

## For the Society

We continue making our social contributions through various activities as a good corporate citizen that should coexist in harmony with society.

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# WITH OUR CUSTOMERS

We make efforts to provide detailed responses to the wide-ranging needs of each of our customers under our motto that “customers come first.”

## Initiatives to Improve Customer Service

### ● Customer Satisfaction Surveys

We periodically conduct Customer Satisfaction Surveys. We survey the level of satisfaction with our business activities as a whole, and then improve upon problem areas based on the results of the reports. Hereafter, we will continue conducting periodic surveys and working to improve customer satisfaction.

### ● Providing Information to Customers

We publish the “Asahi Bulletin” primarily for our customers involved in the dental sector. Columns on the supply and demand situation for precious metals and on Medicare are posted to the Asahi Bulletin in the interest of providing information.



Asahi Bulletin

### ● Initiatives Concerning Fair Trade

We have established the Group Ethics Plan, and prohibit our officers and employees from having any connection with corruption or anti-social powers.

#### Asahi Holdings Group Ethics Plan (Excerpt)

##### ■ Removing incitements for personal profit and securing corporate profit

- With regard to purchase and other transactions, employees shall not exert influence designed to impede the adoption of optimal business clients in terms of price, quality, or the delivery term, and cannot act as a proxy for clients

##### ■ Moderate business dining, entertainment, and gifts

- Employees shall neither request nor receive money from clients and customers  
 - Employees shall not provide money or gifts which constitute a bribe to clients and customers  
 - As a general rule, employees require prior permission from their superiors when both receiving and offering meals and business entertainment, and the locations and contents of such meals and entertainment should not be expensive

##### ■ Emphasizing safety, the environment, and local communities

- Employees shall not have any connection nor engage in any type of transaction whatsoever with anti-social powers or activities

## Quality Assurance System

We hold a Quality Assurance Meeting that is led by the Quality Assurance Division through an amalgamation of our Sales Division, Technology Development Division, and Product Manufacturing Division. Through this meeting we share information such as customer opinions and market trends in our efforts to improve customer satisfaction.

In addition, in order to provide customers with products that earn their reassurance and satisfaction, we have acquired ISO9001 and strive to make continuous improvements to our quality management system, while also maintaining and improving upon our quality. Furthermore, Asahi Pretec also makes efforts to reduce the environmental burden while giving consideration to “green procurement” and the Restriction of Hazardous Substances (RoHS) Directive, which is a European regulations on chemical substances.



ISO9001 Certificate

Acquisition of ISO 9001 approval
Asahi Pretec Co., Ltd. Techno Center Fukuoka Plant Ehime Plant Saitama Plant

## Our Risk Management on Information Leakage

By thoroughly banning the taking copies and bringing duplicates outside the company (via information storage media), we have further strengthened our internal and external information risk management. We employ security measures features such as a lock function on computers used by sales representatives to ensure that the computer cannot be easily operated in the unlikely event that the computer is lost or stolen. In addition, we provide a data deletion service at our Recycling Centers located in Saitama, Chiba, and Amagasaki for the sake of countermeasures against data leakage accompanying the disposal of computers, thereby contributing to personal information protection through our business activities.

# WITH LOCAL COMMUNITIES

We are expanding its business activities nationwide, and the support and understanding of local residents are indispensable. In order to continue being as a good corporate citizen who can coexist with the society, the Asahi Holdings Group carries out grass roots activities in local communities and contributes to society in various ways.

## Introduction of Some Activities

### ● Efforts for a Clean Environment

The Suma Beach located to the west of Kobe city is not only a symbol of Kobe, but also a beach for swimming that makes use of the only natural coastline in the Hanshin (Osaka and Kobe) region. In order to protect the fantastic coastal scenery there, local residents, businesses, schools and administrations came together to work as one to clean up the beach before and after the swimming season. Our employees who work at offices nearby also participate every year with their families to clean up the beach prior to the opening of the official swimming season.



### ● Participating in Local Traditional Events

At Taiyo Chemical, employees participate as volunteers in "Myoen-ji mairi", a historically traditional event in Kagoshima prefecture, with great excitement. In addition to the usual offering of water and distribution of the event pamphlets to visitors of the event, this year our employees took advantage of their special skills to decorate the yagura towers erected along the Satsuma Kaido road. Their efforts to pave the ground around the yagura with stones, handmade signs and street maps were greatly enjoyed by the visitors.



### ● Training for International Technical Cooperation

The Kitakyushu business office was requested by the Kitakyushu International Techno-cooperative Association to provide training concerning waste treatment business to JICA technical trainees from Southeast Asia. Participants were young environmental administrative officers working with environmental policies and waste management by the industrial sector in their own countries. They were attentive to explanations about regulations stipulated by Japan's environmental law and our plant's waste management system.



## Social Contributions Through Business Activities

We agree with the purpose and support the activities of the 8020 Promotion Foundation for the 8020 Campaign (a campaign to still have over 20 of one's own teeth upon reaching the age of 80). We also recycle the removed teeth crowns collected by dental clinics that agree with the purpose of the cooperating organization for reproducing precious metals such as gold and palladium. The net profits obtained from sales of these precious metals are made available as funds to assist the activities of various cooperating organizations.

<Major organizations that our company assists>

- The 8020 Promotion Foundation



- The Japan Cleft Palate Foundation, a Specified NPO

(Provides medical assistance to children with oral handicaps such as cleft lips and palates)



- Medecins Du Monde Japon, a Specified NPO

(Provides medical assistance to people suffering from wars and natural disasters)



Medical assistance by Medecins Du Monde

### TOPICS

#### Exhibiting at the Kyushu Dental Show

We participated at the 2009 Kyushu Dental Show held at the Marine Messe Fukuoka in June. At our booth we provided information concerning our recycling technology and products in the area of dental materials to visitors from the dentistry world. By exhibiting at such specialized shows, we are promoting our company activities and disseminating the importance of recycling awareness.



# WITH OUR EMPLOYEES

Our aim is to create happy workplaces infused with a sense of motivation and solidarity that respect individuality and enable self-refinement through work under the management philosophy of “Respect for Human Dignity/Capability.”

We promote a variety of initiatives designed to elicit the strengths possessed by each individual employee to the greatest extent possible and apply this to work, and to enable them to tackle their work with a sense of challenge and job satisfaction.

## Creating an Environment Where People Can Work with Peace of Mind

### Work-Life Balance

Living one’s life by utilizing the abilities to full extent while striking a balance between challenging, rewarding work and a fulfilling personal life is not only important to employees, but to the company as well. There are a wide variety of important values in one’s personal life, such as family, health, sports, and hobbies, which vary depending on each individuals. Our company offers support which allows employees to strike a balance in their personal and working lives.

### ● Refresh Holiday

This is a system whereby employees can take three to five days of continuous holiday time every year beginning in their second year. This makes it possible to take nine days of continuous vacation time if weekends are included, which can be used for travel with family or hobbies.



### ● Managing Working Hours

Aiming for suitable workloads and working hours, we conduct personal interviews with every employee and have created a system to manage actual working conditions with a view to the work-life balance of each and every employee. We also provide guidance individually on improving one’s working environment.

### ● Mental Healthcare

It is said that stress from work or daily-living related anxieties or worries is spreading in our modern society.

At Asahi Holdings, we believe that mental health is a vital key to our employees’ productivity and the improvement of their vitality, and work with industrial medical professionals with expertise on mental healthcare to provide individual consultations and preventive seminars. In addition, efforts are made toward comprehensive health management and seminars concerning better health through medical viewpoints are given whenever necessary.



Individual Consultaion



Disease Prevention Seminar

● Childcare Leave

We assist employees for the birth and childcare, and support working patterns that are suited to their lifestyle through childcare leave and short-time work.

● Employee's Opinion Surveys

We conduct an Opinion Survey on all our employees once every three years. This survey is conducted in order to objectively grasp the employees' level of satisfaction in the company, and the results of the survey serve to further vitalize the organization and its human resources.

● Employment of Disabled Persons

Employees with disabilities engage in the same types of work that physically unimpaired employees do at our workplaces.



Employees having a pleasant conversation during break time (Amagasaki Recycling Center)

● Supporting Company Club Activities

The Asahi Holdings Group supports the Golden Fighters, the group's American football club team. We hope you will continue to support and cheer for the team.



Communication between colleagues and with clients is enhanced through club activities such as baseball and futsal.



# Fostering Human Resources

## Basic Philosophy Regarding the Fostering of Human Resources

We strive to have professional human resources which value expertise within every rank and line of work within the company. We provide initiatives like our unique qualification scheme and internal education curriculum, as well as voluntary small group activities which are known as Asahi Small Group Activities (ASG Activities). Furthermore, we have seven courses of action (mindfulness of profits, CS, information, cooperation, CSR, growth, and risk) which adopts a results-oriented personnel system that fairly and impartially evaluates the degree to which each and every employee contributes to business performance. As such, we endeavor to foster human resources with a fighting spirit.

### ● Employee Training Program

Our company provides education suited to the employees' level of proficiency from the time they join the company (Entrance Training, Step-up Training, Power-up Training), as well as education and training for selective human resources by rank (Junior Leader Training, Manager Training, Leader Training). In addition to which we also

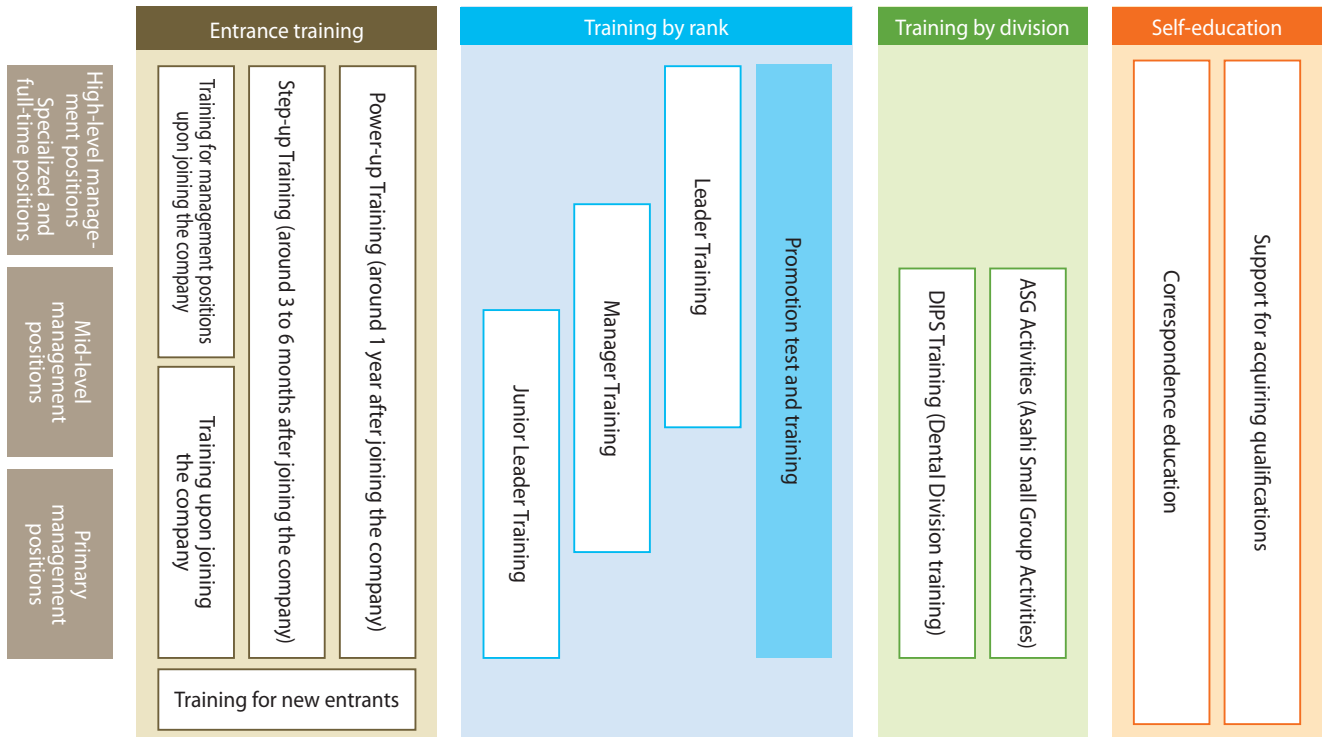
instill each individual with the practical knowledge needed by professional human resources through training by division and technical ability education. We have also established training programs which make it possible to nurture specialized capabilities.



Step-up Training



Power-up Training

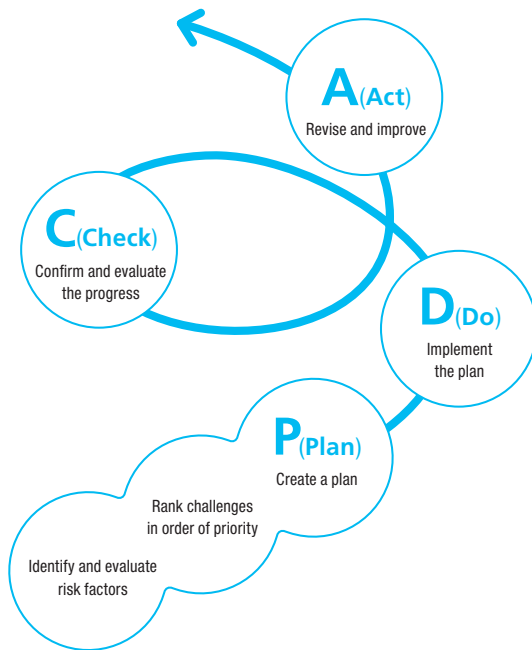


## Promoting Safety and Health Activities

### Initiatives for OSHMS

It is essential to nip disasters in the bud by focusing on the innumerable risks latent in the workplace and reducing such risks in advance so as to reduce the number of disasters. Our company aims to improve the safety and health standards of our workplaces by incorporating the reasoning behind the Occupational Safety and Health Management System (OSHMS\*) and reducing risks.

Our OSHMS is based upon reducing workplace risks by repeatedly applying the PDCA Cycle. This is a sequential cycle which runs from "establishing a plan" based on assessments of factors contributing to risk and hazards (Plan) -> "implementing the plan" (Do) -> "evaluating the results of the plan" (Check) -> "revisions and improvements based on the evaluation" (Act).



\*: Occupational Safety and Health Management System

### Environmental Safety Education

Environmental safety education is conducted as part of the Human Resource Fostering Program in the employee training system described above, and teaches things like a frame of mind for safely conducting work and basic knowledge of hazardous substances. Furthermore, we also incorporate into this role play-type education which holds group discussions by envisioning specific emergency situations, such as how you should react if a fire were to break out during working hours. We also contrive of means to enable individuals to correctly understand the actions that should be taken at the actual work site.



Environmental safety education

In terms of on-site support, on-the-job training (OJT) is provided by specialized staff concerned with health and safety at our sales and plant sites. We strive to improve health and safety in workplace environments by means of safety instruction to workers and persons in charge.



Plant training



## Responding to Emergencies

By way of safety measures at plants, our company seeks out risks regarding our business activities, decides on a "Safety Promotion Director" for each work site, and takes preventive measures. In addition, we have set in place a structure for promptly responding to any problems in the event that something should occur. Furthermore, as a means of responding within the company and outside the company when emergencies occur, we have completed the "Emergency Response and Management Manual." We have also distributed "Accident and Disaster Response Procedures," which contain essentials for responding to accidents and disasters when they initially occur, and have mandated that every employee must carry these with them at all times.

## Holding General Meetings of Employees

We hold general meetings of employees every year. At the general meetings of employees a number of different activities are held, including a message from CEO, presentations on the previous term's performance and priority issues for the current term from the various division directors, ASG presentations by selected teams, and discussions between top management and employees.



General meeting of employees

## Safety Commendation Activities

Every year, we strive to enhance awareness of safety by holding activities to commend business sites and employees who have made a contribution to safety management at general meetings of employees.



Safety commendation

## Creating Vital Workplaces Through Small Group Activities

We implement what we call Asahi Small Group Activities (ASG Activities) with voluntary participation from employees within the same workplace. Through these activities, participants use their creativity to work toward solving issues and problems within their workplace. Groups with outstanding efforts are awarded at the employee general assembly.

### INTERVIEW Taking Part in ASG Activities

The main theme of our team, the Yokohama Sales Office B-Team, was to come up with ways of solving issues pertaining to cost reduction. Of what we came up with, our efforts to catalog complicated equipment for easy viewing and to devise detailed documents concerning industrial wastes have received high appraisal. When you look at the effects of our

cost reduction effort you might think each effect is insignificant. However, since the effort was expanded to all national sales offices, the effects have been tremendous. More than being awarded for our efforts, I am proud and overjoyed to know that we were able to bring good influences to the company as a whole.



**Masami Igarashi**  
ASG Activities B-Team group leader  
Yokohama Sales Office

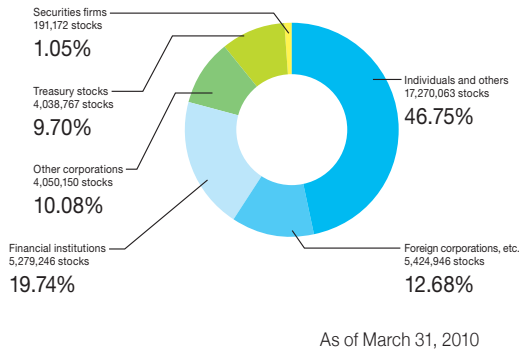
# WITH OUR SHAREHOLDERS AND INVESTORS

We are proactively promoting growth strategy and striving to improve corporate value and provide stabilized returns to our shareholders through business development.

## Shareholder Composition

The total number of our shareholders as of the end of March 2010 was 11,338. When it comes to the stock distribution status by holder, individuals and others hold 46.75%, foreign corporations and others hold 12.68%, financial institutions hold 19.74%, other corporations hold 10.08%, treasury stocks hold 9.70%, and securities firms account for 1.05%.

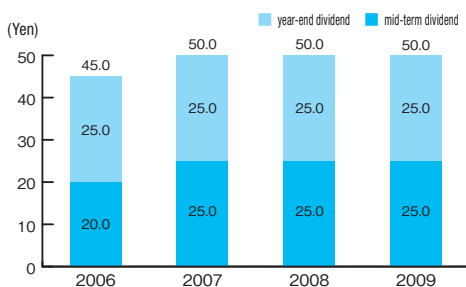
### ● Stock Distribution Status by Holder



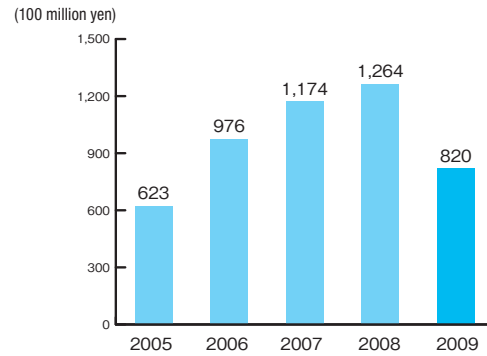
## Basic Philosophy on Shareholder Returns

Our basic philosophy with regard to the sharing of profits is to “measure up to the expectations of all of our shareholders through dividends and the like by striving to raise our corporate value through maintaining a stable earning capacity and further growth.” At the same time, we also believe that “it is important to aim for ample retained earnings in order to provide for things like investment to growth sectors and new business development.” As such, we have adopted Dividends on Equity (DOE) as indicators for returns to shareholders, which is a multiple with Return on Equity (ROE) by the dividend payout ratio. Based upon this fundamental policy, with regard to shareholder dividends we will make strategic business investments to strengthen and grow our earnings structure, while also striving to continue effectively utilizing shareholders’ equity.

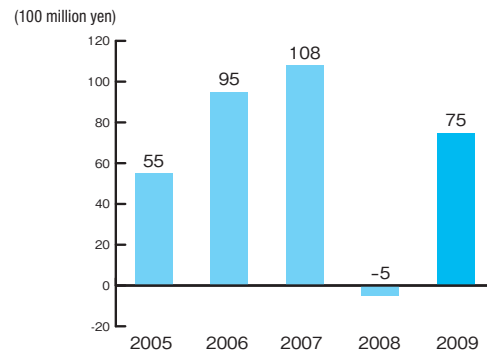
### ● Transition of Dividend Per Share



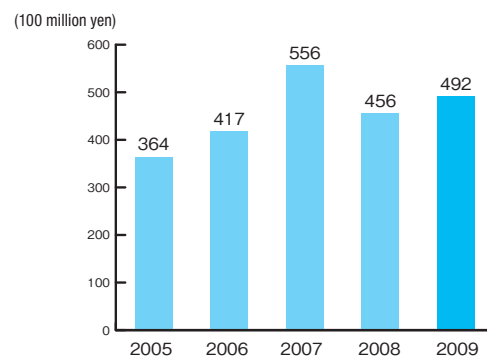
### ● Sales



### ● Ordinary Profit



### ● Total Assets



### ● Number of Employees

