

# Social Involvement

With the aim of being a “good corporate citizen” that harmoniously coexists with society, we will continue to make ongoing contributions to society through a variety of corporate activities.



# Corporate Governance

In order to realize the continued growth and development of our company, we are consistently promoting the establishment of a top management structure and business operation system that enables us to swiftly cope with changes in our business surroundings. We also prioritize compliance, all while fulfilling our commitments and responsibilities as a listed company.

Asahi Pretec has established the following conference bodies and organizations pertaining to managerial decision making.

## ● Board of Directors

Comprised of the company's Directors, the Board of Directors deliberates over and decides on important matters such as managerial and financial planning. It also conducts rigorous audits for the execution of professional duties, centered mainly on corporate officers.

## ● Management Strategy Meeting

Comprised of Directors and the heads of the concerned divisions, the Management Strategy Meeting promptly and flexibly deliberates over and decides on matters like new businesses and investment and loans. Arbitrary decisions of the Board of Directors, important items in particular, are previously deliberated at the Management Strategy Conference with the aim of conducting thorough deliberations pertaining to strategic decision making.

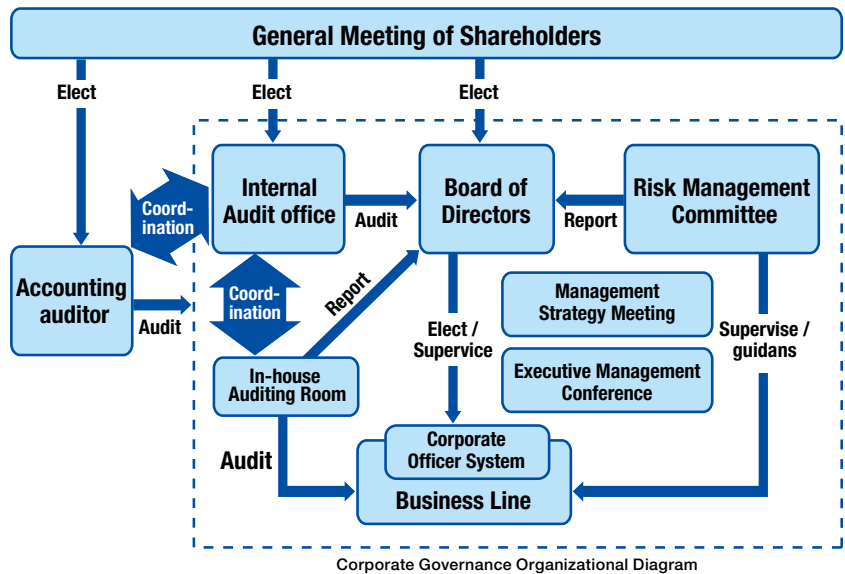
## ● Board of Auditors

We currently have four Auditors, three of which are external auditors (two lawyers and one certified public accountant). The Auditors attend meetings of the Board of Directors; perform visiting audits of business sites, plants, and others; and hold briefing sessions on the results of account audits from the account auditors.

## ● Internal Audit Office

The Internal Audit Office works to prevent improprieties and errors with regard to the managerial activities of the group as a whole, while also providing advice, recommendations, and proposals conducive to achieving management targets.

In order to properly control the risk management latent within the business prosecution process and operational structure for the group as a whole, we have set in place the Risk Management Committee as a cross-sectional organization spanning the entire company. Moreover, the Risk Management Committee (with the CSR Enforcement Department as its secretariat) determines and evaluates the risks inherent in business activities and implements countermeasures for them.



## Complying with the Japanese Version SOX Law

In September 2006 we set up "Project Teams Handling Internal Control," which are centered around representative members from each division, and also established a management system which complies with the Japanese version of the SOX Law throughout the entire Asahi Pretec Group.



Internal Control Project (State of Progress Hearing)

## Corporate Governance



Waste-related businesses are based upon administrative approval and license where “law-abiding” awareness and behavior are extremely important norms. Asahi Pretec Group has set in place compliance regulations and manuals, and we also conduct initiatives to constantly diffuse and thoroughly ensure a law-abiding awareness through employee education venues for all employees and venues for mutual communication among employees. We thoroughly ensure compliance with “Standard Operating Forms,” which form the basis for on-site operations, while also conducting audits through the Internal Audit Office and Risk Management Committee (CSR Enforcement Department).

## Setting in Place Internal and External Contact Points for Matters which Run Counter to the Logic of Ordinances and the Common Good

In order to find and take action against any illegal or improper deeds or practices in our organization as soon as possible, the company has been providing an external report scheme called the “Asahi Hotline,” which has a contact point at an external law firm. Complying with the Whistleblower Protection Act which entered into force in April 2006, the company has also provided an internal consultation service in our General Affairs Department which accepts anonymous information and implements investigations and the necessary corrective actions, based on the information received, with sufficient consideration given to the privacy of both the sued and the accused.

## Acquisition of Privacy Mark and Conducting Continuous Efforts



The company acquired the “Privacy Mark (P Mark)” in February 2007, and we will continue to make efforts to strengthen information security under our privacy policy for personal information protection. By way of our structure for protecting personal information, we have appointed and installed an internal Director of Personal Information Management and a Controller of Personal Information Protection Audits. We have also set in place various regulations and compliance programs related to the protection of personal information, and provide all employees with training sessions on the legal requirements regarding the Protection of Personal Information Law. Audits are also carried out on our personal information protection structure.

### Personal Information Protection Policy

<http://www.asahipretec.com/ir/press/lib/privacy.pdf>

## Taking all Possible Precautions against Information Leaks with our Risk Management System

By thoroughly banning the taking of copies and duplicates outside the company (via information storage media.) we have further strengthened our conventional internal and external information management. We employ security features such as a lock function on computers used by executives to ensure that the screen cannot be opened by another person in the unlikely event that the computer is lost or stolen.



## Making Contributions to Personal Information Protection through our Business Activities

We provide a data erasure service at our Recycle Centers located in Saitama, Chiba, and Amagasaki for the sake of countermeasures against data leaks accompanying the disposal of computers, thereby contributing to personal information protection through our business.



Data erasure operation using magnetism