Program for Surveys, Research, Demonstrations, etc. Contributing to the Advancement of Automobile Recycling) and tests for recovering insulating glass from demolished buildings, in collaboration with demolition contractors, construction waste treatment contractors, and glass waste disposal contractors.



 [Eco Glass Whole Life Carbon Simulation](#)

 [FY2024 Final Report on the Subsidy Program for Surveys, Research, Demonstrations, etc. Contributing to the Advancement of Automobile Recycling](#)

■ National Movement for New and Prosperous Lifestyles toward Decarbonization—Participation in Public-Private Collaborative Association (Japan)

 [Deco-Katsu \(National Movement for New and Prosperous Lifestyles toward Decarbonization\) | Ministry of the Environment](#)

Overview: A public-private partnership council (nicknamed the “Deco-Katsu Ouendan”) initiated by the Ministry of the Environment to promote a national campaign for creating new and fulfilling lifestyles that support decarbonization.

Purpose of participation: Realizing a sustainable society from both the perspectives on “living” and “industry”

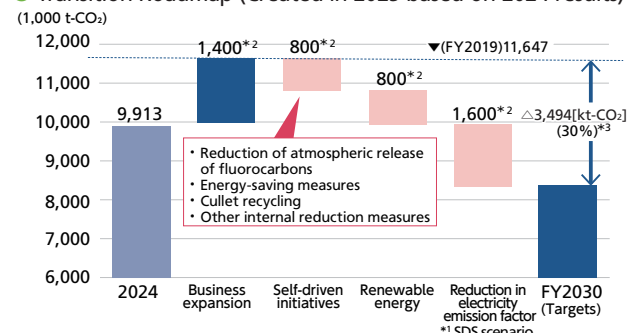
Achievements: We have been actively collaborating and consulting with the secretariat and other stakeholders to promote consumer awareness for its products and services and to propose government policies.



■ Transition Plan

The AGC Group has formulated a decarbonization transition roadmap as part of its transition plan to achieve Carbon Net-Zero by 2050 for Scope 1 and Scope 2 GHG emissions. As a short- to medium-term quantitative goal, we have set a target to reduce Scope 1 and Scope 2 GHG emissions by 30% by 2030 with 2019 as the base year. In accordance with the following transition roadmap, we are pursuing a phased reduction through the deployment of renewable energy and improvements in the cullet recycling process, while assessing economic rationality. These transition plans are consistent with our long-term management strategy “Vision 2030,” and are managed within our medium-term management plan, **AGC plus-2026**, to create economic value through the creation of social value and realize a spiral of increasing corporate value.

● Transition Roadmap (Created in 2025 based on 2024 results)



*1 For the 2030 electricity emission factor, we have adopted the Sustainable Development Scenario published by the IEA.

*2 Values are approximate

*3 Including reductions due to business portfolio reforms

Reduction of Scope 1 and Scope 2 GHG Emissions

Approximately 99% of the AGC Group's Scope 1 and Scope 2 emissions originate from its Glass Business (Architectural and Automotive), Electronics, and Chemicals Businesses. Of these emissions, with roughly half of the emissions coming from the Glass and Electronics Businesses combined, the other half from the Chemicals Business. To achieve Carbon Net-Zero by 2050 for Scope 1 and Scope 2 GHG emissions, we are promoting reduction strategies tailored to the characteristics of each business.

Transition plan in the Glass Business

At the AGC Group, the operation of float glass melting furnaces accounts for approximately 60% of Scope 1 emissions in the Glass and Electronics Businesses. Therefore, we have identified the decarbonization of the melting process as our most critical challenge. In particular, the electrification of kilns and conversion to clean fuels are core measures in our decarbonization strategy.

We are implementing a regional optimization approach based on future projections of GHG emission factors from electricity consumption in each area.

- **Europe & Americas:** We are prioritizing the deployment of electric boosters (auxiliary electric heating) in response to progress in electricity decarbonization. In Europe, all 13 sites with glass melting furnaces have obtained ISO 50001 (Energy Management Systems) certification and are continuously working to improve energy efficiency.
- **Asia:** Where decarbonizing electricity is relatively challenging, we are prioritizing the adoption of energy-saving technologies. In Thailand,

an ORC (Organic Rankine Cycle) waste heat recovery power generation equipment has been installed at our flat glass manufacturing plant. In Indonesia, improvements have been made to the combustion method and furnace configuration in the flat glass combustion process.

In addition, the following measures are being phased in as long-term emission reduction measures:

- Expanded use of clean fuels such as hydrogen, ammonia, and biofuels
- Reduction of raw material emissions through enhanced recycling of glass cullet (scrap and fragments)
- Development and deployment of CO₂ capture and utilization (CCU) technology from float glass melting furnaces

Float furnaces used in glass manufacturing are long-life equipment that generally operate for 15 years, so incorporating the best low-carbon technologies at the time of furnace replacement in an economically rational combination is critical. For this reason, a project team reporting directly to the CTO clarifies the priorities for technological development and implementation and oversees progress on a global scale.

In 2022, we accelerated the conversion from heavy fuel oil to natural gas and began full-scale deployment of electric boosters in Europe and Americas. Going forward, we will implement integrated decarbonization measures that combine electrification, fuel conversion, energy conservation, and recycling in accordance with the circumstances of each region.

Furthermore, we aim to improve the energy efficiency of the entire furnace and to establish a sustainable manufacturing system by combining our high-insulation ceramics technology and glass melting technology.

■ Fuel Conversion

■ Reduction of Fuel Oil

The AGC Group has started replacing heavy oil, used in processes such as glass melting, with natural gas at its facilities. Natural gas emits approximately 20% less CO₂ than heavy oil during combustion. In addition, using natural gas virtually eliminates sulfur oxide (SO_x) emissions from fuel combustion.

■ Ammonia Combustion

AGC has been selected by the New Energy and Industrial Technology Development Organization (NEDO) as a contractor on a project to develop fuel ammonia combustion technology for industrial furnaces. AGC developed this project jointly with Nippon Sanso Corporation, the

National Institute of Advanced Industrial Science and Technology (AIST), and Tohoku University from the end of December 2021 through March 2026.

■ Total Oxygen Combustion

Oxy-fuel combustion method uses only oxygen for fuel combustion to produce glass. This method improves energy efficiency as it avoids heating nitrogen, which makes up about 80% of air and does not contribute to combustion. In addition, as combustion gas contains almost no nitrogen, this method also helps reduce nitrogen oxide (NOx) emissions.

■ All-Electric Melting

All-electric melting applies electric current directly to glass materials, making it suitable for relatively small furnaces. This method improves energy efficiency by directly heating materials, instead of relying on radiant heat from combustion flames.

■ Hydrogen Combustion

With the support of Air Liquide Japan G. K., AGC Inc. successfully conducted a pilot demonstration of glass manufacturing using hydrogen fuel. And we integrated our hydrogen combustion burners into a section of the conventional oxygen combustion process, which traditionally uses city gas.

■ Cullet Use

In the process of making sheet glass, cullet (glass shards) is used instead of virgin raw materials such as silica sand. Cullet melts more easily than virgin raw materials, thus reducing fuel consumption. In addition, since carbonate is used as a virgin raw material, CO₂ is generated during melting. However, increasing cullet reduces the amount of carbonate required, thereby reducing CO₂ emissions during glass manufacturing.

Transition Plan in the Chemicals Business

In the Chemicals Business, the majority of Scope 1 and Scope 2 GHG emissions stem from the operation of brine electrolysis facilities, making electrification of these facilities and the use of renewable energy key challenges. Approximately 40% of emissions come from on-site power generation facilities, and the remaining approximately 60% comes from electricity purchased externally.

In response, we are implementing multiple measures in anticipation of greater renewable energy availability in the market. We will promote the use of biomass fuels in our on-site power generation facilities to reduce carbon emissions. Furthermore, we

are working to secure long-term stability by expanding the procurement of electricity from renewable energy sources through extended procurement contracts. Furthermore, we are switching to energy-saving electrolyzers to improve energy efficiency.

■ Reduction of Electricity Consumption

FORBLUE™ FLEMION™ is the world's first ion exchange membrane for brine electrolysis, developed by the AGC Group. The new generation membrane F-9060, announced in 2023, achieves the industry's lowest voltage and highest current efficiency to reduce electricity use and improve carbon emission efficiency during the production of chlor-alkali products. In addition to our in-house use, we contribute to environmental improvement by supplying this product to brine electrolysis manufacturers worldwide. Our salt electrolysis tanks in Japan using Flemion have met the soda industry energy efficiency benchmark indicator under the Act on the Rational Use of Energy and exceeded the industry average for this indicator in the business classification evaluation results (S-class results) announced by the Agency for Natural Resources and Energy in March 2026.

■ Reduction of Fluorocarbon Leakage

In Japan, the AGC Group manages fluorocarbons used as refrigerants in commercial air-conditioners and refrigeration units based on the Act on Rational Use and Appropriate Management of Fluorocarbons, strengthening the operation and management of refrigeration units as well as improving the recovery of refrigerants and optimizing replenishment amounts during maintenance. We will continue efforts to reduce fluorocarbon leakages by maintaining prevention measures and gradually replacing aging refrigeration units with state-of-the-art models that use low-GWP refrigerants.

■ Fluorocarbon Leakage Volume by AGC Inc.

As a result, AGC Inc.'s estimated fluorocarbon leakage for fiscal 2025 was 7,175 t-CO₂.

■ Understanding Environmental Impact through Product Carbon Footprint (PCF)

In the Chemicals Business, we calculate the product carbon footprint (PCF) as one of our initiatives to understand the environmental impact of our products throughout their life cycle. Currently, we calculate PCF for almost all our chemical products in the cradle-to-gate range, from raw materials procurement to manufacturing and shipment at our plants.

The calculated data is used to understand trends in emissions for each product, and to study ways to reduce environmental impact. It is also used as reference information to deepen product understanding

when sharing environmental information with customers. These efforts are being extended to Group companies in the Chemicals Business. To date, AGC Engineering Co., Ltd. and Kashima Chemical Co., Ltd. have started calculations and utilization for major products from a relatively early stage, and site-led initiatives are making solid progress. As a result, our Chemicals Business is enhancing understanding of the environmental impact of each product one by one.

We utilize this as one of the indicators for confirming the characteristics of products and processes, mainly in our manufacturing divisions, while also organizing it as basic information for business evaluations. In this way, emissions data per product is becoming established as a common approach across departments and organizations. Going forward, we will improve the accuracy of our calculations and expand the scope of utilization, and continue efforts to consider the environment according to the characteristics of products and businesses.

Cross-Segment Initiatives

Use of Renewable Energy

The AGC Group is introducing renewable energy at its sites around the world. Our sales offices had been prioritized in this initiative, and we have been preparing for and examining the large-scale rollout of renewable energy at our manufacturing sites. A cross-segment structure has been established to support these efforts, with preparations and assessments underway to ensure stable production. Going forward, the AGC Group will further promote the use of renewable electricity, including by establishing a group-wide renewable electricity procurement policy.

Reduction of Scope 3 GHG emissions

Approximately 70% of the AGC Group's Scope 3 GHG emissions in 2019 arose from Category 1, Purchased Goods and Services, and Categories 10–12, Processing of Sold Products, Use of Sold Products, and End-of-Life Treatment of Sold Products.

In light of this, the AGC Group has set a target to reduce Scope 3 GHG emissions from Categories 1, 10, 11, and 12 by 30% by 2030 from a 2019 base year. We are implementing multiple initiatives in a phased manner and by area, including strengthening supplier engagement and reducing the use of high-global-warming-potential fluorinated gases.

Supplier Engagement

Because reducing Scope 3 GHG emissions requires action across the value chain, strategic partnerships and closer collaboration with suppliers and other business partners are essential. The AGC Group is

therefore actively participating in industry and theme-specific initiatives aimed at addressing climate change. For example, we attend supplier briefings organized by our customers to understand their expectations and then implement internal initiatives to meet them. We also disclose information through CDP in response to customer requests, thereby contributing to enhanced environmental benefits across the entire value chain. In this way, the AGC Group will strengthen collaboration across the value chain and promote co-creation of value toward realizing a decarbonized society.

GHG Emission Reductions in Procurement and Logistics Areas

We are promoting emissions reductions from raw materials through the deployment of low-carbon materials and the use of recycled raw materials as outlined below.

- Among glass products, in addition to in-process cullet, we actively recover and recycle cullet from post-use products to reduce the use of virgin raw materials.
- We are conducting a questionnaire survey of suppliers with a view to converting GHG emission factors to primary data. In the medium- and long-term, we are promoting the creation of frameworks to improve product-specific LCA (life cycle assessment) for supply chain emissions.
- Our engagement activities, including recommendations to obtain SBTi-validated targets, support emission reduction efforts by our key suppliers.
- In glass logistics, we have introduced special pallets equipped with location tracking to improve transportation efficiency and reduce the risk of loss. This contributes to reducing GHG emissions from logistics.

Reduction of Emissions from Use of Products and Disposal

- We are strengthening the development and provision of environmentally conscious products such as high-insulation glass, materials for ZEVs, and low-GWP refrigerants and solvents to reduce environmental impact during the use phase. We also contribute directly to helping customers reduce their Scope 1 and Scope 2 GHG emissions.
- We are promoting technological development while incorporating recyclability into the design stage with the aim of enhancing resource recycling at the disposal stage.

Contribution to the Decarbonization of Society (By enabling Avoided Emissions)

Avoided greenhouse gas (GHG) emission refers to the quantified amount of emissions avoided across the entire supply chain as a result

of replacing older products or services with those of the Company. The Institute of Life Cycle Assessment, Japan's "Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions" define it as the quantification of a product's contribution by comparing its life cycle emissions against a baseline scenario.

We identify areas where we contribute to reducing society's GHG emissions through our products and solutions, and promote the understanding and reporting on quantitative reduction contributions. In this way, we visualize reductions based on the actual deployment and substitution effects, and reflect this in our business strategy. In addition, we advance the design and provision of products that contribute to the reduction of environmental impact during their use phase, and products with high environmental benefits throughout their life cycle due to extended lifespan.

The AGC Group views the provision of products and solutions that support society's decarbonization as an important business opportunity. Products contributing to the environmental and energy fields account for approximately 10% of our total sales.

Product Carbon Footprint (PCF)

Product Carbon Footprint (PCF) is a method of evaluating the amount of CO₂ and other greenhouse gases emitted during the entire life cycle of a product, from raw materials procurement to manufacturing, transportation, use, disposal, and recycling, with the aim of understanding the environmental impact of each product.

By utilizing the LCA method from the product design and development stages, we reduce environmental impact throughout the entire life cycle. To speed up our response to climate change, we have established the AGC Group Product Carbon Footprint (PCF) Calculation Guidelines, which standardize PCF calculation methods across the AGC Group. This enables us to visualize CO₂ emissions for each product using consistent criteria.

Going forward, we will actively incorporate LCA from the early stages of product design and development, and leverage the AGC Group's technological capabilities to continuously contribute to GHG emission reduction through products and solutions.

Risk Management

The AGC Group considers climate-related risks to be an important management issue and evaluates and responds to them under an integrated management structure. We utilize scenario analysis to oversee and manage at the senior management level, and continuously improve by running a PDCA cycle.

Risk Management Process

The AGC Group has established a series of processes to identify, assess, respond to, and monitor climate-related risks from short-, medium-, and long-term perspectives under the "AGC Group Enterprise Risk Management Basic Policies" and based on the "AGC Group Risk Management Implementation Rules." Environmental, risk management, and business divisions collaborate to assess the likelihood of occurrence and impact throughout the supply and value chain.

Climate-related risks are assessed from both transition risk and physical risk perspectives utilizing international scenarios such as those of the IEA and RCP. Regarding transition risks, we refer to the emissions reduction standards set by SBTi and analyze them using scenarios that reflect each country's carbon pricing policies and regulatory trends. We are measuring the magnitude of risk by quantitatively assessing the impact on business costs by assuming changes in carbon prices in 2030 and 2050. We also employ external market data and energy price simulations to examine the impact of the diffusion of low-carbon technologies on each business.

In assessing physical risks, we use the RCP8.5 scenario to analyze risks such as floods, storm surges, and droughts for each of our business sites. We qualitatively assess risk levels on a five-point scale, and for floods and storm surges, we estimate flood risk in 2050 based on facility location data and Aqueduct Floods* data. We then quantify the financial impacts by taking into account the number of days of business suspension in the event of a disaster.

The results of risk identification and analysis are deliberated by the Sustainability Committee and reported to the Board of Directors. Each business division conducts risk assessments at each site and continuously performs improvement and monitoring.

* Aqueduct Floods: A database of flood and storm surge inundation depths under current and future climate conditions provided by the World Resources Institute (WRI).

Integration into Company-Wide Risk Management

Under its integrated risk management framework, the AGC Group assesses climate change-related risks every three years and identifies major risk factors. Identified risks are overseen and deliberated by the Management Committee and the Board of Directors in accordance with the AGC Group Enterprise Risk Management Basic Policies, and are addressed on a companywide basis.

In addition, based on the AGC Group Risk Management Implementation Rules, the corporate divisions, in-house companies, and strategic business units (SBUs) formulate and implement management plans for major risks. Each organization conducts a

self-assessment of its risk management level at the end of the fiscal year, and senior management monitors the results to establish a PDCA (Plan-Do-Check-Act) cycle and promote continuous improvement.

In addition, the Internal Audit Division conducts independent monitoring and regularly verifies the appropriateness of the risk assessment process and the status of risk management. This ensures transparency and effectiveness in our risk management. For more information on how physical risks (natural disasters) are addressed in a short-term perspective, see p. 13 of this Data Book.

Furthermore, we update our risk assessment tools and review assessment results each year to enhance the accuracy of risk evaluations. Through these frameworks, the AGC Group integrates climate change risks into its management strategy and aims to achieve sustainable growth.

Metrics and Targets

With the launch of **AGC plus-2026**, which aims at deepening of sustainability management, the AGC Group has set new sustainability KPIs, including addressing climate change, and is strengthening strategic progress management. As indicators for assessing climate-related risks and opportunities, we monitor our GHG emissions reduction targets and growth indicators for products that contribute to the environmental and energy sectors, and incorporate the results into management decision-making.

Risks and Opportunity Assessment Indicators

Risk Assessment Indicators

The AGC Group manages Scope 1, Scope 2, and Scope 3 GHG emissions as part of its KPIs and is promoting initiatives to realize a decarbonized society. Scope 1 and Scope 2 GHG emission reduction targets were set in 2021 and the Scope 3 GHG emission reduction target was set in 2022. In addition, our 2030 GHG emissions reduction targets were validated by the SBTi in 2023 as being consistent with a well-below 2°C pathway.

To achieve this target, we continuously manage progress by monitoring emissions data and regularly reviewing the progress of initiatives. Furthermore, we are accelerating emission reductions across our business activities and the entire value chain through evaluations and improvements based on internal and external information.

Scope 1 and Scope 2 GHG Emissions Reduction Targets

- Long-term target: Achieve Carbon Net-Zero by 2050 for Scope 1 and Scope 2 GHG emissions.
- Short- to medium-term target (2030):
Reduce Scope 1 and Scope 2 GHG emissions by 30%* with 2019 as the base year (GHG emissions in 2019 = 11,726 thousand t-CO₂)
Reduce Scope 1 and Scope 2 GHG emissions intensity (compared with sales) by 50% with 2019 as the base year (2019 GHG emissions intensity = 0.77 thousand t-CO₂/100 million yen)

*The electricity emission factor for 2030 is based on the figures determined using the Sustainable Development Scenario (SDS) published by the International Energy Agency (IEA).

Reduction Target for Scope 3 GHG Emissions:

- By 2030, we aim to reduce Scope 3 GHG emissions by 30% with 2019 as the base year.
The target is the following major categories, which account for approximately 70% of overall Scope 3 GHG emissions in 2019:
 - Category 1 (Purchased goods and services)
 - Category 10 (Processing of sold products)
 - Category 11 (Use of sold products)
 - Category 12 (End-of-life treatment of sold products)

Engagement Targets:

By 2027, we aim to promote the acquisition of SBT certification by major suppliers that account for 30% of GHG emissions in Category 1 and Category 3.

Approximately 55% of AGC Group's Scope 3 GHG emissions are attributable to emissions from suppliers, and we recognize that cooperation with our suppliers is essential in promoting GHG emission reduction initiatives. Therefore, we have established specific requirements for transactions, such as "accurately disclosing information on environmental impact substances designated by the AGC Group within the specified time frame" and "cooperating with the AGC Group's environmental activities," to facilitate smooth engagement.

Opportunity Assessment Indicators

The AGC Group sees addressing climate change as a new growth opportunity and is advancing the expansion of products that contribute to environmental and energy solutions. Currently, environment and energy-related products account for about 10% of the Group's total sales. We will continue to expand areas where we can contribute to reducing GHG emissions by leveraging our technological capabilities.

We have set the following as part of our sustainability KPIs for

AGC plus-2026 to visualize the value created through addressing climate change.

- Architectural glass products: Accelerate the spread of energy-efficient high-insulation glass by setting the "shipment volume index for architectural products with avoided emissions benefits" as a KPI
- Chemical low-GWP products: Promote market growth of low-GWP refrigerants and solvents by using "GHG emission reduction contribution index" as a KPI.

These indices use 2022 as the baseline (100), and by continuously monitoring growth from 2023 onward, we are accelerating the delivery of social value through our products.

The calculation methodology of GHG emissions, etc., are explained on p. 60 "Environmental Performance Results Management."

Progress on Risk and Opportunity Assessment Indicators

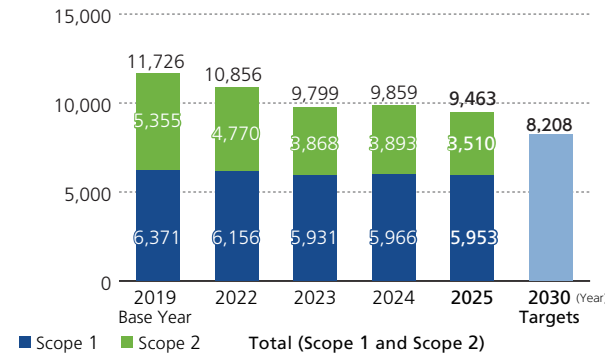
In 2025, Scope 1 and Scope 2 GHG emissions totaled 9,463 thousand t-CO₂ and GHG emissions intensity per unit of net sales was 0.46 thousand t-CO₂ per 100 million yen, representing reduction of 19% and 40% compared to the 2019 base year. The actual Scope 3 GHG emissions covered by SBT in 2025 were 6,999 thousand t-CO₂, a 37% reduction compared to the 2019 base year.

Scope 1 and Scope 2 GHG Emissions

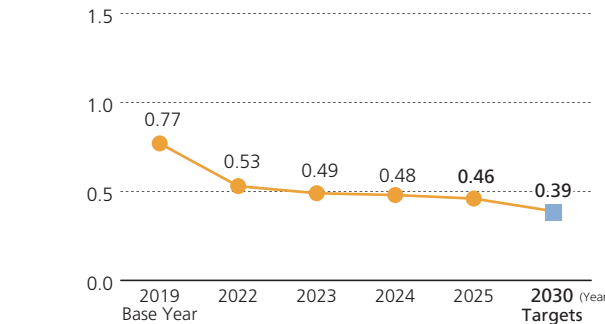
Compared to the previous year, we promoted initiatives to reduce emissions, such as expanding procurement of renewable electricity, mainly in Europe, and progressing fuel conversion in the glass melting process. As a result, total Scope 1 and Scope 2 emissions decreased by 450,000 t-CO₂.

Compared to the base year, despite GHG emissions increasing due to higher production, we achieved a 19% decrease in 2025 through business portfolio reform, transition to renewable electricity, energy conservation measures, and improvements in the electricity emission factor.

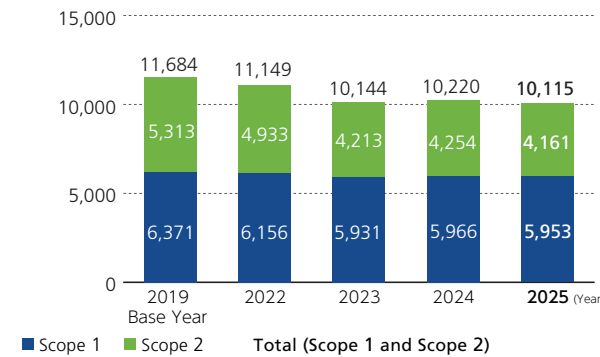
● Scope 1 and Scope 2 GHG emissions (market-based)

(1,000 t-CO₂)


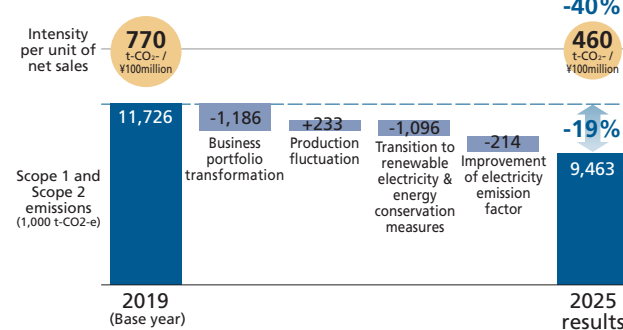
● Scope 1 and Scope 2 GHG emissions intensity per unit of net sales (market-based)

(1,000 t-CO₂/¥100 million)


● (Reference) Scope 1 and Scope 2 GHG emissions (location-based)

(1,000 t-CO₂)


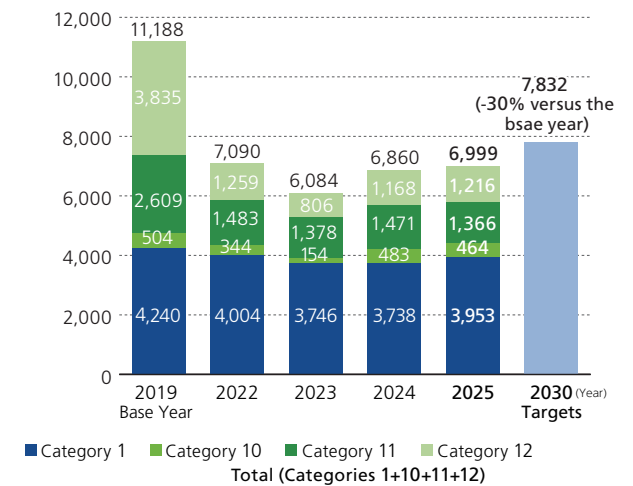
● Scope 1 and Scope 2 GHG emissions intensity per unit of net sales reduction results (2019–2025)



■ Scope 3 GHG emissions

Reductions in Category 10, Category 11, and Category 12 have been achieved by converting fluorocarbon products sold by the AGC Group to products with lower global warming potential.

● Scope 3 GHG emissions (SBT target category)

(1,000 t-CO₂)


For a breakdown of all Scope 3 GHG emissions, including categories not covered by the SBT see p. 60 of this Sustainability Data Book.

■ Engagement Targets

Through ongoing communication via its annual supplier survey, the AGC Group encourages its major suppliers to set science-based GHG emissions reduction targets and have them validated by the Science Based Targets initiative (SBTi).

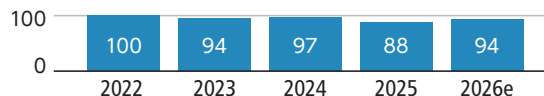
We have been conducting supplier questionnaires since 2021, and in 2025, we requested responses from 53 target suppliers. Every year, the Procurement Division takes the lead in reviewing and improving the content of the questionnaire, and we believe that the quality of engagement is steadily improving along with the increase in response rates.

These initiatives will also contribute to the establishment of a system for collecting primary data (such as GHG emission factors by raw material) in the future and to laying the foundation for refining Scope 3 GHG emissions calculations.

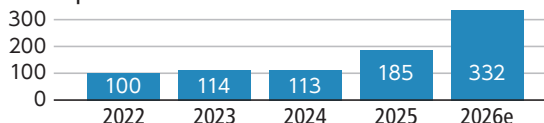
Achievements in Opportunity Assessment Indicators

Blue planet

Shipment volume index for architectural products with avoided emissions benefits*



Index for GHG emissions reduction by low-GWP chemical products*



* Figures converted from 2023 on using 2022 as a base of 100.

Initiatives toward Achieving Climate Change Targets

The AGC Group is promoting a multifaceted approach to climate change to enhance its competitiveness and address social issues. In addition to reducing actual GHG emissions through energy conservation, fuel conversion, adoption of renewable energy, effective utilization of glass waste, logistics efficiency improvements, and utilization of the Joint Crediting Mechanism (JCM) system, we are also focusing on products' contribution to GHG reduction and requesting GHG reductions throughout the entire supply chain. We actively participate in rule-making activities such as standardization and policy proposals, aiming to be a driving force for the advancement of the industry as a whole.

Initiatives in Rule-Making

Many environmental issues are difficult to resolve through the initiatives of individual companies alone, and coordination across the industry and entire value chain is essential. Fair and effective standards and rules must be established as a prerequisite for this coordination. In addition to developing and providing products that contribute to reducing environmental impact, the AGC Group is promoting standardization and rule-making initiatives with the aim of contributing to the design of systems that enhance the sustainability of society as a whole by applying the knowledge and expertise it has cultivated through research, manufacturing, and development.

In fact, we participated in the ISO-led rule-making process for the standardization of buildings aimed at achieving a net-zero balance of primary energy consumption, known as Zero Energy Buildings (ZEBs). Using these technical specifications, we engaged in activities to promote ZEB in emerging countries in Asia.

GHG Emissions Reduction

Low carbonization of architectural glass products

The AGC Group proactively utilizes cullet (waste glass) as a substitute for virgin raw materials such as silica sand in the manufacture of flat glass. This initiative aims to reduce CO₂ emissions associated with raw material extraction, refining, and transportation, thereby contributing to the reduction of Scope 1, 2, and 3 GHG emissions.

Using 1 ton of cullet is estimated to reduce the use of virgin raw material by about 1.2 tons and reduce GHG emissions by 0.5 to 0.7 tons (Scope 1, 2, or 3). The reuse of cullet which would otherwise be landfilled in Japan, also contributes to conserving natural resources and promoting a circular economy*.

* AGC's own estimate

Collaboration with Other Companies: VOLTA Project

The AGC Group is developing technology for a hybrid furnace that uses both electricity and oxygen combustion with the aim of significantly reducing GHG emissions in flat glass manufacturing. Traditionally, air combustion using heavy oil or natural gas has been the main heat source in flat glass manufacturing. However, this initiative employs a method in which 50% of the heat source is provided by electric melting, with the remaining 50% supplied by oxygen combustion using natural gas. This is expected to reduce nitrogen oxides (NOx) in combustion exhaust gases and significantly reduce GHG emissions.

In Europe, AGC Glass Europe inaugurated the world's first industrial-scale hybrid furnace, the "VOLTA" production line, at its Brevka Plant in the Czech Republic.

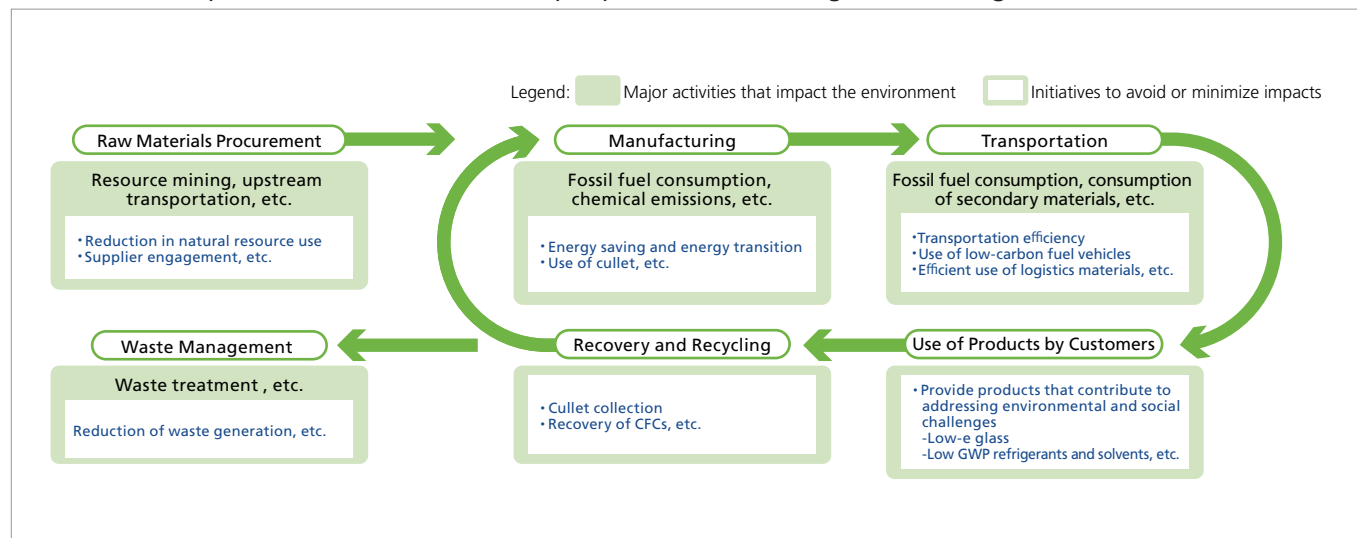
For more information on the project, please [click here](#).

Scope 3 Emissions Reduction

Category 1: Reduction of CO₂ emissions associated with purchased products and services

• Supplier engagement: We have conducted engagement with 53 suppliers, accounting for 70% of Scope 3 Category 1 and Category 3

Value Chain Impacts and Initiatives (from the perspective of addressing climate change)



emissions, by sending a questionnaire on their climate change initiatives from the Procurement Division. Through this communication, we are encouraging the suppliers targeted by the survey to set GHG reduction targets based on scientific evidence (i.e., targets in accordance with the SBT initiative).

24 (45%) of 53 suppliers have set Scope 1 and Scope 2 GHG emission reduction targets. Six of these companies have SBTi-validated targets and six others are considering obtaining SBTi-validated targets, accounting for 23% of all companies that responded to the survey. Please refer to p. 43 of this Data Book for the amount of GHG emissions reduction achieved by displacing virgin raw materials such as silica sand through the reuse of cullet (waste glass).

Category 4: Reduction of CO₂ Emissions from Upstream Transportation and Distribution

At the Kashima Plant, AGC attached RFID tags to approximately 20,000 dedicated pallets for transporting sodium bicarbonate, leading to an increase in recovery rates from customers. This reduced pallet losses, thereby avoiding GHG emissions associated with manufacturing replacement pallets. At the same time, it has helped to reduce GHG emissions by increasing efficiency in transportation through the use of more accurate position information.

In addition, AGC Architectural Glass Europe & Americas Company is working on green logistics throughout the entire process, from manufacturing and processing to transportation of finished products, in collaboration with its logistics business partner in Europe. We are working to reduce GHG emissions through innovative initiatives such as streamlining transportation during processing and introducing low-emission vehicles. In 2023, we succeeded in switching the diesel fuel used for transportation in Italy to hydrotreated vegetable oil (HVO) fuel produced from 100% renewable raw materials.

Contribution to International Decarbonization Through the JCM (Joint Crediting Mechanism)

The AGC Group is actively participating in the Joint Crediting Mechanism (JCM) led by the Japanese government, with the aim of climate change mitigation and achieving sustainable growth.

The JCM is a system that achieves reductions in greenhouse gas emissions through cooperation with partner countries and shares the results with both countries, serving as an important framework for achieving international net-zero emissions.

The AGC Group endorses the principles of this system and is contributing to the transition to decarbonization in various countries through businesses that utilize its low-carbon technologies.

Partner country	Adoption year	Project name	Assumed GHG emissions reduction (t-CO ₂ /year)
Indonesia	2024	Energy-saving project in the automotive glass manufacturing process	10,715
Indonesia	2023	Improvement of combustion methods and furnace configuration in the flat glass manufacturing process	5,747
Thailand	2022	Deployment of ORC waste heat recovery power generation system at a flat glass manufacturing plant facility	7,845
Thailand	2016	Deployment of high-efficiency ion-exchange membrane electrolyzer cells in caustic soda manufacturing plants	2,591

For more information on the project contributing to JCM, [click here.](#)

Use of Carbon Credits

In 2025, the entire group did not retire any carbon credits. If carbon credits are retired in future, in accordance with the GHG Protocol and SBTi (Science Based Targets initiative) standards, we will not deduct them from GHG emissions in any of Scope 1, Scope 2, or Scope 3.

Contribution Through Our Products

Products of the Glass Business

Low-E insulating glass

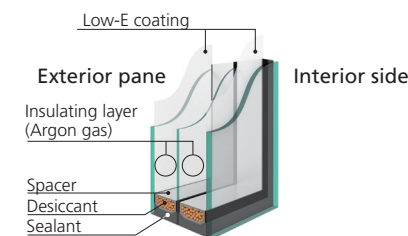
Product Introduction

Glass that incorporates an insulating layer formed by sealing dry gas (air, argon, etc.) between the panes to improve thermal insulation performance. A Low-E coating further enhances thermal insulation and solar heat control performance. By reducing heat gain and heat loss through windows, it helps maintain indoor comfort while improving heating and cooling efficiency, thereby contributing to energy savings.

Environmental Considerations

According to an estimate by the Flat Glass Manufacturers Association of Japan, replacing single-pane window glass in homes with Low-E insulated glass can reduce operational carbon emissions by 160 kg per square meter of window over a 20-year period*.

* Flat Glass Manufacturers Association of Japan. "Digest Version of the Report by the Special Committee for Reevaluation of CO₂ Emissions and Reduction Effectiveness Indicators, Whole Life Carbon Subcommittee, Sustainability Special Committee."



[Click here for more detailed product information \(Japanese article only\)](#)

Building-integrated photovoltaics (BIPV)

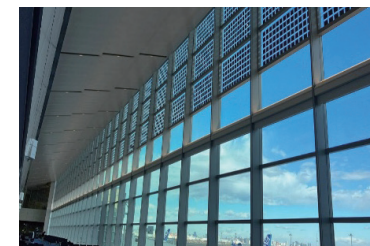
Product Introduction

This is a large photovoltaic glass system with built-in solar cells based on a laminated glass type. This highly aesthetic photovoltaic glass system can be used in various building applications, including windows, skylights, and canopies, and can be custom-made with different glass sizes and solar cell layouts.

Environmental Considerations

We conducted a life cycle assessment (LCA) covering all stages from raw materials procurement and manufacturing to use and recycling. The results showed that, although solar cell and glass production generate environmental impacts during the manufacturing stage, GHG emissions can be steadily reduced through the power generation benefits during the use phase. In particular, when installed on south-facing building facades, the product's life-cycle GHG emissions become lower than those of conventional window glass within two to three years after installation, and the carbon payback period is estimated to be approximately three to four years.*

* Proceedings [1-E5-05] "Life Cycle Assessment of Perovskite/CIGS Tandem-Type and Building-Integrated Photovoltaic Panels," presented at the 21st Annual Meeting of the Institute of Life Cycle Assessment, Japan, held by the Institute of Life Cycle Assessment, Japan from March 3-5, 2026 <https://pub.conf.tatlas.jp/ja/event/jlcam21/presentation/1-E5-05>



[Click here for more detailed product information \(Japanese article only\)](#)

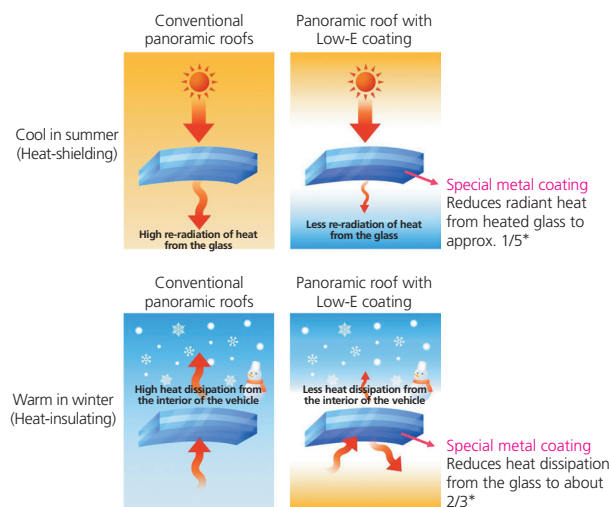
Low-E coated glass for automotive panoramic roofs

Product Introduction

Low-E glass products designed for automotive applications

Environmental Considerations

Roof glass with a special metal coating is designed to prevent heat from entering from outside the vehicle while minimizing heat loss from inside. This helps achieve comfortable cabin temperatures while reducing environmental impact.



* These are our values measured by the Company, and are not guaranteed values.

[Click here for detailed product information](#)

ATTOCH™ / MadoMado™

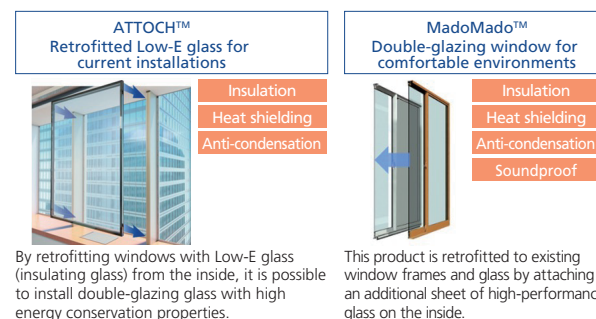
Product Introduction

ATTOCH™ is a glass product that is mainly used to retrofit existing glass in buildings and other structures from the inside with Low-E double-glazed glass. MadoMado™ is a high-performance interior window product mainly installed on the inside of residential windows. Both products contribute to energy savings by improving the heat shielding and insulation performance of existing buildings without having to replace sashes or glass. Another feature is that they are installed from the inside, eliminating the need to install external

scaffolding around buildings, and thus reducing installation time and costs for customers.

Environmental Considerations

In addition to saving energy in existing buildings, they also contribute to the effective use of resources by eliminating waste.



[Click here for detailed product information \(ATTOCH™\) \(MadoMado™\)](#)

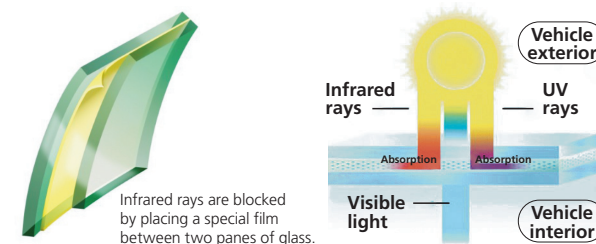
Cool Verre™

Product Introduction

Cool Verre™ is automotive glass that, in addition to providing puncture resistance, shatter resistance, and UV protection of laminated glass, features infrared (IR) protection to reduce skin discomfort from the sun's rays.

Environmental Considerations

By suppressing the rise in cabin temperature and improving cooling efficiency, it contributes to extending the cruising range of EVs and reducing CO₂ emissions.



[Click here for detailed product information](#)

Low-carbon glass

Product Introduction

This product has the same appearance, quality, and performance as conventional float glass, but with a lower carbon footprint. Harnessing the technologies of Architectural Glass Europe & Americas Company, it is manufactured using sustainable raw materials, highly energy-efficient melting furnaces, renewable energy, and efficient transportation.

Environmental Considerations

It reduces the carbon footprint to approximately 40% of that of conventional products, contributing to the reduction of embodied carbon in buildings.

[Click here for detailed product information](#)

Chemicals Business Products

AMOLEA™ Series (1234yf, 1224yd, AS-300)

Product Introduction

This is a series of HFO-based next-generation refrigerants and solvents. It is used in a variety of applications, such as foaming agents for automotive refrigerants and refrigerator materials, and as a solvent for cleaning precision equipment.

Environmental Considerations

While the global warming potential (GWP) of HFCs is approximately hundreds to thousands of times that of CO₂, the GWP of all products in this series is equal to or less than that of CO₂, and switching to these products is expected to contribute to the mitigation of global warming. By replacing conventional products with the AMOLEA™ Series, it is possible to reduce the LCA environmental impact to around 1/10. This has the benefit of reducing greenhouse gas emissions by the equivalent of more than 10 million tons of CO₂ per year in Japan alone*.

* Estimated amount when all HFC134a and HFC245fa supplied in Japan are replaced with AGC's HFO product range (AMOLEA™ 1234yf, AMOLEA™ 1224yd)



[Click here for detailed product information](#)

FORBLUE™ FLEMION™**Product Introduction**

This is an ion-exchange membrane for brine electrolysis. It is used in the production of caustic soda, caustic potash, chlorine, and hydrogen.

Environmental Considerations

We have reduced electricity use and improved carbon emissions efficiency during the production of chlor-alkali products.



[Click here for detailed product information](#)

Ceramics Business Products**THERMOTECT WALL™****Product Introduction**

THERMOTECT WALL™ is a furnace wall material made of multiple layers of THERMOTECT™ monolithic refractories. By applying several types of THERMOTECT™ with high thermal insulation performance, we construct ceramic furnace walls that combine heat resistance in high temperature ranges up to 1,700°C and high thermal insulation performance for industrial furnaces.

Environmental Considerations

THERMOTECT WALL™ enables the application of industrial furnaces in various industries by thinning the furnace walls, and contributes to reducing heat loads and improving energy efficiency in high-temperature facilities due to its high thermal insulation properties.

Furthermore, since it does not contain any RCF (refractory ceramic fiber*), impacts on human health and the environment during construction can be reduced.

*RCF is designated as a Class II substance (special controls).



[Click here for detailed product information](#)

Effective Use of Resources

Fundamental Approach

The AGC Group has identified “effective use of resources” as one of its long-term social issues (materiality) and is actively working to strengthen sustainable resource use in preparation for medium- to long-term risks such as resource depletion and rising and fluctuating raw material prices.

Shortly after AGC succeeded in domestic production of flat glass, its original business, the Company faced major restrictions due to World War I, preventing the import of soda ash, a raw material for glass, and refractory bricks, which are essential for glass melting. To fulfill our social mission of providing a stable supply of glass, we began to manufacture these products in-house, laying the foundation for our current Chemicals and Ceramics Businesses. This experience was also the starting point for AGC’s resource circulation, which focuses on how to secure and effectively utilize limited resources.

Currently, we support initiatives to enhance resource circularity from the manufacturing stage to the end of life, such as the reuse of glass cullet, effective utilization of by-products, and introduction of renewable energy. These initiatives help to increase resilience to supply constraints and improve the flexibility of our cost structure, making them an important pillar of the AGC Group’s “Blue planet” vision.

The AGC Group has utilized natural resources more efficiently while at the same time optimizing resource use through technology. By combining these initiatives with the development of products with low environmental impact, we aim to lead the transition to a circular economy and strengthen our medium to long-term competitive advantage.

Overall Picture of Activities (Dependencies and Impacts)

The “Global Resources Outlook 2024” published by the International Resource Panel in 2024 points out that resource use is driving the triple planetary crisis of climate change, biodiversity loss, and pollution and waste. Furthermore, over the past 50 years, the world’s population has doubled and GDP has quadrupled, while material use has increased three times. According to the report, the extraction and processing of material resources account for more than 90% of biodiversity loss and water stress, and more than 55% of greenhouse gas emissions. With global demand for resources expected to continue growing, there are concerns that the impact on corporate business activities will become more severe. The AGC Group’s business activities rely heavily on natural capital such as mineral resources, water resources, and energy

through the production of materials including glass, chemicals, and ceramics. The stable and sustainable use of these resources is a prerequisite for ensuring the quality and stable supply of products, as well as business continuity itself. Resource depletion, water resource constraints, price fluctuations, and tighter usage regulations are risk factors that impact the AGC Group’s cost structure and supply stability.

On the other hand, the AGC Group’s business activities have certain impacts on the natural environment and local communities through the extraction and processing of raw materials, resource consumption during manufacturing, water intake and discharge, and waste generation. Excessive resource use or inadequate water management can lead to increased environmental burden, regional water stress, and impacts on ecosystems, which can also undermine social trust and the prerequisites for business activities.

The AGC Group recognizes that its businesses and other activities depend on and impact the natural environment, and is working to reduce environmental burden and mitigate business risk.

[Global Resources Outlook 2024 | Resource Panel](#)

Risks and Opportunities

Risks Associated with Resource Depletion

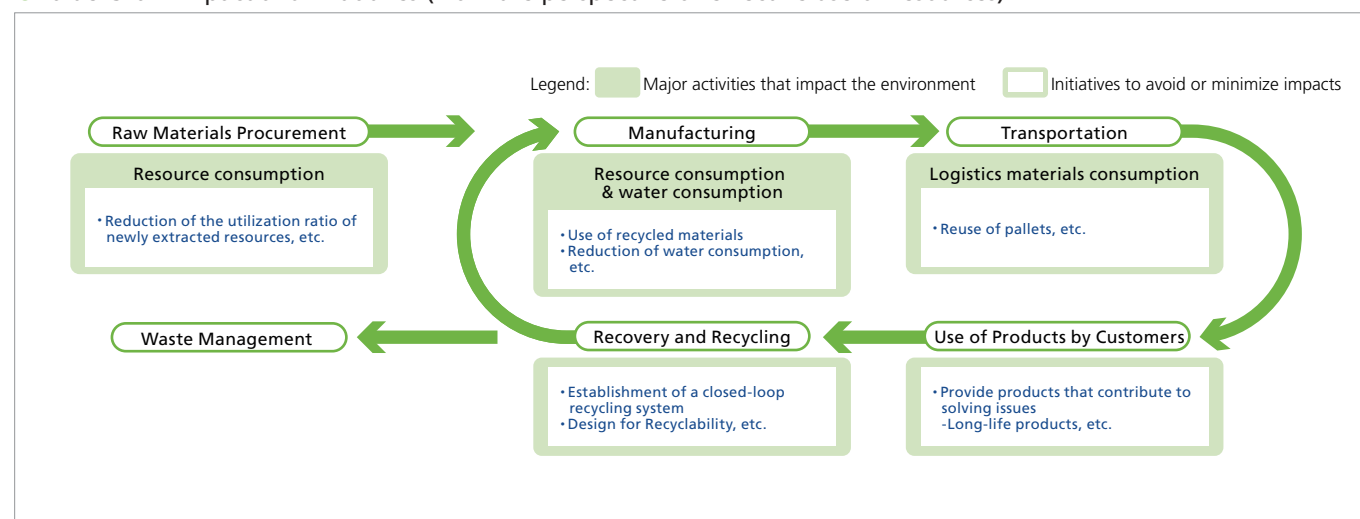
For the AGC Group, the sustainable use of natural and water resources is a prerequisite for business continuity. In future, if the increase in resource demand and the growing constraints on water resources in each region lead to higher procurement costs and stricter regulations on their use, it will inevitably affect the cost structure, continuity of operations, and supply stability of our business. Further, excessive use of resources increases the burden on local communities and the global environment, which in turn impacts corporate trust and reputation.

The AGC Group strives to minimize risks through the efficient and responsible use of resources, including optimizing resource input, minimizing waste generation, maximizing recycling rates, reducing water withdrawal, and reusing water.

Opportunities Related to Resource Utilization

The sustainable use of resources reduces environmental impact and

Value Chain Impact and Initiatives (from the perspective of effective use of resources)



creates new growth opportunities for the AGC Group as a material manufacturer. In addition to its ongoing efforts to recycle waste glass and fluorinated products, the AGC Group is focusing on developing products and solutions that contribute to the realization of a circular economy. In recent years, products that incorporate recyclability, resource efficiency, and consideration for water resources have become increasingly important not only in response to environmental regulations but also as a result of demands from customers and the market, becoming a trend in product selection. The AGC Group recognizes these trends and works to create new value beyond regulatory compliance by improving resource and water resource efficiency through collaboration with stakeholders, including those in the supply chain and local communities. Taking resource constraints as an opportunity, we are striving to address social demands while producing economic outcomes by enhancing our eco-friendly business models and our ability to respond to customer needs.

Effective Use of Natural Resources

Policy and Approach

Effective use of resources contributes to the realization of a sustainable society and plays an important role in the continued growth and evolution of the AGC Group.

By reducing the utilization ratio of newly extracted resources, we can make effective use of limited resources and suppress energy consumption and environmental impact associated with mining and processing.

Waste generated during the manufacturing process is examined for potential reuse or recycling, and is utilized effectively to the extent possible. Any remaining waste is disposed of as industrial waste in accordance with established procedures. The continuous generation of industrial waste may lead to strained treatment facilities, a rise in future treatment costs, stricter regulations, and other issues, which could pose risks to the Group. Therefore, we believe we must continue reducing waste generation in order to mitigate future risks. In addition, promoting waste reduction contributes to reducing land use and the environmental impact associated with landfills.

Targets

- Reduction of the utilization ratio of newly extracted resources (monitoring indicator)

Considering the diversity of our Group's businesses and products, we

identify raw materials that can be reused by each in-house company, set targets, and strive to improve performance. In our Glass Business, unfinished products and waste glass (cullet) are monitored as raw materials.

Based on the results of monitoring at each in-house company, we will consider setting targets in the future.

We will also contribute to the reduction of waste generation through measures such as improving recycling rates.

- **Introduction of non-fossil-derived materials such as biomass materials**

From 2020 to 2025, we aim to promote the introduction of non-fossil-derived materials such as biomass materials.

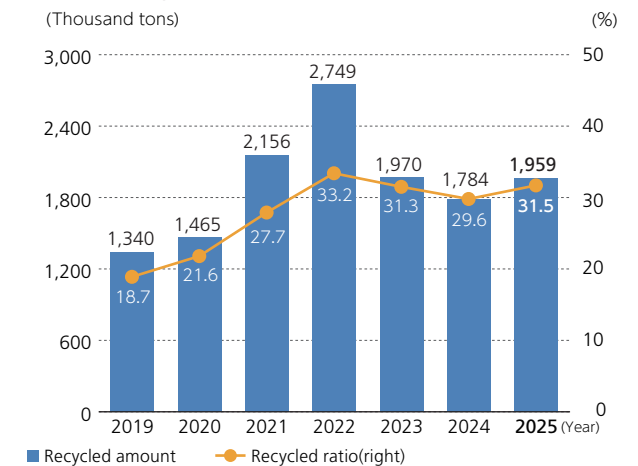
- **Waste sent to landfill rate of less than 1% for the AGC Group in 2025**

The AGC Group is promoting waste reuse and resource recovery, with a commitment to minimizing landfill disposal. The waste sent to landfill rate of less than 1% is a key target for enhancing resource circulation and achieving both environmental impact reduction and business sustainability.

Achievements

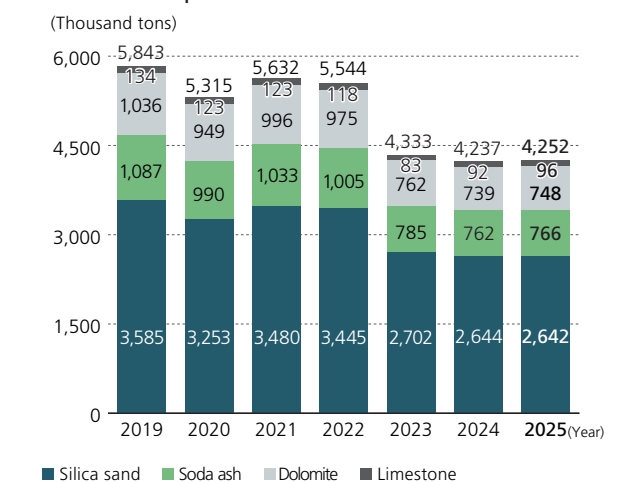
- Reduction of the utilization ratio of newly extracted resources

Amount and Ratio of Recycled Materials Used as Glass Inputs*



* Recycled resource utilization rate:
 $\text{Recycled amount} \div (\text{Recycled amount} + \text{mineral-derived (virgin) resource input})$
 Recycled resources: Recycled cullet and collected salt cake

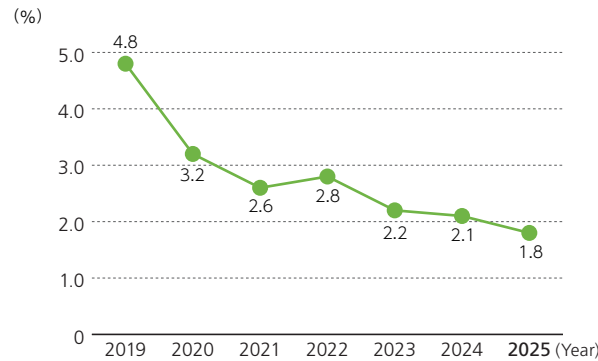
Resource Input for Main Raw Materials for Glass



See p. 61 for the calculation methodology for this data.

- Less than 1% landfill disposal rate across the AGC Group in 2025

● Changes in Waste Sent to Landfill Rate



The actual rate for 2025 was 1.8%. After setting the target, initiatives to reduce final waste at each stage of the value chain progressed, but recycling proved difficult due to legal regulations in the countries where our sites are located and the progress of recycling infrastructure development, resulting in the overall target not being achieved.

The calculation methodology for this data is explained on p. 61.

■ Initiatives

Raw materials

In our Glass Business, we reduce the use of newly added mineral-derived resources by recycling waste glass generated in glass manufacturing and processing. In our Chemicals Business, we pursue both chemical recycling and material recycling with the aim of efficiently utilizing calcium fluoride (fluorite), which is a limited natural resource, and advancing fluorine circulation. Calcium fluoride is a critical resource with limited countries of production and reserves, making Japan highly dependent on imports. For this reason, the AGC Group recovers and recycles fluorine resources at the manufacturing stage and post-use stage. These initiatives also contribute to sustainable raw materials procurement.

Manufacturing

Glass Business: Utilization of Cullet (Waste Glass) as Raw Materials

The AGC Group has made effective use of unfinished products and waste glass (cullet) generated in the glass manufacturing and processing steps. We use natural resources such as silica sand,

dolomite, and soda ash as raw materials in the glass manufacturing process. Even if glass breaks and becomes waste (cullet), heat can be applied to melt it down and remake glass with the same performance as the original glass. The use of cullet reduces the use of virgin raw materials while also reducing CO₂ emissions derived from the decomposition of carbonate raw materials such as dolomite and soda ash. Also, GHG emissions can also be reduced in the raw material refining process and during transportation of raw materials from overseas. Using 1 ton of cullet can reduce the use of virgin raw materials by approximately 1.2 tons and GHG emission volume (Scope 1–3) by 0.5 to 0.7 tons in CO₂ equivalent, and 1.0 ton of landfill industrial waste.

* AGC's own estimate

Glass Business: Advanced Recycling of Automotive and Electronic Glass

The Automotive Company is promoting the recycling of automotive window glass. Automotive windows are made of laminated glass, consisting of two layers of glass and an intermediate plastic film. Now, we have started an initiative to separate glass from intermediate film, mainly from waste glass generated during manufacturing, and return

the glass to the glass furnaces as cullet.

At the same time, we have also started to recycle the intermediate film. Offcuts of intermediate film generated during manufacturing are collected and returned to the manufacturer for recycling as raw materials in the production of films.

Further, the Electronics Company makes use of glass cullet as a raw material for smartphone glass, which must be of particularly high quality.

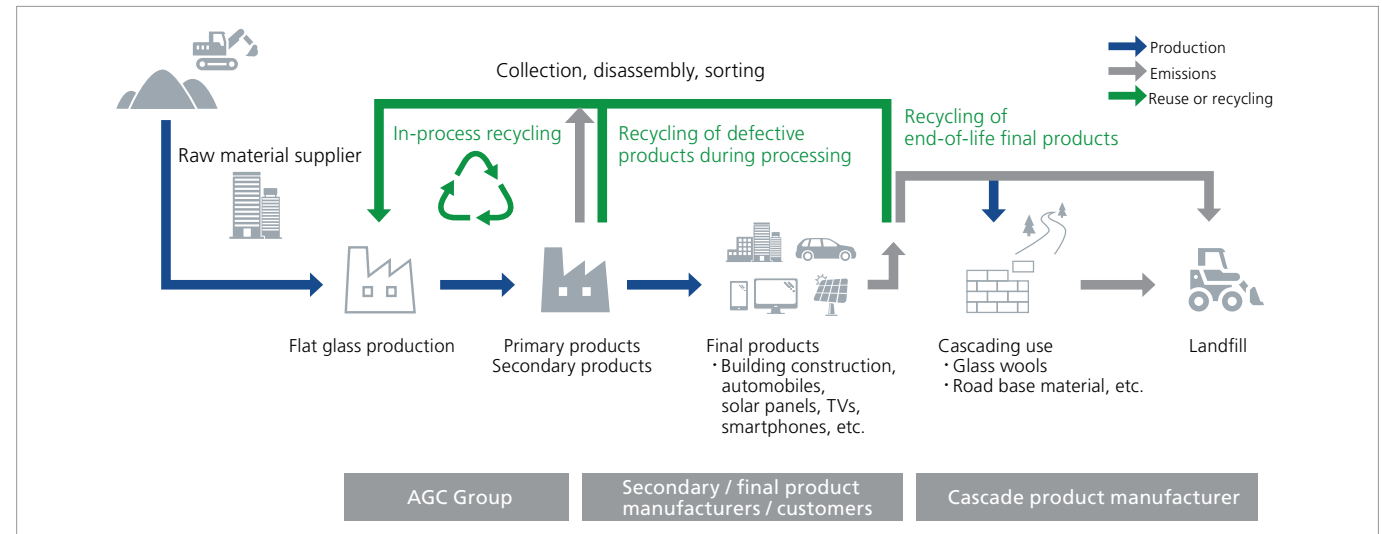
Cullet is generated in the supply chain for glass products used in smartphones. However, even small amounts of foreign matter can affect glass quality, making such cullet generally difficult to reuse as a glass raw material. The AGC Group, however, reuses recoverable cullet as a raw material. In addition, we disclose the recycled material content of our products in accordance with ISO 14021 and have obtained third-party certification.

Advanced Use of By-products

Glass Business: Recycling Waste Salt from Chemical Strengthening for Fertilizer Raw Material

AGC Display Glass Yonezawa Co., Ltd. in partnership with Euglena Co., Ltd. has succeeded for the first time in Japan in recycling waste salt generated from the chemical strengthening process of cover glass for

● Glass Cullet Collection Flow



automotive displays as a fertilizer raw material. The company chemically strengthens glass using molten salt mainly composed of potassium nitrate. Until now, the salt used in this process has been disposed of by incineration or landfill, causing environmental impact. In addition, nitrogen and potassium contained in waste salt are part of the three essential elements of fertilizers. Since Japan relies on imports for most of its fertilizer raw materials containing these elements, there were concerns about the stability of supply. This initiative will reduce waste and environmental impact, while also contributing to the stable supply of nitrogen and potassium in Japan. Going forward, the AGC Group will work as one in aiming to recycle waste salt.

Transportation

Glass Business: Reusable Packaging and Transportation Pallets

For many years in Europe, we have been implementing measures for glass transportation pallets and packaging boxes pursuant to European Directive 94/62/EC, which stipulates packaging waste. Traditionally, wooden pallets were used for transporting flat glass. However, we began using steel pallets at an early stage as an Efficient Use of Resources. These easy-to-handle and sturdy pallets are retrieved from our customers for reuse. Our reuse rate in Belgium has reached 98%.

Chemicals Business: Establishment of Integrated Recycling System for PE Bags Used in Product Packaging

AGC Vinythai has established an integrated recycling system to recycle PE bags used for product packaging into pallets. To address safety and environmental issues associated with the storage and disposal of used bags at customer sites, as well as reduced work efficiency at logistics sites, they are trialing the introduction of a circular process consisting of collection, processing into recycled polyethylene (PE) pellets, and pallet manufacturing. When fully operational, the system is expected to process approximately 700,000 bags (approximately 98,000 kg) into approximately 90,000 kg of recycled pellets annually, and produce approximately 60,000 pallets.

Product Usage

Glass Business: Launch of Retrofit-type Photovoltaic Glass Pilot Sales

From December 2024, AGC has started pilot sales of a retrofit version of BIPV. Retrofit Type is a BIPV glass product designed for installation in existing buildings. In the case of general BIPV glass, installation in existing buildings required large-scale renovation work, such as window replacement. Retrofit BIPV can be installed

from the interior side of the window glass, so existing sashes and glass can be used as is without replacement, eliminating waste. As another advantage, it can be introduced at a low cost and within a short time frame, and maintenance, repair, and replacement after installation are easy.

Collection and Recycling

Glass Business: Recycling of Cover Glass for Solar Panels

The service life of solar panels, which are the main source of renewable energy, is estimated to be 20–30 years, and the recycling of cover glass, which accounts for more than 60% of the weight of the panels, is considered a key challenge. The AGC Group is promoting initiatives for recycling cover glass in Japan and Europe.

📄 [Exhibition of Flat Glass Horizontal Recycling Efforts at Osaka Expo | News | AGC](#)

📄 [Japan's First Practical Application of Hybrid Recycling of Solar Panel Cover Glass into Flat Glass | News | AGC](#)

📄 [Launch of Collaboration with NPC to Expand Horizontal Recycling of Solar Panel Cover Glass | News | AGC](#)

• Japan

Hundreds of thousands of tons of used solar panels are expected to be disposed of annually from the late 2030s. In 2023, AGC collaborated with a panel recycling operator to overcome technical challenges through a special heat treatment process, successfully utilizing approximately 24 tons of cover glass from solar panels as raw material for flat-figured glass for the first time in Japan. In 2024, we succeeded in a demonstration test for recycling cover glass into float glass, which had been considered technically difficult to achieve.

• Europe

In Europe, the introduction of feed-in tariff (FIT) schemes in the 2000s led to the widespread adoption of solar panels, a trend that is expected to continue in the future. As a result, it is anticipated that the amount of solar panel waste will increase in the future, similar to Japan. AGC Glass Europe has entered into a strategic partnership with SOLAR MATERIALS, a cleantech startup, to promote the resource circulation of solar panel cover glass and is advancing initiatives toward recycling.

📄 [Click here for detailed product information](#)

Glass Business: Recycling of Waste Glass from Buildings

In Japan, most window glass used in buildings is either used as roadbed material or disposed of in landfills after demolition. In

Japan and Europe, the AGC Group is working to establish a system for closed-loop recycling of waste glass generated from building demolition sites, sorting it appropriately, and melting it.

• Japan

It is estimated that several hundred thousand tons of waste glass originating from buildings are generated annually in Japan. However, recycling it has been considered difficult until now due to challenges such as ensuring the quality of cullet, establishing cost-effective construction methods, and reducing the collection costs for waste glass. The AGC Architectural Glass Asia Pacific Company has begun closed-loop recycling of waste glass generated from building demolition sites and renovation of housing complexes, in collaboration with major general contractors and various business partners in the venous industry. Between 2023 and 2025, a total of approximately 400 tons of solar panel cover glass and waste building glass (post-consumer cullet) was horizontally recycled, contributing to reductions of approximately 480 tons in the use of virgin materials derived from natural resources and approximately 240 tons in GHG emissions (Scope 1–3). Going forward, the plan is to promote further participation by partner companies and construct a continuously functioning system by accumulating demonstration experiments aimed at the social implementation of horizontal recycling.

📄 [ORIX Group and AGC Establish Japan's First Window Glass Horizontal Recycling Scheme | News | AGC](#)

Glass Business: Horizontal Recycling of Waste Window Glass from Public Buildings

Yokohama City and AGC are jointly piloting horizontal recycling of waste window glass generated from the demolition of the city's former Futamatagawa Elementary School building.

In this demonstration, the aim is to reuse collected waste window glass as raw material for new window glass products, while verifying not only the amount of glass that can be recycled but also other factors at the demolition site such as man-hours, time, and cost.

This is the first attempt in Japan to apply horizontal recycling of window glass from public buildings. The aim going forward is to expand this public-private collaboration in order to establish a sustainable glass resource circulation system in the region.

📄 [Click here for detailed information](#)

• Europe

The AGC Architectural Glass Europe & Americas Company is also

promoting efforts to recycle waste glass during building demolition.

✎ [For details and project examples, visit AGC Glass Europe's website.](#)

Chemicals Business: Chemical Recycling (Recycling into Fluorite)

Waste fluids generated in the manufacturing process of fluorine products, as well as waste calcium fluoride generated from customers' wastewater treatment processes after the use of hydrofluoric acid, are collected and recycled.

At business sites in Japan, since 1997, used CFCs have been collected from customers and destroyed at the AGC Chiba Plant. The fluorine content recovered through this destruction process is collected as calcium fluoride and reused as a raw material for fluorocarbon products. In 2025, the total amount of fluorocarbons collected reached approximately 950,000 tons in CO₂ equivalent, and

chemical recycling was conducted using these as raw materials.

Through these reuse initiatives, Fluon® PTFE and AFLAS® FFKM product lines have obtained third-party certification (UL 2809), confirming their status as recycled products.

✎ [World's First UL 2809 Third-Party Verification Completed for PTFE Made from Recycled Fluorite](#)

✎ [UL 2809 Third-Party Verification Completed for Fluorine Raw Materials for AFLAS® FFKM](#)

Chemicals Business: Material Recycling (fluoropolymer (ETFE) film)

For fluoropolymer products, there is also work on material recycling by leveraging their material properties. fluoropolymer (ETFE) film scraps generated during manufacturing are reused as raw materials, while efforts are also underway to collect used products. For the ETFE film F-CLEAN™ used in agricultural greenhouses, a dedicated collection

scheme is in place to recover used films from customers. Collected films are processed through steps including washing and pulverization, then recycled into molded fluoropolymer products such as water-blocking films.

Ceramics Business: Reuse of Refractory Materials

AGC Plibrico Co., Ltd. provides monolithic refractories for use in steelmaking processes, such as in blast furnaces at steelworks, and engages in activities to recycle and reuse used refractories. Furthermore, AGC Ceramics Co., Ltd. undertakes research and pilot testing related to the recycling and reuse of refractories for glass kilns.

Initiatives with Stakeholders

Full-scale Launch of a Regional Co-creation Project to Promote Resource Circulation of Glass

AGC launched a full-scale regional collaboration project in 2023 to realize a resource circulation system for glass, utilizing a glass melting furnace located in SUWA Glass Village in Suwa City, Nagano Prefecture. Opened in April 2023, the Suwa Glass Open Lab within the SUWA Glass Village has been conducting various glass-based demonstration experiments in collaboration with local companies in Suwa City. Demonstration experiments are being conducted to melt various waste glass from the community and create new glass. Additionally, it provides a venue for visitors to learn about issues related to glass recycling and resource circulation.

✎ [Glass Resource Circulation Learning Event at SUWA Glass Village During Summer Tourism Season | News | AGC](#)

Participation in the WorldGBC APN Resources and Circularity Readiness Framework

■ WorldGBC APN

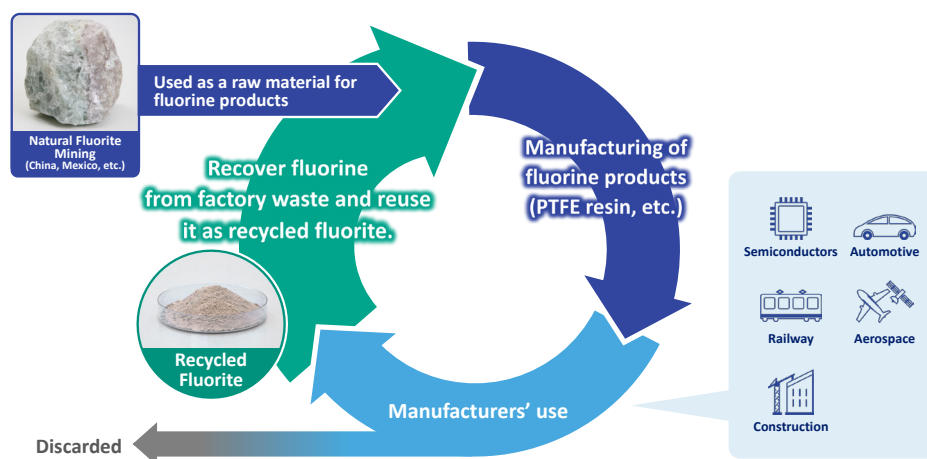
✎ [WorldGBC APN Official Website | Top Page](#)

Overview: An international organization that connects Green Building Councils (GBCs) around the world with the aim of realizing a sustainable building and construction sector.

Purpose of participation: As a provider of building materials and solutions, we are participating in initiatives to improve the sustainability of the building and construction sector from the perspectives of decarbonization, resource efficiency, and health throughout the entire supply chain.

Achievements: AGC Asia Pacific Pte. Ltd. participates as a partner in the WorldGBC Asia Pacific Network, supporting the regional rollout of global programs such as Advancing Net Zero, Better Places for People,

● Initiatives for Realizing a Fluorine Resource Circulating Society



and Circularity Accelerator, and promoting the creation of a sustainable building and construction market.



Participation in Initiatives for Effective Use of Resources

■ Circular Partners

[Circular Partners Official Website | Top Page](#)

Overview: A public-private partnership established by the Ministry of Economy, Trade and Industry to promote collaboration among industry, government, and academia with the aim of realizing a circular economy in Japan by promoting the efficient and circular use of resources and maximizing added value.

Purpose of participation: In order to further promote initiatives for using resources effectively, it is necessary to establish a supply chain in collaboration with many stakeholders, in addition to verifying quality, cost, and technology. Therefore, we participate in the initiative as an opportunity to explore new business partners and share our own initiatives.

Achievements: We participated as an observer in the domain-specific working group of the Vision Roadmap Review Working Group and provided opinions on the discussions as appropriate. We also communicate our goals and initiatives.



■ Contribution Through Our Products

Glass Business Products

Thermocline™

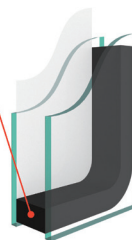
Product Introduction

This insulating glass replaces the spacer, moisture-absorbing material, and sealing material that normally make up insulating glass with a single-layer resin spacer developed independently by AGC. The simple structure creates high durability and high thermal insulation. Compared to conventional insulating glass, fewer components are used, and its separable structure facilitates recycling. It also features a longer service life.

Environmental Considerations

The long service life of this insulating glass contributes to reducing resource consumption and waste generation throughout the entire life cycle of buildings, thereby helping to reduce environmental impact from an LCA perspective.

Only butyl rubber,
a sealing material
developed by AGC



Simple structure of Thermocline™

[Click here for detailed product information \(Japanese article only\)](#)

Chemicals Business Products

F-CLEAN™

Product Introduction

F-CLEAN™ is a fluoropolymer (ETFE) film for greenhouses.

Environmental Considerations

While ordinary agricultural film has a life span of between three and five years, F-CLEAN™ lasts for over 30 years with almost no deterioration, thereby helping reduce plastic waste. In addition, as described on p. 47 we are promoting resource circulation by collecting and recycling used products after use.

[Click here for detailed product information](#)

LUMIFLON®

Product Introduction

This is a solvent-soluble fluoropolymer resin used as a raw material for various paints and coating agents for anti-corrosion and construction applications. Lumiflon® is available in three grades, solvent-based, water-based, and flake types, to meet customers' diverse applications and environmental needs.

Environmental Considerations

These paints offer high weather resistance and corrosion protection, eliminating the need for repainting for several decades, and they also reduce opportunities for the emission of volatile harmful substances associated with painting.

[Click here for detailed product information](#)

Effective Use of Water Resources

Fundamental Approach: Water as a Shared Resource

The AGC Group draws on approximately 80 million m³ of water annually for its business activities, including for polishing in glass manufacturing and as raw material for the Chlor-Alkali Business. In addition, approximately 850,000,000 (850 million) m³ of seawater is withdrawn for use in cooling facilities and other purposes. We view water as not only a crucial resource for the AGC Group, but also a precious resource for companies and citizens in the entire water basin. Therefore, we will also work to achieve "efficient use of resources" specific to materiality in relation to water resources. To address effective management of water resources and water depletion risks, we are working to minimize environmental impact by monitoring water withdrawal, recycled volume, amount of wastewater, quality, and consumption, while striving to use water efficiently.

The AGC Group has always endeavored to use water resources efficiently and reduce pollutants in all phases of the value chain in accordance with its Group Environmental Policy. In addition to developing technologies for water resource use and purification in its own production activities, the AGC Group will continue to actively develop products that can reduce water resource consumption and water pollution around the world.

→For information on compliance with water quality standards, see "Water Environment" in "Considering Relationships with Local Communities and the Environment"(p. 52)

Targets

We set targets for each in-house company and site based on the characteristics of their businesses and locations. For example, we have set the following as our representative in-house company goals. These in-house companies have high-risk locations in the water risk assessment described below.

Architectural Glass Europe & Americas Company

We aim to reduce water withdrawal per square meter of glass production by 15% by 2030 compared to the 2020 level.

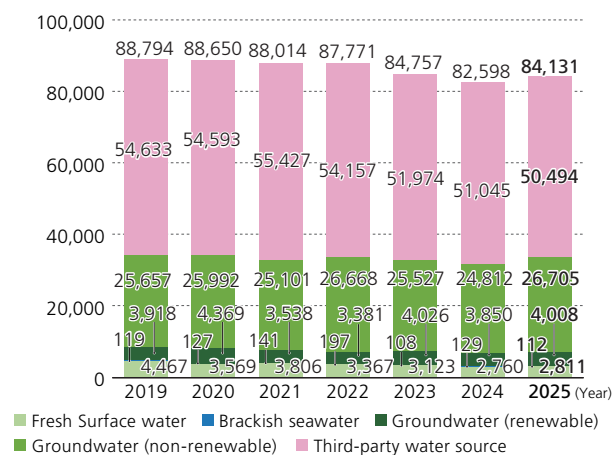
Automotive Company

We set water withdrawal targets per square meter of glass production by 2030, compared to the 2019 level, for each region and we have been making progress.

Achievements

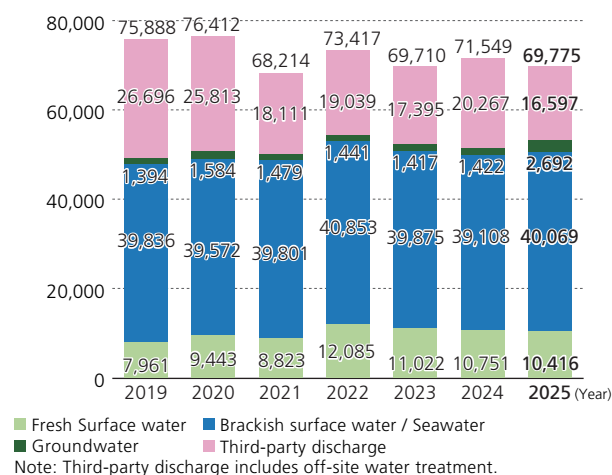
Water Intake by Source (excluding seawater for cooling on-site power generation facilities utilized by the Chemicals Company)

(Thousand m³)



Waste Water Discharge by Destination (excluding seawater for cooling on-site power generation facilities utilized by the Chemicals Company)

(Thousand m³)



Initiatives

Assessing the Impact of the Use of Water Resources

The AGC Group recognizes the need for sustainable use of water resources in its business activities, and commits to the appropriate utilization and discharge of these water resources in the future. Given the regional variability of environmental impacts due to water usage and water quality contamination, evaluation based on the characteristics of the watershed and region where the site is located is critical and we evaluate and manage water usage at the location of each site.

Specifically, at each facility, we identify points of significant water consumption and determine sources of impact on wastewater quality within processes, and continuously monitor quantitative indicators related to water usage and wastewater discharge in order to visualize our management status. In addition, from the perspectives of water use and wastewater management, we analyze processes where there is room for improvement, and consider measures to improve efficiency and reduce environmental impact in order to reduce unnecessary wastewater.

As part of these efforts, in 2022, the AGC Group conducted evaluations of water resource usability at each site where its bases are located using three indicators: Baseline Water Stress from the Aqueduct Water Risk Atlas provided by the WRI, as well as the Baseline Water Depletion and Blue Water Scarcity from the Water Risk Filter offered by the World Wildlife Fund (WWF). For each of these indicators, we scored each one on a five-point scale and assigned the highest score from the three evaluations as the final potential water resource utilization risk for each site.

Out of approximately 200 sites, 25 sites received the highest score of 5. For these 25 high-risk sites, we are working internally to clarify the relationship between water usage and local water stress and establish activity targets by 2027.

The Architectural Glass Europe & Americas Company and the Automotive Company have finished setting concrete targets for water usage reduction.

In addition, we regularly identify sites with high water stress levels and share our findings internally, while encouraging each in-house company to develop their own activity targets to reduce risk.

Water Stress Assessment Survey Results (by level, number of sites)

Water stress level	No. of sites
5---High	25
4---Medium to high	29
3---Medium	63
2---Low to medium	52
1---Low	20

Note: The evaluation was conducted in 2021. There were 189 manufacturing sites at that time. All 189 manufacturing sites were subject to the evaluation.

Water Stress Assessment: Number of Sites and Water Withdrawal Trends by Level

(Thousand m³)

Water stress level	2025 Water Withdrawal	Percentage of total
5---High	2,004	2%
4---Medium to high	11,274	14%
3---Medium	49,937	61%
2---Medium to low	18,056	22%
1---Low	897	1%

Assessing the Risk of Future Water Scarcity

In 2022, AGC Group also evaluated the risk of water scarcity. We first gathered current information on drought risk at each site from the WRI's Aqueduct Water Risk Atlas and graded risk from A to E. To predict the future impact of climate change on the outcome of this baseline evaluation, two scenarios were used: the IPCC AR5 Atlas of Global and Regional Climate Projection Supplementary Material's RCP 2.6 and RCP 8.5 scenarios. On this basis, we categorized and identified the rate of change in future annual precipitation by 2055 and 2090, giving four distinct cases in total. This evaluation revealed relatively low risks that could not be completely negated in Japan and the Americas. On the other hand, the evaluation identified relatively high risks associated with climate change, mainly in Europe and the Middle East.

Given the possibility of higher water resource prices, the introduction of water resource taxes and the implementation of water extraction regulations that could result in operational stoppages, the AGC Group is implementing region-specific measures, such as the promotion of water-saving initiatives and the installation of water storage tanks at sites where water shortage risks have been identified. Furthermore, to reduce water extraction, we are reusing water used for cooling chemical facilities in a cascading manner while managing water quality.

Initiatives at Manufacturing Sites

Equipment Support by the Production Technology Division

The Production Technology Division, which is responsible for equipment maintenance and utility management at Group plants across business units, supports the reduction of water usage by improving equipment efficiency.

Water Shortage Measures

In southern Taiwan, where the manufacturing base of the Electronics Company is located, there is a risk of water shortages due to frequent reductions in dam water levels caused by droughts and other factors, resulting in water restrictions. Therefore, measures are being taken against water shortages.

For example, for promoting the reuse of water used for cleaning glass, etc., we focused on process improvement activities to achieve a significant reduction in water consumption and reduce our dependence on water resources. In addition, we have mitigated the risk of business interruption in the event of a drought by installing water storage tanks and establishing a system to transport the necessary water above ground.

Reduction of Water Consumption

AGC Pharma Chemicals Europe S.L.U. (APCE), one of the Life Science Company's sites, is located in Catalonia, Spain. A drought hit Catalonia, and companies were ordered to reduce their water consumption by 25% compared to 2020–2022 levels. Therefore, APCE has promoted awareness-raising activities to encourage employees to reduce water consumption and has implemented measures such as reviewing the operation of cooling towers and water treatment facilities that consume large amounts of water within its facilities, achieving a 40% reduction in water consumption.

Promotion of Wastewater Collection and Reuse

AGC Display Glass (Shenzhen) is working to optimize the operating conditions of its wastewater recovery system with the goal of realizing

a “zero wastewater plant.” By properly operating wastewater recovery equipment and reducing recycled wastewater through scientific measurement and analysis, the recovery and reuse rate has been improved.

Initiatives with Stakeholders

Circular Use of Water Resources Through Regional Collaboration

In the glass manufacturing process, securing a stable supply of pure water is essential, and clean wastewater is generated in the process of producing pure water.

Rather than treating this clean wastewater as discharge, AGC Display Glass (Huizhou) supplies it to local government and municipal departments for landscape watering and road cleaning under mutual cooperation.

This simultaneously reduces the amount of wastewater discharged from the plant and lowers the amount of water taken in, thereby contributing to the effective use of water resources in the region.

Contribution Through Our Products

FORBLUE™ SELEMION™

Product Introduction

This is a hydrocarbon-based ion-exchange membrane. Desalination (salt removal) or concentration (salt recovery) is used to treat wastewater containing salt and to recover and refine valuable resources.

Environmental Considerations

Through the provision of electrodialysis processes, we contribute to securing potable water from saline sources and reusing water by desalinating industrial wastewater.

Considering Relationships with Local Communities and the Environment

Fundamental Approach

The AGC Group has identified “Considering relationships with local communities and the environment” as one of its long-term social issues (materiality). We recognize that our Group's business activities are built on the foundation of local communities and the environment, and we believe it is essential to ensure that we do not undermine this foundation through emissions of environmental pollutants or the generation of waste. For this reason, each manufacturing site has been working to reduce environmental impact by setting voluntary standards that are more rigorous than legally mandated limits for emissions of environmental pollutants and reducing waste generation. Going forward, we will continue to reduce environmental impact throughout all phases of the value chain, from raw materials to product usage and disposal, in accordance with the AGC Group Environmental Policy, in order to realize the social value of “Blue planet,” which is one of the cornerstones of the AGC Group's sustainability management.

Risks and Opportunities

The AGC Group's Glass and Chemicals Businesses require a great deal of energy. Currently, most of this energy is dependent on fossil fuels, so their manufacturing processes generate air pollutants and water pollutants. Various chemicals are used in the manufacturing process, and a large amount of secondary materials, such as plastic, are also used, resulting in a certain amount of waste. The generation and use of these environmentally hazardous substances ultimately lead to air pollution, water pollution, and soil contamination, damaging the foundations of society. In our Group, we systematically identify and manage environmental impacts and related reduction efforts across the entire value chain, from raw materials procurement to manufacturing, transport, product use, and disposal and resource recovery. In addition to minimizing environmental impacts, we are also promoting efforts in an integrated manner, including helping to resolve social issues through the provision of products and solutions (detailed on p. 55). The main environmental impacts at each stage and an overview of efforts to avoid or minimize them are shown in the diagram below.

Management Policy

Process Emissions and Waste Management

Air

〈Risk Awareness〉

The AGC Group's Glass and Chemicals Businesses require a large amount of energy in their manufacturing processes. Currently, most of the energy used in this manufacturing comes from fossil fuels, and their combustion generates exhaust gases including nitrogen oxides (NOx), sulfur oxides (SOx), VOC, and soot and dust. Our Group treats these substances appropriately in accordance with laws and regulations in each country and region, while continuously working to reduce emissions through efforts such as promoting energy conservation, switching to low-carbon fuels, and upgrading our exhaust gas treatment technologies. These efforts are also integrated with climate change initiatives and resource efficiency improvements, helping to reduce environmental impacts across the Group.

Deterioration in air quality poses direct risks to our Group's business activities, as it could affect the living environment and ecosystems in surrounding areas, as well as the health of employees if appropriate management measures are not implemented. In addition, failure to respond appropriately to future tightening of regulations or the addition of new regulated substances could lead to increased capital investment and treatment costs, as well as potential impacts on business operations.

〈Management Method〉

Each manufacturing site establishes its own management standards based on the AGC Group Environmental Policy, in-house company environmental policy, or consultation with local authorities, and makes annual improvements in accordance with its management system. In addition to complying with laws and regulations, we are continuously working to control and reduce emissions of air pollutants such as NOx, SOx, soot and dust, and VOCs through measures including process improvements and fuel conversion.

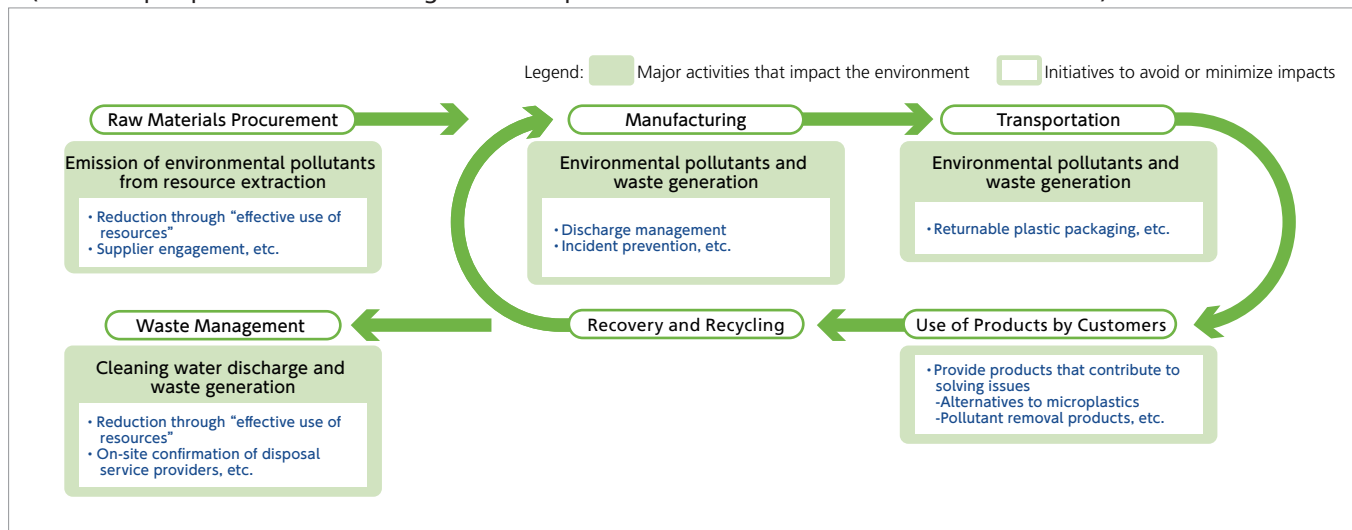
〈Management Example〉

The AGC Group is actively working to reduce atmospheric emissions at each site.

AGC Display Glass (Huizhou) has introduced ceramic filters in the exhaust gas process of its glass furnaces, significantly reducing CO₂ emissions and natural gas consumption and preventing white smoke emissions. In addition, NOx emission concentrations have been suppressed to less than half of the legal regulation values by enhancing denitrification facilities. Due to these achievements, the company has received the Green and Low-Carbon Development Award from Huizhou City.

Value Chain Impact and Initiatives

(from the perspective of considering relationships with local communities and the environment)



At AGC Multi Material Singapore, switching from diesel fuel to natural gas and introducing low NOx burners have improved air emission quality and reduced GHG emissions.

Furthermore, as an initiative to transform the combustion method itself, AGC Glass Europe has started operation of a hybrid production furnace at its Bolevka Plant in the Czech Republic called the "Volta Line," which uses electricity for 50% of its heat source and oxy-fuel combustion with natural gas for the remaining 50%. Adoption of a full oxygen combustion system has been confirmed to significantly suppress NOx (nitrogen oxides) generation because the combustion gas contains virtually no nitrogen derived from air. This initiative also contributes to the reduction of GHG emissions. See "Addressing Climate Change" (p. 39) for details.

〈Targets and Monitoring〉

Our Group does not set uniform quantitative targets for the management of substances discharged into the air. Instead, each manufacturing site sets its own targets according to its business characteristics and risk profile. This is because the AGC Group's businesses and products are diverse, and the substances requiring priority management and appropriate management levels differ from site to site.

Each manufacturing site sets voluntary management standards based on applicable laws and ordinances in order to implement air emission control. These targets and management status are monitored through routine management based on environmental management systems (such as ISO 14001) and periodic EHSQ Management Reviews.

In addition, we regularly review the emission volumes and concentrations of major air emissions (SOx, NOx, soot and dust, VOC, etc.) as key indicators, and use them to continuously improve our management standards.

In addition, regarding compliance with air-related laws and regulations in each country or region, manufacturing sites continuously check their own compliance status. In the event of a violation of laws or regulations related to exhaust emissions, or an exceedance of applicable standards, the site or in-house company concerned promptly reports the incident in accordance with the AGC Group Reporting Standards on EHSQ Incidents. Such reports are then aggregated and monitored on a Group-wide basis. This information is shared internally, and a system is in place to promptly implement corrective steps, including an investigation into the cause and the development and implementation of measures to prevent recurrence.

In addition, by following the corrective action process outlined in ISO 14001 and other standards, sites identify root causes and implement recurrence prevention measures, while continuously

verifying their effectiveness.

In 2025, there was one significant incident and legal violation that impacted air emissions.

Water Environment

〈Risk Awareness〉

The AGC Group's manufacturing processes use large volumes of water, and wastewater discharged from these processes contains chemicals and other materials used in production. Our Group properly treats such wastewater discharges in accordance with the laws and regulations of each country and region, while continuously working to reduce wastewater loads through efforts such as process improvements, optimization of chemical usage, and reduction of water consumption. Furthermore, we strive to reduce impacts on the water environment while conserving resources by promoting the efficient use and recycling of water resources.

Deterioration of water quality does not only affect the living environment and ecosystems of surrounding areas, but also has the potential to impact our Group's business activities (for example, through impacts on water used in glass polishing process and as raw material for the Chlor-Alkali Business). In addition, failure to respond appropriately to stricter wastewater regulations or the addition of new regulated substances could lead to increased wastewater treatment costs and outsourcing costs, as well as potential impacts on business operations. We therefore recognize that the proper management and continuous improvement of wastewater quality are important management challenges.

We also prioritize and manage water risk-related initiatives with a focus on key areas, taking into account water stress conditions in each region.

〈Management Method〉

Each manufacturing site establishes its own management standards based on in-house and company-wide policies and Environmental Policy, or consultation with local authorities, and makes annual improvements in accordance with its management system. In addition to regulatory compliance, we are continuously committed to improving wastewater quality and reducing the amount of wastewater through process improvement and risk assessment.

〈Management Example〉

The AGC Group is actively working on wastewater reduction and effective utilization of water resources at each site.

At AGC Display Glass (Shenzhen), the optimization of operating conditions of wastewater recovery equipment is being promoted and efforts to achieve a zero wastewater plant are underway (for details, see p. 50).

〈Enhancement of Wastewater Management Through Wastewater Risk Diagnosis (Patent Pending)〉

The AGC Group is committed to "zero abnormal wastewater leakage" and is working on environmental incident prevention as a key theme. To visualize the different wastewater facilities and operating conditions at each production site and ensure unified management levels globally, we have developed our own wastewater risk diagnosis system.

This diagnostic method covers everything from the upstream wastewater lines to final discharge, evaluating the configuration and condition of facilities including intermediate detection systems, neutralization facilities, emergency tanks, and isolation gates from multiple perspectives. The evaluation results are scored and visualized to structurally identify risks that are likely to lead to environmental incidents, such as aging parts, incorrect connections, and insufficient redundancy. Based on this, improvement plans are formulated and continuously monitored through the PDCA cycle to steadily improve the quality of wastewater management.

During 2024 and 2025, on-site diagnoses were carried out at 16 sites in Japan and 5 sites overseas, with multiple improvements completed, including measures to address leakage risks near drainage channels, duplication of level gauges, and proper connection of wastewater lines. These initiatives have contributed to the prevention of environmental incidents and near misses, the improvement of operational stability, and the strengthening of trust with local communities.

〈Targets and Monitoring〉

Our Group does not set uniform quantitative targets for the management of substances discharged into the water environment. Instead, each in-house company and manufacturing site sets its own targets according to its business characteristics and risk profile. This is because the AGC Group's businesses and products are diverse, and the substances requiring priority management and appropriate management levels differ from site to site.

Each manufacturing site sets voluntary management standards based on applicable laws and ordinances in order to implement water quality management. These targets and management status are monitored through routine management based on environmental management systems (such as ISO 14001) and periodic EHSQ Management Reviews.

In addition, regarding compliance with water quality-related laws and regulations in each country or region, manufacturing sites continuously check their own compliance status. In the event of a violation of laws or regulations related to water quality including wastewater, or an exceedance of applicable standards, the site or in-house company concerned promptly reports the incident in

accordance with the AGC Group Reporting Standards on EHSQ Incidents. Such reports are then aggregated and monitored on a Group-wide basis. This information is shared internally, and a system is in place to promptly implement corrective steps, including an investigation into the cause and the development and implementation of measures to prevent recurrence.

In addition, by following the corrective action process outlined in ISO 14001 and other standards, sites identify root causes and implement recurrence prevention measures, while continuously verifying their effectiveness.

In 2025, there were no significant environmental incidents or legal violations affecting wastewater quality.

Hazardous Waste

〈Risk Awareness〉

Waste generated during the manufacturing process is examined for potential reuse or recycling, and is utilized effectively to the extent possible. Any remaining waste is disposed of as industrial waste in accordance with established procedures. The continuous generation of industrial waste may lead to strained treatment facilities, a rise in future treatment costs, stricter regulations, and other issues, which could pose risks to the Group. Therefore, we believe we must continue reducing waste generation in order to mitigate future risks.

〈Management Method〉

Each manufacturing site adopts an appropriate management method for hazardous waste according to the characteristics of its business and the nature of the waste generated. We promote initiatives including waste generation reduction, recycling, and energy recovery to ensure that waste is reduced and disposed of properly.

For example, at AGC Kashima Plant, waste oil containing hazardous oxidizing agents is incinerated in a boiler to reduce specially controlled industrial waste, while waste heat is recovered and effectively utilized as energy.

In addition, we manage the outsourcing of waste treatment in accordance with the laws and regulations of each country or region, as well as conduct on-site inspections to ensure the appropriateness of contractors. Even if not stipulated under any laws, regulations, or ordinances, we voluntarily conduct on-site inspections to confirm the treatment status from intermediate treatment to final disposal. For example, AGC Yokohama Technical Center conducts on-site inspections once every three years in principle, while PT Asahimas Chemical in Indonesia conducts such inspections every one to two years depending on the amount of outsourced waste. At other facilities, we comply with applicable laws and regulations and conduct on-site inspections in accordance with the inspection targets and frequencies established by

each facility, setting inspection items tailored to the type of waste disposal services provided by the contractors.

These management conditions are periodically verified through routine management based on environmental management systems (such as ISO 14001) and EHSQ Management Reviews.

〈Targets and Monitoring〉

For hazardous waste, we monitor and manage the generated amount and treatment status according to the characteristics of each site and its business. Currently, we are only monitoring the results at some sites, but we are considering expanding the number of sites covered going forward. For more information on the landfill disposal rate of total waste, see “Effective Use of Resources” (p. 43).

Plastics

〈Risk Awareness〉

The AGC Group makes use of plastics in product packaging and logistics materials from the viewpoint of functionality, safety, and product quality preservation. At the same time, we recognize that the use of plastics and their improper disposal or leakage pose significant risks to local communities and the global environment, including marine pollution, impacts on ecosystems, and impediments to resource circulation.

In addition, failure to respond appropriately to changes in the external environment, such as tighter regulations and increasingly sophisticated customer requirements in different countries or regions, could have an impact on our business operations and supply chains.

For this reason, our Group views the optimization of plastic use and the advancement of resource recycling as important issues, and promotes the reduction of environmental load throughout the value chain.

〈Management Method〉

To reduce the environmental load accompanying the use of plastics, we are promoting initiatives from the following perspectives.

- Minimization of use (weight reduction and consideration of alternative materials)
- Promotion of reuse (returnable systems, etc.)
- Appropriate management of waste and promotion of recycling
- Strengthening of management including the supply chain (coordination with procurement and logistics)

Particularly in packaging and logistics, reducing single-use materials and increasing reuse are positioned as key themes, and efforts are being made according to the actual circumstances at each site.

〈Management Example〉

At AGC Automotive Philippines Inc., the plastic packaging used when

delivering glass to automobile manufacturers in the Philippines has been changed from single-use to returnable plastic. More effective utilization of resources throughout the supply chain has enabled us to reduce plastic sheet waste and packaging costs.

AGC Vinythai Public Company Limited has established a circular supply chain system in which used packaging materials are collected from customers and processed into recycled pellets for reuse to make warehouse pallets. The company has created a loop system in which it collects packaging materials used for product shipment and reuses them internally (for details, see p. 46).

〈Targets and Monitoring〉

Our Group does not set uniform quantitative targets for plastic use and waste management. Instead, each in-house company and manufacturing site manages and monitors these areas according to its business characteristics and actual usage conditions.

Management of Chemical Substances and Product Life Cycles

Entire Life Cycle Management Policy

The AGC Group is committed to reducing the environmental impacts and risks associated with chemical substances throughout the entire product life cycle, from development to manufacturing, transportation, use, and disposal.

At each stage, we perform management in accordance with laws and regulations and internal standards, while promoting the establishment of appropriate management systems that include the supply chain.

〈Management of Substances of Concern〉

The AGC Group prioritizes the management of chemical substances that are of concern due to their impact on human health and the environment (substances subject to regulatory controls and substances of equivalent concern).

For chemical substances contained in our products, we manage them based on the AGC Group Chemicals in Products (CiP) Management Standards, and in compliance with the laws and regulations of each country or region (REACH Regulation, RoHS Directive, etc.) as well as customer requirements.

In addition to regulated substances, we continuously collect information on and assess the potential effects of substances that may become subject to regulations in the future and substances of high social concern, and we work to reduce their use and consider alternatives as necessary.

The status of management is monitored through the environmental management systems at each site and specialized subcommittees.

Development (Alternative and Lower-Impact Chemical Substances)

At the development stage, in addition to regulatory compliance, we view the reduction in use of substances of concern and their substitution with lower-impact chemical substances as important themes.

Based on product performance and quality requirements, we examine technical options for reducing the toxicity and use of raw materials and chemical substances, and reflect these in our product design and manufacturing processes.

Supply Chain Management (Procurement and Communication)

In the supply chain, compliance with environmental laws and regulations, and the establishment of a chemical substance management system, are transaction requirements based on the AGC Group Integrated Green Procurement Guidelines.

Additionally, industry-standard tools such as chemSHERPA and IMDS are utilized to appropriately identify and communicate information on chemical substances contained in products.

In this way, we seek to strengthen the management of substances of concern and ensure transparency across the supply chain (for details, see p. 87).

Procurement

We have established the AGC Group Integrated Green Procurement Guidelines and share the policy of procuring raw materials, parts, and products with less environmental impact across all Group companies. We have also established transaction requirements such as requiring business partners to comply with environmental laws and regulations and to obtain environmental management system certification.

For more information on supply chain initiatives, please see p. 87.

Manufacturing

For chemical substances during manufacturing, we not only comply with laws and regulations but also follow voluntary guidelines: the AGC Group Environmental Management Working Rules and AGC Group Chemical Substance Management Regulation Guidelines. Based on these guidelines, we manage chemical substances used, assign chemical substance managers, and conduct chemical substance risk assessments. The status of management is monitored through the environmental management system and EHSQ Management Review at each site. In 2025, there was one significant chemical substance-related incident caused by our manufacturing processes.

Transportation

At the transportation stage, Yellow Cards are used at AGC Group sites within Japan to share information about emergency procedures that should be taken when transporting our products in accordance with the characteristics of chemical substances and products loaded on trucks and other means of transportation. In addition, industrial waste, including harmful substances, emitted during the manufacturing process is noted on Waste Data Sheets (WDS), which contain information about the properties of the industrial waste and are provided to collection and transportation companies and waste management companies. In 2025, there were no significant incidents caused by the transportation of chemical substances or products.

Use and Disposal

To avoid the impact of chemical substances during the usage and disposal stages, we have established the AGC Group Chemicals in Products (CiP) Management Standards, which stipulate that information on restricted substances based on legal regulations and customer requirements, such as customer green procurement standards, shall be identified and reflected in development and manufacturing. In addition, we work to provide appropriate chemical substance data through the provision of Safety Data Sheets (SDS) and responses to customer environment surveys. The status of management is monitored through the environmental management system and EHSQ Management Review at each site, while more detailed monitoring is conducted by the Monitoring Subcommittee as stipulated in the AGC Group Chemicals in Products (CiP) Management Standards.

Prevention of Environmental Incidents

We recognize that environmental incidents (such as air or water pollution caused by the release of hazardous substances and violations of laws and regulations due to exceeding regulatory limits) not only have a direct or indirect impact on our Group's assets, but also may affect the health and safety of our employees and people living in the vicinity of our sites, and that such incidents pose a significant risk that could significantly undermine trust in the Company.

To this end, the AGC Group regards the prevention of environmental incidents as one of its important management indicators. We are working to prevent environmental incidents or minimize their impact by establishing a reporting and response system based on the AGC Group Reporting Standards on EHSQ Incidents, conducting risk assessments based on our environmental management system, and conducting drills that anticipate potential incidents. As for incidents related to safety and disaster prevention, we determine their severity through quantitative evaluation based on the concepts of the international process safety

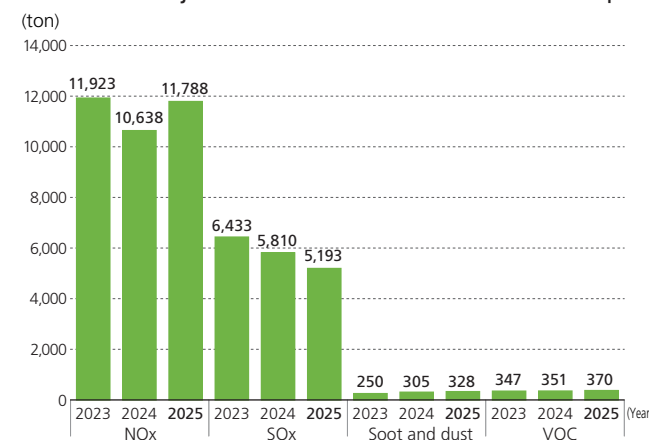
indicators (developed by the CCPS*), which enables the development of more effective measures to prevent recurrence.

The AGC Group shares information internally based on the concept of "Bad News First," guided by the principles of speed, accuracy, and transparency when environmental incidents occur. A site where an incident occurs promptly shares a summary of the incident, the estimated effects, and the initial response with the division responsible for Environment, Safety, and Quality (EHSQ). The initial report should be made within 48 hours as a rule, except in urgent cases, which must be reported immediately. The division responsible for EHSQ evaluates the seriousness of incidents in accordance with standards for environment, safety, and disaster prevention. If necessary, it escalates matters to the company-wide reporting and response system in coordination with management, public relations, and investor relations. Externally, we report properly to the relevant authorities in accordance with laws and regulations. We also individually decide whether or not to disclose information depending on the scale and impact of the incident, and provide information to stakeholders such as local communities, customers, and investors.

* Incidents with a severity score of 18 points or higher under the CCPS (Center for Chemical Process Safety) Process Safety Metrics, including accidents and violations of laws and regulations resulting in significant penalties or administrative guidance.

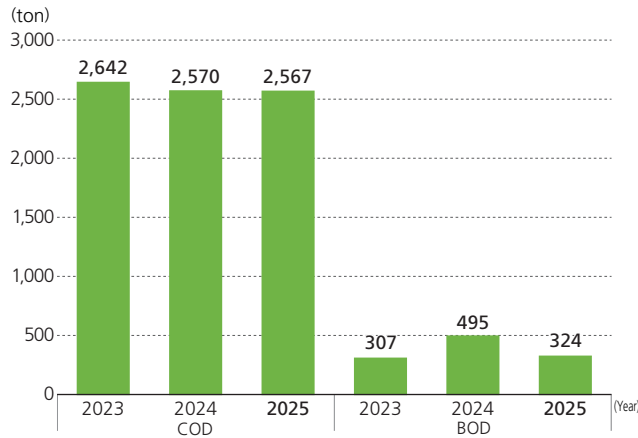
Achievements

Trends in Major Air Pollutant Emissions of AGC Group



Note: See p. 61 for the calculation methodology

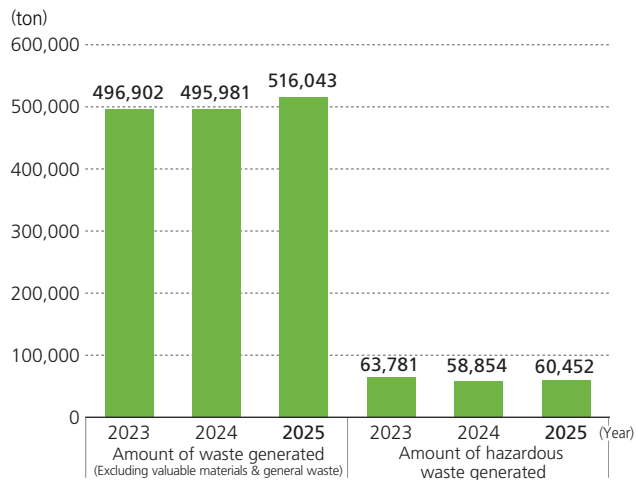
● Trends in BOD and COD Loads of the AGC Group



Note: Group total

Note: See p. 61 for the calculation methodology

● Trends in Waste Generation of AGC Group (Industrial Waste / Hazardous Waste)



Note: See p. 61 for the calculation methodology

Note: The scope of hazardous waste generation covers only the Chemicals Company and the Life Science Company.

● Trends in Significant Environmental, Safety, and Disaster Prevention Incidents of AGC Group

	2022	2023	2024	2025
Number of significant environmental incidents*	2	0	0	1

* For the definition of significant environmental incident, see p. 85

Opportunities

■ Emission Reduction Products

Sodium Hypochlorite

Product Introduction

Sodium hypochlorite is a product widely used in pulp bleaching, swimming pool disinfection, and water and sewage system purification as well as a household disinfectant, sanitizer, and bleach.

Environmental Considerations

We disinfect and sterilize water and sewage systems to support a healthy water infrastructure.

[Click here for detailed product information](#)

ACLESYA

Product Introduction

This is a highly reactive neutralizing agent for exhaust gas treatment that removes acidic components from exhaust gas.

Environmental Considerations

ACLESYA neutralizes hazardous compounds in the exhaust gases of waste incinerators, thereby significantly eliminating a cause of air pollution. The product also helps curb fly ash and reduces the environmental impact of final disposal.

[Click here for detailed product information](#)

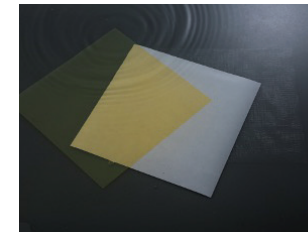
Ion-exchange membrane (FORBLUE™ SELEMION™)

Product Introduction

This is a hydrocarbon-based ion-exchange membrane. Desalination (salt removal) or concentration (salt recovery) is used to treat wastewater containing salt and to recover and refine valuable resources.

Environmental Considerations

Through the provision of electrodialysis processes, we contribute to securing potable water from saline sources and reusing water by desalinating industrial wastewater.



FORBLUE™ SELEMION™



Example of electrodialysis apparatus

[Click here for detailed product information](#)

■ Environmentally Friendly Material (RESIFA)

RESIFA™

Product Introduction

Under an unified brand, this series of silica products is suitable for a variety of applications, including cosmetics, industry, and medicine.

Environmental Considerations

Silica, a material that exists in various forms in nature, is expected to become an alternative to microplastics, which raise concerns about impacts on ecosystems due to leakage into the oceans.

[Click here for detailed product information](#)

Environmental Management

Fundamental Approach

The AGC Group has established a global environmental management system and strives to ensure compliance with applicable laws and regulations and customer requirements as well as to thoroughly commit to compliance and continuously improve environmental performance and activities.

We recognize that communication with diverse stakeholders is essential in order to contribute to the realization of a sustainable society, based on compliance with laws and regulations at each of our business sites around the world. We endeavor to build relationships of trust with all stakeholders through appropriate information disclosure and transparent communication, while enhancing the quality of our environmental activities.

AGC Group's Environmental Management Framework

The AGC Group operates its management system under the AGC Group EHSQ Policy, which was established based on the Group philosophy **"Look Beyond"** and the common understanding that "safety, the environment, quality, and compliance are fundamental premises for the Group's business activities."

In the environmental field, the AGC Group Environmental Policy, which sets forth the AGC Group's approach and philosophy toward the environment based on the AGC Group EHSQ Policy, clearly stipulates compliance with environmental laws and regulations and internal rules from various perspectives, and the Group has established a Group-wide environmental compliance framework/system. Through these efforts, we are contributing to the realization of a decarbonized society, a circular economy, and harmony with nature, while minimizing environmental risks and striving for continuous improvement.

Environmental Management in Accordance with ISO 14001

Environmental Management According to Environmental Risk Levels at Each Site

The AGC Group has established an environmental management system based on ISO 14001, with the CEO serving as the environmental management executive. The AGC Group Environmental Management Working Rules establish three environmental activity levels for all AGC Group sites according to their environmental impact, assigning environmental activities to them based on their respective level.

The main implementation items for each category are as follows.

- Level 1 sites, which have relatively high environmental risk, are required to obtain ISO 14001 or other environmental management certification.
- Small-scale manufacturing sites without facilities with high environmental impact, such as glass melting furnaces or exhaust gas treatment facilities, are classified as Level 2 sites and recognized as having moderate risk. They are required to conduct activities in accordance with ISO 14001 and record environmental performance data.
- For Level 3 sites with significantly low environmental risk, such as sales offices, it is mandatory to report environmental accidents to the head office.

For all of Level 1, 2, and 3, the Group stipulates that sites carry out fundamental activities such as raising awareness of and thoroughly implementing the AGC Group Environmental Policy, adhering to legal requirements, the AGC Group's standards, and other regulations and monitors such activities periodically.

Monitoring and Improvement Mechanisms

The results of our initiatives are evaluated through internal and external audits. Internal and external audits are conducted at Level 1 sites which have relatively high environmental risks. The audit results are monitored by the business divisions (in-house companies and SBUs) responsible for the sites and the EHSQ General Division at the AGC head office, and are used to promote the PDCA cycle both at the business division level and for the AGC Group as a whole. The results are also reported to senior management personnel through the AGC Group EHS Committee and the Sustainability Committee (EHSQ Management Review). Internal and external audits verify conformity with standard requirements, conformity with Group policies, environmental objectives, and annual targets, operation in accordance with regulations, achievement status of objectives and implementation plans, and improvement of environmental performance.

When operational nonconformities are identified through internal and external audits, a corrective plan is established and ongoing follow-up is conducted.

As a result of internal and external audits conducted in 2025, no major nonconformities that would interfere with the management system were identified, although minor findings requiring operational improvements were identified. We have formulated corrective plans and implemented corrective measures in each case.

When an environmental incident or other event occurs constituting a nonconformity in the environmental management system, the organization concerned takes corrective action. In addition, business sites, divisions (in-house companies and SBU

headquarters), and Corporate EHSQ General Division share and roll out the corrective actions to other departments and sites to prevent similar nonconformity events from occurring.

Environmental Management System Certification Status

In 2025, out of our global Level 1 manufacturing sites that are obligated to obtain environmental management system standard certification under the AGC Group Environmental Management Working Rules, 109 sites, or 96%, had already obtained certification, and the remaining four sites were working to obtain certification. Including the facilities in Level 2 and 3, as of the end of 2025, AGC Inc. and its subsidiaries had obtained ISO 14001 certification at 195 sites out of 425 total sites (85 in Japan and 110 overseas), comprising 86 legal entities out of 221 total companies (23 in Japan and 63 overseas). Moreover, the AGC Group has obtained ISO 14001 multi-site certification* for AGC and Group companies in order to strengthen governance by building a unified environmental management framework across the Group. Among Level 1 sites, 68, representing 60%, have obtained ISO 14001 multi-site certification.



* Multi-site certification that integrates multiple sites as a single organization

● Number of Companies That Have Obtained Environmental Management System Certification in 2025 (including small-scale non-manufacturing sites)

The AGC Group (Japan)	23 companies
Overseas, excluding Japan	63 companies
Total	86 companies

[Click here to see the list of Environmental Management System Certification acquired companies](#)

■ Compliance Initiatives

Legal Compliance Framework at Sites

Environmental legal requirements vary widely depending on the facilities held by the site, the chemicals used, the processes involved, and the characteristics of the local region. The AGC Group has established the AGC Group Environmental Management Working Rules, which require all Group companies to identify and comply with

legal requirements and establish frameworks for compliance with laws and regulations in each country or region. We have also set voluntary standards at sites where legal standards are applicable that are more rigorous than those legal standards to ensure compliance.

We believe that various types of monitoring tailored to specific purposes are essential to accurately capture changes and ensure compliance with legal requirements. Therefore, in addition to external and internal audits, we also conduct comprehensive audits focused on confirming compliance with laws and regulations. This initiative was first launched in China and has been rolled out globally since 2024.

Legal Compliance Framework for Products and Services

We have established the AGC Group Chemicals in Products (CiP) Management Standards for compliance with laws and regulations related to our products and services. These standards mandate compliance with laws and regulations, response to customer requirements, identification of substances subject to management, and evaluation and improvement of performance. The status is monitored within a liaison system for the management of chemical substances in products, which is led by the Environment Department and Quality Department of the EHSQ General Division, with the General Manager of the EHSQ General Division as the person in charge of environmental management.

Environmental Compliance Frameworks by Country and Region

To implement more timely and substantial environmental activities in accordance with the legal systems and customs of the countries and regions where it operates, the AGC Group has established organizations that provide support for activities at subsidiaries in each region.

Example in China

Our regional environmental office in Shanghai, which we established in 2019, determines the impact of Chinese government policies—such as rapidly changing environmental laws and regulations—on the AGC Group, building a cross-functional support structure that allows subsidiaries to devise necessary countermeasures in a timely manner to comply with laws and regulations.

In many cases, regulations are set not only at the national level, but also at the provincial level or the city level that has jurisdiction over each business site. To ensure strict compliance with regulations, we are focusing on disseminating regulatory information and conducting on-site reviews of the management conditions at each location. This initiative, which began in 2019 primarily at our manufacturing bases in

China, supports the stable operation of production by ensuring compliance with laws and regulations.

Compliance for Regulated Substance Management (Example in Japan)

We comply with international conventions and regulations on specified substances in each country. Here is an example from Japan.

Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes

Equipment containing PCBs is stored in strict accordance with the relevant legislation, and their treatment, which is entrusted to qualified treatment contractors, has been progressing. Furthermore, the AGC Group will continue to systematically dispose of low-concentration PCBs.

Air Pollution Control Law (Asbestos)

The AGC Group completed the removal of friable asbestos from its Japanese business sites in 2008. The Group also disposes of non-friable asbestos in an appropriate manner.

Act on Preventing Environmental Pollution of Mercury

We store mercury securely in accordance with laws and regulations, and then entrust its treatment to a specialized contractor. Even in cases where the use of mercury is permitted, such as in fluorescent lamps, we comply with laws and regulations and replace them with LED alternatives whenever possible.

Plastic Resource Circulation Act

The following two companies are large volume generators of plastic as defined by the Plastic Resource Circulation Act. The plastic waste generated and waste plastic treatment methods of these companies for fiscal 2025 are as follows.

●Plastics Waste Generated (2025)

		AGC Inc.		AGC Glass Products Co., Ltd.	
		Weight (t)	Ratio (%)	Weight (t)	Ratio (%)
Total amount of plastic waste generated		5,653	100	515	100
Breakdown	Plastic waste sold for reuse or recycling	4,091	72.4	8.7	1.7
	disposed as industrial waste	1,562	27.6	506	98.3

●Waste Plastic Treatment Methods (2025)

Method of treating waste plastics	AGC Inc.	AGC Glass Products Co., Ltd.
	Ratio (%)	
Recycling*1	23.9	27.8
Energy recovery*2	61.1	68.4
Incineration without energy recovery	7.7	3.3
Landfilling	7.3	0.4

*1 Chemical or material recycling

*2 Conversion to RPF (Refuse-derived Paper and Plastics Fuel), use as cement raw materials or fuel, or waste-to-energy incineration

Record of Legal Violations

In the past four years (2022-2025), there were no legal violations with fines exceeding 1 million yen per case.

External Communication

The AGC Group's environmental information is always available in Japanese and English through the AGC website, the Integrated Report, and this Sustainability Data Book. Specific environmental performance and initiatives at each site are published as site reports on our website.

[Click here to see the site reports](#)

We also communicate with stakeholders in various ways based on the concept described in "Stakeholder Engagement" on p. 08 of this Data Book. Here we highlight noteworthy points regarding the environment.

Communication with Local Communities, Social Contributions

We communicate with local residents at each business site as appropriate.

In addition, in accordance with the AGC Group Social Contribution Basic Policy described on p. 95 of this Data Book, each business site conducts environmental contribution activities such as cleaning up areas around factories, restoration of mangrove forests, and conservation of rare plants.

Awards from Various External Organizations

Many business sites of the AGC Group have received awards from local governments and environmental groups for their outstanding environmental initiatives. Awards received in 2025 are listed in the table on the right, "Major Environmental Awards in 2025."

Internal Communication

Training

The AGC Group recognizes that the understanding and actions of each and every employee are essential to reducing environmental risks and creating environmental benefits. We therefore systematically provide environmental education tailored to employees' roles and responsibilities with the aim of improving the effectiveness of our environmental management.

The AGC Group incorporates environmental education into rank-specific training programs organized by the Human Resources Division, providing appropriate education tailored to employees' respective responsibilities. Furthermore, we provide a variety of elective training programs for environmental personnel to support their professional development. Also, as a mechanism to encourage the acquisition of qualifications and expertise, we operate a system that provides additions to bonuses to those appointed to legally required roles.

Additionally, we are working to develop human resources with skills in environmental management and raise the level of environmental management at our business sites under the CNA* program by leveraging a skills map, the AGC Group's own human resource database. In recent years, we have been actively exchanging information on environmental sustainability themes.

* CNA: Cross-divisional Network Activity

Awareness

We are broadcasting original animated content and disseminating this Sustainability Data Book to raise awareness among Group employees and improve their knowledge of the environment and sustainability. These materials and publications are produced in multiple languages, mainly Japanese, English, and Chinese.

In addition, starting in 2023, the AGC Group introduced an award system for exemplary environmental activities. This system provides incentives and recognizes outstanding environmental efforts across various activity units within the AGC Group, and shares these best practices with all employees.

Major Environmental Awards in 2025

Country / Region	Company	Outline of Environmental Awards in 2025
Japan	AGC Electronics Co., Ltd.	Fukushima Prefecture Fukushima Zero Carbon Award (Business Site Category) - Grand Prize
China	AGC Display Glass (Huizhou) Inc.	Huizhou City Model Company Award for Pollution and Carbon Reduction
	AGC Display Glass (Kunshan) Inc.	Jiangsu Province Green Factory
Thailand	AGC Micro Glass (Thailand) Co., Ltd.	Ministry of Industry (Thailand) Green industry level 4
	AGC Vinythai Public Company Limited	Environmental Good Governance Award 2025
Indonesia	PT Asahimas Flat Glass Tbk	Green Rating, PROPER Award SIH (Green industry certification in Indonesia)
	PT Asahimas Chemical	Green Rating, PROPER Award

Environmental Training in the AGC Group

Category	Target		Training Content	
General environmental training	All parties in scope	All Group employees	General environmental training	General environmental training conducted at each business site
		Business partners		
		AGC employees	Rank-specific training	Training at all levels, from new employees to managers (covering AGC's environmental policy and environmental management rules, and risks and initiatives in specific areas such as energy conservation, waste reduction, and water pollution control)
Training for environmental personnel	Selective program	Environmental officers	Internal auditor training	Knowledge of ISO 14001 and environmental laws, internal audit skills
			Training related to environmental laws and regulations	Environmental law training, PRTR Law training, chemical substance manager training, and other practical legal compliance training tailored to the Group's operations
Other ad hoc training	Selective program	Environmental and sustainability officers	Environmental seminars	Seminars with invited guest speakers on selected topics based on topical trends
			CNA activities	Communication and mutual learning among persons with environmental skills
Education for Group stakeholders	All parties in scope	Business partners	Environmental and safety seminars	Seminars on environmental safety and compliance (once a year)
		Suppliers	Dissemination of environmental and safety information	Environmental safety lectures at networking events for the AGC Group and suppliers

Environmental Performance Results Management

Chapter Structure and Basic Calculation Policy

Chapter Structure and Basic Calculation Policy

This chapter describes the basis of calculation and calculation methods for the AGC Group's environmental performance data and the results of third-party verification. The structure is as follows.

- Basis of Calculation and Definitions for GHG Emissions: Common calculation policies for Scope 1, Scope 2, and Scope 3 (organizational boundaries, target gases, emission factors, etc.)
- GHG Emissions Calculation Methods: Calculation methods specific to each GHG item
- Calculation Methods for Other Environmental Performance Data: Calculation methods for water, waste, air quality, water quality, etc.
- Third-Party Verification: Results of third-party verification

Regarding GHG emissions, disclosure standards such as the GHG Protocol and ISSB require detailed explanations of calculation methodology, so the common policy is detailed as a separate item. Meanwhile, environmental performance data on water, waste, air, and so on are also collected and managed under the same data management system and environmental database system, and the framework for ensuring data reliability is applied consistently to all items.

Environmental Performance Data Management System

In 2020, the AGC Group began full-scale operation of an online platform to centrally manage various environmental performance data, including Scope 1, Scope 2, and Scope 3 GHG emissions, with the aim of accurately understanding and strengthening the management of various environmental performance data, including GHG emissions. Doing so has helped us visualize emissions, resource consumption, and other data at each site and identify challenges, improving the accuracy of analysis and responses. Furthermore, from 2023 onward, we have set annual plans for Scope 1 and Scope 2 GHG emissions and created a PDCA-based management framework that integrates annual emissions planning and performance tracking for Scope 1 and 2 GHG emissions, strengthening our efforts toward the steady implementation of our medium- to long-term reduction targets.

The scope of data collection is set based on the environmental activity level (Levels 1–3) set out in the AGC Group Environmental Management Working Rules. Data collection is mandatory for Level 1 sites, which have relatively high environmental risk, and Level 2 sites, which are recognized as having moderate environmental risk, but optional for Level 3 sites, which have significantly low environmental

risk. This classification is applied to all environmental performance data, including GHGs, water, waste, and air. We have confirmed that the impact of GHG emissions from Level 3 sites on overall GHG emissions is minimal, at less than 1%. For detailed definitions of levels, see p. 56 "Environmental Management."

GHG Emissions: Basis of Calculation and Definitions

This section describes the common basis of calculation for GHG emissions, including organizational boundaries, target gases, and criteria for selecting emission factors. For calculation methods specific to each GHG item, see "GHG Emissions Calculation Methods" below.

Basis of Calculation

The following basis of calculation applies to Scope 1, Scope 2, and Scope 3 GHG emissions.

- ◆ **Organizational Boundary:** In accordance with the financial control approach under the GHG Protocol, the calculation boundary includes entities over which AGC Inc. has financial control. AGC Inc. and its subsidiaries (excluding associated companies and equity method affiliates) are included in the calculation boundary. Among these entities, calculation is mandatory for sites classified as Environmental Activity Level 1 or 2 under the AGC Group Environmental Management Working Rules, while it is optional for Level 3 sites. (GHG emissions from Level 3 sites account for less than 1% of total emissions).
- ◆ **Target Gases & GWP:** We calculate emissions of seven greenhouse gases defined by the GHG Protocol; CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃. GWP values are from the IPCC Fifth Assessment Report (AR5). For fluorocarbons not specified in AR5, we use values determined by AGC in accordance with GWP notifications under the Act on Rational Use and Appropriate Management of Fluorocarbons and AR6.
- ◆ **Data Collection Basis and Calculation Period:** For Scope 1, Scope 2, and part of Scope 3 (Categories 1, 3, 4, and 5), activity data collected through the AGC Group's environmental database system are used. Other Scope 3 categories use values from securities reports (capital goods purchase costs), internal data (product shipment volumes, business travel expenses, transportation costs, etc.), and publicly available data (Scope 1 and Scope 2 GHG emissions of investee companies). The calculation period is from January 1 to December 31, 2025.

- ◆ **Scope 3 Calculation Categories:** In principle, all 15 categories defined by the GHG Protocol are included in calculation. However, categories are excluded where there are no relevant activities, emissions are immaterial, or calculation is not feasible. For details on excluded categories and the scope of calculation for each category, see "GHG Emissions Calculation Methods."
- ◆ **Internal Standards and Guidelines:** Other detailed requirements, including quality standards for renewable energy certificates and rules for reporting activity data, are specified in the "AGC Group Greenhouse Gas Calculation Guidelines" and the "AGC Group Environmental Performance Data Guidelines," which were developed based on the GHG Protocol.

Emission Factors Used in Calculations

- ◆ **Scope 1 GHG Emission Factors:** Values specified by the Act on the Rational Use of Energy and the Global Warming Countermeasures Act, and the IPCC Guidelines, or theoretical values and values from academic literature, are used. If emission factors provided by fuel suppliers, local governments, or industry organizations are available, those shall be given priority. AGC Inc. calculates emissions in accordance with the Act on the Rational Use of Energy and the Global Warming Countermeasures Act, while other domestic and overseas sites calculate emissions based on the GHG Protocol.
- ◆ **Scope 2 GHG Emission Factors:**
 - ◆ **(Market-based)** Coefficients based on electricity contracts or renewable energy certificates / energy attribute certificates, coefficients published by electric power companies, residual mix factors from the Association of Issuing Bodies (AIB), etc. are used. When these are not available, location-based emission factors are applied.
 - ◆ **(Location-based)** Country/region average emission factors such as the average factors in the Global Warming Countermeasures Act (Japan), IEA Emissions Factors, and Sphera databases (for other regions) are used.
 - ◆ **(Steam and heat)** The emission factors specified in the Act on the Rational Use of Energy and the Global Warming Countermeasures Act are used. If factors used for certificates or provided by suppliers are available, we prioritize applying those.
- ◆ **Scope 3 GHG Emissions Intensity:** We use the Sustainable Management Promotion Organization's LCA inventory database IDEA (Ver. 3.5.1) and the Ministry of the Environment's database (Ver. 3.5) and LCA for Exports (2025). In addition, Categories 10, 11, and 12 include non-energy-related GHG emissions outside the seven gases, such as HCFCs and HFOs, in calculations (using the lifetime emissions approach).

Ensuring Reliability and Consistency in Renewable Energy Procurement

The AGC Group is adopting reliable and transparent tracking methods for the procurement of renewable energy to reduce Scope 2 GHG

emissions. We are utilizing non-fossil certificates (with tracking), on-site solar power generation, renewable energy power menus, and the like, and quantitatively evaluating the emission reduction effects at each site in accordance with the GHG Protocol Scope 2 Guidance. In

addition, we will take into consideration regional differences in electricity supply and strive to use certificates within the same system. Going forward, we plan to gradually shift to renewable energy with additionality, such as PPAs and on-site power generation.

GHG Emissions Calculation Methods

Note: For the common basis of calculation, including organizational boundaries, target gases and GWP, and criteria for selecting emission factors, see "Basis of Calculation". This table presents only the calculation methods specific to each item.

Calculation Item	Scope of calculation	Unit	Calculation method (item-specific)
Scope 1	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	Emissions calculated by multiplying the fuel and raw material consumption at each site (based on invoices, slips, measured values, etc.) by emission factors and GWP. See "Basis of Calculation" for emission factor selection criteria and GWP.
Scope 2 (location-based)	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	Emissions calculated by multiplying the amounts of electricity and heat purchased at each site (based on bills, meter readings, etc.) by location-based emission factors. See "Basis of Calculation" for emission factor sources.
Scope 2 (market-based)	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	Emissions calculated by multiplying the amounts of electricity and heat purchased at each site (based on bills, meter readings, etc.) by market-based emission factors. See "Basis of Calculation" for emission factor sources and priority order.
Scope 1 and Scope 2 GHG emissions intensity per unit of net sales	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂ /¥100 million	Calculated by dividing Scope 1 and Scope 2 GHG emissions (market-based) by consolidated revenue for the fiscal year. Targeting 50% reduction in emission intensity by 2030, with 2019 as the base year.
Amount of carbon credits retired	Level 1/2: All sites, Level 3: Some sites	GWh equivalent	Total amount of retired carbon credits across the Group during the fiscal year. No deduction made for Scope 1, Scope 2, or Scope 3 GHG emissions, in accordance with GHG Protocol and SBTi standards.
Scope 3 Category 1	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	Direct procurement: The volume of resources used in conjunction with producing products multiplied by the emissions intensity per resource. Procurement means only from outside the Group. Indirect procurement: Calculated by multiplying the amount of goods and services purchased that are not directly related to the manufacture by the emissions intensity for each procured item. Coverage is limited to procurement from outside the Group at sites within the calculation.
Scope 3 Category 2	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	The amount of investment in capital goods is multiplied by the emissions intensity per investment amount.
Scope 3 Category 3	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	The amount of fuel and energy used at each site multiplied by the emissions intensity for each type of fuel and energy.
Scope 3 Category 4	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	It is calculated by multiplying the amount of resources used (such as materials and parts procurement) and product transportation by the transport ton-kilometer data, which is the transportation distance multiplied by the number of products transported, and then multiplying that by the emissions intensity.
Scope 3 Category 5	Level 1/2: All sites, Level 3: Some sites	1,000 t-CO ₂	Volume of waste at each site that is processed by external service providers (not including valuable materials) multiplied by emissions intensity per processing method.
Scope 3 Category 6	Group-wide estimate based on actual data from major sites	1,000 t-CO ₂	Business trip expenses of AGC Inc. aggregated by mode of transportation and multiplied by emissions intensity. Global emissions estimated based on employee composition ratio.
Scope 3 Category 7	Group-wide estimate based on actual data from major sites	1,000 t-CO ₂	Commuting expenses of AGC Inc. aggregated by mode of transportation and multiplied by emissions intensity. Global emissions estimated based on employee composition ratio.
Scope 3 Category 8	Not subject to calculation	1,000 t-CO ₂	Not applicable as all emissions related to leased assets included and managed in Scope 1 and Scope 2.
Scope 3 Category 9	Not subject to calculation	1,000 t-CO ₂	Not applicable as all product transportation conducted within our own management and already calculated as Category 4.
Scope 3 Category 10	Architectural glass (sales in Europe and North America only), chemicals (fluorinated gases)	1,000 t-CO ₂	Weight of target products sold during the fiscal year multiplied by the emission intensity per usage condition.
Scope 3 Category 11	Chemicals (fluorine gas, SF ₆ , sodium bicarbonate, potassium carbonate)	1,000 t-CO ₂	Sales weight for the fiscal year multiplied by the emission intensity per product, targeting products that directly emit GHGs when used by customers.
Scope 3 Category 12	Main products that were sold by the AGC Group	1,000 t-CO ₂	The weight of products sold during the fiscal year multiplied by the emissions intensity per waste type. For a portion of products, it is calculated by determining the volume of leakage from the weight sold and multiplying the figure by their global warming potential.
Scope 3 Category 13	Buildings owned by the AGC Group and leased to other companies	1,000 t-CO ₂	Leased area multiplied by the emission intensity per floor area, targeting buildings owned by the AGC Group and leased to other companies. Emissions from sites under AGC Inv.'s financial control calculated and included in Scope 1 and Scope 2.
Scope 3 Category 14	Not subject to calculation	1,000 t-CO ₂	Not applicable as the AGC Group has no franchise operations.
Scope 3 Category 15	Invested companies (non-consolidated investees)	1,000 t-CO ₂	Scope 1 and Scope 2 GHG emissions of invested companies (non-consolidated investees) multiplied by the investment ratio.
Percentage of major suppliers setting GHG emissions reduction targets	Main suppliers - 53 companies	%	Surveys and compilations through annual questionnaires of major suppliers representing approximately 70% of Category 1 and 3 GHG emissions on SBT certification acquisition or science-based GHG reduction target setting. Engagement target year is 2027.
Shipment volume index for architectural products with avoided emissions benefits	Architectural products with avoided emissions benefits	Index (2022=100)	Shipment volumes of energy-efficient architectural glass products such as high-insulation glass are displayed as an index, with 2022 set at 100.
Index for GHG emissions reduction by low-GWP chemical products	Low-GWP products	Index (2022=100)	GHG emission reduction contribution of chemical products such as low-GWP refrigerants and solvents is displayed as an index, with 2022 set at 100.

Note: The Scope of calculation is set based on the environmental activity level (Levels 1–3) set out in the AGC Group Environmental Management Working Rules. For the definition of levels, see p. 56 "Environmental Management."

Other Environmental Performance Data Calculation Method Definition List

The following environmental performance data is collected and managed through the same AGC Group environmental database system under the data management system described in “Environmental Performance Data Management System.” The calculation method for each item is shown in the table below.

Calculation targets	Scope of calculation	Unit	Calculation method / Definitions of calculation targets
Water: Water withdrawal	Level 1/2: All sites, Level 3: Some sites	1,000 m ³	Water withdrawal is compiled by source (freshwater surface water, brackish/seawater, groundwater, third-party sources) based on flow meters, invoices, etc.
Water: Water withdrawal (excluding seawater for cooling)	Level 1/2: All sites, Level 3: Some sites	1,000 m ³	The amount of seawater used to cool the Chemicals Company's own power generation facilities is subtracted from the above total amount of water withdrawal.
Water: Amount of wastewater	Level 1/2: All sites, Level 3: Some sites	1,000 m ³	Amount of wastewater is compiled by destination (freshwater surface water, brackish/seawater, groundwater, third-party discharge points) based on flow meters, measured data, etc.
Water: Amount of wastewater (excluding seawater for cooling)	Level 1/2: All sites, Level 3: Some sites	1,000 m ³	The amount of seawater used for cooling is subtracted from the total amount of wastewater above.
Total waste generated	Level 1/2: All sites, Level 3: Some sites	ton	Waste volumes are compiled based on industrial waste management manifests, weighing slips, etc.
Amount of valuable waste materials generated	Level 1/2: All sites, Level 3: Some sites	ton	Volume of materials sold or reused as valuable materials (including some intra-group transactions) calculated based on weighing slips, subcontractor slips, etc.
Amount of hazardous waste generated	Main manufacturing sites under the control of Chemicals Company & Life Science Company	ton	Hazardous waste generation at major manufacturing sites under the Chemicals Company compiled from manifests, weighing slips, etc.
Landfill rate	Level 1/2: All sites, Level 3: Some sites	%	Ratio of the final landfill disposal volume after various processing to the total amount of valuable materials and waste at each site.
Amount of recycled materials used as glass inputs	Glass Business sites	1,000 tons	The amount of recycled resources used as raw materials for glass (recycled cullet and collected salt cake) is compiled based on weighing slips, measured values, etc.
Ratio of recycled materials used as glass inputs	Glass Business sites	%	Amount of recycled resources used ÷ (Recycled resources used + Mineral-derived resources [newly added])
Amount of major glass raw materials inputted (silica sand, soda ash, dolomite, limestone)	Glass Business sites	1,000 tons	The amount of silica sand, soda ash, dolomite, and limestone used in glass production compiled based on measurement slips, measured values, etc.
Amount of fluorocarbons recovered	Domestic AGC Group sites	t-CO ₂	The amount of used fluorocarbon products collected from customers compiled as CO ₂ equivalents based on collection slips, measured values, etc. Recovered fluorocarbons are destroyed or recycled at AGC Chiba Plant.
Air pollutant emissions (NOx, SOx, soot & dust, VOC, etc.)	Level 1/2: All sites, Level 3: Some sites	ton	The amount of each substance (NOx, SOx, soot and dust, VOC, etc.) emitted from combustion equipment at major manufacturing sites is calculated by multiplying measured exhaust gas concentrations by the amount of exhaust gas.
BOD and COD Loads	Level 1/2: All sites, Level 3: Some sites	ton	BOD/COD in wastewater from major manufacturing sites is calculated by multiplying water quality analysis values by amount of wastewater.
Number of serious environmental accidents	All Group sites	Cases	Number of environmental accidents judged to be serious compiled based on the AGC Group Reporting Standards on EHSQ Incidents for all sites. Target: 0 cases.

Note: The Scope of calculation is set based on the environmental activity level (Levels 1–3) set out in the AGC Group Environmental Management Working Rules. Data collection is mandatory for Level 1 and 2, and optional for Level 3.

Third-Party Verification

■ Verification Statement

The AGC Group has received third-party assurance from SGS Japan Inc. for certain environmental performance data for 2025, as listed in the tables in the previous section.

■ List of Assured Data

Environment-Related Data Covered under This Assurance:

- Scope 1 GHG emissions: 5,953 kt-CO₂ (252 sites)
- Scope 2 GHG emissions (location-based): 4,161 kt-CO₂ (310 sites)
- Scope 2 GHG emissions (market-based): 3,510 kt-CO₂ (310 sites)
- Scope 3 Category 1 GHG emissions: 3,953 kt-CO₂ (179 sites)
- Scope 3 Category 10 GHG emissions: 464 kt-CO₂
- Scope 3 Category 11 GHG emissions: 1,366 kt-CO₂
- Scope 3 Category 12 GHG emissions: 1,216 kt-CO₂

Note: Figures in parentheses are the numbers of sites subject to calculation for 2025.

Note: For Scope 3 Category 1, the number of sites included in the external procurement calculation

Translation

Independent Assurance Report

SGS

12 June 2026
Opinion No : SGS26/110

Mr. Yoshinori Hirai
Representative Director, President and CEO
AGC Inc.
1-5-1, Marunouchi, Chiyoda-ku, Tokyo

SGS Japan Inc. (hereinafter referred to as "SGS") has conducted a limited assurance engagement on the GHG emissions data (hereinafter referred to as "the Statement") in the "List of Assured Data" under "Environmental Performance Management" of AGC Sustainability Data Book 2026 (hereinafter referred to as "Data Book 2026") prepared by AGC Inc. (hereinafter referred to as "the Organization") based on their request.

The Organization's Responsibility

The Organization is responsible for preparing the Statement in conformance with the calculation and reporting standards (hereinafter referred to as "the Organization's Criteria," described in Data Book 2026) adopted by the Organization.

The calculation of GHG emissions is inherently uncertain due to the incomplete scientific knowledge required to determine emission factors and the numerical data, for combining emissions of different gases.

Our Independence and Quality Control

SGS has complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

In accordance with International Standard on Quality Control 1-8, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statement based on the procedures performed and the evidence obtained.

SGS has performed the limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements."

The procedures performed by SGS are based on our professional judgment and include the following:

- Evaluation of the appropriateness and inquiries regarding the Organization's Criteria used to measure, aggregate, calculate, and report the Statement.
- Verification that the Statement and the underlying records are consistent.
- Inquiring about the calculation method and the status of internal controls over the Statement.
- Analytical procedures and inquiries regarding quantitative data.
- On-site inspection of Kashima Plant and Kitakyushu Plant.
- Assessment of the Organization's Criteria to develop estimates were appropriate and consistently applied. (This does not include testing the data underlying the estimate or developing independent estimates to evaluate the estimate.)

The procedures performed in a limited assurance engagement vary in nature from and are less in scope than, those performed in a reasonable assurance engagement.

As a result, the level of assurance obtained in a limited assurance engagement is lower than what would have been obtained if a reasonable assurance engagement had been performed.

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained by us, nothing has come to our attention that causes us to believe that the Statement in Data Book 2026 is not prepared in conformance with the Organization's Criteria in all material respects.

For and on behalf of SGS Japan Inc.

Yokohama business Park North Square I
134, Godo-cho, Hodogaya-ku, Yokohama
Business Assurance
Head of Certification/Accreditation
Yuji Takeuchi

This document is issued by the Company under its General Conditions of Service accessible at www.sgs.com/terms_and_conditions.htm. Attention is drawn to the limitation of liability, indemnification and jurisdiction issues defined therein. Any holder of this document is advised that information contained hereon reflects the Company's findings as the time of its intervention only and within the limits of Client's instruction, if any. The Company's sole responsibility is to Client and this document does not exonerate parties to transaction from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.

Respecting Human Rights

Fundamental Approach

The AGC Group has stipulated respect for people and respect for human rights in the AGC Group Charter of Corporate Behavior and the AGC Group Human Rights Policy, and acts in accordance with the “UN Guiding Principles on Business and Human Rights” and other internationally recognized human rights standards. As part of our corporate responsibility to respect human rights, we promote human rights conscious business activities not only within the AGC Group but also throughout our supply chain. As part of these efforts, we have incorporated our human rights principles into the AGC Group Purchasing Policy and request our business partners’ cooperation.

We comply with the laws and regulations of each country and region and respect the rights to freedom of association and collective bargaining. Furthermore, we will not engage in forced labor or child labor and will not tolerate infringements of human rights.

[AGC Group Charter of Corporate Behavior](#)

[AGC Group Human Rights Policy](#)

[AGC Group Purchasing Policy](#)

Management Structure

In accordance with the AGC Group Human Rights Policy, we conduct human rights-related initiatives in collaboration with relevant divisions. The “Human Rights Issue Liaison Meeting,”* composed of relevant divisions responsible for addressing salient human rights issues across the AGC Group, is held twice a year and led by the General Manager of the Sustainability Division. It shares information on the AGC Group human rights related issues and promotes the development and maintenance of a human rights due diligence framework aligned with international standards. Particularly important issues are discussed by the Sustainability Committee, which is attended by the CEO, CTO, CFO, and all division heads, and held four times a year. The discussions of the Sustainability Committee are reported to the Board of Directors twice a year.

*Renamed in 2026 from the “Human Rights Issue Response Liaison System”

Group-wide Initiatives

Identification, Specification, and Assessment of Human Rights Risks

We analyzed and evaluated the characteristics of our business areas, business activities, and value chains, and our stakeholders, and identified the 14 items below as human rights issues to consider. From these, we identified five salient human rights issues that have a particularly significant impact on human rights and on which the AGC Group should focus its efforts to reduce potential risks. We will continually conduct risk assessments and review these salient human rights issues in response to changes in social conditions and business activities.

Human Rights Issues for the AGC Group to Consider (14 items)

Salient human rights Issues: 5 items

1. Worker's health and safety
2. Rights of local people
3. Conflict minerals (responsible mineral procurement)
4. Procurement of raw materials
5. Discrimination and harassment in the workplace and employment

Other Human Rights Issues to Consider: 9 items

1. Consumers' health and safety
2. Forced labor
3. Child labor
4. Freedom of association and collective bargaining
5. Adequate working hours
6. Decent wages
7. Rights of foreign and migrant workers
8. Right to privacy
9. Corruption

Prevention and Mitigation of Negative Impacts / Follow-up Monitoring of Implementation Status and Results

Making efforts to spread awareness of human rights throughout the AGC Group and to promote initiatives related to human rights and labor practices, we carry out these activities in cooperation with relevant divisions as part of daily operations. We are working to prevent, mitigate, and remedy the negative impacts on each salient

human rights issue identified through human rights impact assessments.

Regular Self-Assessments of Human Rights and Labor Practices

In addition to providing human rights education, the Human Resources Division conducts self-assessments on 14 human rights issues requiring particular attention as part of its regular self-assessments on human rights and labor practices. In 2025, self-assessments were conducted at 167 AGC Group companies, and any cases requiring correction have been promptly addressed. The AGC Group does not tolerate any labor practices that violate the laws of the countries and regions in which it operates. We conduct above-mentioned regular self-assessments to prevent forced labor and child labor, and ensure that there are no violations. We pay appropriate wages that exceed the legal minimum wage to ensure the livelihood and safety of our employees. The Company aims to provide its diverse range of employees with the systems and environments necessary to help them perform their jobs, without discrimination based on gender, age, or disability.

Other Measures and Initiatives to Prevent and Mitigate Negative Impacts

Examples of our initiatives are summarized in the table below.

The salient human rights issues for the AGC Group	Prevention and mitigation measures and initiatives
Worker's health and safety	• Safety culture diagnosis: In order to foster a culture of safety in the workplace, we are identifying weaknesses in our organization through assessments by third-party experts and prioritizing improvements. p. 85 • When building, expanding, or modifying facilities, the AGC Group conducts risk assessments based on its Prior Safety Assessment System and verifies that the facilities are safe. p. 85 • Through General Affairs and HR Personnel Network Conference, we review health and productivity management and work styles, explain measures, and exchange opinions, working as a unified group to improve the working environment and create a comfortable workplace. p. 77
Rights of local people	• The AGC Group has identified “Considering relationships with local communities and the environment” as one of its long-term social issues (materiality) and is committed to two-way communication. The AGC Group engages in dialogue with residents living near its domestic plants and members of neighborhood associations. We provide information on the current status of the plant and hold discussions in advance to explain any matters that may affect the surrounding community. At AGC Inc., a total of 71 dialogues were held in 2025.

Conflict minerals (responsible mineral procurement)	- At the AGC Annual Suppliers Meeting, attended by our CEO, we disseminate our Purchasing Policy, which stipulates respect for human rights, etc. p. 87 - To identify potential risks and make improvements, we conduct a questionnaire survey on sustainable procurement for our business partners and encourage them to make improvements if any issues are identified. p. 87
Procurement of raw materials	For the procurement of conflict minerals and other minerals deemed to be high risk, such as cobalt, we conduct due diligence in cooperation with our business partners and take corrective action if serious risks are found. p. 88
Discrimination and harassment in the workplace and employment	- We have conducted employee engagement surveys every three years in principle to improve employee engagement by better understanding the current situation facing individual employees, the Company, and workplaces. p. 73 - The Group organizes various training programs for its business partners to promote manufacturing and human resource development with an awareness of the entire supply chain. p. 88 - Harassment prevention and compliance training programs and endeavors are conducted to ensure a healthy work environment free from discrimination and harassment. p. 64

Responding to Issues Regarding Human Rights and Labor Relations

In the event that it becomes clear that the Group's business activities have caused or contributed to any negative impacts on human rights, the AGC Group will take appropriate remedial measures and strive to take corrective and preventive measures. Specifically, the Human Resources Division, Compliance Division, and the relevant workplaces will work together to respond to each case.

Explanation and Disclosure to Internal and External Stakeholders

In accordance with the AGC Group Human Rights Policy, we report on the progress of our initiatives to address adverse human rights impacts on our website and in our Sustainability Data Book. In addition, the AGC Group UK subsidiary (AGC Chemicals Europe, Ltd.) discloses a Modern Slavery & Human Trafficking Statement. Please refer to the following (link) for disclosure details.

[Modern Slavery & Human Trafficking Statement](#)

Remediation Mechanism (Grievance Mechanism)

We have established a system to receive reports from all stakeholders, including those within our supply chain, through our internal

harassment contact desk, our compliance hotline for reporting incidents both inside and outside the AGC Group. The Procurement & Logistics Division has also established a Procurement Compliance Consultation Desk for procurement activities.

Furthermore, in 2024 we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) in order to strengthen our grievance mechanism. In this way, we accepted human rights complaints from all stakeholders and, from a professional standpoint, ensure the legitimacy of the complaint processing mechanism while improving the effectiveness and efficiency of the complaint processing. Furthermore, through the operation of third-party hotlines, we not only ensure the anonymity of whistleblowers and the confidentiality of reported information, but also maintain fairness and transparency in complaint processing.

In 2025, two reports were submitted to JaCER, both related to our salient human rights issue of "discrimination and harassment in the workplace and employment."

[JaCER: Japan Center for Engagement and Remedy on Business and Human Rights](#)

AGC Inc.'s Initiatives

Measures to Deal with Human Rights Issues and Harassment

AGC Inc. conducts harassment prevention and compliance training programs and endeavors to ensure a healthy work environment free from discrimination and harassment. We educate employees on various forms of harassment, such as sexual and power harassment, through rank-specific training and other means to prevent the occurrence of such harassment. We provide training for managers to give them the knowledge and skills needed to prevent harassment. If harassment occurs, we take corrective measures to prevent recurrence, which include reeducation of the individual at fault. To facilitate early detection of problems, we have established internal and external consultation routes (harassment counsellor system, internal reporting channels, external consultation contact points, etc.) in a manner that takes into consideration those seeking consultation, including employees, customers, and business partners. Through these contact channels, we expedite the provision of consultations to employees with concerns, address problems, and prevent their occurrence. Moreover, the internal reporting helpline managed by the Compliance Division is available not only to AGC Inc. employees but to all Group employees.

Furthermore, we participate in the Mitsubishi Human Rights

Awareness Promotion Liaison Association as an external organization, and work to enhance our knowledge.

Freedom of Association and the Right to Collective Bargaining

Within AGC Inc., the employees' union, the AGC Labor Union, works to maintain and strengthen healthy labor-management relations. In negotiations between management and labor, each side respects the other position and logic, and tries to solve problems through discussion. When making changes to the working conditions of regular employees, we conduct negotiations in advance and make decisions after ensuring an appropriate notice period. The union managers and top management of AGC Inc. have meetings that are focused on management of the entire business at least twice a year.

Data About the Labor Union (AGC Inc.)

Year	Number of members*	Average age	Average length of service
2021	4,526	39.7	15 years and 3 months
2022	4,535	40.0	15 years and 6 months
2023	4,574	40.2	15 years and 7 months
2024	4,685	39.9	15 years and 5 months
2025	4,841	39.9	15 years and 1 month

*AGC Inc. adopts a union shop system under its collective bargaining agreement.

Human Resource Management

Fundamental Approach

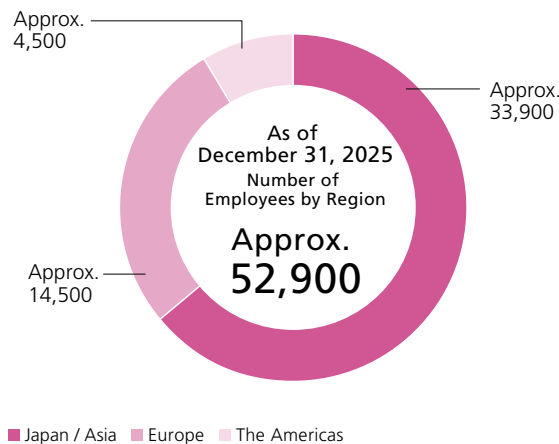
AGC's Human Capital Management "AGC People: Driving our Growth!"

AGC's diverse people are committed to realizing Our Purpose as stated in the Group Philosophy **"Look Beyond"** and enabling sustainable corporate growth.

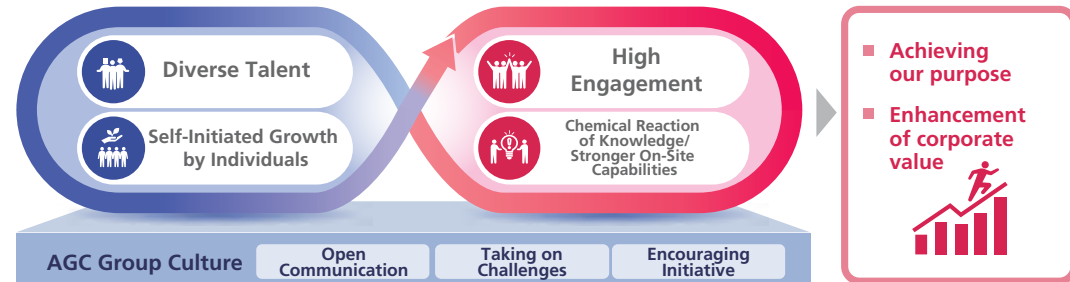
- Our corporate culture places importance on open communication, taking on challenges, and encouraging initiative. We will unlock the unique strengths and abilities of each individual and encourage continuous learning and professional development.
- A highly engaged organization with constantly improving individuals will enhance corporate value by utilizing external and internal collaboration to promote chemical reaction of knowledge and stronger on-site capabilities.

Based on the "AGC People: Driving our Growth!" concept, we plan and implement human resources policies, set quantitative targets to measure their effectiveness, and monitor them to ensure steady progress. We enhance corporate value by creating social and economic value through our human capital management.

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



AGC People: Driving our Growth!



AGC People: Driving our Growth!	Ideal state	Issue	Examples of priority measures	Monitoring indicators / Examples of management
Diverse Talent	Creating an environment where talents with diverse attributes, experiences, and personalities who share a common purpose can come together across divisions and countries and participate in decision-making and value creation	Fostering a diverse pool of management talents to lead the Group (increasing the proportion of foreign human resources and women in management)	Management of the HR Committee, which discusses the development and placement of management talents Global selection of candidates for management talents Development and support of candidates for management talents that takes into account their diversity and individuality	Periodic reviews of placement and development by the HR Committee AGC's 2030 female talent ratio (Percentage of female officers: 30%, percentage of female executive officers: 20%, percentage of female managers: 8%)
Self-Initiated Growth by Individuals	Providing opportunities for each individual to continuously develop and demonstrate their strengths, skills, and personality in a self-initiated manner	Continually providing optimal training programs tailored to the times and the environment Enhancing each employee's feeling of personal growth	Establishing a system to visualize individual skills and career aspiration Providing support programs for proactive and self-motivated career development	CNA* participants / Number of events Rank-specific training Number of employees engaged in in-house secondary jobs Challenge Career System
Improving Employee Engagement and Fostering Corporate Culture	Under a corporate culture that places importance on open communication, taking on challenges, and encouraging initiative, we aim to enhance the vitality of each individual and maximize the performance of the organization as a whole	Maintain high positive response rate in engagement survey questions Decrease in negative response rate	Continuous implementation of a system that recognizes challenges and achievements Management visits to sites (sharing the values of senior management) Leaders' interviews (sharing the values of managers)	Executive remuneration (engagement score is one of the indicators) Continuation of AGC Group CEO Awards ceremony
Chemical Reaction of Knowledge/ Stronger On-Site Capabilities	Aiming to increase human resources who can generate new innovations and value through diverse collaboration both within and outside the Company, while also improving on-site <i>monozukuri</i> capabilities	Further exchange of human resources between research laboratories and business divisions Strengthening on-site capabilities in manufacturing, sales, and development through DX	Revitalizing cross-divisional networks beyond the area of expertise Revitalizing exchange of human resources by consolidating R&D sites Encouraging employees to obtain Ph.D. degrees Supporting the acquisition of new skills, including DX and data utilization	Number of transfers between divisions reporting to the CTO (e.g., Technology General Division) and business divisions Number of Ph.D. holders / Percentage Number of external joint projects Training of DX human resources, examples of DX utilization

*CNA (Cross-divisional Network Activity): Network activity across departments/divisions

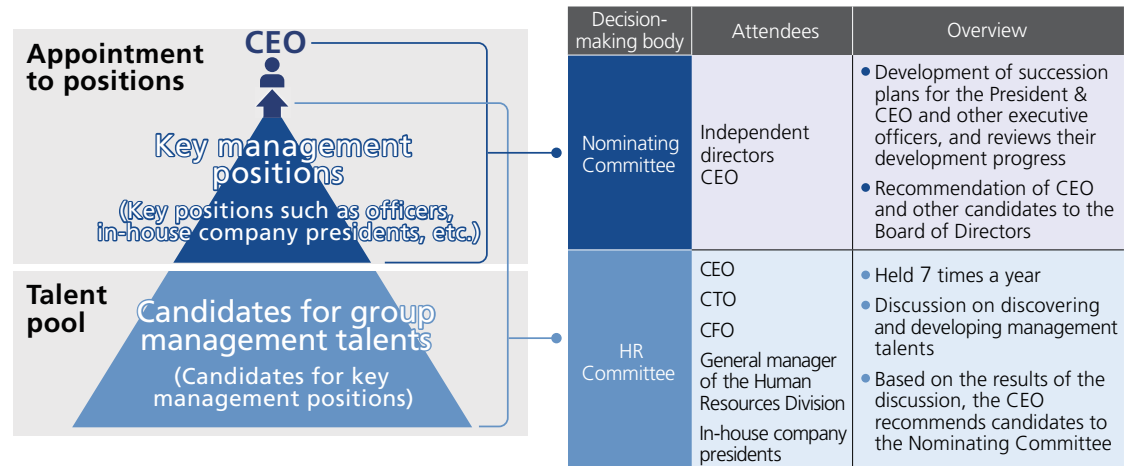
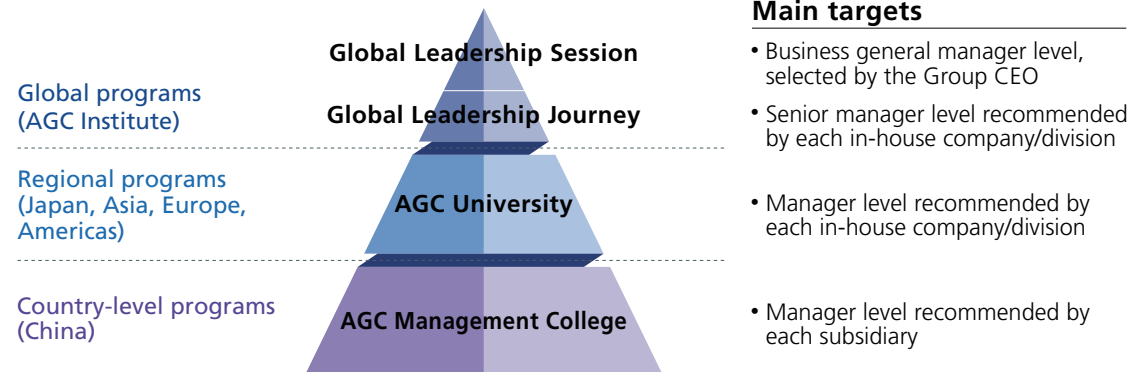
Group-wide Initiatives

Developing Group Management Talents

In order to develop AGC Group management talents, we select key management positions globally, identify successor candidates as a talent pool, and implement systematic assignment and training.

Development of global-level management talents is carried out from the three perspectives of “growth through work,” “mentorship and coaching,” and “training,” by formulating and implementing plans tailored to each individual's experience and challenges. The candidates are strategically assigned to important cross-divisional or cross-regional positions. In addition, we support their growth through 360-degree assessments and mentorship and coaching tailored to their individual needs. In addition, to enhance the effectiveness of training, we encourage employees to participate in various selective training programs, including those led by independent directors, to gain the experience and knowledge necessary for management talents.

AGC Group Management Talents Development Program System



AGC Inc.'s Initiatives

Human Resource Management System

AGC Inc. manages employees fairly in consideration of their abilities and performance. The Company pays appropriate wages that exceed the legal minimum wage and living wage, and aims to provide its diverse range of employees with the systems and environments necessary to help them perform their jobs, without discrimination based on gender, age, or disability.

For that reason, the Company clarifies employees' roles, functions, and responsibilities and utilizes and evaluates capable employees fairly, regardless of age, length of service, or gender. The company has introduced a system of management by objectives covering basically all employees, and reviews performance and career development through ongoing dialog between employees and supervisors.

Number of Employees (AGC Inc.)

As of end of December 2025, excluding those dispatched from other Group companies

Classification		Male	Female	Total	Percentage of female employees
Managers		3,299	301	3,600	8%
Non-managers	Career-track positions	966	299	1,265	24%
	Shop-floor workers	3,361	179	3,540	5%
	Clerical positions	10	564	574	98%
	Subtotal	4,337	1,042	5,379	19%
Total		7,636	1,343	8,979	15%

Employee-Related Data (AGC Inc.)

As of end of December, 2025

Item	Male	Female	Total
Average age	43.5	42.1	43.3
Average length of service	17.9	13.5	17.2
Average overtime working hours	18.8 hours/month (labor union member average)		
Paid leave acquisition rate	94.5% (labor union member average)		

Voluntary resignations (AGC Inc.)

Period: April 2025 to March 2026 Excludes employees retiring upon reaching the mandatory retirement age

Item	Number of employees / year
Number of employees retiring	187
Average length of service for retirees	9.9

Retention Rate of New Career-Track Employees (AGC Inc.)

As of end of March, 2026

Year of recruitment	Number of employees	Retained employees	Retention rate
2022	122	106	86.9%
2023	140	129	92.1%
2024	157	153	97.5%
2025	129	128	99.2%

Percentage of Mid-Career Hires among Career-Track Employees (AGC Inc.)

As of March 31 of each year

Year of recruitment	Percentage of mid-career hires
2022	57.9%
2023	58.8%
2024	45.3%
2025	32.8%

Global Promotion of Diversity

Fundamental Approach

Diversity is one of the four values of the Group philosophy **“Look Beyond”** and is the foundation of the AGC Group as well as a source of competitive advantage. Our business management encourages innovation and value creation by providing opportunities for diverse talent to realize their full potential and is promoting mindset shifts, development, and placement in an integrated manner.

The AGC Group values diversity in terms of not only gender, age, race, nationality, disability status, sexual orientation and gender identity, religious beliefs and creeds, and values, but also in terms of career paths, experiences, and work styles. We strive to convert this diversity into strength by emphasizing equity and inclusion while creating systems and environments that facilitate work by our diverse personnel.

■ AGC's Definition of DE&I

【Diversity】 Diversity refers to the respect and appreciation of individual differences. It acknowledges diversity in age, gender, ethnicity, religion, disabilities or illnesses, gender identity or expression, sexual orientation, education, and nationality. The emphasis is on empowering individuals by valuing and leveraging these differences.

【Equity】 Equity is about providing each member with unique support to help them succeed and grow.

【Inclusion】 Inclusion is a proactive initiative to incorporate each member's ideas, knowledge, styles, approaches, and perspectives to maximize the success of the business and the well-being of its members.

Management Structure

In order to create an environment where diverse talent can fully utilize their abilities, the AGC Group established the Diversity Council in 2022, chaired by the CEO. This council meets semi-annually to share information and discuss cross-divisional issues, and advances concrete measures based on four key approaches: fostering a supportive culture, recruitment, human resource development, and creating a conducive work environment.

Groupwide Initiatives

■ Appointment of Diverse Personnel

The AGC Group has developed an Employee Value Proposition (EVP) to strengthen its global recruitment branding. Under the common phrase “Make Your Mark Every Day” and based on its concept, the Group is delivering a consistent recruitment brand message.

Furthermore, in the Asia-Pacific, a key region in our business strategy, we established a regional headquarters company, AGC Asia Pacific Pte. Ltd. in Singapore in 2013 to accelerate the development of new businesses and markets. We employ highly motivated and capable talents from within and outside the region, regardless of country of origin.

■ Empowering Women

The AGC Group implements development programs based on individual development plans for female talent expected to take on future management and business leadership roles. Through initiatives such as an executive mentoring program for women at the general manager level and opportunities to engage in dialogue with external female officers, it supports the acquisition of the experience and knowledge necessary for a management perspective, strategic thinking, and decision-making. We also encourage our high-potential talent to broaden their horizons and hone their leadership skills by participating in external leadership development programs for women.

We are actively recruiting women, implementing systematic talent development programs, and fostering a culture that transforms diversity into a strength. We are beginning to see tangible results from these initiatives.

The AGC Group as a whole continued to see year-on-year improvements in fiscal 2025 in the proportions of female employees, 21.8%, and female managers, approximately 15%.

● Percentage of Female Managers (AGC Group)

As of September 30 of each year

Year	Percentage of female employees
2024	12.6%
2025	15.4%

● Percentage of Full-Time Employees by Age Bracket (AGC Group)

As of end of September, 2025

Age classification	Male	Female
0–14	—	—
15–24	3.7%	1.2%
25–34	18.3%	5.9%
35–44	23.5%	6.7%
45–54	21.0%	5.5%
Over 55	11.7%	2.5%
Total	78.2%	21.8%

● Percentage of Full-Time Employees by Length of Service (AGC Group)

As of end of September, 2025

Length of service classification	Male	Female
Less than 1 year	4.6%	1.7%
More than 1 year but less than 5 years	16.9%	6.7%
More than 5 years but less than 10 years	14.5%	4.6%
More than 10 years but less than 20 years	20.0%	5.0%
More than 20 years but less than 30 years	13.5%	2.5%
More than 30 years	8.7%	1.3%
Total	78.2%	21.8%

■ Employment of People with Disabilities

The AGC Group (Japan) is expanding employment opportunities for people with disabilities.

● Employment Rate of Persons with Disabilities (AGC Group (Japan))

AGC Group (Japan) for companies obligated to employ people with disabilities
As of October 31 of each year

Year	Number of people with disabilities (actual number)	Employment rate
2024	276	2.33%
2025	297	2.46%

■ Special Subsidiary, AGC Sunsmile

AGC Sunsmile, Inc. is a special subsidiary established in 2002 with a view to increasing the employment of people with intellectual disabilities. In cooperation with welfare institutions for persons with disabilities, etc., the Company strives to provide a better work environment for highly motivated employees. Duties consist mainly of cleaning the Company offices and dormitories, and they are also in charge of greening activities. In addition, depending on the needs of divisions at business sites, AGC Sunsmile employees also engage in the conversion of documents into PDF format, supplementary work related to manufacturing processes, and internal mail and postal distribution duties. We are working to create opportunities for AGC Sunsmile employees to thrive through the expansion of their job roles.

Previously, the Company operated in the Yokohama Technical Center, Sagami, and Kansai, but in 2023, it established a new Tokyo office within AGC's headquarters. This office aims to contribute to improving operational efficiency within the company by focusing intensively on administrative support tasks extracted from various divisions within the headquarters.

AGC Inc.'s Initiatives

■ Hiring Diverse Personnel

Since 2010, AGC Inc. has boosted efforts to hire new graduates for career-track positions, including Japanese and non-Japanese students graduating from overseas universities as well as international students coming to Japan.

● Non-Japanese Nationals Hired during New Graduate Recruitment for Career-Track Positions (AGC Inc.)

Year of recruitment	Exchange students in Japan	Graduates of overseas universities
2021	2	0
2022	6	1
2023	10	1
2024	7	4
2025	6	1

■ Empowering Women

To create an environment that encourages the active participation of women, AGC Inc. has established a registration system for leavers who wish to be rehired. Under this system, leavers who wish to be rehired

in the future are registered and given priority prior to being hired from the external human resources market. We have also introduced the mentorship system where senior female employees provide support to junior female employees. In addition, we have introduced a system allowing employees to take up to three years off when accompanying their spouse on a job transfer, supporting a flexible work-life balance.

■ Support for Raising Children

AGC Inc. provides support through a cross-departmental network of female employees for raising children, examples of which include the introduction of the Nursery Use Support System for external nurseries registered as AGC corporate bodies, participation in support for use of babysitters, the creation and distribution of handbooks for employees and their managers who are expecting or raising children; the holding of meetings by the Women's Activity Secretariat or female employees (both before taking childcare leave and after returning); and the holding of career design seminars after returning to work.

■ Promotion of Female Employees to Management Positions

In July 2021, AGC Inc. endorsed "Here We Go 203030", an initiative promoted by Keidanren (Japan Business Federation) to achieve 30% female representation among board members by 2030.

Ensuring diversity in decision-making positions is a key theme for the AGC Group, which operates its business globally. AGC Inc. has set targets by 2030 of 30% female officers, 20% female executive officers, and 8% female managers. As of March 31, 2026, we had appointed four female independent directors and four female executive officers promoted internally, resulting in a female officer ratio of 40%, a female executive officer rate of 11.7%, and a female manager ratio (initiative of AGC Inc.) of 6.3%.

● Trends in Percentage of Female Managers (Division Manager or Higher) (AGC Inc.)

As of December 31 of each year (excluding those who have retired from their positions)

Year	Percentage of female Managers
2021	3.9%
2022	4.8%
2023	5.4%
2024	6.0%
2025	6.2%

● Trends in Percentage of Female Managers (General Supervisor or Higher) (AGC Inc.)

As of December 31 of each year (excluding those who have retired from their positions)

Year	Percentage of Female Managers
2020	5.9%
2021	6.8%
2022	7.0%
2023	7.9%
2024	8.4%
2025	9.0%

● Number of New Female Graduates Recruited for General Career-Track Positions (AGC Inc.)

Year	Number of new female graduates	Total new graduates	Percentage of Female Managers
2021	17	111	15.3%
2022	23	122	18.9%
2023	40	140	28.6%
2024	52	157	33.1%
2025	41	129	31.8%

● Wage Gap Between Men and Women (AGC Inc.)

Year	Management positions (division manager or higher)	Non-management positions
2022	98.7%	81.1%
2023	93.9%	81.6%
2024	93.9%	80.5%
2025	93.2%	78.0%

Note: Gap when dividing regular employees into management and non-management categories

■ Employment of People Who Have Reached Retirement Age

From 2015, AGC Inc. gradually raised its retirement age from 60 to 65.

The mandatory retirement age for employees who have reached 60 years of age from 2021 onward is 65.

■ Employment of People with Disabilities (AGC Inc.)

The AGC Inc. is expanding employment opportunities for people with disabilities. The Company has exceeded the employment rate of people with disabilities designated by law and continues to promote understanding of this initiative throughout the Company.

● Employment of People with Disabilities (AGC Inc.)

Year	Number of people with disabilities (actual number)	Employment rate
2021	144	2.36%
2022	145	2.32%
2023	157	2.41%
2024	170	2.54%
2025	170	2.7%

■ Creating a Vibrant Workplace for LGBTQ People

Under the shared value “One Team with Diversity,” AGC Inc. is committed to creating an environment where diverse human resources can demonstrate their abilities and individuality, regardless of sexual orientation, gender identity, or gender expression. As part of these efforts, we are promoting the development of a workplace environment where LGBTQ people can work with peace of mind, and are developing internal measures in terms of both institutional and cultural aspects.

With regard to institutional measures, we operate consultation desks for LGBTQ people and recognize same-sex common-law partners as spouses. In terms of cultural measures, we promote internal understanding by holding seminars and expanding the number of ALLY members who understand and support LGBTQ. To increase the visibility of ALLY, we produce ALLY stickers and T-shirts, and volunteer members from within the Company participate in cheering along the Tokyo Pride Parade.

For LGBTQ people, ALLYs who have accurate knowledge and a willingness to respect others are a reassuring support. Therefore, we will continue to promote internal understanding and expand the number of ALLY members, while also working to enhance internal systems so that LGBTQ people can feel comfortable and supported in their workplace.



AGC Inc.'s LGBTQ ALLY sticker



Awarded PRIDE Index 2025 Gold



Cheering along the route of the 2025 Tokyo Pride Parade

■ Diversity Employee Group

The AGC Group's Employee Resource Groups (ERGs) are voluntary internal networks formed by employees and allies who share common identities, such as generation, gender, LGBTQ, ethnicity, religion, disability, and working parent status. These groups are supported by executive sponsors and are active in networking, professional development, and workplace improvement.

Employee Education

Fundamental Approach

The AGC Group outlined its policy on Development and Growth in the "7 Key Principles for People," which aim to realize progressive human resource management.

The AGC Group aims to become a company that puts into practice its human resource management slogan—"AGC People: Driving our Growth!"—and we believe that human resources are the driving force for the growth of the Group's business operations. The AGC Group has established a variety of training programs, such as technology and skills training provided alongside rank-specific training to further support employee growth.

Management Structure

The AGC Group organizes an educational system, chiefly through the Human Resources Division, in cooperation with the personnel officers of each in-house company and region. In addition, the training systems and methods are continuously reviewed and improved.

Group-wide Initiatives

AGC MONOZUKURI Training Center

The AGC MONOZUKURI Training Center is an in-house educational facility designed to effectively develop the AGC Group personnel. The training center comprises two areas, one for training and one for practical application, and it provides online and video-streamed training on over 120 (business and technical) topics, principally for AGC Group employees in Japan. In terms of practical training, technical education is designed around the concept of "GENBA (real place), GENBUTSU (real product), and GENJITSU (reality)." The training center, equipped with the same machines and equipment as those used in the AGC Group plants, provides trainees with practical, hands-on learning opportunities. Training is also provided to business partners to boost the standard of manufacturing excellence and support for the next generation throughout the supply chain.



Training and education building

Training Programs

The AGC Group continuously works to develop human resources by implementing rank-specific training programs, from new employees up to the management level. In addition, the Group enhances and carries out many types of selective training in various specializations and for improving business skills.

Improvement of Training Environment

The AGC Group has been offering employee training online as part of its "learn anytime, anywhere" work-place-building initiative and promoting web-based and video-based training since 2014. In addition to face-to-face training, which brings participants together, we are working to diversify learning by combining training held online and via video distribution and promoting individual autonomy in reskilling. Going forward, we will continue to consider various training methods and expand content to create an environment where employees can easily learn.

2025 Training Participation Results

The number of participants and the number of hours of training* at AGC Inc. and its Group companies are as follows.

2025 Training Participation Results (AGC Group (Japan))

	Number of participants	Hours	Average time/ Participant
AGC Inc.	3,099	58,257	18.8
Group companies	1,896	19,876	10.5
Total	4,995	78,133	15.6

* Training results (face-to-face training, online training, e-learning) operated by the AGC MONOZUKURI Training Center. Does not include training conducted independently by individual divisions or Group companies.

Human Resource Development to Create Digital Innovation

Promotion of AGC Group Improvement and Innovation Activities

The AGC Group promotes improvement and innovation activities in order to raise the productivity of the entire Group. In addition to increasing productivity throughout the supply chain, the Group is actively expanding the scope of activities to non-manufacturing divisions, such as sales and marketing and back office sections. In recent years, by simulating optimal productivity when new businesses and products are about to be launched, the Group has been raising the likelihood of success in its business ventures. In addition, we have begun new activities to build rewarding work environments and improve employee engagement by systematically identifying and promoting the resolution of issues in organizations.

Kaizen Manager Development Program

The AGC Group develops core personnel who are able to drive innovation for business improvement. Through practical instruction based on each participant's own business challenge themes, they learn problem-solving methods that lead to digital transformation by combining the design approach of industrial engineering with the latest data analysis techniques. More than 300 people have completed the program to date, and they are leading improvement and innovation efforts at sites around the world.

Development of Dual-Skilled Personnel

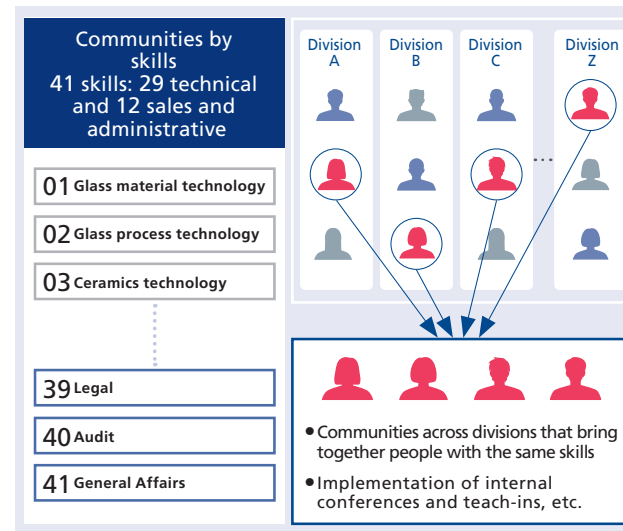
To develop the human resources essential for the acceleration of digital transformation, we are focusing on fostering dual-skilled personnel who possess expertise in their particular business fields as well as digital technology skills. To this end, we are independently evolving a multi-layered training curriculum tailored to each employee's job. The Data Science Plus program aims to develop data scientists through a comprehensive training system encompassing three levels: introductory, basic/applied, and advanced, and is also being rolled out to overseas sites. At the advanced level, the target was to train 100 employees by the end of 2025, but we exceeded that with 119 employees. Based on this result, we have set a new target of developing 300 advanced data-driven professionals by 2030, and are promoting company-wide development to achieve this. Further, we offer the Digital Transformation Training for Managers, which targets the senior managers of in-house companies, and the Data Utilization Training for Plant Technicians.

■ CNA: Cross-Divisional Network Activities

In the CNA program, which aims to improve employees' specialized skills, employees can register their own skills* and engage in cross-divisional activities with other employees who have the same skills. Each community, organized around a skill, is led by a skill leader and includes various workshops, in-house conferences, and study sessions on technology-related matters, human resource development, and exchange activities. Recently, there has been an increase in cases where employees register skills they wish to learn, in addition to their area of expertise, as desired skills for participation, and apply them to their relearning efforts. In 2023, the number of activity participants exceeded 10,000 globally. These activities in the CNA program provide valuable opportunities for employees to get to know members from other organizations based on skills and gain a wealth of ideas and stimulation. Such experiences allow employees to feel that they are contributing to the company's value and competitiveness. Building on these experiences, we will continue to utilize internal networks to support the provision of "spaces for spontaneous learning" for individual learning and growth. These spaces serve as a "third place" (i.e., not at home or the workplace) where participants can enjoy a comfortable environment that fosters constructive exchanges. AGC aims to further develop and evolve this unique organizational culture that connects diversity and generates value.

* AGC's 41 specialized skills. They consist of 29 technical skills and 12 sales and administrative skills, and are used as a skill map.

● Visualization of Skills



● Cross-Divisional Network Activity (CNA)

What is the "third place" referred to in the CNA Philosophy ?



2nd Place



1st Place



3rd Place

The goal
of CNA
as a professional
club

AGC Inc.'s Initiatives

■ Career Development Support

AGC Inc. has introduced the "Challenge Career System" to encourage employees to apply for the jobs of their choice. The system assigns appropriate people to newly launched businesses and operations that need strengthening, further invigorating the organization in the process. In addition, the "Professional System" and the "Meister System" have been adopted in order to appropriately evaluate and manage those with highly specialized expertise or advanced technological skills.

Challenge Career System

- An in-house voluntary recruitment system, under which employees apply to job offers publicly posted by each division once a month (a total of 266 employees to date)
- An in-house free agent system, under which employees register for the jobs that they wish to perform at other divisions and undergo screening individually for job consideration (a total of 130 employees to date)
- Job Challenge (in-house side jobs)
A system that lets employees apply to internal job postings in any division and work a side job (started in 2023)

Professional System

A system under which manager-level employees, who have extremely high practical knowledge, skills, or behavioral traits regarding technical skills and expertise vital to the AGC Group and can exercise them to a great extent, are certified as professionals, and treated with adequate conditions (51 managers).

Meister System

A system under which technicians, who have outstanding technical skills and knowledge vital to the continuous development of the AGC Group and can exercise them to a great extent and who are responsible for the training and guidance of their successors, are certified as meisters, and treated with adequate conditions (5 employees)

Note: Current numbers are as of December 31, 2025. The number listed for the Challenge Career System is the total number of users since 1999.

Improving Employee Engagement

Fundamental Approach

The AGC Group is committed to fostering an organizational culture where diverse individuals can demonstrate their potential and contribute to enhancing the Company's value through high engagement. Employee Engagement is about nurturing an environment where motivated individuals and a company striving for a better organizational culture mutually grow and uplift each other. To this end, employees, managers, and members of the senior management team all consider ways to solve problems and find appropriate measures through dialogue. The Group also strives to make these approaches and activities part of its employees' daily work.

Group-wide Initiatives

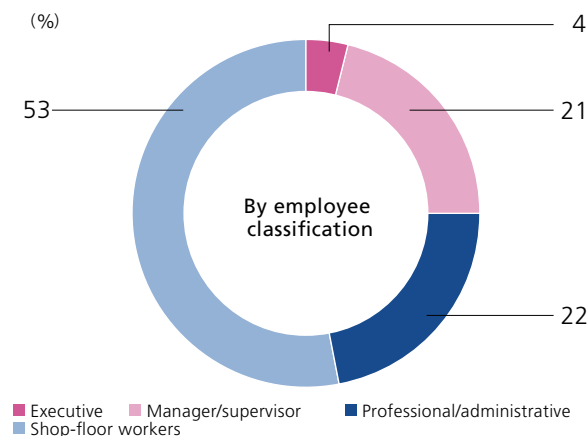
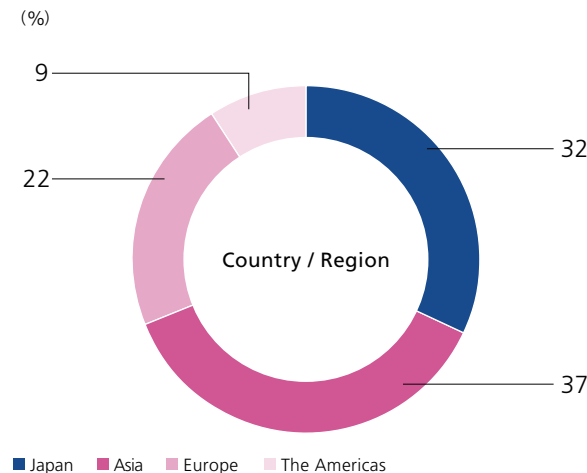
Since 2005, every three years in principal the AGC Group has conducted engagement surveys targeting Group-wide employees both inside and outside Japan, with the aim of improving overall engagement. Based on the results of these surveys, the Group formulates and executes necessary policies at individual divisions or workplaces and confirms the positive effect of the policies in the following survey.

Most recently, in September 2022, the Group conducted its seventh survey, in 24 languages targeting approximately 50,000 individuals. The positive response rate increased compared with the previous survey in 2019, and the effect of measures taken by each division and workplace was evident. Based on the results of the 2022 survey, we have been discussing workplace issues and developing additional measures to resolve them. The effectiveness of the measures is confirmed through a simplified annual survey, while we are committed to ongoing activities to improve engagement.

Employee Engagement Survey 2022 Details

[AGC Integrated Report 2023 p. 81 Employee Engagement Survey 2022](#)

● Engagement Survey Respondents by Region/Job (7th) (AGC Group)



● Engagement 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%
Fifth survey (conducted in November 2016)	43,546	36,773	84%
Sixth survey (conducted in September 2019)	47,533	41,897	88%
Seventh survey (conducted in September 2022)	49,468	42,656	86%

● Engagement Survey Topics

Employee Engagement	Employee Enablement	
1. Clear and promising direction 2. Leadership 3. Quality and customer focus 4. Respect and recognition 5. Development opportunities	1. Performance management and compensation 2. Authority and empowerment 3. Resources 4. Collaboration 5. Work efficiency	• Change from previous iterations • Understanding and practice of "Look Beyond"

■ AGC Group CEO Awards

The AGC Group has set up the annual AGC Group CEO Awards with the goal of creating a positive corporate culture where employees respect each other and commend each other's success and efforts. Nominations are received from around the world, out of which up to 43 projects that embody AGC's four key values will receive the AGC Group CEO Award (41 projects in fiscal 2025), and the **"Look Beyond"** Award will be presented to the most outstanding initiative among them. Information on the award-winning activities is shared via intranet website, and award ceremonies are held in each region of Japan/Asia, Europe, and the Americas. To maintain a high level of motivation among our employees, the Group regularly reviews ways to acknowledge and commend their contributions.

● CEO Awards across the AGC Group in 2025

Division	Number
Architectural Glass Asia Pacific Company	4
Architectural Glass Europe & Americas Company	5
Automotive Company	6
Electronics Company	8
Chemicals Company	6
Life Science Company	3
AGC Ceramics Co., Ltd.	2
CTO Office* ¹	5
CFO Office* ² and Internal Auditing	2
Total	41

*1 Digital & Innovation Management Division, Business Development Division, Intellectual Property Division, EHSQ General Division, and Technology General Division

*2 Corporate Planning General Division, General Affairs Division, Corporate Communications and IR Division, Legal Division, Human Resources Division, Finance & Control Division, Procurement & Logistics Division, and Information Systems Division

and creatively, we have been reviewing workstyles. For example, AGC Inc. is focusing on initiatives for promoting more flexible and diverse workstyles. These include the introduction of a system giving employees time off in the case of their spouse transferring jobs, and another system that provides teleworking options that are not only limited to cases of childcare or nursing care. Other initiatives include the enhancement of the reemployment registration system, which envisions potential life stage changes for once-retired employees, the introduction of a system providing support for employees undergoing medical treatment that encourages striking a balance between treatment and work, and the implementation of a system offering paid leave in one-hour increments. We will promote the expansion and establishment of these systems to advance "AGC People: Driving our Growth!"

In addition, to draw out their potential, it is crucial to guarantee the physical and mental well-being of all employees, which directly leads to increased employee activity, satisfaction, and productivity. This is the foundation of "AGC People: Driving our Growth!" To this end, the Group actively conducts health management initiatives applicable to the AGC Group as a whole.

■ Maximizing Employee Potential Through Diverse Workstyles

The AGC Group has set out its long-term management strategy, Vision 2030. To put this strategy into practice, since it is essential to create an environment that allows all employees to work to their full potential

Ensuring Work-Life Balance

Fundamental Approach

The AGC Group outlined its policy on Work Environment and Conditions in the “7 Key Principles for People,” which aim to maintain a workplace environment where employees can work with peace of mind. Based on this concept, we are continuously working to ensure and maintain a workplace environment in which employees can work with vigor and enthusiasm. The Company aims to provide its diverse range of employees with the systems and environments necessary to help them perform their jobs, without discrimination based on gender, age, or disability. We set and pay appropriate wages that exceed the legal minimum wage to ensure the livelihood and safety of our employees.

Management Structure

The Human Resources Division is the main body in the AGC Group working to ensure a quality work-life balance for all Group employees. Based on the laws and practices of each country and region in which it operates, the Group takes a work-life balance on a company-by-company basis, in light of the nature of business conducted by individual companies.

AGC Inc.'s Initiatives

AGC Inc. is improving its work environment with the aim of helping its employees perform their jobs with peace of mind and fully demonstrate their abilities at every stage of their lives. As part of this effort, we have established work-life balance-related systems that enable employees to work in harmony with their jobs and personal lives. We are also working to create a corporate culture that makes it easier for employees to take advantage of these systems.

Support for Employees Caring for Children or Family Members

Based on the concept of “AGC People: Driving our Growth!”, AGC Inc. has implemented and promoted the use of various work-life balance initiatives such as working from home and flexible working hours systems to create a workplace environment where employees can continue to work with peace of mind. In addition, we have established various systems to support balancing work and childcare, such as a system that allows annual paid leave to be taken in hourly increments, and a life support system in which employees accumulate unused paid

leave that would otherwise expire for use during a life event such as childcare or nursing care.

In recognition of these efforts, we received Platinum Kurumin certification from the Minister of Health, Labour and Welfare as a company with particularly excellent initiatives to support for balancing work and childcare. Platinum Kurumin certification is awarded to companies that have obtained Kurumin certification by meeting certain criteria for Kurumin certification and are committed to providing even higher level childcare support to employees. Having continuously received Kurumin certification since 2008, AGC Inc. achieved Platinum Kurumin certification in 2026.

●Employees Taking Childcare / Family Care Leave (AGC Inc.)

Year	Number of employees who took childcare leave	Number of employees who took nursing care leave
2021	132 (including 61 male employees)	3
2022	205 (including 129 male employees)	11
2023	221 (including 129 male employees)	13
2024	308 (including 228 male employees)	18
2025	260 (including 217 male employees)	7

●AGC Inc.'s Systems

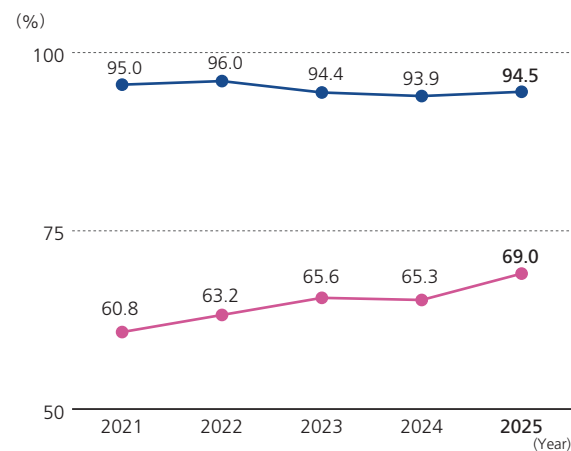
System	Details
Childcare leave	Available until the child becomes two years old
Childcare leave at birth	Possible to take up to four weeks of leave within eight weeks from the date of birth
Shortened working hours for childcare	Working hours can be shortened by up to two and a half hours per day until the child completes third grade at elementary school
Capping of the number of overtime and holiday working hours for childcare, including exemptions for late-night work	Overtime, holiday, and late-night working hours may be capped or exempted until the child completes third grade at elementary school
Childcare nursing leave	Five days allowed per child each year until the child completes the third grade of elementary school Possible to take leave in one-hour installments
Support for nursery use	Nurseries that AGC is affiliated with may be used in areas of high need (Tokyo and Kanagawa)
Support for use of babysitters	Utilizing Japan Childcare Service Association's babysitting support program, a portion of babysitting fees will be subsidized
Working from home	Working from home is possible without regard to reasons, such as raising children or nursing care (no limit on number of days)
Flextime	Flextime without core time hours is possible without regard to reasons, such as raising children or nursing care
Paid leave in one-hour increments	Employees may take a maximum of five days of their allotted annual paid leave in one-hour increments
Expired annual leave accumulation system (life support leave)	Possible to accumulate unused expired annual paid leave and use it for childcare, nursing care, etc.
Leave of absence during spouse's job transfer	Leave of absence is possible if required to accompany spouse on new job transfer (maximum three years)
Registration for reemployment of retirees	Possible to register for reemployment for those who quit the company for personal reasons

■ Promoting Annual Paid Leave

In 2025, AGC Inc. employees took 94.5% of their leave (average for labor union members). Annual paid leave can be taken in half-day or hourly increments.

● Average Percentage of Annual Paid Leave Used (AGC Inc.)

As of end of December 2025



*1 Labor union member average

*2 Data for all industries is sourced from a General Survey on Working Conditions by the Ministry of Health, Labour and Welfare.

■ Reducing Overtime Working Hours

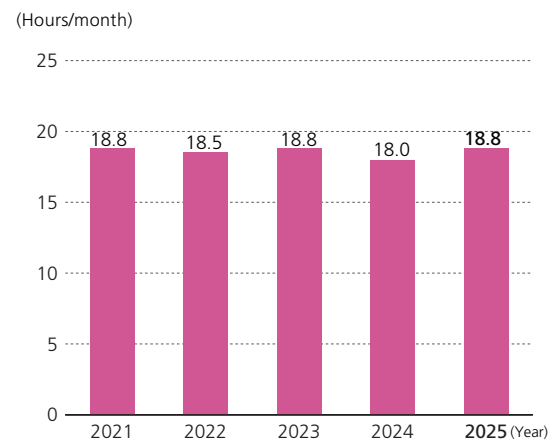
AGC Inc. strives for the proper management of its employees' working hours. Currently, based on the principles of striving to reduce overtime and holiday work through efficient and well-balanced working methods, ensuring that unpaid overtime does not occur, and, in principle, limiting overtime to 45 hours per month except under special circumstances, AGC Inc. manages daily work through sufficient communication between administrators and their subordinates, implements agreements with the labor union based on the Labor Standards Act, and promotes appropriate management of working hours using data recorded by ID card readers and PC logs.

To prevent health complications caused by overworking, AGC Inc. has set in-house standards, which are stricter than those mandated by law, requiring employees who have completed a certain amount of overtime to visit an occupational physician.

In addition, the sharing of case studies is promoted so that human resource managers at each AGC Group company in Japan can discover activities that promote the effective management of working hours.

● Overtime Working Hours (AGC Inc.)

As of December 31 of each year



Note: Labor union member average

Creating a Comfortable Workplace

Fundamental Approach

Through occupational health and safety activities, the AGC Group promotes the creation of a comfortable workplace environment based on the AGC Group Occupational Health and Safety Policy. Further, we have established the AGC Health Declaration, and we are pursuing initiatives aimed at maintaining and enhancing employee health.

AGC Health Declaration

With our Group philosophy **"Look Beyond"** as our motto, we will maintain and improve the health of employees so that we can continue creating value worldwide.



Health, the Foundation of Everything

Employees are one of the AGC Group's most important assets, and health is one of the most important foundations of employees' daily lives.



Support from the Group

The AGC Group will actively implement measures to maintain and improve the mental and physical health of employees. In this way, we will enable employees to fully realize their potential and thereby become the drivers of corporate advancement. Moreover, we will support employees in enriching their daily lives.



Employee Autonomy

Employees' awareness of health is essential in maintaining and improving health. Mindful of protecting their own health, employees shall take the initiative to manage their own health.

Note: Initially, AGC will rigorously inform its employees about and implement measures based on the AGC Health Declaration. In the future, the Company will consider adopting the same approach with respect to the employees of Group companies in Japan and overseas.

Management Structure

Occupational Health Management through Divisional Cooperation

The AGC Group, based on the AGC Group Occupational Health and Safety Policy and the AGC Health Declaration, promotes the creation of a comfortable working environment through health and productivity management. The Representative Director & Executive Vice President serves as Chief Promotion officer, and a chief occupational physician is appointed and assigned to oversee the initiative, which is promoted through collaboration among relevant departments. Additionally, since fiscal 2020, we have been regularly holding "labor-management health communication meetings" with the labor union, to identify and discuss issues related to employee

occupational health and well-being.

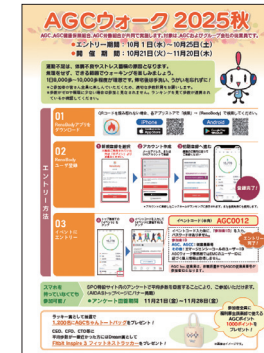
Group-wide Initiatives

AGC Group General Affairs and HR Personnel Network Conference (AGC Group (Japan))

The AGC Group holds regular conferences for GA and HR personnel from each Group company in Japan. Outside lecturers are invited to speak, providing a chance for such personnel to deepen their understanding of the latest trends in labor laws. Through discussion, participants also review health management, workstyles, and Group policies on matters including harassment prevention.

In addition to the conferences, the Group regularly checks employee working hours and the status of responses to legal changes, thus aiming to enhance collaboration within the AGC Group. In response to growing attention from society regarding compliance, the AGC Group is promoting the creation of comfortable working environments through occupational safety and health activities for everyone at the Group.

Furthermore, in 2020, we expanded the scope of participation in "AGC Walk," a walking event that started in 2019, to Group companies in Japan, positioning it as a core event to promote health and productivity management as a group.

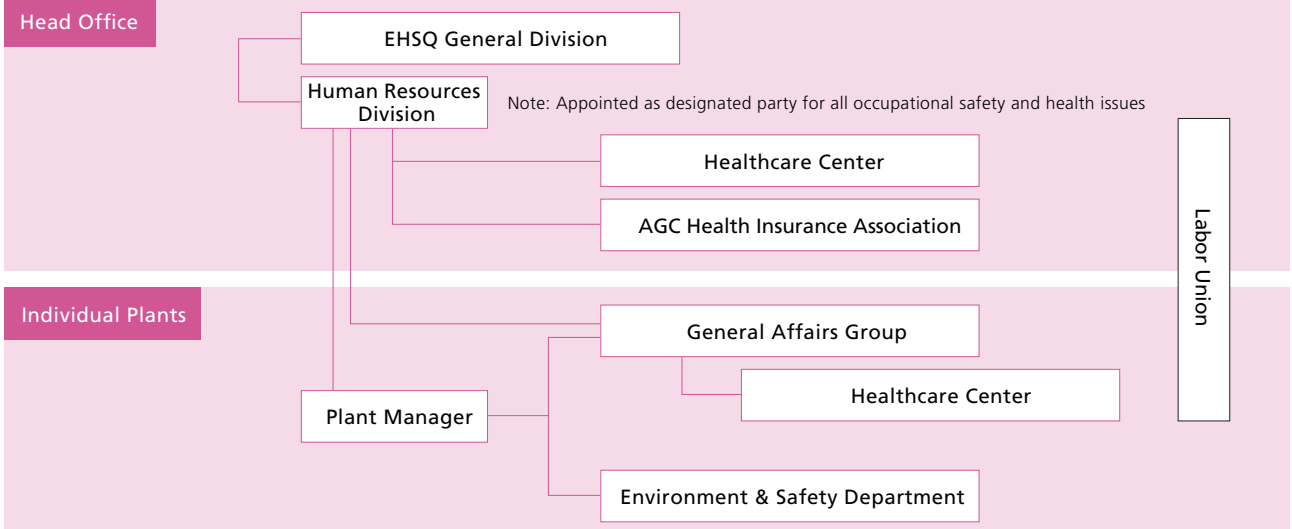


AGC Walk

Management Structure

Chief Promotion Officer: Representative Director & Executive Vice President

Promotion Officer: Senior Executive Officer & General Manager of the Human Resources Division



AGC Inc.'s Initiatives

Promoting Health and Productivity Management

- This is a strategic initiative to ensure that all employees working at the AGC Group can continue to maximize their potential.
- Maintaining and improving the physical and mental health of every employee improves employees' vitality and productivity and is a fundamental element in promoting the human resource management slogan—"AGC People: Driving our Growth!"

- Continuously maintaining and promoting health
By looking after their health, AGC employees are encouraged to continue to work actively as they get older.
- Improving productivity and job satisfaction
AGC employees are encouraged to work productively by utilizing diverse and flexible workstyles and improving their physical and mental conditions. Employees are encouraged to make the most of their potential and derive satisfaction from their work.

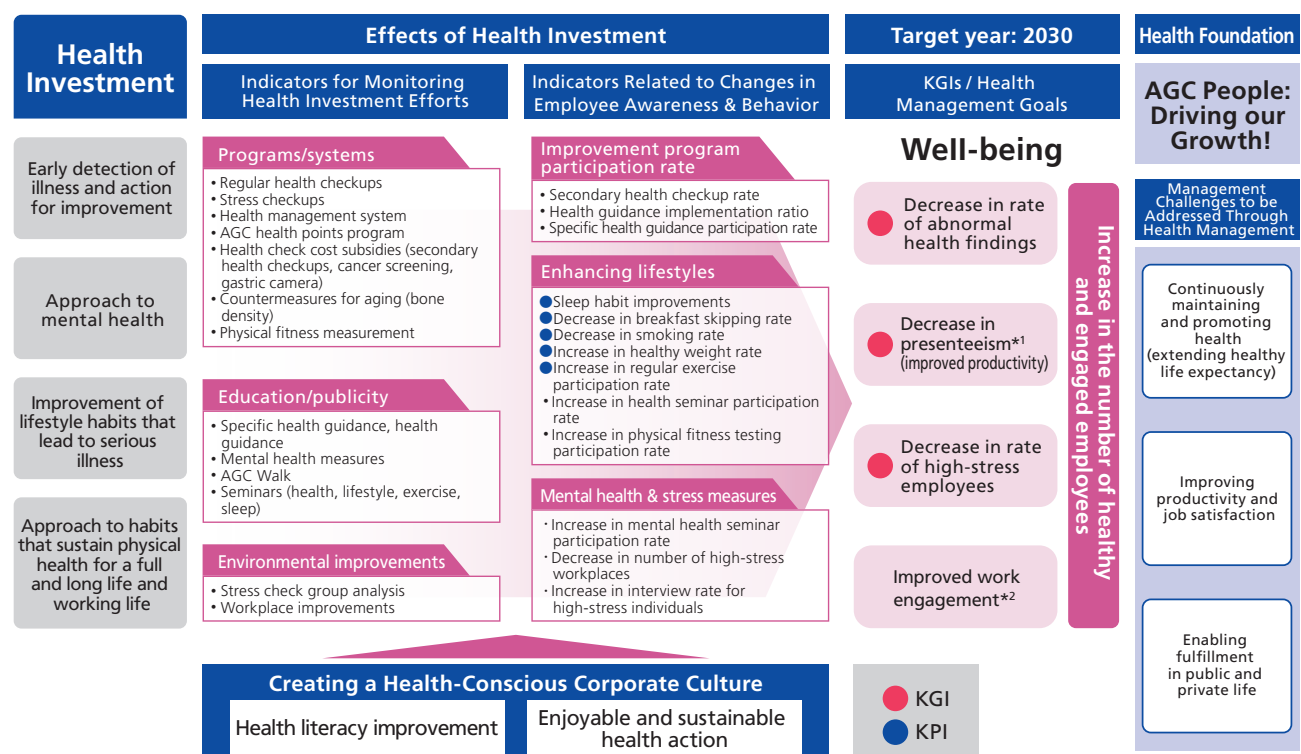
- Enabling fulfillment in public and private life
Every AGC employee should have a fulfilling life at the Company and at home, deriving satisfaction from both work and private life.

Through maximizing the potential of its human resources, the Company becomes stronger as a whole as depicted in its health and productivity management strategy map.

The Focuses of AGC's Initiatives

While advancing the following initiatives to maintain and enhance health in accordance with the AGC Health Declaration, the Group will revise its Health and Productivity Strategy Management Map, establish key performance indicators (KPIs), and proceed through PDCA cycles.

Health and Productivity Management Strategy Map



*1 Presenteeism: A state in which employees attend work but their work efficiency declines due to mental or physical issues. While harder to see than absenteeism, presenteeism has a significant impact on productivity.

*2 Work engagement: A psychological state in which employees approach work with energy, enthusiasm, and focus, serving as an indicator of productivity improvement.

Aim of Health and Productivity Management



● Progress of Activities to Maintain and Enhance Health (AGC Inc.)

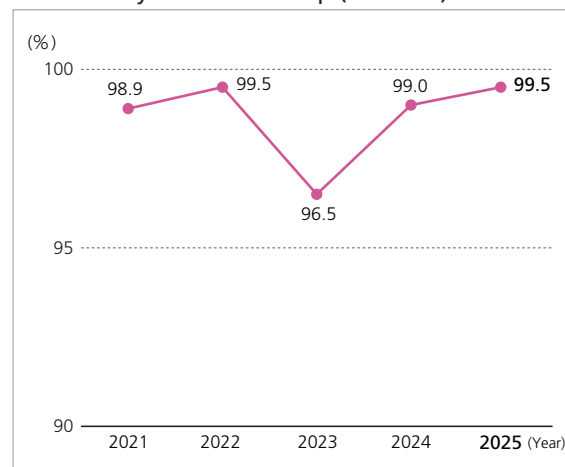
Item	Description	Indicators	2023 Results	2024 Results	2025 Results	2026 Targets
Enhancement of follow-ups for employees who have abnormalities detected during physical examinations	AGC is committed to activities that support the health of employees who have abnormalities detected, recommending they get secondary health checkups and helping with medical costs (i.e., the entire cost of the secondary health checkup is borne by the Company).	Percentage of employees receiving regular health checkups	100%	100%	100%	100%
		Percentage of employees receiving secondary health checkups	96.5%	99.0%	99.5%	100%
		Percentage of employees who have abnormalities detected	18.4%	18.6%	17.5%	16%
		Health guidance implementation ratio	75.7%	90.4%	93.6%	100%
Preventing mental health issues	We support mental health based on the four types of care ((1) self-care, (2) line care, (3) care by occupational health staff, and (4) care by external resources) by implementing EAP, return-to-work support program, e-learning, and self-checks.	Percentage of employees receiving stress checkups	95.0%	96.9%	96.8%	100%
		Percentage of high-stress employees	10.4%	10.8%	10.3%	8%
Ensuring that employees are not exposed to secondhand smoke and reducing the employee smoking rate	Smoking prohibition during working hours started in 2023.	Smoking rate	21.7%	20.5%	20.2%	Less than 20%
Establishing exercise habits	AGC, the AGC labor union, and the AGC Health Insurance Association jointly hold the AGC Walk, a health promotion event, twice a year in spring and fall.	Participation rate in AGC Walk	47.4%	51.5%	52.7%	
Raising awareness of health	In 2021, we introduced the AGC Health Points Plan as an incentive for all employees to engage in healthy activities, and our Health Support App, a tool for individuals to management. These initiatives are part of our efforts to support employee health and well-being. (investment amount: ¥50 million).	App installation rate	49.5%	51.5%	52.8%	
Health and productivity indicators	A state where employee productivity worsens due to sub-optimal health. Calculated using SPQ (University of Tokyo's first version) All-employee average of total number of days taken off and long-term absences due to illness The employee survey measured the statements "I can engage positively with my work" and "I find my work fulfilling." The responses are averaged across all employees, using a scale where 1 means "Not at all," 2 means "Hardly ever," 3 means "Sometimes," and 4 means "Very much."	Presenteeism	17.2%	21.8%	21.5%	
		Absenteeism	2.2 days	2.3 days	2.0 days	
		Work engagement	2.7points	2.7points	2.7points	
Status of leave due to injury or illness	The percentage of employees who have been absent from work for three months or more due to injury or illness	medical leave rate	2.4%	2.4%	3.2%	
Addressing women's health issues	We hold annual seminars focused on women's health and provide access to outsourced healthcare support services, including coupons for medical institutions specializing in obstetrics and gynecology, infertility treatment, and breast health.	Seminar attendance rate	2.3%	5.0%	3.9%	
		Gynecological cancer screening rate (biennial)	68.6%	—	60.0%	
Employee satisfaction with various health management initiatives	Employee survey measures employee satisfaction with various health management initiatives overall (satisfied to slightly satisfied) Employee survey measures satisfaction with health seminars (very informative to informative)	Satisfaction rate with overall health and productivity management measures	91.7%	90.9%	94.3%	
		Satisfaction rate with health seminars	94.5%	96.8%	95.8%	
Status of employee health literacy	Employee survey measures understanding of the AGC Health Declaration (understand to a little understand)	Percentage of understanding health literacy	84.9%	87.3%	91.1%	

Prevention and Management of Global Health Issues

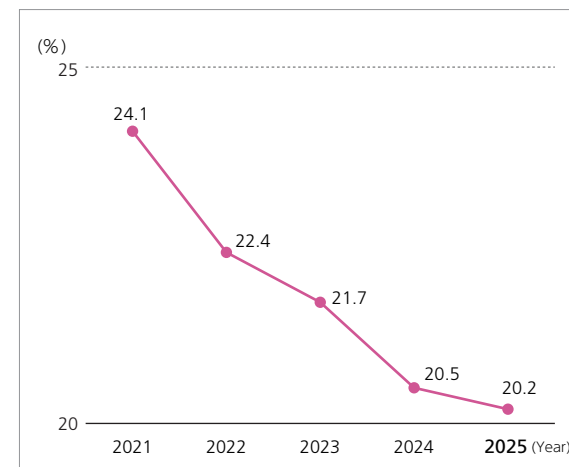
Infectious diseases around the world

To protect the health and safety of employees and their families working globally, we provide necessary support by offering up-to-date information on the occurrence and spread of infectious diseases such as malaria, tuberculosis, and HIV in various countries, as well as the latest information on local medical facilities. AGC Inc. also offers vaccinations to employees and their families for various infectious diseases, such as polio, tetanus, rabies, and typhoid.

● Percentage of Employees Who Received a Secondary Health Checkup (AGC Inc.)



● Trends of Employee Smoking Rates (AGC Inc.)



Health Support App

Occupational Health and Safety

Fundamental Approach

In the AGC Group, we recognize occupational health and safety as a prerequisite for our operations. Based on the AGC Group Occupational Health and Safety Policy, we promote occupational health and safety (OHS) activities under the principle of “No production without assurance of safety.”

[AGC Group Occupational Health and Safety Policy](#)

Management Structure

AGC Group's Occupational Health and Safety Management Initiatives

The policies and measures regarding OHS in the AGC Group are deliberated by the Sustainability Committee, chaired by the AGC Group CEO, after being reviewed by the AGC Group EHS Committee, which is chaired by the Senior Executive Officer and the General Manager of the EHSQ General Division. The contents are reported to the Board of Directors. Further, important matters based on risks and opportunities are deliberated and then reported to the Board of Directors.

Group-wide Initiatives

The AGC Group is pushing ahead with OHS activities based on an occupational health and safety management system (OHSMS).

Since 2013, the Group has been using the EHSQ Management System to manage EHSQ (Environment, Industrial Safety & Security, Occupational Health & Safety, Quality) across the entire Group. In addition, based on the approach of ISO 45001*, the AGC Group Occupational Health and Safety Working Rules have been established and are applied globally at each in-house company and SBU.

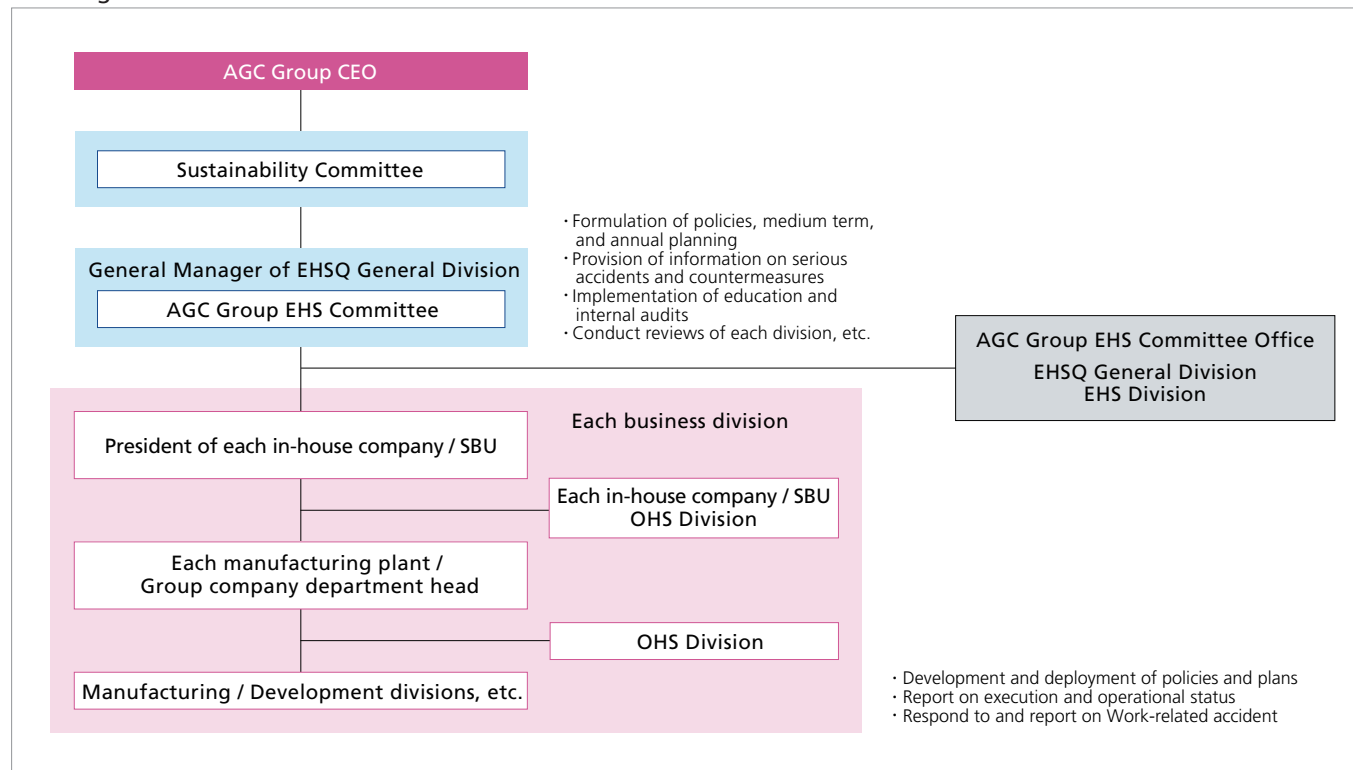
Since 2021, we have conducted global assessments using our OHSMS self-assessment system (Audit Module). As of the end of 2025, 91.8% of sites subject to assessment were implementing assessments. We will continue to monitor the operational status of the OHSMS and drive continuous improvement. Furthermore, the Group strives to improve the level of OHS management through audits conducted by the corporate divisions and each business division.

We are promoting the acquisition of third-party ISO 45001 certification for organizations and sites with significant occupational health and safety risks.

Each business division examines its policies and measures, reports the progress through EHSQ management reviews and other forums and continuously conducts improvement activities.

* International standard for occupational health and safety management systems issued by the International Organization for Standardization (ISO) in 2018.

Management Structure Chart



Number of Plants Obtaining OHSMS Third-Party Certification (AGC Group)

As of the end of April, 2025 (per site)

Coverage	Number of certified plants
Japan	7
Asia (excluding Japan)	21
Europe	49
The Americas	4
Total	81

Developing a System to Collect Global Work-related Accident Data

In 2021, the AGC Group introduced the "Incident Module," a global system for collecting and sharing all work-related accident information, including those involving temporary employees, business partners operating in our sites, and other contractors*¹. This system allows us to continuously analyze past accident data in order to prevent their recurrence and similar accidents in the future. Furthermore, from 2025, we have established a work-related accident information analysis platform using generative AI in Japan and other Asian countries, allowing lessons learned from past accident information to be utilized more effectively. This initiative will be gradually expanded globally.

In 2019, we established long-term occupational health and safety targets to be achieved by 2030, and all Group divisions are working together to improve the foundations of OHS, reduce risks, and improve safety awareness on an ongoing basis.

We will continue to ensure workplace safety and security globally and foster a safety culture at AGC.

*1 Workers who are not employees of the AGC Group, but whose work or workplace is under the control of the AGC Group. Excluding Work-related accidents involving employees of companies outside the AGC Group, such as full-service contractors, and employees whose work or workplace is not under the control of the AGC Group.

Number of Work-related Accidents (AGC Group)

In 2025, the AGC Group had no fatal accidents or serious accidents involving the loss of a body part or other severe injuries among employees*² (including temporary employees, on-site business partners, and other contractors).

Regarding Loss-time injuries, the frequency has been on a downward trend in recent years, with the number of accidents totaling 98 (down 7 from the previous year).

We will continue to view OHS as a prerequisite for our Group's business, and will make every effort to proactively prevent work-related accidents and prevent their recurrence by analyzing the root causes and implementing risk reduction measures.

*2 Excluding accidents involving employees of companies outside the AGC Group, such as full-service contractors, and employees whose work or workplace is not under the control of the AGC Group.

Occupational Health and Safety Targets and Results (AGC Group)

KPIs	Scope	Targets	2021	2022	2023	2024	2025
Number of fatalities (persons)	AGC Group employees	0	0	0	0	1	0
	Contract and temporary employees	0	0	0	1	0	0
	Business partners and other contractors	0	0	0	0	0	0
Number of fatalities and injuries caused by serious accidents* ³ , including partial loss of bodily functions	AGC Group employees	0	0	1	0	0	0
	Contract and temporary employees	0	0	0	0	0	0
	Business partners and other contractors	0	0	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)* ⁴	Includes contract and temporary employees, business partners, and other contractors	0.38 (2030)	0.77	0.83	0.68	0.62	0.59

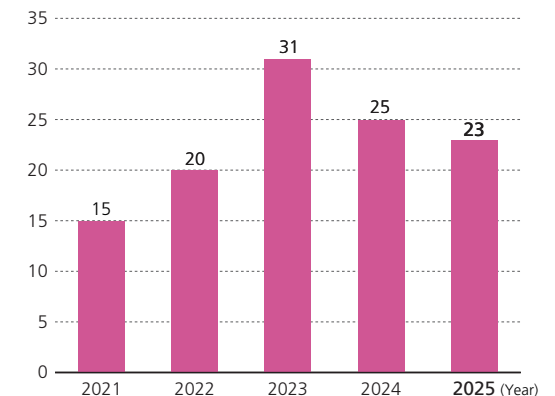
*3 Serious accidents such as partial loss of bodily functions are accidents involving injuries or illnesses of Levels 1 to 7 of the physical disability grades specified by the Ministry of Health, Labour and Welfare.

*4 LTIFR is the number of fatalities and lost-time injuries resulting in one or more lost workdays, or the loss of a body part or bodily function, per one million total working hours.

Loss-Time Injuries (Including Temporary Employees, On-Site Business Partners, and Other Contractors*¹) (AGC Group)

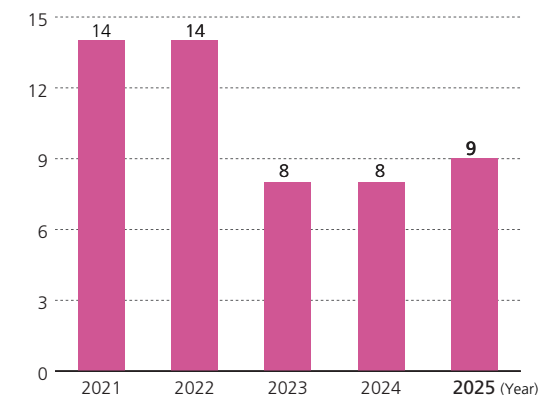
Japan

(Number of accidents)



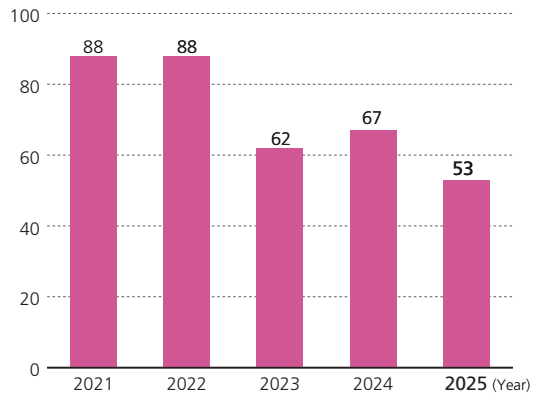
Asia

(Number of accidents)



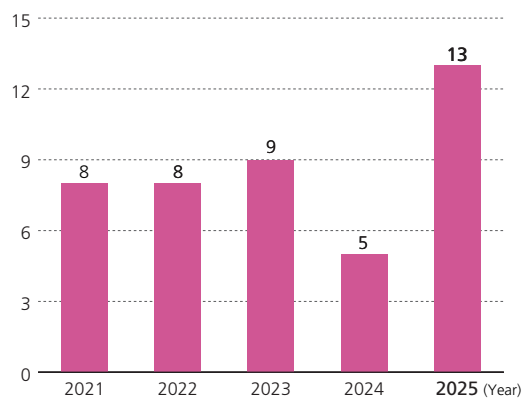
Europe

(Number of accidents)



The Americas

(Number of accidents)



Lost Time Injury Frequency Rate (AGC Inc.)

	2021	2022	2023	2024	2025
AGC Inc. overall* ¹	0.13	0.36	0.39	0.39	0.31
AGC Inc. employees, contract and temporary employees	0.08	0.26	0.49	0.42	0.30
AGC Inc. business partners	0.19	0.54	0.21	0.33	0.33
Parent member companies of the Japan Chemical Industry Association	0.41	0.43	0.47	0.47	0.52
Manufacturing industry overall	1.31	1.25	1.29	1.30	1.33

*¹ "AGC Inc. overall" includes AGC Inc. (Japan) employees and temporary employees, and employees of AGC business partners.

Note: The calculation method for LTIFR is based on the calculation method set by the Ministry of Health, Labour and Welfare of Japan.

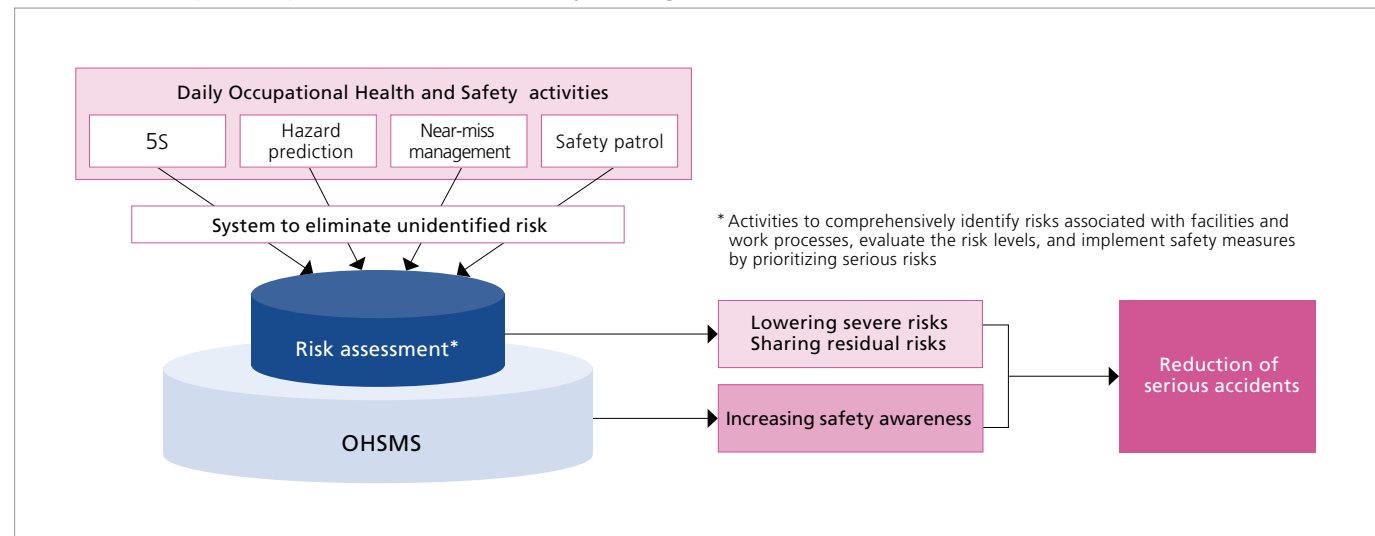
Severity Rate*² (AGC Inc.)

	2021	2022	2023	2024	2025
AGC Inc. overall* ¹	0.01	0.01	0.35	0.01	0.01
AGC Inc. employees, contract and temporary employees	0.01	0.01	0.55	0	0
AGC Inc. business partners	0.03	0.01	0.01	0.02	0.02
Parent member companies of the Japan Chemical Industry Association	0.01	0.07	0.04	0.05	0.09
Manufacturing industry overall	0.06	0.08	0.08	0.06	0.07

*² "Severity Rate" refers to the severity of Work-related accidents as the number of days lost per 1,000 working hours.

Note: The calculation method for severity rate is based on the calculation method of the Ministry of Health, Labour and Welfare of Japan.

The AGC Group's Occupational Health and Safety Management Initiatives



Improving the Level of Occupational Health and Safety Management (Safety Culture Assessment)

The AGC Group has been conducting safety culture assessments with Niigata University since April 2020 with the aim of improving the level of OHS management. The AGC Group is working to improve its OHS management level by enhancing the strengths and improving the weaknesses identified from the results of its safety culture assessment. For more information on the safety culture assessment and results, see p. 85 ("Industrial Safety and Security").

Promoting Safety Activity-Related Information Sharing that Transcends National and Business Division Boundaries

Every year, the AGC Group holds a safety meeting where OHS Managers and personnel in charge of OHS at divisions and sites gather to share issues that need to be addressed and examples of improvements for creating a safe and healthy workplace environment, and to work together through discussion to mutually improve their capabilities.

Since 2023, we have been holding a Global OHS Meeting with the main themes of "Mindset, Top Message, Recognition, and Praise." In 2025, "Occupational Health and Safety for Well-being" was added as a new theme. Messages from the CEO, in-house company presidents, and the General Manager of the EHSQ General Division were conveyed. Outstanding practices from each in-house company were presented and awarded in a ceremony. Through this event, we celebrate outstanding OHS practices and promote their expansion to other locations.

In addition, we share videos of activities at multiple global locations. Such activities contribute to the sharing of information and strengthening of cooperation around the world, thereby raising OHS awareness throughout the AGC Group and helping to create safer and healthier workplaces.

In addition, regional OHS meetings were held in China, Thailand, Europe and the United States, bringing together OHS officers and other responsible personnel from across divisions and regions, with consideration given to the differences in the laws and culture of each country. These meetings provide an opportunity to share region-specific challenges and best practices and to deepen each other's knowledge.



Second Global OHS Meeting



Regional OHS Meeting (Thailand)

In addition, we have established an awards system for OHS activities as an opportunity for recognition and praise. As for the Outstanding Safety Activity Award, 13 awards were given globally in 2025. In addition, we also present awards for continuous safety, recognizing sites that have achieved zero work-related accidents for a year and sites that have achieved zero work-related accidents over a specified period.

Continuing to Advance Risk Assessments

The AGC Group is taking steps to improve its risk assessments with an initiative to reduce the risk of work-related accidents. The AGC Group (Japan) trains managers and supervisors and implements routine training for employees who conduct risk assessments at manufacturing sites. In addition, the Group began safety enhancement activities in 2009, selecting qualified individuals from those in charge of development, manufacturing, facility, or other key departments at each manufacturing site and employees of business partners. This initiative includes intensive education on risk assessments and traditional OHS activities such as 5S (Sort, Set in order, Shine, Standardize, Sustain), hazard prediction, near-miss management, and safety patrols as well as machinery safety training. In 2025, 22 employees completed the program, and they are playing active roles at the various sites as key personnel in promoting risk reduction activities in the workplace as core safety personnel. There are more than 490 core safety personnel.



Results reporting meeting by core safety personnel

Installation of Safe Production Machinery and Operations

Reducing risks associated with manufacturing machinery is essential for realizing safe production workplaces. In addition to reducing risks associated with existing equipment through conventional risk assessment methods, the AGC Group is also implementing initiatives to introduce safer manufacturing machinery and operations. This includes making risk assessments at the design stage through prior safety reviews for new business activities or projects.

In Europe, risk-reduced facilities were introduced based on the local law-enforced system of CE marking^{*1}. The crucial role of risk assessments by facility users is also stipulated in the European Union framework.

The AGC Group (Japan/Asia) promotes the acquisition of certifications under the Safety Assessor and Safety Basic Assessor Qualification System^{*2} to establish a framework where personnel can design and introduce equipment in compliance with international safety standards. The number of qualified individuals is steadily increasing, and they are actively engaged in risk assessment and verification.

^{*1} The CE marking indicates that a product complies with the requirements of the applicable EU directives and regulations.

^{*2} "Safety Assessor Certification" is awarded for understanding and possessing the practical skills related to machinery safety. Based on international safety standards and developed by Nippon Electric Control Equipment Industries Association and other organizations, the certification is verified by a third party. Three levels of certification are available: Safety Lead Assessor, Safety Assessor, and Safety Sub-Assessor. Safety Basic Assessor Certification is a third-party certification designed for individuals involved in machinery operation, verifying that they possess fundamental knowledge of machinery safety.



2024 Machine Safety Training (Indonesia, China)

Establishment of a Chemical Substance Management System

The AGC Group strives to prevent adverse health effects, fires, and explosions from occurring by managing chemical substances used at each site by appointing experienced chemical substance managers, conducting appropriate risk assessments, implementing risk-reduction measures, and training personnel who handle chemical substances.

For chemical substance risk assessments, the AGC Group created its own standardized assessment method and has made it known Groupwide by conducting in-house training at production sites and other worksites. Based on the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), this assessment method is a simple and useful way to assess the risks, danger, or toxicity of chemical substances and can be applied in any country worldwide. In addition, the AGC Group promotes the implementation of risk assessments at many work areas based on actual surveys of workplaces.

■ Improving Occupational Health Standards

To prevent health hazards associated with work processes involving noise, thermal environments, dust (including crystalline silica), and chemical exposure, and to create a comfortable working environment, the AGC Group has established its own global standards by sector in addition to the laws and regulations of each country. Based on the global standards, we undertake various measures such as work environment measurements, risk assessments, risk reduction strategies, and health screenings.

Providing a safe and comfortable work environment will lead to the protection of the human rights of workers, and as a result, it will contribute to the improvement of engagement, so we are promoting improvement of occupational health as one of our priority issues. In addition, we are focusing on creating a system that will enable the horizontal expansion of best practices across the AGC Group to other locations facing similar challenges.

As part of our efforts to create a safe and comfortable working environment, we consistently implement work load reduction measures according to WBGT* values to prevent heatstroke and mitigate its severity. At multiple sites, we have introduced WBGT monitoring systems and work management devices for hot work environments, enabling continuous measurement and surveillance of the heat stroke index and alert notifications to managers and workers. In this way, we are tackling the prevention of heatstroke and mitigation of its severity.

* WBGT: Wet Bulb Globe Temperature

■ Improving the Level of Safety Awareness

To enhance safety awareness among employees, the AGC Group conducts OHS education tailored to different levels for new hires, newly appointed managers, mid-career recruits, and recently promoted workers.

Furthermore, to enhance the expertise of employees in charge of OHS we regularly hold specialized OHS training sessions covering topics such as safety activities, laws and regulations, machinery safety, risk assessment, chemical substance management, internal audits, occupational hygiene, and hazard awareness training.

The Human Error Prevention Manual, among others, is a proprietary textbook that has been translated into multiple languages for use in training courses at each plant. The AGC Group conducts practical training for safety patrols in Asia, including Japan. This training aims to improve the skills needed to identify serious risks in the workplace while on safety patrols. As part of the training, participants conduct safety patrols from the perspective of machinery safety and relevant laws and

regulations along a mock production line with more than 140 hazards. Through this patrol training, they can foster their ability to identify the risks caused by unsafe situations in facilities. Since fiscal 2012, this training has been conducted for managers throughout Japan, and several safety managers from the AGC Group companies outside of Japan have also received the training. At PT Asahimas Flat Glass in Indonesia, part of the training facilities to learn the safety patrol methods used at the training center in Japan has been implemented, and local management is being trained in these safety patrol techniques.

Furthermore, OHS Training materials are made available on the AGC Group's intranet through the Safety Materials Library, so that they can be used for education and training at various sites.

■ Implementing Hazard Awareness Training

The AGC Group conducts hazard awareness training that allows participants to experience various hazards, including being caught in machinery, falls from heights, electric shocks, cuts and abrasions, chemical burns, slips and trips, and the effects of reactionary movements (such as back pain). This training aims to increase hazard sensitivity and promote the avoidance of unsafe behaviors that could lead to work-related accidents. We are also working to increase the number of opportunities for employees to participate in the hazard awareness training organized by the EHSQ General Division, with the goal of 2,000 participants per year.

Currently, the AGC Group is equipping major domestic and international sites, including the AGC Group companies, with hazard awareness equipment that recreates site-specific dangers and VR content. The AGC Group also holds regular training sessions by instructors leading the hazard awareness training.

AGC Inc.'s Initiatives

■ Labor Union Participation in OHS Measures (AGC)

The labor union actively participates in AGC Inc.'s OHS measures. Based on collective bargaining agreement, labor unions' advice and guidance regarding OHS are incorporated. OHS committees, which are held at each location (business site), consist of representatives from the business (management) side, representatives from the workers' side, OHS managers, and occupational physicians to discuss workers' health and safety. We also share OHS information with our business partners who work with us and encourage them to participate in OHS activities at our sites. Furthermore, management including the safety executive officer and employee representatives regularly exchange opinions, which are then reflected in various OHS measures.



Awareness of being caught in a chain or belt



Awareness of being caught in a rotating roll



Awareness of a fall due to slipping and tripping



Learning from past Work-related accidents

Industrial Safety and Security

Fundamental Approach

The AGC Group, which develops its businesses in local communities, believes that ensuring safety and security is a major prerequisite for achieving sustainable growth. Based on this belief, the AGC Group has established the AGC Group Industrial Safety & Security Policy to promote various issues surrounding industrial safety and security.

[AGC Group Industrial Safety & Security Policy](#)

Management Structure

In addition to striving to prevent accidents and other crises, such as unforeseen accidents, the AGC Group is working under the AGC Group Industrial Safety & Security Policy to prevent the escalation of accidents that do occur by promoting countermeasures to deal promptly and accurately with such crises. The Group promotes risk reduction and preventive measures in its business activities by applying a PDCA cycle. Each business division promotes fire prevention, countermeasures for industrial safety accidents, and risk assessments for natural disasters based on action plans drawn up for that year by the EHSQ General Division. In addition to these measures, the Group strives for continuous improvement through internal audits that monitor the extent to which the above measures have been carried out.

In the Chemicals Business, the Chiba Plant and the Kashima Plant have been certified to utilize high-pressure gas by the Ministry of Economy, Trade and Industry. To promote a higher level of voluntary safety at business sites certified to utilize high-pressure gas, AGC has established a safety management system headed by the CEO and with the General Manager of the EHSQ General Division as the executive officer in charge of safety.

Group-Wide Initiatives

Prevention of Accidents with Preliminary Assessments for New Facilities

When building, expanding, or modifying facilities deemed to be at risk, the AGC Group conducts risk assessments for safety and disaster prevention during the design, construction, and startup phases based on its Prior Safety Assessment System, and verifies that the facilities are truly safe. At chemical plants, if our safety assessments find an area that ranks high in terms of danger, we implement HAZOP, ESD-HAZOP, procedural HAZOP, and LOPA risk assessments that test

for accidents triggered by deviations in process equipment (pressure changes, valve malfunctions, etc.), unsteady operations, and procedural operation mistakes during emergencies (emergency shutdowns).

Addressing Major Process Safety Risks

The AGC Group is continuously improving preventive activities to avoid serious security incidents at its domestic and overseas sites through environmental, industrial safety, and security preservation audits conducted by each business division and corporate division. In recent years, we have focused our risk reduction initiatives on themes that are potentially high risk due to the nature of our business, including reinforcing fundamental rules and re-examining countermeasures based on past internal incidents, particularly in response to fires, hazardous material leaks, and accidents in glass melting furnaces. We are also conducting surveys and implementing focused measures on the themes below. In 2025, there was one major environmental and process safety incident in the AGC Group. Based on these results, we will continue to reduce risks.

• Fire prevention initiatives

We have issued safety alerts, confirmed management conditions at our sites, shared best practices for fire prevention, and implemented cross-functional measures in response to a series of fires caused by ignition of flammable materials near work areas and equipment that handle fire or in high-temperature environments. This has resulted in a downtrend in the number of fires caused by the above factors.

• AI Utilization for Incidents Prevention

Since the end of 2025, we have built an in-house generative AI-based system that allows searching and utilizing information about equipment troubles and other issues that have occurred within the AGC Group. We promote its use in risk assessments and other activities to proactively prevent accidents and incidents and prevent their recurrence.

• Strengthening industrial safety & security management

In 2025, an accident occurred at a Group company when a leakage caused by pipe corrosion led to a fire. Based on the lessons learned from this Incident, we are promoting recurrence prevention measures, including a review of aging facility management and efforts to increase the effectiveness of emergency information communication and training.

Furthermore, we will identify process safety risks at each manufacturing site and strengthen proactive risk reduction efforts by providing focused support tailored to those risks.

Initiatives to Improve Self-Managed Industrial Safety and Security Capabilities

The AGC Group is working to reduce risks related to industrial safety and security and strengthen its self-managed industrial safety and security capabilities. Under this policy, the Group continuously improves such capabilities by implementing third-party assessments and clarifying items for improvement based on assessment results. The assessments are as follows: (1) The Japan Industrial Safety Competency Center carries out assessments of self-managed industrial safety and security capabilities at designated worksites in Japan managed under the Act on the Prevention of Disaster in Petroleum Industrial Complexes and Other Petroleum Facilities; (2) the Group implements safety culture assessments (adoption of the questionnaire format mainly developed by Kenichi Takano, a former professor of Keio University, and Professor Akira Tose of Niigata University) at medium- and large-sized manufacturing plants in Japan, Asia, Europe and the Americas and (3) the Group conducts activities to improve industrial security capabilities at processing and assembly plants under the guidance of local fire departments. The activities are being implemented globally with the cooperation of each in-house company and SBU.

(1) Worksites designated under the Act on the Prevention of Disaster in Petroleum Industrial Complexes and Other Petroleum Facilities: Assessments of self-managed industrial safety and security capabilities by the Japan Industrial Safety Competency Center

These Assessments are carried out at the Chiba Plant, Kashima Plant, Kansai Plant (Takasago Factory), AGC Ceramics Co., Ltd. (Takasago), and the AGC Inc. Yokohama Technical Center. The Group reconfirmed the problems with the safety foundations and safety culture at these plants that came to light through the safety assessments, drew up a three-year improvement plan, and is in the process of rolling out improvement activities. In addition to such assessments at manufacturing plants, AGC Inc. is promoting initiatives to improve comprehensive industrial safety capabilities, including those of headquarters, by carrying out interviews of executives based at headquarters (those in general manager positions at each in-house company) by an expert from the Japan Industrial Safety Competency Center. We believe that these new initiatives can also contribute to research efforts into the comprehensive safety capabilities of industry.

(2) Medium- and large-sized manufacturing plants: Safety culture assessments (adoption of the questionnaire format mainly developed by Kenichi Takano, a former professor of

Keio University, and Professor Akira Tose of Niigata University)

The Group implements improvement activities based on a three-year improvement plan that reflects the strengths and weaknesses revealed by the safety culture assessment and monitors the effect of improvements by carrying out the second cycle of assessments in about three years' time.

The AGC Group has concluded a joint research contract with Niigata University on safety culture assessments, under which it has been implementing assessments of about 52,000 employees in Japan, Asia, Europe, and the Americas between April 2020 and the present. The third cycle of assessments has begun in 2026.

In addition, in 2024, Niigata University, AGC Inc., Nippon Telegraph and Telephone East Corporation, Mitsui Chemicals, Inc. jointly established the Consortium on the Safety Culture Assessment. The aim of the consortium is to improve the safety culture of the participating companies and contribute to the prevention of accidents and disasters. Through its activities, the consortium also aims for the evolution and development of the safety culture assessment, with a view to adapting it to diverse industries and building an educational system for sustainable diagnosis and research.

● 2025–2027 Safety Culture Assessment Implementation Plan (AGC Group)

Year	Japan	Asia	Europe	The Americas	Number of plants assessed (implemented)
2025	16	10	31	10	67
2026	45	7	39	0	91
2027	7	19	25	2	53

(3) Processing and assembly plants: Activities to improve industrial security capabilities under the guidance of local fire departments

In these activities, processing and assembly plants conduct education and training focused on fire prevention with the cooperation of municipal fire departments. AGC Glass Products Co., Ltd. has already started activities at its Eniwa and Tosu plants.

■ Education and Training for Security Incidents

The AGC Group conducts planned education and training at its business sites with the objective of minimizing the impact on employees and local communities in the event of an industrial safety

and security incident occurring. At the Chiba and Kashima plants, in particular, which are located in regions with industrial complexes, we implement the following education and training based on annual plans.

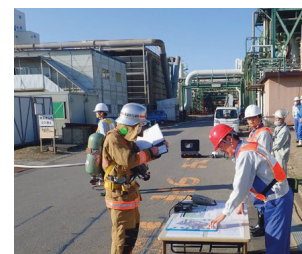
【Education】

- Industrial safety and security education (for employees and employees of business partners)
- Basic first-aid training courses (in-house)

【Training】

- Training on the reporting of matters anomalous with the Act on the Prevention of Disaster in Petroleum Industrial Complexes and Other Petroleum Facilities (training on the emergency call-up of divisional employees)
- Training on responding to natural disasters, including earthquakes (evacuation and safety confirmation drills)
- Safety confirmation training using the emergency call system (the AGC Group in Japan)
- Fire extinguisher handling training
- Training based on the International Convention for the Safety of Life at Sea (SOLAS)
- Combined disaster prevention training at industrial complexes
- Joint disaster prevention and reporting training at offshore industrial complexes
- Offshore disaster prevention training (oil fence extension training)
- External education and training

In November 2023, at the Yokohama City Firefighting Technique Competition, a volunteer firefighting team formed mainly of young employees of the AGC Yokohama Technical Center participated as representatives of Tsurumi Ward in the indoor fire hydrant operation category. The women's team achieved excellent results, taking first place. We will continue to engage in steady training on a daily basis so that we can respond quickly in the event of an emergency.



Fire prevention training in combination with the fire department at the Kashima Plant



Outdoor fire hydrant handling techniques contest at the Chiba Plant



Yokohama City Firefighting Technique Competition at AGC Yokohama Technical Center (AGC Yokohama Technical Center)



Fire prevention training in combination with the fire department at the Kashima Plant



Fire prevention training in combination with the fire department (AGC Glass Products' Eniwa Plant)



Respirator application contest at the Chiba Plant

Supply Chain

Fundamental Approach

As described in the AGC Group Charter of Corporate Behavior, the AGC Group strives to establish mutually beneficial and appropriate relationships with business partners, ensuring that the principles of compliance with the charter are in line with the fundamental stance of the AGC Group. Based on that charter and **“Look Beyond,”** we have established the AGC Group Purchasing Policy to promote supply chain management.

[AGC Group Purchasing Policy](#)

Management Structure

In the AGC Group, the Procurement & Logistics Division plays the main role in continuing the stable procurement of raw materials and other materials. The division also conducts initiatives to solve social issues involving human rights, labor practices, and the environment with business partners and the rest of the supply chain. The Group's supply chain management policy and measures are reported annually to the Sustainability Committee.

Group-wide Initiatives

Procurement Compliance Consultation Desk

The AGC Group works to ensure the transparency of purchasing transactions and the prevention of fraud. As part of these efforts, we have set up a procurement compliance consultation desk. The consultation desk can be used by business partners to point out problems related to the AGC Group employees' transactions by e-mail or regular mail, and the issues raised are kept strictly confidential and resolved promptly.

[Point of Contact for Compliance in Procurement Activities](#)

Regular Review of the Content of Contracts

To promote appropriate supply chain management, the AGC Group uses the most up-to-date contract with relevant CSR clauses when making new contracts or renewing contracts with business partners.

Survey on Purchasing Policy Compliance and Sustainable Procurement

The Group has established the AGC Group Purchasing Policy, which clearly states the Group's responsibility to help realize a sustainable society. The Group has made the policy available to business partners worldwide by posting it on the AGC Group official website and has asked them to understand and cooperate with the policy. When a new business relationship is registered, it is examined in light of this policy from an ESG perspective, including environmental, safety, and quality management considerations. New suppliers are also requested to indicate their intention to comply with the policy. We have also presented the policy to participants at the AGC Annual Suppliers Meeting to encourage the awareness and understanding of our business partners on this content. In addition, we conduct an annual Sustainable Procurement Survey in accordance with this policy to identify potential risks based on responses from suppliers in these four areas: “compliance with laws and regulations and fair, equitable, and honest practices,” “environment, safety, and quality,” “human rights and labor,” and “risk management, information management, and intellectual property management.” If a supplier receives a low score, we ask them to take steps to make improvements. The survey was conducted among 423 suppliers from 2024 to 2025. Those that reported low scores have been asked to give the reasons and background, and where there is room for improvement, we monitor their progress.

Initiatives in Concert with Our Business Partners

The AGC Group's business is based on cooperation with many business partners, and it is implementing various initiatives that are integrated with the supply chain.

Presentation of the AGC Group Policy

The AGC Group has been making presentations of the AGC Group policy at the AGC Annual Suppliers Meeting since 1997. Through this, we deepen communications with our business partners and expand and unify our business activities across the supply chain. At the 2026 Annual Suppliers Meeting, approximately 220 business partners from 150 companies in various industries in Japan and overseas attended the session. On the day, letters of appreciation were presented to business partners for their ongoing cooperation, and our Group CEO, Hirai, explained the Company's 2025 results, the outlook for 2026, its initiatives to improve earnings, and its future direction.

We also once again provided information on the AGC Group Purchasing Policy, deepening business partners' understanding of the policy. Following the meeting, a lively exchange of views took place

among the business partners, the AGC Group executives, and the AGC Group business division heads.



Presentation of AGC Group Policy

Assessment of Business Partners' Satisfaction with the AGC Group

Since 2008, AGC has been conducting an annual survey of its major business partners to assess the level of satisfaction. The purpose of the survey is to build trusting relationships with these business partners to strive for mutual prosperity aiming to offer better products.

The anonymity of the survey is guaranteed so that respondents can feel comfortable in answering questions candidly and honestly. About 200 business partners have been surveyed on a regular basis, and the overall results were shared with business partners who responded to the survey and relevant personnel at AGC.

Promoting Green Procurement

The Group has formulated the AGC Group Integrated Green Procurement Guideline, which provides a common approach for all business divisions. In 2025, minor revisions were made only to its terminology. Based on each business division's green procurement guideline, new and existing business partners' environmental management and the inclusion of chemical substances with high levels of environmental impact are checked and risk assessed by requesting the completion of prescribed forms and we engage in green procurement of raw materials and other materials suited to each business.

[AGC Group Integrated Green Procurement Guideline](#)

Initiatives Related to High-Risk Minerals (Conflict Minerals and Cobalt)

As part of its efforts to realize sustainable and responsible supply chains, the AGC Group ensures responsible minerals sourcing, in the procurement of minerals that could potentially be associated with conflicts (tantalum, tin, tungsten, and gold) and high-risk minerals such as cobalt, confirming whether there is any risk of the minerals being associated with human rights violations or support for the armed

forces related to the mining, transportation, and trade of minerals in conflict-affected and high-risk areas (CAHRAs) and using smelters and refiners that are certified as not using minerals for which there are concerns in relation to the said issues. With the cooperation of related business partners, we identify risks through due diligence and take corrective action if a significant risk is found in a supply chain.

In 2021, we established the AGC Group Responsible Minerals Sourcing Policy, which we posted on the AGC Group official website to make it available to business partners worldwide. Further, we requested the cooperation of business partners in achieving this initiative for the responsible minerals sourcing.

As a result of a survey from 2024 to 2025 on the procurement of high-risk minerals and products containing high-risk minerals, covering the AGC Group business sites worldwide, the Group was able to identify 544 upstream refiners, of which 307 were certified by the Responsible Minerals Initiative (RMI). Going forward, we will continue to identify and take corrective actions to the risks.

 [AGC Group Responsible Minerals Sourcing Policy](#)

Initiatives toward Manufacturing and Human Resource Development Across the Entire Supply Chain

The AGC Group regularly hosts workshops on the environment, safety, and compliance for major business partners. Every year, we encourage them to set safety and environmental targets aligned with our company policies and monitor their progress toward those targets, thereby raising safety and environmental awareness and strengthening communication with our business partners. The AGC Group also holds lectures on strategies and environmental targets in relation to its sustainability management, organizes gatherings aimed at information sharing on each company's activities, and conducts tours of outstanding plants.

In addition, the Group organizes various training programs for its business partners with a view to promoting manufacturing and human resource development that is based on an awareness of the entire supply chain.

Fair Transactions

Fundamental Approach

The AGC Group stipulates that it will conduct appropriate transactions and its business in accordance with the principle of fair competition and all applicable laws and regulations in the AGC Group Charter of Corporate Behavior. We also strive to maintain sound relationships with politicians, governments, other organizations, and individuals and firmly confront anti-social forces as we aim to conduct fair transactions.

Management Structure

Since 2006, the AGC Group has been implementing a global legal management system and strengthening monthly reporting on and monitoring of disputes faced by the Group, in order to grasp their status quickly and deal with each case appropriately. With regard to the disputes faced by the Group, information is gathered at the Group General Counsel level and is promptly reported to senior management and the Group CEO. Moreover, periodic reports are given to the Board of Directors on the progress of the disputes and the status of the global legal management system.

In addition, the AGC Group is working to reduce legal risk by hosting legal conferences with Regional General Counsels and cooperating with related in-house divisions.

Groupwide Initiatives

Compliance with Antitrust Laws

In addition to the AGC Group Code of Conduct that summarizes matters all employees must comply with in their work, the AGC Group has established and is operating global guidelines for compliance with antitrust laws. The guidelines state that, when meeting with a competing company, (1) the legality of the purpose of the meeting shall be fully examined and participation shall be allowed only on an extremely limited basis, (2) advance permission to attend must be obtained from a supervisor, and (3) following attendance, meeting minutes must be prepared. Moreover, the Group is promoting face-to-face and e-learning education regarding compliance with antitrust laws in each region and organization.

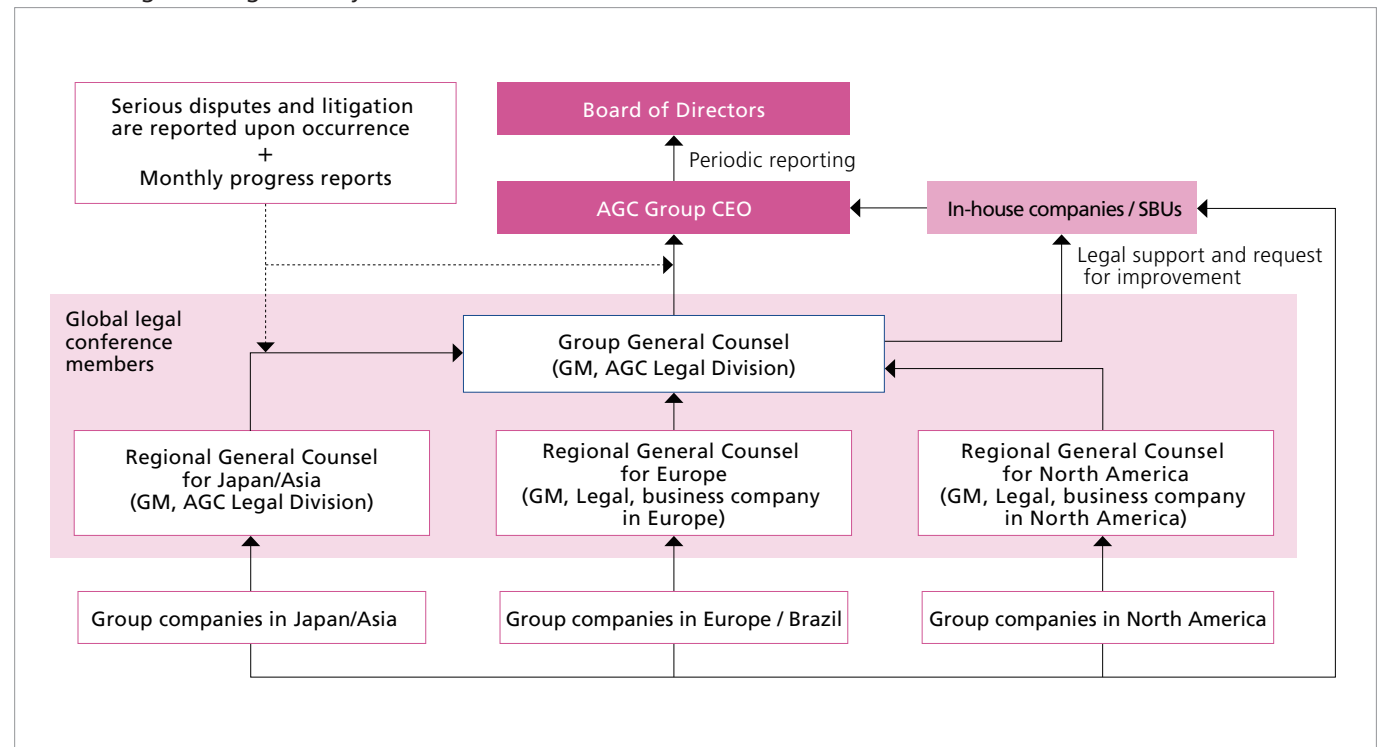
One of the global common priority audit items for internal audits is "organization and procedure for compliance with antitrust laws." Audits of the status of compliance with these global guidelines are also implemented.

No antitrust violations occurred in 2025.

● Status of Implementing Measures for Complying with Antitrust Laws (AGC Group)

Year	Number of participants in e-learning	Number of internal audits
2025	Approx. 2,700	39

● Global Legal Management System



■ Anti-Corruption Measures

The AGC Group Code of Conduct stipulates that the AGC Group maintains sound relationships with politicians, government agencies and other responsible organizations and individuals, and the Group works to comply with the laws and regulations of each country and region relating to anti-corruption.

In addition, as regulations aimed at preventing corruption and other acts of corruption are being strengthened worldwide, we are implementing awareness and training programs for all employees. In addition to the AGC Group Anti-Bribery Rules for public officers, the Group established and is operating guidelines that provide specific procedures, approaches, and judgment criteria for high-risk countries and regions. These guidelines stipulate procedures such as the screening of bribery risks associated with newly appointed agents, consultants, representatives, and other third parties.

Further, in 2025 the AGC Group was not subject to any punitive measures issued by authorities in relation to corruption.

AGC complies with the Political Funds Control Act with regard to political donations, which require pre-approval with checks each time on their necessity. In fiscal 2025, political donations were ¥0.

■ Compliance with Contractual Requirements and the Worker Dispatching Act

The AGC Group conducts business in collaboration with business partners through in-house contracting and temporary staffing. In addition, the Group conducts a survey every year on compliance with contractual requirements at AGC Inc. production plants and major Group companies in Japan and confirmed again in 2025 that compliance-related rules are being observed. The Group will continue to make efforts to disseminate and thoroughly comply with contractual requirements and the revised Worker Dispatching Act.

■ Compliance with the Act on Ensuring Proper Transactions for Small and Medium-Sized Contractors

At the AGC Group, we strive to rectify any transaction and business practices that impede the formation of partnerships with our business partners, while complying with criteria stipulated in the Act on Promotion of Entrusted Small and Medium-sized Enterprises, in accordance with our Partnership Building Declaration in December 2020, in light of the importance of creating a mutually beneficial environment and increasing value added throughout our supply chain.

As part of these efforts, following the revision of the Subcontract Act, we held briefing sessions on the revision in September 2025 for relevant personnel in AGC Group companies, aimed at familiarizing them with the key points and required actions for compliance with the

new Act on Ensuring Proper Transactions for Small and Medium-Sized Contractors.

The AGC Group continues to train controllers and managers on best practices for compliance with the Subcontract Act and the Act on Ensuring Proper Transactions for Small and Medium-Sized Contractors. Specifically, since 2009, we have been conducting e-learning training for employees affected by the Subcontract Act and the Act on Ensuring Proper Transactions for Small and Medium-Sized Contractors, including domestic Group company employees (training was provided to approximately 10,000 employees in 2025).

■ Prevention of Insider Trading

To protect its shareholders and investors and ensure the fairness and reliability of securities markets, the AGC Group is making every effort to spread awareness of the prevention of insider trading. The AGC Group Code of Conduct clearly states that insider trading is forbidden. In addition, systems intended to prevent it are stipulated in the Outline of Establishment of the Information Management Council and the Insider Trading Prevention and Control Rules.

In addition, regular learning opportunities are provided to officers, senior managers, and special department members (Corporate Planning General Division, Finance & Control Division, Corporate Communications and IR Division, etc.) to enhance their awareness and knowledge of insider trading prevention.

Furthermore, if an AGC Group officer or employee has concerns as to whether buying or selling stocks could fall under insider trading, the Information Control Council prepares a system for review and works to prevent any instance of insider trading.

Ensuring Quality

Fundamental Approach

The AGC Group pursues “Innovation & Operational Excellence,” one of our shared values in Group philosophy, **“Look Beyond.”** and declares in the “AGC Group Quality Policy” to continuously create the value that meets customer expectations. The AGC Group develops and provides products and services giving due consideration to safety and the environment, and works to improve the quality of our products and services in order to gain the satisfaction and trust of our customers.

 [The AGC Group Quality Policy](#)

Management Structure

Under the “AGC Group Quality Policy,” each division establishes a quality management system based on ISO 9001 and similar standards. Divisions conduct internal audits and reviews in a manner best suited to their business, and continuously improve the effectiveness and efficiency of their quality management system.

In addition, since 2013, based on the EHSQ Management System concept, the EHSQ General Division comprehensively covers the EHSQ (Environment, Industrial Safety & Security, Occupational Health & Safety, Quality) initiatives of the entire Group, establishing a structure that contributes to the entire group management activities relevant to EHSQ. In 2021, the AGC Group established the “AGC Group Quality Management Working Rules” to further improve our quality.

The AGC Group holds an annual “Quality Conference” gathering each business division's quality management representatives to share issues and relevant knowledge. In 2025, the conference featured a review of the previous fiscal year, confirming the issues that the AGC Group should cope with, sharing initiatives for efforts in improving the quality of each division.

● ISO 9001 and IATF 16949*¹ Certification Status (AGC Group)

As of end of December, 2025

Location	Number of certified organizations* ²
Japan	25
Asia	26
Europe	23
North America and South America	7
Total	81

*1 Standards for quality management systems applied in the automotive industry, which requires compliance with the global procurement criteria for automotive parts.

*2 Single certification may include multiple sites and/or legal entities.

Group-wide Initiatives

Compliance with Legal and Regulatory Requirements Regarding Products

Through risk management self-assessments, which are based on the AGC Group Enterprise Risk Management, the AGC Group annually checks the operational status related to compliance with laws and regulations on products at each business division and continuously pursues improvements.

Ensuring Data Integrity in Inspections

The AGC Group is working to maintain, reinforce, and systematize data governance in order to ensure data integrity in inspections.

Initiatives at Individual Companies

Improvement of the Reliability of Product Inspection Data

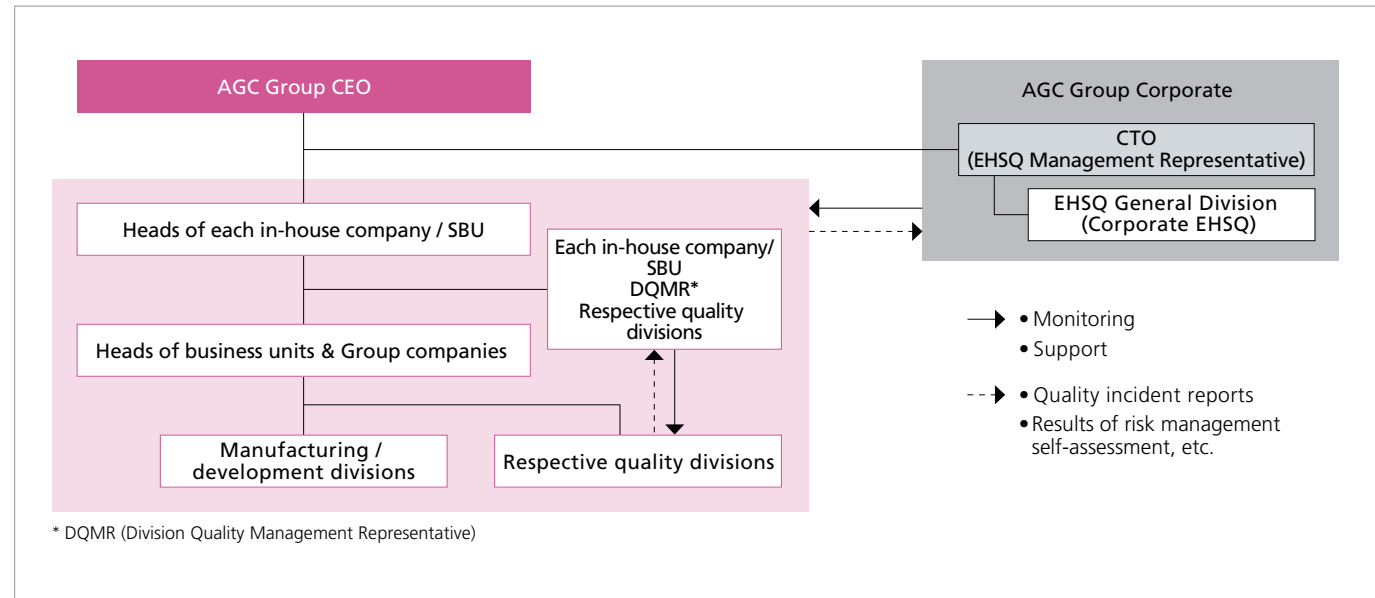
The AGC Group has introduced a system for quantitatively evaluating the reliability of inspection data. In addition to strengthening and improving management measures, we are promoting technological approaches that prevent human error, such as automating the acquisition of inspection data. We will continue to ensure the delivery of reliable quality data to customers.

Implementing Quality Education and Trainings

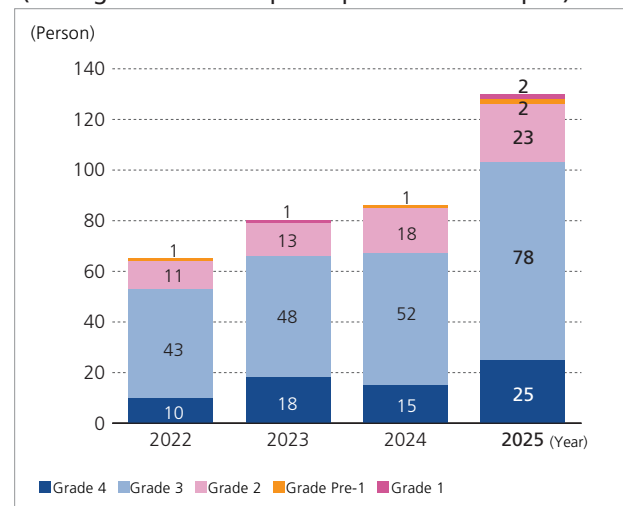
The AGC Group defines the competencies required for personnel who perform tasks affecting quality and provides the necessary training content through a quality education website. Each business division also conducts quality training tailored to the characteristics of its operations. When necessary, we provide quality compliance education and study sessions for employees, using internal and external quality incident case studies, to maintain and raise quality awareness. Within the AGC Group companies in Japan, we encourage employees to take an official examination on quality control (QC KENTEI*).

* QC KENTEI: Quality Management and Quality Control Examination, a measure for assessing knowledge of quality management, quality control and Kaizen, administrated by Japanese Standards Association.

Quality Management Structure



Number of Employees that Passed the QC KENTEI (among the AGC Group Companies within Japan)



Product Safety Initiatives

Fundamental Approach

Under the AGC Group's management policy of "providing safety, security, and comfort to society," the Group conducts reviews, from the perspective of product safety, when moving from product development stage to prototyping and manufacturing. We ensure that our products do not cause any harm or danger to the customers. In addition, AGC Group ensures that appropriate information is disclosed so that our products are used safely.

For some of our products, we acquired local certification based on the country standard where the product is sold, to ensure product safety from the perspective of a third-party.

Management Structure

Within the AGC Group, each division establishes a quality management system based on ISO 9001 and similar standards. They conduct internal audits and reviews in a manner best suited to their business, and continuously improve the effectiveness and efficiency of their quality management system. Whereas each business used to establish its own safety standards to ensure product safety, in 2025 we established the AGC Group Product Safety Guidelines as a Group-wide effort to further enhance safety.

Group-wide Initiatives

Compliance with the Consumer Product Safety Act

In Japan, in the event of a serious product accident, the AGC Group promptly reports to the Consumer Affairs Agency and takes organizational measures to prevent the spread of harm, which is taken in accordance with the "Safety Control and Product Accident Handling Standards for Compliance with the Consumer Products Safety Act" (enacted in 2014). We also work to prevent accidents by regularly confirming risk control-status according to the risk level set for each product.

Adding to these efforts, information on product accidents released by the Consumer Affairs Agency and the National Institute of Technology and Evaluation (NITE) is consolidated, categorized, and shared among the Group, so as to be utilized as reference for the AGC Group's product safety initiatives.

Study sessions are held for the persons in charge at relevant

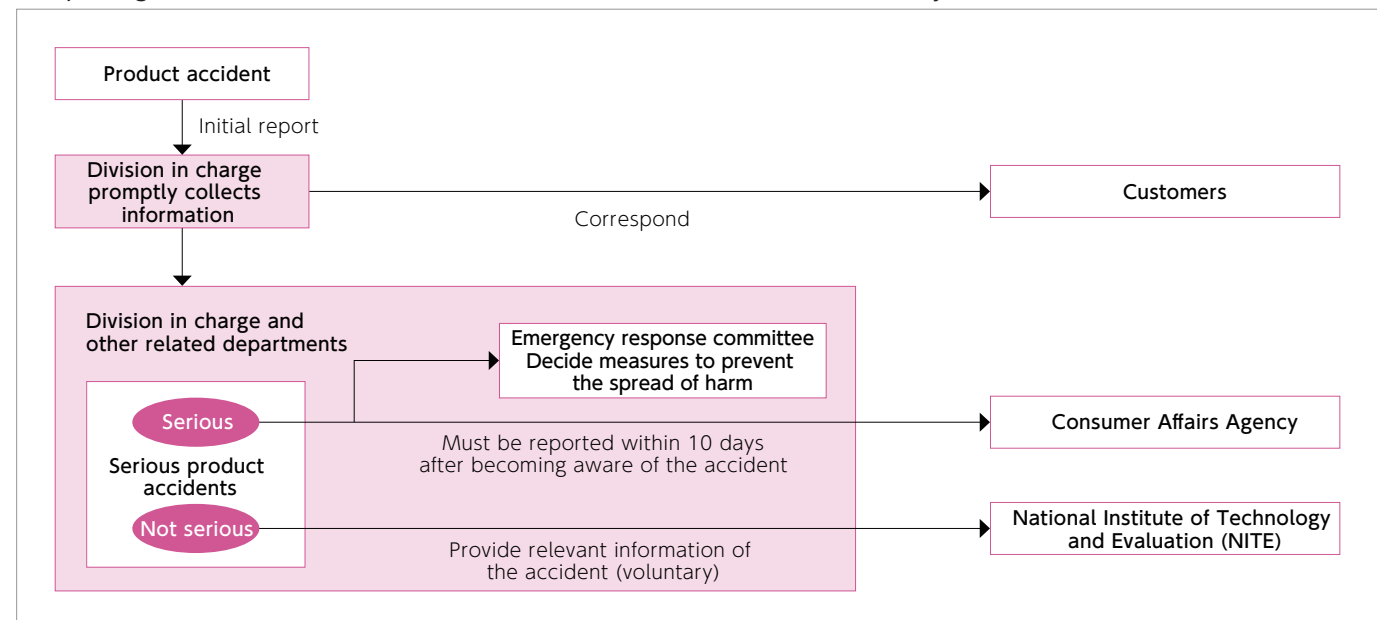
divisions, to maintain and update their knowledge.

The Group reported no serious product accidents to the Consumer Affairs Agency in 2025.

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

Year	Number
2021	1
2022	1
2023	0
2024	0
2025	0

Reporting Flow for Serious Product Accidents under the Consumer Product Safety Act



Pursuit of Customer Satisfaction (CS)

Fundamental Approach

The AGC Group continuously strives to enhance customer satisfaction (CS). The Group defines customers as “people and organizations who receive the result (value) of one’s work, such as the products (including services) and information.” As such, the Group works to achieve CS of not only business customers but also between the employees within the Group.

Management Structure

Under the quality management system of the AGC Group, in-house companies promote initiatives to enhance CS. CS training is incorporated into training programs tailored to different levels, and the Group continuously works to root the spirit of CS in the AGC Group’s corporate culture. In addition, regular customer satisfaction surveys are conducted depending on the business to obtain customer feedback, and issues and improvement measures are shared through reviews by management and related stakeholders, driving improvements to increase customer satisfaction.

Group-wide Initiatives

■ Implementing CS Training

Based on the management policy of “creating new value and functions for customers and business partners and building trust with them,” the employees of the AGC Group incorporate CS perspective into their daily activities as a fundamental approach to their work. To add further value for our customers, the Group provides specialized CS trainings and other types of trainings to the divisions based on their specific needs. Moreover, CS is an important theme in the Group’s training tailored to different levels.

As of December 31, 2025, a total of 8,339 employees have taken CS training (this number does not include training provided individually by the divisions).

■ Customer Service

The AGC Group seeks to provide CS by establishing customer centers and customer service windows for specific businesses.

The Architectural Glass Asia Pacific Company (Japan) operates a customer center for architectural glass to respond accurately to inquiries from customers in the building industry, as well as from individual customers (consumers). The Architectural Glass Europe & Americas Company (Europe) provides websites for customers in multiple languages to correspond to each local needs.

Additionally, the Chemicals Company offers inquiry forms on its website in 10 languages. It is organized to automatically forward inquiries to the appropriate person in charge, depending on the business, product, and region/country of the sender, so as to respond in a timely manner.

Social Contribution Activities

Fundamental Approach

In its AGC Group Charter of Corporate Behavior, the AGC Group declares under “Harmony with Society: A Trusted Corporate Citizen,” it will “strive to be a trusted corporate citizen, fulfilling its responsibilities to the communities in which it does business.” Based on the three priority areas of this charter—support for the next generation, harmony with local communities, and natural environment conservation—the AGC Group carries out social contribution activities throughout Japan and Asia, the Americas, and Europe under the AGC Group Social Contribution Basic Policy.

Social contribution activities at each base are positioned as an element of “Considering relationships with local communities and the environment,” which is recognized as a long-term social issue. By leveraging our diverse expertise and resources, we are fostering good relationships with local residents and governments in the areas around our operational sites, which also contributes to enhancing our brand image.

Moving forward, the Group will continue to actively promote social contributions for its diverse stakeholders and conduct activities that lead to the resolution of social issues.

[AGC Group Social Contribution Basic Policy](#)

Group-wide Initiatives

● Total Financial Expenditures (the AGC Group)

Year	Amount
2021	¥373 million
2022	¥517 million
2023	¥572 million
2024	¥572 million
2025	¥589.99 million

● Total Number of Employees Participating in Social Contribution Activities (the AGC Group)

Year	Number of employees
2021	9,648
2022	14,848
2023	18,848
2024	21,381
2025	19,782

● Total Expenditures by Priority Area: 2025 (the AGC Group)

Priority Areas	Amount	Rate
Support for the next generation	¥225.74 million	38%
Harmony with local communities	¥188.41 million	32%
Natural environment conservation	¥55.45 million	9%
Other	¥120.40 million	20%

● Expenditures by Use: 2025 Results (the AGC Group)

Purpose of Use	Amount	Rate
Donations, material donations	¥355.41 million	60%
Employee participation and dispatch	¥109.94 million	19%
Voluntary programs	¥102.80 million	17%
Opening of facilities, acceptance of tours	¥21.83 million	4%

AGC's Initiatives

■ Internal Systems

AGC has introduced the Volunteer Leave and Sabbatical System in order to support, as a company, the self-directed volunteer activities of individual employees.

For volunteer activities that meet predetermined criteria

Volunteer Leave System: 5 days a year

Volunteer Sabbatical System: 3 to 30 months (up to two times within this timeframe)

■ Enlightening the Next Generation

Aiming to nurture the next generation, AGC conducts engaging educational events on materials, including plant tours and lessons featuring experiments, both at our facilities and through school outreach programs. Through these initiatives, children learn about the appeal and importance of materials and gain valuable opportunities to think about the possibilities for the future. In 2025, a total of 24 plant tours (including classes) were held for 905 students at 15 schools, and a total of 6 classes were held for 461 students at 4 schools.



GRI and SASB Standards Index

The GRI Content Index and SASB Index are available on our website and can be accessed via the link below.

 [GRI and SASB Standards Index](#)

GRI Index

AGC refers to GRI Standards (GRI 1: Foundation 2021).

SASB Index

AGC refers to the “Construction Materials” standard in the SASB Standards published by the Sustainability Accounting Standards Board (SASB) in its sustainability-related disclosures.