

*This is an excerpt translation of the Japanese original. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.*

(Securities Code: 4044)  
June 7, 2021

To Shareholders with Voting Rights

Tadashi Shimizu  
Representative Director,  
President & CEO  
Central Glass Co., Ltd.  
5253, Okiube, Ube City,  
Yamaguchi Prefecture

## **NOTICE OF CONVOCATION OF THE 107<sup>TH</sup> ANNUAL SHAREHOLDERS' MEETING**

We are pleased to announce the 107th Annual Shareholders' Meeting (the "Shareholders' Meeting") of Central Glass Co., Ltd. (the "Company"). The meeting will be held as described below.

**From the standpoint of preventing the spread of the novel coronavirus disease (COVID-19) and ensuring the safety of our shareholders, we strongly request that you refrain from attending the Shareholders' Meeting in person, and instead, exercise your voting rights via postal mail or the Internet. Please review the following reference documents for the Shareholders' Meeting and exercise your voting rights by 5:30 p.m. on Monday, June 28, 2021 (JST).**

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|--------------------------------|---|
| <b>1. Date and Time</b>        | <b>Tuesday, June 29, 2021, 10:00 a.m.</b>   |
| <b>2. Place</b>                | <b>Central Glass Registered Head Office (Ube Plant)</b><br>5253, Okiube, Ube City, Yamaguchi Prefecture   |
| <b>3. Meeting Agenda</b>       |   |
| <b>Matters to be Reported:</b> | <ol style="list-style-type: none"><li>1. Business Reports, Consolidated and Non-consolidated Financial Statements for the 107th Fiscal Year (from April 1, 2020 to March 31, 2021)</li><li>2. Reports of Audit on the Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors for the 107th Fiscal Year (from April 1, 2020 to March 31, 2021)</li></ol> |
| <b>Matters to be Resolved:</b> |   |
| <b>Proposal No. 1:</b>         | Election of Nine Directors  |
| <b>Proposal No. 2:</b>         | Election of Two Corporate Auditors  |

- 1. If you attend the Shareholders' Meeting in person, please submit the enclosed Voting Form at the reception desk.**
- 2. Please be advised that in the event the reference documents for the Shareholders' Meeting, Business Report, Consolidated/Non-consolidated Financial Statements, or Notes to Consolidated/Non-consolidated Financial Statements require modification, the Company will post the modified documents on its website (<https://www.cgco.co.jp/ir/stockinfo/generalmeeting.html>).**

#### Dividend Payment

The Company resolved, at the meeting of the Board of Directors of the Company held on May 24, 2021, that the Company's year-end dividend payment will be 37.50 Japanese Yen per share commencing payment on June 8, 2021. Consequently, annual dividend payment for the 107th fiscal year will be 75 Japanese Yen per share including 37.50 Japanese Yen of interim dividend.

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| <ul style="list-style-type: none"><li>• We strongly urge you to refrain from traveling to the venue in order to prevent the spread of COVID-19. Please consider exercising your voting rights via postal mail or the Internet.</li><li>• Gifts will not be provided to shareholders attending the Shareholders' Meeting. We greatly appreciate your understanding.</li></ul> |
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**Guidance for the Exercise of Voting Rights**

Exercise of voting rights at the Shareholders' Meeting is shareholders' important right.

Please review the following reference documents for the Shareholders' Meeting and exercise your voting rights.

There are three methods to exercise your voting rights as indicated below.

**Exercise of voting rights by attending the Shareholders' Meeting**

Please submit the enclosed Voting Form at the reception desk.

Date and time: Tuesday, June 29, 2021, 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)

**Exercise of voting rights in writing (by postal mail)**

Cast your vote on the Proposal using the enclosed Voting Form and return it by post.

Exercise due date: To be received no later than 5:30 p.m. on Monday, June 28, 2021 (JST)

**Exercise of voting rights via the Internet**

Indicate your approval or disapproval in accordance with the instructions on the next page.

Exercise due date: No later than 5:30 p.m. on Monday, June 28, 2021 (JST)

Please note that if you have exercised your voting rights more than once via the Internet, the vote that has reached the Company last shall be deemed and handled as your effective exercise of voting rights. If you have exercised your voting rights both via the Internet and in writing, your online vote shall be deemed and handled as your effective exercise of voting rights.

## **Guidance for the Exercise of Voting Rights via the Internet**

### **Method 1: Scanning the QR Code “Smart Vote”**

You can simply log in to the website for exercising voting rights without entering your Voting Rights Code and Password.

- 1 Please scan the QR Code located on the bottom right of the Voting Form.  
\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
- 2 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

### **Please note that exercising voting rights by using “Smart Vote” method is available only once.**

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your Voting Rights Code and Password as listed on the Voting Form, and exercise your voting rights again.

\* You can access the website for personal computer by scanning the QR Code again.

### **Method 2: Entering the Voting Rights Code and Password**

Website for exercising your voting rights: <https://www.web54.net>

- 1 Please access the website for exercising your voting rights.
- 2 Enter your Voting Rights Code as listed on the Voting Form.
- 3 Enter the Password printed on the Voting Form.
- 4 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

**Dedicated phone line for Stock Transfer Agency Web Support,  
Sumitomo Mitsui Trust Bank, Limited**

**Tel: 0120-652-031 (toll-free within Japan only)**  
(Business hours: 9:00 a.m.–9:00 p.m.)

\* Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise the voting rights.

**Proposal No. 1: Election of Nine Directors**

The term of office of all the current nine Directors will expire upon the conclusion of the Shareholders' Meeting. Therefore, the Company proposes the election of nine Directors (including three Outside Directors).

The candidates for Directors are as follows:

No.	Name	Current Position/Responsibilities at the Company and Significant Positions Concurrently Held Outside the Company	
1	Tadashi Shimizu	Representative Director, President & CEO	Reelection
2	Kazuhiko Maeda	Director, Executive Managing Officer [In charge of Chemicals Sales Department, Medi-Chemicals Sales Department, Specialty Chemicals Sales Department, Electronic Materials Sales Department, Energy Materials Sales Department and Chemicals Business Development Department]	Reelection
3	Takashi Kume	Director, Executive Managing Officer [In charge of Chemical Technical Planning & Management Department, Environment Safety Department, Ube Plant, Kawasaki Plant and Environment Safety Promotion Committee]	Reelection
4	Toru Miyauchi	Director, Executive Managing Officer [In charge of Corporate Administration Department, Finance & Accounting Department, Information & Computer System Department, Anti-Monopoly Law Observance Committee, Financial Reporting Risk Assessment Committee and Compliance Promotion Committee]	Reelection
5	Minoru Irisawa	Director, Executive Managing Officer [In charge of Automotive Glass Department, Glass Business Planning & Development Department, Agri-Bio Business Promotion Department and Glass Fiber Department]	Reelection
6	Yoshitada Makihata	Executive Managing Officer [In charge of Personnel Department (General Manager of Personnel Department), Audit Department, Purchasing Department, Flat Glass Marketing & Sales Department and Glass Business Planning & Development Department]	New election
7	Tetsuo Nishide	Outside Director	Reelection Outside Independent
8	Kimi Koinuma	Outside Director [Significant positions concurrently held outside the Company] Attorney-at-Law, Partner of Asahi Law Offices Supervisory Director of MORI TRUST Hotel Reit, Inc.	Reelection Outside Independent
9	Masaya Kawata	[Significant positions concurrently held outside the Company] Chairman and Representative Director of Nisshinbo Holdings Inc.	New election Outside Independent

**Reelection:** Candidate for Director to be reelected

**Outside:** Candidate for Outside Director

**New election:** Candidate for Director to be newly elected

**Independent:** Independent Officer notified to the securities exchange

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
1	Tadashi Shimizu (April 1, 1955)	<p>Apr. 1978    Joined the Company</p> <p>Oct. 2005    General Manager of International Business Department</p> <p>Oct. 2010    General Manager of Personnel Department</p> <p>Jun. 2011    Executive Officer, General Manager of Personnel Department</p> <p>Jun. 2012    Director, Executive Managing Officer, General Manager of Personnel Department</p> <p>Jun. 2013    Director, Executive Managing Officer</p> <p>Jun. 2015    Representative Director, Senior Executive Managing Officer, General Manager of International Business Department</p> <p>Jun. 2016    Representative Director, Senior Executive Managing Officer</p> <p>Jun. 2017    Representative Director, President &amp; CEO (present)</p> <p>Reason for nomination as a candidate for Director Mr. Shimizu has been serving as Representative Director, President &amp; CEO since 2017. He possesses a wide range of experience as a corporate manager as well as a broad range of insight in the overall business of the Central Glass Group. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	20,600

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
2	Kazuhiko Maeda (November 25, 1959)	<p>Apr. 1984    Joined the Company</p> <p>Jun. 2006    General Manager of Chemicals Business Development Department</p> <p>Oct. 2009    General Manager of Chemicals Business Development Department (Organization name in Japanese changed with English unchanged)</p> <p>Oct. 2012    General Manager of Energy Materials Sales Department</p> <p>Jun. 2014    Executive Officer, General Manager of Energy Materials Sales Department</p> <p>Jun. 2015    Director, Executive Managing Officer (present) [In charge of Chemicals Sales Department, Medi-Chemicals Sales Department, Specialty Chemicals Sales Department, Electronic Materials Sales Department, Energy Materials Sales Department and Chemicals Business Development Department]</p> <p>Reason for nomination as a candidate for Director Mr. Maeda has a wide range of insight into areas such as the Chemicals Business, as well as a wide range of experience mainly in fine chemicals division research and development of the Chemicals Business. In addition, he has been serving as Director, Executive Managing Officer since 2015, and has a wide range of experience as a corporate manager. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	4,700

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
3	Takashi Kume (December 22, 1959)	<p>Apr. 1988 Joined the Company</p> <p>Oct. 2009 General Manager of Chemical Research Center</p> <p>Oct. 2012 General Manager of Chemicals Business Development Department</p> <p>Jun. 2015 Executive Officer, General Manager of Chemicals Business Development Department</p> <p>Feb. 2016 Executive Officer Representative Director of Central Glass Germany GmbH</p> <p>Jun. 2017 Executive Officer, General Manager of Chemicals Business Development Department</p> <p>Jun. 2018 Executive Officer, General Manager of Ube Plant</p> <p>Jun. 2019 Director, Executive Managing Officer (present) [In charge of Chemical Technical Planning &amp; Management Department, Environment Safety Department, Ube Plant, Kawasaki Plant and Environment Safety Promotion Committee]</p> <p>Reason for nomination as a candidate for Director Mr. Kume has a wide range of insight into areas such as the Chemicals Business, based on an extensive experience mainly in research and development of the Chemicals Business. In addition, he has been serving as Director, Executive Managing Officer since 2019 and has earned sufficient experience as a corporate manager. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	1,500

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
4	Toru Miyauchi (June 14, 1959)	<p>Apr. 1983    Joined the Company</p> <p>Apr. 2012    General Manager of Finance &amp; Accounting Department</p> <p>Jun. 2017    Executive Officer, General Manager of Corporate Administration Department</p> <p>Jun. 2019    Director, Executive Managing Officer, General Manager of Corporate Administration Department</p> <p>Apr. 2021    Director, Executive Managing Officer (present) [In charge of Corporate Administration Department, Finance &amp; Accounting Department, Information &amp; Computer System Department, Anti-Monopoly Law Observance Committee, Financial Reporting Risk Assessment Committee and Compliance Promotion Committee]</p> <p>Reason for nomination as a candidate for Director Mr. Miyauchi has a wide range of insight into overall business management, as well as a wide range of experience, mainly in the administrative divisions. In addition, he has been serving as Director, Executive Managing Officer since 2019 and has earned sufficient experience as a corporate manager. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	2,100
5	Minoru Irisawa (June 20, 1960)	<p>Apr. 1983    Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Jun. 2012    Joined the Company</p> <p>Jun. 2013    General Manager of Glass Fiber Department</p> <p>Jun. 2015    Executive Officer, General Manager of Glass Fiber Department</p> <p>Jun. 2016    Executive Officer, General Manager of International Business Department</p> <p>Jun. 2018    Executive Managing Officer</p> <p>Jun. 2020    Director, Executive Managing Officer (present) [In charge of Automotive Glass Department, Glass Business Planning &amp; Development Department, Agri-Bio Business Promotion Department and Glass Fiber Department]</p> <p>Reason for nomination as a candidate for Director Mr. Irisawa has a wide range of insight mainly in the Glass Business and administrative divisions in addition to his abundant experience gained through many years at a financial institution. In addition, he has been serving as Director, Executive Managing Officer since 2020, and possesses experience as a corporate manager. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	2,900

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
6 New Election	Yoshitada Makihata (December 11, 1959)	<p>Apr. 1983    Joined the Company</p> <p>Apr. 2010    General Manager of Glass Business Planning &amp; Development Department</p> <p>Jan. 2013    Corporate Administration Department</p> <p>Jun. 2014    General Manager of Glass Business Planning &amp; Development Department</p> <p>Oct. 2016    Representative Director and President of Japan Tempered &amp; Laminated Glass Co., Ltd.</p> <p>Jun. 2018    General Manager of Purchasing Department</p> <p>Apr. 2019    Executive Officer, General Manager of Purchasing Department</p> <p>Jun. 2019    Executive Officer, General Manager of Personnel Department</p> <p>Jun. 2020    Executive Managing Officer, General Manager of Personnel Department (present)</p> <hr/> <p>Reason for nomination as a candidate for Director</p> <p>Mr. Makihata has a wide range of insight into indirect departments as well as experience in the sales and planning divisions of the Glass Business. In addition, he has been serving as Executive Managing Officer since 2020, and has experience as a corporate manager.</p> <p>The Company nominated him as a new candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group supervising the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	3,500

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
7	Tetsuo Nishide (February 22, 1950)	<p>Apr. 1975 Joined Ministry of International Trade and Industry (MITI)</p> <p>Apr. 1999 Professor, Graduate School of Nara Institute of Science and Technology (concurrent)</p> <p>Jul. 2002 Director General, Chugoku Bureau of Economy, Ministry of Economy, Trade and Industry</p> <p>Jun. 2004 Executive Director of Vinyl Environmental Council</p> <p>Apr. 2007 Specially Appointed Professor, Graduate School of Business Design at Rikkyo University</p> <p>Jul. 2007 Director General of (incorporated association) Japan Chemical Industry Association</p> <p>Apr. 2011 Director General of (general incorporated association) Japan Chemical Industry Association</p> <p>Jun. 2016 Chairman of (general incorporated foundation) Japan Chemical Innovation and Inspection Institute</p> <p>Jun. 2017 Director of the Company (present)</p> <p>Reason for nomination as a candidate for Outside Director and outline of expected role Mr. Nishide has a wide range of experience and insight cultivated through his long service as an administrative officer, university professor and person involved in industry groups. The Company nominated him again as a candidate for Outside Director because it believes that he can be expected to provide suitable advice and supervision from an independent standpoint with regard to the Company's business environment and management in general. If Mr. Nishide is elected, he will be involved in selecting candidates for Directors and Corporate Auditors as well as determining remunerations of Directors and Corporate Auditors from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>	0

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
8	<p data-bbox="331 600 518 663">Kimi Koinuma (April 19, 1965)</p> <p data-bbox="300 696 550 790">(The officially registered name: Kimi Hasegawa)</p>	<p data-bbox="561 322 1200 385">Apr. 1991 Registered as an attorney (Daini Tokyo Bar Association)</p> <p data-bbox="561 389 1238 452">Apr. 1991 Joined Masuda and Ejiri Law Office (currently Asahi Law Offices) (present)</p> <p data-bbox="561 456 1145 488">Jul. 2007 Partner of Asahi Law Offices (present)</p> <p data-bbox="561 492 1286 555">Jan. 2016 Supervisory Director of MORI TRUST Hotel Reit, Inc. (present)</p> <p data-bbox="561 560 1098 591">Jun. 2018 Director of the Company (present)</p> <p data-bbox="561 595 1244 685">[Significant Positions Currently Held Outside the Company] Attorney-at-Law, Partner of Asahi Law Offices Supervisory Director of MORI TRUST Hotel Reit, Inc.</p> <hr/> <p data-bbox="561 689 1270 752">Reason for nomination as a candidate for Outside Director and outline of expected role</p> <p data-bbox="561 757 1305 1043">Ms. Koinuma has a wide range of experience and insight as an attorney-at-law who has worked for many years in corporate legal affairs. The Company nominated her again as a candidate for Outside Director because it believes that she will utilize her knowledge to supervise and advise Directors on matters of business execution of Directors based on her expert perspective. If Ms. Koinuma is elected, she will be involved in selecting candidates for Directors and Corporate Auditors as well as determining remunerations of Directors and Corporate Auditors from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>	0

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
9 New Election	Masaya Kawata (April 20, 1952)	<p>Apr. 1975 Joined Nisshinbo Industries, Inc. (currently Nisshinbo Holdings Inc.)</p> <p>Jun. 2006 Managing Officer, General Manager of Human Resources Division of Nisshinbo Industries, Inc.</p> <p>Apr. 2007 Deputy General Manager of Accounting and Finance Division of Nisshinbo Industries, Inc. (concurrent)</p> <p>Jun. 2007 Director of Nisshinbo Industries, Inc.</p> <p>Apr. 2008 Deputy Chief of Business Support Center of Nisshinbo Industries, Inc.</p> <p>Apr. 2009 Representative Director, President of Nisshinbo Brake Inc. (concurrent)</p> <p>Jun. 2010 Director, Executive Managing Officer of Nisshinbo Holdings Inc.</p> <p>Jun. 2011 Deputy Chief of Corporate Strategy Center and General Manager of Business Development Division of Nisshinbo Holdings Inc. (concurrent) President and Representative Director of Nisshinbo Chemical Inc. (concurrent)</p> <p>Jun. 2012 Director, Senior Executive Managing Officer of Nisshinbo Holdings Inc. President, Representative Director of Nisshinbo Mechatronics Inc. (concurrent)</p> <p>Jun. 2013 Director, President of Nisshinbo Holdings Inc.</p> <p>Mar. 2019 Chairman and Representative Director of Nisshinbo Holdings Inc. (present)</p> <p>[Significant Positions Currently Held Outside the Company] Chairman and Representative Director of Nisshinbo Holdings Inc.</p> <p>Reason for nomination as a candidate for Outside Director and outline of expected role Mr. Kawata has a wide range of experience and insight cultivated in company management for many years, and the Company nominated him as a new candidate for Outside Director because it believes that he will use his expert knowledge concerning overall management as well as his own experience as a manager to advise and supervise Directors on matters of business execution. If Mr. Kawata is elected, he will be involved in selecting candidates for Directors and Corporate Auditors as well as determining remunerations of Directors and Corporate Auditors from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>	0

Notes: 1. There are no special interests between each candidate above and the Company. The Company has designated Mr. Tetsuo Nishide and Ms. Kimi Koinuma as Independent Officers under the regulations of the Tokyo Stock Exchange and notified the Exchange of their assignment. In the event that Mr. Masaya Kawata's election is approved, the Company plans to designate Mr. Kawata as an Independent Officer under the regulations of the Tokyo Stock Exchange and notified the Exchange of his assignment.

2. Mr. Tetsuo Nishide, Ms. Kimi Koinuma, and Mr. Masaya Kawata are candidates for Outside Directors.

3. Independent status and reasons for appointment of Outside Directors:

The Company's Outside Directors possess an independent status that ensures no conflicts of interest with general shareholders, and they are assigned the function and the role of ensuring fair decision-making as well as eliminating arbitrary decisions by the Board of Directors.

Mr. Tetsuo Nishide, Ms. Kimi Koinuma, and Mr. Masaya Kawata are nominated to be Outside Directors because they fulfill the abovementioned requirements.

The Company appoints its Outside Directors based on their independence from the Company as defined by the criteria below:

- i) Are not a person, executive or employee who regards the Company as a major business partner

- ii) Are not a major business partner of the Company nor its executive or employee
- iii) Are not a consultant, accounting professional or legal expert who receives large amounts of money or other economic benefits in addition to the Corporate Officer remunerations paid by the Company
- iv) Are not a major shareholder of the Company nor its executive or employee
- v) Are not an executive or employee of the Company or its subsidiaries
- vi) Are not a non-executive director of the Company or its subsidiaries (criteria for Outside Corporate Auditor only)

(1) Neither Mr. Tetsuo Nishide and Ms. Kimi Koinuma nor any of their close relatives violate or have violated the above criteria i) to vi) regarding independence.

Furthermore, they have not come from an entity that employs someone from the Company as an Outside Director. They are not a business partner of the Company and has never worked at such an entity. They are not a person to whom the Company is making any contributions nor has ever worked at such an entity.

(2) Neither Mr. Masaya Kawata nor any of his close relatives violate or have violated the above criteria i) to vi) regarding independence.

Furthermore, Mr. Kawata has not come from an entity that employs someone from the Company as an Outside Director. He is not a business partner of the Company and has never worked at such an entity. He is not a person to whom the Company is making any contributions nor has ever worked at such an entity.

Mr. Kawata is from Nisshinbo Holdings Inc. Although the Company held shares of the company as part of cross-shareholdings, the Company sold all of the shares held by March 31, 2021.

#### 4. Number of years since assuming office

Upon the conclusion of the Shareholders' Meeting, Mr. Tetsuo Nishide will have served for four years, and Ms. Kimi Koinuma will have served for three years.

#### 5. Outline of limited liability agreements

(1) Mr. Tetsuo Nishide and Ms. Kimi Koinuma currently serve as Outside Directors of the Company. The Company has entered into a limited liability agreement with them in which the maximum amount of their liability shall be equal to the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act. In the event that their reelection is approved, the Company plans to continue the said limited liability agreement with them.

(2) Mr. Masaya Kawata is a candidate for Outside Director of the Company. In the event that his election is approved, the Company plans to enter into a limited liability agreement with him in which the maximum amount of his liability shall be equal to the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act.

#### 6. Summary of details of directors and officers liability insurance agreement

The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act. This agreement covers losses incurred from amounts of indemnification, and litigation expenses, and other costs that the insured would be liable for in the event of a claim for damages filed by shareholders or a third party. All of the above candidates will be included in the insurance agreement as the insured. In addition, when the policy is renewed, the Company plans to renew the insurance agreement with similar terms.

**Proposal No. 2: Election of Two Corporate Auditors**

Out of the current Corporate Auditors, upon the conclusion of this Shareholders’ Meeting, the terms of office of Mr. Yasunobu Nishimura and Mr. Ken Kikuchi will expire. Therefore, we propose the election of two new Corporate Auditors.

The Board of Corporate Auditors has given its prior consent to this proposal.

The candidates for Corporate Auditor are as follows:

No.	Name	Current Position at the Company and Significant Positions Concurrently Held Outside the Company
1	Takao Tomioka	General Manager of Glass Quality Assurance Department <span style="float: right;">New election</span>
2	Toshihide Nishimura	[Significant positions concurrently held outside the Company] Corporate Auditor (Standing) of TAIHEIYO CEMENT CORPORATION <span style="float: right;">New election</span> Audit & Supervisory Board Member of NIPPON CONCRETE INDUSTRIES CO., LTD. <span style="float: right;">Outside</span> <span style="float: right;">Independent</span>

New election: Candidate for Director to be newly elected

Outside: Candidate for Outside Director

Independent: Independent Officer notified to the securities exchange

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
1 New Election	Takao Tomioka (July 25, 1961)	<p>Jun. 1990 Joined the Company</p> <p>Apr. 2014 General Manager of Intellectual Property Department</p> <p>Jun. 2018 General Manager of Glass Quality Assurance Department (present)</p> <p>Reason for nomination as a candidate for Corporate Auditor Mr. Tomioka has a wide range of insight into the Glass Business as well as related divisions, based on extensive experience mainly in research and development and planning in the Glass Business. We nominated him as a candidate for Corporate Auditor because we believe that he will leverage his experience and insight to conduct appropriate audits of the Directors' execution of duties.</p>	0
2 New Election	Toshihide Nishimura (January 13, 1955)	<p>Apr. 1979 Joined Onoda Cement Co., Ltd. (currently TAIHEIYO CEMENT CORPORATION)</p> <p>Apr. 2006 General Manager of Building Materials Company Management Department of TAIHEIYO CEMENT CORPORATION</p> <p>May 2009 General Manager of Accounting &amp; Finance Department of TAIHEIYO CEMENT CORPORATION</p> <p>Apr. 2012 Executive Officer, General Manager of Related Business Department of TAIHEIYO CEMENT CORPORATION</p> <p>Apr. 2015 Managing Executive Officer of TAIHEIYO CEMENT CORPORATION</p> <p>Jun. 2015 Director, Managing Executive Officer of TAIHEIYO CEMENT CORPORATION</p> <p>Jun. 2016 Audit &amp; Supervisory Board Member of NIPPON CONCRETE INDUSTRIES CO., LTD. (present)</p> <p>Apr. 2017 Director of TAIHEIYO CEMENT CORPORATION</p> <p>Jun. 2017 Corporate Auditor (Standing) of TAIHEIYO CEMENT CORPORATION (present)</p> <p>[Significant Positions Currently Held Outside the Company] Corporate Auditor (Standing) of TAIHEIYO CEMENT CORPORATION Audit &amp; Supervisory Board Member of NIPPON CONCRETE INDUSTRIES CO., LTD. * Mr. Toshihide Nishimura will retire from his position as Corporate Auditor (Standing) of TAIHEIYO CEMENT CORPORATION at the conclusion of that company's general meeting of shareholders scheduled to be held on June 29, 2021.</p> <p>Reason for nomination as a candidate for Outside Corporate Auditor Mr. Nishimura has served as Corporate Auditor at business corporations. Also, he possesses a wide range of experience and insight obtained through his long-standing involvement in business operations and management. We nominated him as a candidate for Outside Corporate Auditor because we believe that he will leverage his experience and insight to conduct appropriate audits of the Directors' execution of duties from an objective and independent perspective.</p>	0

Notes: 1. There are no special interests between each candidate above and the Company. If the election of Mr. Toshihide Nishimura is approved, the Company will designate him as an Independent Officer under the regulations of the Tokyo Stock Exchange and notified the Exchange of his assignment.

2. Mr. Toshihide Nishimura is a candidate for Outside Corporate Auditor.

3. Independence and reasons for appointment of Outside Corporate Auditors

The Company's Outside Corporate Auditors possess an independent status that ensures no conflicts of interest with general shareholders, and they are assigned the function and the role of ensuring fair decision-making as well as eliminating arbitrary decisions by the Board of Directors.

Mr. Toshihide Nishimura is nominated to be an Outside Corporate Auditor because he fulfills the above mentioned requirements.

The Company appoints its Outside Corporate Auditors based on their independence from the Company as defined by the criteria below:

- i) Are not a person, executive or employee who regards the Company as a major business partner
- ii) Are not a major business partner of the Company nor its executive or employee
- iii) Are not a consultant, accounting professional or legal expert who receives large amounts of money or other economic benefits in addition to the Corporate Officer remunerations paid by the Company
- iv) Are not a major shareholder of the Company nor its executive or employee
- v) Are not an executive or employee of the Company or its subsidiaries
- vi) Are not a non-executive director of the Company or its subsidiaries (criteria for Outside Corporate Auditor only)

Neither Mr. Toshihide Nishimura nor any of his close relatives violate or have violated the above criteria i) to vi) regarding independence.

Although he has previously worked at TAIHEIYO CEMENT CORPORATION, with which the Company has a business relationship, since the transaction amount with the TAIHEIYO CEMENT CORPORATION was less than 0.1% of the Company's total cost of sales in fiscal 2020, considering the Company's total cost of sales the Company believes that the transaction is not of sufficient importance to give rise to special interest, and therefore he possesses an independent status.

Furthermore, he has not come from an entity that employs someone from the Company as an Outside Corporate Auditor, and he is not a person to whom the Company is making any contributions nor has ever worked at such an entity.

#### 4. Outline of limited liability agreements

In the event that the election of Mr. Takao Tomioka and Mr. Toshihide Nishimura is approved, the Company plans to enter into a limited liability agreement with them in which the maximum amount of their liability shall be equal to the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act.

#### 5. Summary of details of directors and officers liability insurance agreement

The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act. This agreement covers losses incurred from amounts of indemnification, and litigation expenses, and other costs that the insured would be liable for in the event of a claim for damages filed by shareholders or a third party. The above candidates for Corporate Auditor will be included in the insurance agreement as the insured. In addition, when the policy is renewed, the Company plans to renew the insurance agreement with similar terms.

## **Business Report**

(From April 1, 2020 to March 31, 2021)

### **I Current Status of the Central Glass Group**

#### **1. Business Summary and Results**

The Japanese economy in the consolidated fiscal year under review significantly declined in the first half due to the impact of COVID-19, and while there were some signs of recovery in the economy subsequently as a result of gradual resumption of economic activity and various government measures, the situation remains unpredictable due to factors such as the current shift toward increasing numbers of people infected with COVID-19.

Regarding the global economy, in terms of the impact of COVID-19, different regions have seen differing developments, with some countries seeing a recovery owing to the spread of vaccines and economic measures, and others experiencing a resurgence of the spread of the infection on a large scale. Further taking into account the broad and protracted confrontation between the United States and China that continues, overseas economic prospects remain very uncertain.

Central Glass Co., Ltd. (the “Company”) and its subsidiaries and affiliates (hereinafter together with the Company referred to as the “Central Glass Group” or the “Group”) actively promoted sales activities under such an economic environment; nevertheless, the Group’s net sales in the fiscal year under review decreased by 14.3% year on year to 190,673 million Japanese Yen due to the impact of global economic deceleration.

With respect to profits, despite the Group’s efforts to improve the efficiency of and streamline its overall business management, ordinary profit decreased by 3,816 million Japanese Yen year on year to 4,749 million Japanese Yen, and profit attributable to owners of parent decreased by 5,187 million Japanese Yen year on year to 1,230 million Japanese Yen.

The business status of the Glass and Chemicals Business is summarized in (1) and (2) below.

#### **(1) Glass Business**

Sales of architectural glass declined from the previous fiscal year because of decreased domestic demand in construction and the impact of reviewed unprofitable transactions, as well as the withdrawal from the architectural fabricated glass business in the United States.

Sales of automotive glass declined from the previous fiscal year both domestically and internationally because of the large decline in sales in the first half of the year resulting from the impact of COVID-19.

Sales of glass fiber declined from the previous fiscal year because of the sales decline in automobiles in first half of the year resulting from the impact of COVID-19.

As a result of the above, net sales of the Glass Business decreased by 22.1% year on year to 112,398 million Japanese Yen, and the operating loss was 3,020 million Japanese Yen, a 3,044 million Japanese Yen deterioration year on year.

#### **(2) Chemicals Business**

Sales of basic chemicals declined year on year due to the decline in shipping volume of core hydrofluoroolefin products, among which insulative blowing agents suffered significantly from the impact of COVID-19, despite steady sales of next generation solvents.

Sales of fine chemicals increased year over year because a recovery in the semiconductor market led to increased shipping volume of specialty gas-related products for semiconductors, although sales remained weak in pharmaceutical-related products due to a global trend toward postponing nonurgent

operations. Furthermore, sales remained strong in agrochemicals-related products and electrolytes for lithium-ion batteries.

Sales of fertilizers decreased year on year, due to a decline in demand for some products.

As a result of the above, net sales of the Chemicals Business as a whole increased by 0.1% year on year to 78,274 million Japanese Yen, and operating profit decreased by 867 million Japanese Yen to 7,084 million Japanese Yen.

## **2. Capital Investments**

In the fiscal year under review, the Group conducted capital investments totaling 7.6 billion Japanese Yen, focusing mainly on electrolyte production facilities and fabricated glass product manufacturing facilities.

### **■ Major facilities with ongoing construction works in the fiscal year under review**

Electrolyte production facility:	New construction	(Central Glass Czech s.r.o.)
Fabricated glass product manufacturing facility:	Expansion	(Matsusaka Plant)

## **3. Financing Situation**

Necessary funds in the fiscal year under review were covered by borrowings, bonds and own capital.

## **4. Situation of major corporate reorganization, etc.**

No items to report.

## 5. Issues to Be Addressed

Regarding the future outlook, there are still concerns about the impact of COVID-19 infection, fluctuations in exchange rate and heavy oil prices, political and economic trends in the U.S. and China, and increasing global geopolitical risks. As a result, the business environment surrounding the Group is expected to continue to be unpredictable. The Group strives to reinforce its corporate strength by increasing management efficiency through reinforcement of production and marketing structures and continued cost-cutting, promoting and implementing structural reform in its Glass Business, strengthening its R&D and technology development, concentrating management resources on growth sectors, and accelerating the expansion of its overseas operations.

The Company had concluded a memorandum of understanding and been engaged in discussions with AGC Inc. aiming toward the integration of their Architectural Glass Businesses in Japan (hereinafter, the “business integration”). However, the companies had different views on the conditions of the business integration and recognized the difficulty in reaching an agreement, and decided to terminate discussions.

The environment surrounding the domestic Architectural Glass business, where demand for construction is expected to decrease along with the future decline in the population, is very difficult at present with the impact of COVID-19 causing a contraction in the market among other effects. Although the discussions on integration with AGC Inc. have been cancelled, the Company is implementing the following structural improvement initiatives for the domestic Architectural Glass business.

1. The Company will work to improve business profits under a plan with a basic policy of selecting businesses based on profitability and conducting operations at the optimal business scale.
2. In fiscal year 2021, the Company will suspend the operation of the figured glass furnace at the Matsusaka Plant and the float glass furnace at the Sakai Manufacturing Site about which there are concerns about declines in operating rates. As a result, production facilities for flat glass will be reduced from the existing four furnaces to two furnaces.
3. Regarding sales, unprofitable transactions will be reviewed and the number of sales bases will be reduced to a level appropriate to the scale of production. In addition, production of architectural processed glass will be consolidated at locations with higher productivity in order to appropriately scale production capacity.

## 6. Assets and Profit and Loss

(Billions of yen, except as noted)

	104th Fiscal Year (Year ended March 31, 2018)	105th Fiscal Year (Year ended March 31, 2019)	106th Fiscal Year (Year ended March 31, 2020)	107th Fiscal Year (Fiscal year under review) (Year ended March 31, 2021)
Net sales	227.8	229.9	222.4	190.6
Ordinary profit	6.3	11.1	8.5	4.7
Profit attributable to owners of parent	2.9	7.5	6.4	1.2
Earnings per share (Yen)	73.45	187.23	158.59	30.40
Net assets	175.6	168.9	164.3	169.0
Net assets per share (Yen)	4,255.09	4,083.74	3,978.44	4,091.41
Total assets*1	316.8	307.1	296.4	284.9

Notes: 1. "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, revised on February 16, 2018) have been applied as of the beginning of the 105th Fiscal Year, and they were also retrospectively applied to total assets and equity ratio in the 104th Fiscal Year.

- As the Company changed its method of translating revenue and expense accounts of foreign subsidiaries and affiliated companies from the 106th fiscal year, the figures for the 105th fiscal year have been adjusted retrospectively to apply the changes in the accounting policy. Cumulative effects of the changes in the accounting policy for the 104th fiscal year and earlier are reflected in the beginning balance of net assets for the 105th fiscal year.

## 7. Significant Subsidiaries (as of March 31, 2021)

Name	Capital (Millions of yen)	Voting Rights Ratio (%)	Major Business
Central Glass Sales Co., Ltd.	200	100.0	Processing, wholesale, sale and construction of architectural glass
Central Chemical Co., Ltd.	310	100.0	Manufacture, processing and sale of coated fertilizer, ammonium chloride, compound fertilizer, and related products
Tosho Central Co., Ltd.	30	100.0	Sale of merchandise, insurance agent business, freight forwarding, and packaging and loading
Central Saint-Gobain Co., Ltd.	301	65.0	Purchase, sale, import and export of automotive glass and other glass products
Central Glass Fiber Co., Ltd.	375	100.0	Manufacture, processing and sale of continuous glass fiber, glass wool, and related products
Central Glass Plant Services Co., Ltd.	20	100.0	Manufacture and sale of crates and pallets, cutting and secondary processing of flat glass, maintenance of manufacturing facilities and manufacture and repair of machine and equipment
Carlex Glass America, LLC	USD 36,453,000	100.0	Manufacture of float glass, and manufacture and sale of fabricated automotive glass
Carlex Glass Luxembourg S.A.	EUR 16,110,000	100.0	Manufacture and sale of automotive glass
Central Glass Czech s.r.o.	CZK 20,000,000	100.0	Production and sale of electrolytes for lithium ion batteries
JCEL Co., Ltd.	KRW 11.5 billion	65.0	Production, sale and technical services of electrolytes for lithium ion batteries

Notes: 1. The voting rights ratio shows the total of the percentage held by the Company and the percentage held indirectly via subsidiaries.

2. Significant subsidiaries are selected mainly based on their total assets.

## 8. Major Businesses

Contents of Business		Major Products
Glass Business	Architectural Glass	Float glass, figured glass, wired glass, heat reflective glass, fabricated glass (tempered glass, fire-resistant tempered glass, laminated glass, insulating glass units, security glass, disaster prevention glass), mirrors, anti-fog mirrors, decorated glass
	Automotive Glass	IR-cut glass, UV-cut glass, glass antennas, privacy glass, module glass, acoustic glass, defogging glass, head-up display glass, and other various safety glasses
	Glass Fiber	Continuous glass fiber and glass wool
Chemicals Business	Basic Chemicals	Hydrofluoroolefin, polyaluminum chloride, gypsum, hydrofluoric acid
	Fine Chemicals	Active ingredients & intermediates for pharmaceuticals/agrochemicals, fluorine organic/inorganic compounds, high-purity fluorine gasses for semiconductors, electrolytes for lithium ion batteries
	Fertilizers	Coated fertilizer, NPK compound fertilizer, NK compound fertilizer, ammonium chloride, organic chemical fertilizer

## 9. Principal Offices (as of March 31, 2021)

### (1) Central Glass Co., Ltd.

Name	Location
Head Office	Tokyo
Ube Plant	Yamaguchi
Matsusaka Plant	Mie
Kawasaki Plant	Kanagawa
Chemical Research Center	Saitama
Glass Research Center	Mie

### (2) Subsidiaries

Name	Location
Central Glass Sales Co., Ltd.	Tokyo
Central Chemical Co., Ltd.	Tokyo
Tosho Central Co., Ltd.	Tokyo
Central Saint-Gobain Co., Ltd.	Tokyo
Central Glass Fiber Co., Ltd.	Mie
Central Glass Plant Services Co., Ltd.	Mie
Carlex Glass America, LLC	U.S.A.
Carlex Glass Luxembourg S.A.	Luxembourg
Central Glass Czech s.r.o.	Czech Republic
JCEL Co., Ltd.	Korea

**10. Employees (as of March 31, 2021)**

Segments	Number of Employees
Glass Business	4,127
Chemicals Business	1,926
Total	6,053

**11. Principal Creditors (as of March 31, 2021)**

(Billions of yen)

Creditors	Balance of Borrowings
Mizuho Bank, Ltd.	10.7
Sumitomo Mitsui Banking Corporation	9.5
The Yamaguchi Bank, Ltd.	3.7
The Norinchukin Bank	3.0
Sumitomo Mitsui Trust Bank, Limited	2.7
Syndicated loan	1.1

Note: The syndicated loan represents a joint financing arranged by Mizuho Bank, Ltd.

**12. Other Significant Matters Regarding the Present Status of the Corporate Group**

Based on the decrease in demand for soda-lime glass used for electronic materials due to changes in the environment surrounding the business, in February 2021 the Company adopted a resolution to withdraw from the business of Glass for Electronic Materials that comprises a part of the Glass Business, which it had been engaged in together with our consolidated subsidiary, Taiwan Central Glass Co., Ltd.

In our plan going forward, production and sales will gradually be terminated after responding to existing orders.

In addition, regarding Taiwan Central Glass Co., Ltd., after the termination of production and sales we will determine specific measures for the subsidiary's withdrawal and complete the relevant procedures.

## II Present Status of the Company

### 1. Shares (as of March 31, 2021)

(1) Total number of authorized shares	171,903,980 shares
(2) Total number of outstanding shares	42,975,995 shares
(3) Number of shareholders	9,568
(4) Principal shareholders (Top 10)	

Shareholders	Number of Shares Held	Shareholding Ratio
	Thousand shares	%
City Index Eleventh Co., Ltd.	3,816	9.42
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,870	7.09
S-GRANT. CO., LTD.	2,300	5.68
Custody Bank of Japan, Ltd. (Trust Account)	2,059	5.09
Mizuho Trust & Banking Co., Ltd. as trustee for Retirement Benefit Trust of Mizuho Bank, Ltd. (re-entrusted by Custody Bank of Japan, Ltd.)	2,017	4.98
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	1,224	3.02
DFA INTL SMALL CAP VALUE PORTFOLIO	867	2.14
The Master Trust Bank of Japan, Ltd. (as trustee for Retirement Benefit Trust of The Yamaguchi Bank, Ltd.)	860	2.12
Nitto Boseki Co., Ltd.	772	1.91
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	680	1.68

Notes: 1. Although the Company holds 2,475,671 treasury shares, it is excluded from the list of principal shareholders presented above.

2. The shareholding ratio is calculated after deducting the number of treasury shares.

## 2. Officers of the Company

### (1) Directors and Corporate Auditors

Positions at the Company	Name	Responsibilities at the Company and Significant Positions Concurrently Held outside the Company
Representative Director, President & CEO	Tadashi Shimizu	
Representative Director, Senior Executive Managing Officer	Takeo Komata	In charge of Glass Quality Assurance Department, Chemical Technical Planning & Management Department, Chemicals Production Engineering Center, Chemicals Quality Assurance Department, Quality Assurance Division, Intellectual Property Department, Chemical Research Center, Glass Research Center, Group Quality Compliance Committee and Security Trade Control Committee
Director, Executive Managing Officer	Kazuhiko Maeda	In charge of Chemicals Sales Department, Medi-Chemicals Sales Department, Specialty Chemicals Sales Department, Electronic Materials Sales Department, Energy Materials Sales Department and Chemicals Business Development Department
Director, Executive Managing Officer	Takashi Kume	In charge of Chemical Technical Planning & Management Department, Environment Safety Department, Ube Plant, Kawasaki Plant and Environment Safety Promotion Committee
Director, Executive Managing Officer	Toru Miyauchi	In charge of Corporate Administration Department (General Manager of Corporate Administration Department), Finance & Accounting Department, Information & Computer System Department, Anti-Monopoly Law Observance Committee, Financial Reporting Risk Assessment Committee and Compliance Promotion Committee
Director, Executive Managing Officer	Minoru Irisawa	In charge of Automotive Glass Department, Glass Business Planning & Development Department, Agri-Bio Business Promotion Department and Glass Fiber Department
Director	Masuo Aizawa	
Director	Tetsuo Nishide	
Director	Kimi Koinuma	(Significant positions concurrently held outside the Company) Attorney-at-Law, Partner of Asahi Law Offices Supervisory Director of MORI TRUST Hotel Reit, Inc.
Full-Time Corporate Auditor	Yasunobu Nishimura	
Full-Time Corporate Auditor	Takahiro Kondo	
Corporate Auditor	Ken Kikuchi	
Corporate Auditor	Masaaki Hori	
Corporate Auditor	Hiroyuki Kawai	

Notes: 1. Directors Mr. Masuo Aizawa, Mr. Tetsuo Nishide and Ms. Kimi Koinuma are Outside Directors.

2. Corporate Auditors Mr. Ken Kikuchi, Mr. Masaaki Hori and Mr. Hiroyuki Kawai are Outside Corporate Auditors.

3. In accordance with the rules of the Tokyo Stock Exchange, the Company has designated Directors Mr. Masuo Aizawa, Mr. Tetsuo Nishide and Ms. Kimi Koinuma, and Corporate Auditors Mr. Ken Kikuchi, Mr. Masaaki Hori and Mr. Hiroyuki Kawai as Independent Directors/Auditors, and notified the Exchange.

4. Retired Directors

Director

Satoshi Takayama Retired June 26, 2020

[Reference]

The Company has introduced an executive officer system, and the followings are Executive Officers (excluding those who concurrently serve as Directors) as of March 31, 2021.

Positions at the Company	Name	Responsibilities and title at the Company
Executive Managing Officer	Denzo Tokushima	In charge of Glass Business Planning & Development Department, Environment Safety Department, Glass Manufacturing Technology Center, Matsusaka Plant and Environment Safety Promotion Committee
Executive Managing Officer	Yoshitada Makihata	In charge of Personnel Department (General Manager of Personnel Department), Audit Department, Purchasing Department, Flat Glass Marketing & Sales Department and Glass Business Planning & Development Department
Executive Officer	Nobuyuki Tokunaga	General Manager of Quality Assurance Division
Executive Officer	Toru Ogawa	General Manager of Automotive Glass Department
Executive Officer	Akira Yuasa	General Manager of Matsusaka Plant
Executive Officer	Akihiro Ishii	General Manager of Chemical Research Center
Executive Officer	Isamu Mori	General Manager of Ube Plant

## (2) Outline of Limited Liability Agreements

The Company has entered into limited liability agreements with all Outside Directors and Outside Corporate Auditors in which the maximum amount of liability for each of them shall be equal to the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act.

## (3) Policy Regarding Decisions on Remunerations for Directors and Corporate Auditors

At the meeting of the Board of Directors held on February 22, 2021, the Company resolved the policy for determining individual remuneration for Directors and Corporate Auditors. Before the Board of Directors resolved this policy, it referred the details to be resolved to the Nomination and Remuneration Committee and received the committee's response.

In addition, the Board of Directors judged that the individual remuneration for Directors and Corporate Auditors for the fiscal year under review was in accordance with the policy above of determining individual remuneration for Directors and Corporate Auditors, after confirming that the method for determining the details of remuneration and the determined remuneration details were consistent with the policy above and that they had given respect to the response from the Nomination and Remuneration Committee.

The details of the policy for determining individual remuneration for Directors and Corporate Auditors are as follows:

(i) Policy for determining amount of individual remuneration, (fixed remuneration) or method of calculation

Fixed remuneration shall be determined based on comprehensive consideration that uses data from surveys conducted by a specialist external agency according to position, responsibility, role, and evaluation, taking into account the remuneration level of companies similar in business scale and industry, and the level of employee salaries as well as the response of the Nomination and Remuneration Committee.

Performance-linked remuneration is not appropriate for Outside Directors and Corporate Auditors who are independent of business execution. Therefore, they shall only receive fixed remuneration.

- (ii) Performance indicators, policy for determining amount of performance-linked remuneration or method of calculation

While considering the response of the Nomination and Remuneration Committee, performance-linked remuneration shall be determined by multiplying the base amount of variable remuneration for position, responsibility, role, and evaluation by a coefficient that is set according to the degree of performance achievement for the fiscal year (the previous fiscal year) based on consolidated ordinary profit and dividends per share as standard indicators.

The Company shall review as appropriate according to changes in the environment and considering the response of the committee.

- (iii) Policy for determining percentages of (overall) amount of individual remuneration for Directors and Corporate Auditors, including amounts of fixed and performance-linked remuneration

The percentage of each type of remuneration for executive directors shall be reviewed by the Nomination and Remuneration Committee based on the remuneration level of companies similar in business scale and industry. Subject to the condition that the Board of Directors respects the response provided by the committee, the Board of Directors shall determine the individual remuneration for Directors and Corporate Auditors within the range of the percentage for each type of remuneration as set forth in the response.

In addition, the standard ratio of fixed remuneration to performance-linked remuneration shall be set to 7:3 (assuming 100% achievement of performance targets).

- (iv) Policy for determining timing or conditions for providing remuneration to Directors and Corporate Auditors

Both fixed remuneration and variable performance-linked remuneration shall be monetary remuneration paid in equal amounts on a regular basis.

- (v) Method of determining individual remuneration for Directors and Corporate Auditors

The decision for the amount of individual remuneration shall be based on the resolution of the Board of Directors but the decision on specific details shall be delegated to the Representative Director, President & CEO, and the scope of this delegated authority shall be to decide the amount of fixed and performance-linked remuneration for each Director and Corporate Auditor. The Board of Directors shall provide a draft to the Nomination and Remuneration Committee and obtain a response so that the authority can be appropriately exercised by the Representative Director, President & CEO, and the Representative Director, President & CEO, to whom authority has been delegated as mentioned above, shall respect the opinions provided in the response and make the determination.

**(4) Total Remuneration for Directors and Corporate Auditors**

Classification	Total amount of remuneration (millions of yen)	Total amount by type of remuneration (millions of yen)			Number of eligible Directors and auditors
		Basic remuneration	Performance-linked remuneration	Non-monetary remuneration	
Directors (Outside Directors)	230 (30)	173 (30)	57 (-)	- (-)	10 (3)
Corporate Auditors (Outside Corporate Auditors)	58 (24)	58 (24)	- (-)	- (-)	5 (3)
Total	288	231	57	-	15

- Notes: 1. The maximum amount of remuneration for Directors was set as 36 million Japanese Yen per month (excluding employee salaries) by resolution of the 92nd Annual Shareholders' Meeting held on June 29, 2006. There are nine Directors as of the conclusion of the Shareholders' Meeting.
2. The maximum amount of remuneration for Corporate Auditors was set as 10 million Japanese Yen per month by resolution of the 92nd Annual Shareholders' Meeting held on June 29, 2006. There are five Corporate Auditors as of the conclusion of the Shareholders' Meeting.
3. As of the end of the fiscal year under review, the Company has nine Directors (including three Outside Directors) and five Corporate Auditors (including three Outside Corporate Auditors). The table above includes one Director who retired by the end of fiscal year under review.
4. The performance indicators related to performance-linked remuneration are consolidated ordinary profit and dividend per share. Actual consolidated ordinary profit for the fiscal year ended March 31, 2020 was 8,565 million Japanese Yen, and dividend per share for the same period was 75 Japanese Yen. These indicators were selected because they are considered as significant indicators for realizing continuous profit growth and shareholder return. In addition, performance-linked remuneration of the Company is calculated by multiplying the standard remuneration for each position by a coefficient set according to the degree of achievement of target performance.
5. The Board of Directors has delegated Representative Director, President & CEO Tadashi Shimizu to determine the basic remuneration and performance-linked remuneration for each Director and Corporate Auditor. The authority was delegated to him because the Representative Director, President & CEO is highly suited to assess the roles and degree of achievement expected for each Director taking into consideration the Company's overall business performance. When making such decisions, the Board of Directors submits a draft to the Nomination and Remuneration Committee to obtain a response, and the Representative Director, President & CEO, who has been tasked with the above determination, shall respect the opinions provided in the response and make the determination accordingly.

**(5) Outside Officers**

Primary activities in the fiscal year under review, significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence

Name	Categories of Directors (and Other Officers)	Status of Attendance	Primary Activities, Outline of duties performed in relation to role expected as an Outside Director, Significant Positions Concurrently Held in Other Organizations, Relationships Between the Company and Such Other Organizations, and Independence
Masuo Aizawa	Outside Director	Board of Directors meetings 17/17 (100%)	<p>• Status of main activities and outline of duties performed in relation to role expected as an Outside Director</p> <p>At the meetings of the Board of Directors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his longstanding experience and insight from his career as researcher, professor, president of a university and expert of science and technology at public institutions. He also stated opinions from an outside perspective as necessary.</p> <p>In addition, as a member of the Nomination and Remuneration Committee, he attended all five meetings held in the fiscal year under review, and from an objective and neutral standpoint, he supervised the selection of candidates for Directors and Corporate Auditors of the Company and the process for determining remunerations of Directors and Corporate Auditors.</p> <p>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence</p> <p>There is no matter to report.</p>
Tetsuo Nishide	Outside Director	Board of Directors meetings 17/17 (100%)	<p>• Status of main activities and outline of duties performed in relation to role expected as an Outside Director</p> <p>At the meetings of the Board of Directors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his longstanding experience and insight from his career as administrative officer and university professor, and involvement in industry groups. He also stated opinions from an outside perspective as necessary.</p> <p>In addition, as a member of the Nomination and Remuneration Committee, he attended all five meetings held in the fiscal year under review, and from an objective and neutral standpoint, he supervised the selection of candidates for Directors and Corporate Auditors of the Company and the process for determining remunerations of Directors and Corporate Auditors.</p> <p>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence</p> <p>There is no matter to report.</p>

Name	Categories of Directors (and Other Officers)	Status of Attendance	Primary Activities, Outline of duties performed in relation to role expected as an Outside Director, Significant Positions Concurrently Held in Other Organizations, Relationships Between the Company and Such Other Organizations, and Independence
Kimi Koinuma	Outside Director	Board of Directors meetings 17/17 (100%)	<ul style="list-style-type: none"> <li>• Status of main activities and outline of duties performed in relation to role expected as an Outside Director At the meetings of the Board of Directors she attended, she asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on her abundant experience and insight in corporate legal affairs from her longstanding career as attorney-at-law. She also stated opinions from an outside perspective as necessary. In addition, as a member of the Nomination and Remuneration Committee, she attended all five meetings held in the fiscal year under review, and from an objective and neutral standpoint, she supervised the selection of candidates for Directors and Corporate Auditors of the Company and the process for determining remunerations of Directors and Corporate Auditors.</li> <li>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence There is no matter to report.</li> </ul>
Ken Kikuchi	Outside Corporate Auditor	Board of Directors meetings 17/17 (100%) Board of Corporate Auditors meetings 14/14 (100%)	<ul style="list-style-type: none"> <li>• Primary activities At the meetings of the Board of Directors and meetings of the Board of Corporate Auditors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his longstanding experience and insight from his involvement in the business and management of TAIHEIYO CEMENT CORPORATION and other companies. He also stated opinions from an outside perspective as necessary.</li> <li>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence Although he has previously worked at TAIHEIYO CEMENT CORPORATION, with which the Company has a business relationship, since the transaction amount with the TAIHEIYO CEMENT CORPORATION was less than 0.1% of the Company's total cost of sales in fiscal 2020, considering the Company's total cost of sales the Company believes that the transaction is not of sufficient importance to give rise to special interest, and therefore he possesses an independent status. Other than the above, there is no matter to report.</li> </ul>

Name	Categories of Directors (and Other Officers)	Status of Attendance	Primary Activities, Outline of duties performed in relation to role expected as an Outside Director, Significant Positions Concurrently Held in Other Organizations, Relationships Between the Company and Such Other Organizations, and Independence
Masaaki Hori	Outside Corporate Auditor	Board of Directors meetings 17/17 (100%)	<ul style="list-style-type: none"> <li>• Primary activities</li> </ul> <p>At the meetings of the Board of Directors and meetings of the Board of Corporate Auditors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on a wide range of experience and insight obtained through his service as an Audit &amp; Supervisory Board Member at business corporations, etc. and longstanding involvement in business operations. He also stated opinions from an outside perspective as necessary.</p>
		Board of Corporate Auditors meetings 14/14 (100%)	<ul style="list-style-type: none"> <li>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence</li> </ul> <p>There is no matter to report.</p>
Hiroyuki Kawai	Outside Corporate Auditor	Board of Directors meetings 17/17 (100%)	<ul style="list-style-type: none"> <li>• Primary activities</li> </ul> <p>At the meetings of the Board of Directors and meetings of the Board of Corporate Auditors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his longstanding experience and insight from his involvement in the business and management at business corporations, etc. He also stated opinions from an outside perspective as necessary.</p>
		Board of Corporate Auditors meetings 14/14 (100%)	<ul style="list-style-type: none"> <li>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence</li> </ul> <p>There is no matter to report.</p>

Notes: 1. The Company appoints its Outside Directors and Outside Corporate Auditors based on their independence from the Company as defined by the criteria below:

- (a) Are not a person, executive or employee who regards the Company as a major business partner
- (b) Are not a major business partner of the Company nor its executive or employee
- (c) Are not a consultant, accounting professional or legal expert who receives large amounts of money or other economic benefits in addition to the Corporate Officer remunerations paid by the Company
- (d) Are not a major shareholder of the Company nor its executive or employee
- (e) Are not an executive or employee of the Company or its subsidiaries
- (f) Are not a non-executive director of the Company or its subsidiaries (criteria for Outside Corporate Auditor only)

2. The Company has designated all of the above Outside Directors and Outside Corporate Auditors as Independent Directors/Auditors under the regulations of the Tokyo Stock Exchange and notified the Exchange of their assignments.

### 3. Accounting Auditor

(1) Name: Yaesu Audit Company

(2) Amount of remuneration

	Payment Amount
Amount of remuneration to be paid to the accounting auditor for the fiscal year under review	¥60 million
Total amount of money and other economic benefits to be paid by the Company and its subsidiaries to the accounting auditor	¥60 million

Notes: 1. Reason for the agreement by the Board of Corporate Auditors regarding the amount of remuneration to be paid to the accounting auditor:

Based on “the criteria for evaluation and selection of the accounting auditor,” the Board of Corporate Auditors determined and agreed that the remuneration to be paid to the accounting auditor was appropriate after considering the contents of the audit policy and plan that the accounting auditor submitted compared to those of the previous fiscal year and the status of the auditor’s performance, as well as comparing the remuneration for the previous fiscal year, consulting with the Finance & Accounting Department, and confirming that the audit system and plan adequately takes into account the audit environment and evaluation of risks to the internal control system of the Group.

2. The audit contract between the Company and the accounting auditor does not clearly distinguish the amount of remuneration for audit under the Companies Act and the amount of remuneration for audit under the Financial Instruments and Exchange Act, and it is not feasible to separate the amounts. Therefore, the amount of remuneration for the fiscal year under review described in the table above is the combined amount of both remunerations.
3. In some of the Company’s significant subsidiaries, there are overseas subsidiaries that are audited by certified public accountants or audit firms (including those who have equivalent qualifications in foreign countries) other than the accounting auditor of the Company.

**(3) Policy for determination of dismissal or non-reappointment of the accounting auditor**

The Board of Corporate Auditors will determine the contents of a proposal for dismissal or non-reappointment of the accounting auditor to be submitted to a shareholders’ meeting when judged as necessary, such as when the execution of the accounting auditor’s duties is impeded.

In addition, the Board of Corporate Auditors will dismiss the accounting auditor by the unanimous consent of all Corporate Auditors if it is found that an accounting auditor falls under any of the items of paragraph 1 of Article 340 of the Companies Act. In this case, a Corporate Auditor selected by the Board of Corporate Auditors will declare the dismissal of the accounting auditor and the reason for the dismissal at the first shareholders’ meeting convened after the dismissal.

#### **4. System to Ensure Appropriate Business Conduct**

##### **(1) System to ensure that the execution of business activities by Directors and employees of the Company and its subsidiaries comply with laws and regulations and Articles of Incorporation**

- (i) The Board of Directors deliberates and resolves legal and important managerial issues and supervises the execution of business operations by Directors and Executive Officers in accordance with the rules on the Board of Directors.
- (ii) The Company has established the Compliance Promotion Committee, and provides compliance training programs and other relevant activities for Directors, Executive Officers and Corporate Auditors of the Company through the Committee to deepen their understanding of compliance and to foster their awareness of compliance.
- (iii) With the establishment of the Internal Reporting System, the Company provides contacts for internal reporting not only inside but also outside the Company at a law firm. With this structure, the Company works to enhance compliance by seeking to detect organizational or individual violations of laws and regulations at an early stage and correct them.
- (iv) The Audit Department, which serves as an internal audit division, conducts audits on the status of compliance with laws and regulations, Articles of Incorporation, and internal company rules. The Department reports the status of the audits to Representative Directors, as well as to Corporate Auditors as appropriate, in order to further improve the effectiveness of internal audits.

##### **(2) System for retention and management of information pertaining to execution of business activities by Directors**

- (i) Particulars about the preparation of minutes of meetings of the Board of Directors, committees and other bodies are specified in the relevant rules. The preparation of documents regarding other important decision-making is covered by the internal rules for managerial decisions. Regarding the arrangement, retention and disposal of documents, the Company has formulated document retention and management rules in order to properly manage information.
- (ii) Directors and Corporate Auditors may inspect those minutes and important documents at any time.

##### **(3) Rules and other systems for management of risk of loss for the Company and its subsidiaries**

- (i) With regard to risks recognized as particularly significant, the Company sets up individual committees and establishes relevant rules. Each business division and administration division conducts risk-management activities tailored to its respective needs including those of subsidiaries.
- (ii) If new risk factors occur or are expected to occur, an Executive Officer is promptly assigned to lead the handling of the matter. The Board of Directors of the Company receives or requests reports from the relevant committees and the Executive Officer in charge in order to identify the risks, including social responsibilities, and implement necessary countermeasures.

**(4) System to ensure the efficiency of Directors' duties**

- (i) The Company has adopted an executive officer system, which separates decision-making regarding important business matters, the supervision of business execution, and the actual execution of business, thereby reducing the size of the Board of Directors. In line with this system, the Company apportions authority; defines business structures, divisions of duties and the organization of offices; and also clarifies the chain of command to develop a system that facilitates prompt and appropriate decision making.
- (ii) The Management Committee consists of Executive Officers with special titles and Executive Officers with responsibilities specified by the Board of Directors. Those Executive Officers deliberate and resolve important matters on the execution of business operations, and they deliberate on proposals to be presented to the Board of Directors.

**(5) System to ensure appropriate business operations within the Group**

(System to ensure reporting matters that relate to performance of duties by Directors of subsidiaries; system to ensure the effectiveness of Directors of subsidiaries)

- (i) The Company shall specify subsidiary company rules to exercise necessary management based on the situations of subsidiaries.
- (ii) In accordance with the subsidiary company rules, the Company shall appoint one officer as the Project Director in charge of a subsidiary and designate a managing department of the Company to be responsible to give direction and supervise duties carried out by the subsidiary. The managing department shall report to and discuss with the Project Director regarding the business conditions of the respective subsidiary as necessary.
- (iii) In accordance with the subsidiary company rules, subsidiaries shall obtain approval from the Company for decisions on important business matters and report financial results and details on business at the Company's important meetings as necessary.

**(6) Allocation of Employees who are requested to assist Corporate Auditors with their duties**

An administrative office has been established in the Board of Corporate Auditors that consists of corporate auditor staff who assist the Corporate Auditors in their duties. To this end, the necessary personnel are allocated to the administrative office to serve as corporate auditor staff. The internal audit, finance & accounting, general administration and legal divisions also assist the Corporate Auditors.

**(7) Independence of employees who assist Corporate Auditors with their duties from Directors**

- (i) While taking into consideration ensuring the independence of the corporate auditor staff from the Directors and Executive Officers, the Corporate Auditors must hold consultations with Directors and Executive Officers when necessary.
- (ii) Regarding the transfer or discipline of employees assisting the Corporate Auditors, the prior agreement of the Corporate Auditors must be secured.

**(8) Ensuring effective direction to employees who assist Corporate Auditors with their duties**

- (i) In order to ensure effective audits, the Company endeavors to strengthen the system for allocating employees to assist Corporate Auditors with their duties, while taking into consideration the size and type of business, business risks and other situations specific to the Company.

- (ii) When there is a special situation regarding the assisting employees that impairs an effective audit by Corporate Auditors, the Corporate Auditors shall request the representatives of the Directors or the Board of Directors to conduct the necessary actions.

**(9) System for Directors and employees reporting to Corporate Auditors; and system for Directors, Corporate Auditors, and employees of subsidiaries, or those who received reports from those persons, reporting to Corporate Auditors**

- (i) The Corporate Auditors attend meetings of the Board of Directors in which Directors, Executive Officers and others give reports on the execution of their business activities. They also attend important meetings or meetings of committees in order to monitor the processes by which important decisions are made as well as the execution of relevant business activities. When the Corporate Auditors are unable to attend such meetings, they receive explanations on the matters discussed in those meetings and inspect the relevant materials.
- (ii) When a Director or an Executive Officer finds a fact that may cause significant damage to the Company, the person shall report it immediately.
- (iii) The Directors, Executive Officers and employees, as well as the Directors, Corporate Auditors and employees of subsidiaries and those who received reports from those persons, must promptly report to the Corporate Auditors when requested by the Corporate Auditors for investigation, report or explanation.

**(10) System to ensure that Directors, employees, and Directors, Corporate Auditors, and employees of subsidiaries as well as those who received reports from those persons are not treated unfavorably due to their reports to Corporate Auditors**

Directors, Executive Officers and employees, as well as Directors, Corporate Auditors and employees of subsidiaries and those who received reports from those persons who reported to Corporate Auditors shall not be treated unfavorably because of the reporting.

**(11) Other systems to ensure the effectiveness of audits by Corporate Auditors**

- (i) The Corporate Auditors exchange opinions, when necessary, with the Representative Directors, internal audit departments, and the accounting auditor by holding periodical meetings or through other methods.
- (ii) Corporate Auditors may demand the procedure for advance payment or redemption of expenses incurred in connection with performance of their duties, or other accounting of expenses or liabilities accrued in connection with the said performance of duties.

**(12) Management status of system for ensuring appropriate business operations**

- (i) System for ensuring appropriate business operations of the Group

The Central Glass Group has established the Code of Conduct under the Corporate Philosophy in order to ensure sincere business activities for stakeholders of the Company. The Group-wide practice of the Code is encouraged including at the Company's subsidiaries.

The Board of Directors consists of nine Directors (including three Outside Directors), and it generally meets once a month or when necessary to deliberate and resolve legal and important managerial issues, and supervise the execution of business by the Directors and Executive Officers, including the President, in accordance with the rules covering the Board of Directors.

The managing departments of the Company give direction and supervise duties to be executed by the relevant subsidiaries, and report to and discuss with the Project Director on the business conditions of the subsidiaries as necessary. The subsidiaries shall obtain approval from the Company for decisions on important business matters and report financial results and details on business at the Company's important meetings.

The Presidents of the subsidiaries and affiliates attend a meeting held on an annual basis which offers an opportunity to exchange opinions and share information on business issues of the Group.

The Audit Department, which serves as an internal audit division, conducts audits on the status of compliance with laws and regulations, Articles of Incorporation, and internal company rules. The Department reports the status of audits to Representative Directors, as well as Corporate Auditors as appropriate.

(ii) System for ensuring compliance

The Company held a meeting of the Compliance Promotion Committee one time this fiscal year to report on the Committee's activities to the Board of Directors. In addition, compliance training programs and other relevant activities were provided through the Committee to deepen the members' understanding of compliance and encourage adherence to compliance.

Specifically, the Company offers compliance education to its officers and ensures that the employees are aware of the Internal Reporting System through the President's Message as needed.

(iii) System related to risk management

Various committees held meetings as appropriate this fiscal year to deliberate, investigate, give guidance and carry out awareness-promotion activities on the topics that each of those committees specializes in, as well as reported the status of activities to the Board of Directors. Each business division and administration department conducts risk management activities tailored to its respective needs including those of subsidiaries.

In addition, the Company has prepared "Trade Secrets Management Rules," "Standards for Trade Secrets Management," "Document Retention and Management Rules," etc. to ensure proper protection and management of information assets, including trade secrets and important documents.

(iv) System related to the execution of duties of Directors

The Company has adopted an executive officer system with the aim of clearly distinguishing the supervisory function of Directors from the business execution function of Executive Officers. The Directors receive reports on the execution of business from Executive Officers at regular meetings of the Board of Directors. These measures allow the Company to streamline and improve its supervision system of business execution.

The Board of Directors met 17 times this fiscal year to deliberate and resolve legal and important managerial issues, and supervise the execution of business operations by Directors and Executive Officers including the President.

(v) System related to the execution of duties of Corporate Auditors

The Board of Corporate Auditors met 14 times this fiscal year to deliberating and resolve important matters regarding audits.

The Corporate Auditors of the Company attend important meetings, including meetings of the Board of Directors, and audit the performance of duties by the Directors and Executive Officers as well as the business execution status of each department, subsidiary, etc.

The Corporate Auditors hold periodic meetings with the Representative Directors to exchange opinions on important managerial and auditing issues.

They periodically exchange opinions with the Audit Department and the accounting auditor to cooperate with each other.

**5. Policy Regarding Decisions on Dividends of Surplus, etc.**

The Company's goal is to maximize its corporate value, and aims for a capital structure that emphasizes the optimization of investments and financing. The basic dividend policy of the Company is to pay stable dividends in line with business performance from a long-term perspective, while taking into account the enhancement of internal reserves for future business development to be used in areas such as research and development and capital investment to strengthen the corporate structure.

In terms of distributing profits to shareholders, the Company has set a target for dividend on equity (DOE), in addition to the rate of return to shareholders.

The Company has decided a year-end dividend of 37.5 Japanese Yen per share for the fiscal year under review. The annual dividend for the fiscal year under review will be 75 Japanese Yen per share including the interim dividend of 37.5 Japanese Yen per share.

## Consolidated Balance Sheet

(As of March 31, 2021)

(Millions of yen)

Assets		Liabilities	
<b>Current assets:</b>	132,113	<b>Current liabilities:</b>	59,116
Cash and deposits	27,975	Notes and accounts payable - trade	18,493
Notes and accounts receivable - trade	47,470	Short-term borrowings	8,419
Merchandise and finished goods	28,737	Current portion of bonds payable	10,400
Work in process	4,156	Accrued expenses	8,749
Raw materials and supplies	18,774	Income taxes payable	1,406
Other	5,190	Provision for bonuses	1,370
Allowance for doubtful accounts	(192)	Other	10,277
<b>Non-current assets:</b>	152,793	<b>Non-current liabilities:</b>	56,706
Property, plant and equipment:	103,382	Bonds payable	20,000
Buildings and structures	104,600	Long-term borrowings	23,884
Accumulated depreciation	(76,694)	Deferred tax liabilities	1,006
Buildings and structures, net	27,906	Provision for retirement benefits for directors (and other officers)	3
Machinery, equipment and vehicles	227,464	Provision for special repairs	3,418
Accumulated depreciation	(184,346)	Provision for business restructuring	1,360
Machinery, equipment and vehicles, net	43,118	Provision for environmental measures	36
Land	24,673	Retirement benefit liability	5,454
Construction in progress	3,530	Other	1,542
Other	28,843		
Accumulated depreciation	(24,689)	<b>Total liabilities</b>	115,822
Other, net	4,154	<b>Net assets</b>	
Intangible assets:	1,376	<b>Shareholders' equity:</b>	151,082
Other	1,376	Share capital	18,168
Investments and other assets:	48,034	Capital surplus	8,109
Investment securities	42,514	Retained earnings	131,205
Long-term loans receivable	55	Treasury shares	(6,401)
Retirement benefit asset	2,843	<b>Accumulated other comprehensive income:</b>	14,491
Deferred tax assets	641	Valuation difference on available-for-sale securities	16,859
Other	2,099	Deferred gains or losses on hedges	156
Allowance for doubtful accounts	(120)	Foreign currency translation adjustment	(3,404)
		Remeasurements of defined benefit plans	878
		<b>Non-controlling interests</b>	3,509
		<b>Total net assets</b>	169,083
<b>Total assets</b>	284,906	<b>Total liabilities and net assets</b>	284,906

## Consolidated Statement of Income

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

Net sales		190,673
Cost of sales		152,072
Gross profit		38,600
Selling, general and administrative expenses		34,536
Operating profit		4,064
Non-operating income:		
Interest income	45	
Dividend income	816	
Share of profit of entities accounted for using equity method	505	
Foreign exchange gains	17	
Rental income	506	
Insurance claim income	1,407	
Other	1,208	4,507
Non-operating expenses:		
Interest expenses	433	
Loss on abandonment of non-current assets	751	
Loss on abandonment of inventories	600	
Loss on disaster	1,403	
Other	632	3,821
Ordinary profit		4,749
Extraordinary income:		
Gain on sale of non-current assets	2,265	
Gain on sale of investment securities	754	
Reversal of provision for special repairs	3,772	6,793
Extraordinary losses:		
Loss on sale of non-current assets	19	
Impairment losses	2,814	
Loss on abandonment of non-current assets	2,533	
Loss on sale of investment securities	150	
Loss on valuation of investment securities	2	
Business restructuring expenses	1,161	
Loss on liquidation of subsidiaries and associates	1	6,684
Profit before income taxes		4,858
Income taxes - current	1,873	
Income taxes - deferred	1,076	2,949
Profit		1,908
Profit attributable to non-controlling interests		677
Profit attributable to owners of parent		1,230

**Consolidated Statement of Changes in Equity**  
(From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,168	8,109	132,418	(6,398)	152,297
Changes during period					
Dividends of surplus			(3,035)		(3,035)
Profit attributable to owners of parent			1,230		1,230
Change in scope of consolidation			592		592
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares			(0)	0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(1,212)	(2)	(1,215)
Balance at end of period	18,168	8,109	131,205	(6,401)	151,082

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	10,501	(407)	(1,735)	350	8,708	3,332	164,339
Changes during period							
Dividends of surplus							(3,035)
Profit attributable to owners of parent							1,230
Change in scope of consolidation							592
Purchase of treasury shares							(2)
Disposal of treasury shares							0
Net changes in items other than shareholders' equity	6,358	563	(1,668)	528	5,782	176	5,959
Total changes during period	6,358	563	(1,668)	528	5,782	176	4,744
Balance at end of period	16,859	156	(3,404)	878	14,491	3,509	169,083

## Non-consolidated Balance Sheet

(As of March 31, 2021)

(Millions of yen)

Assets		Liabilities	
<b>Current assets:</b>	94,180	<b>Current liabilities:</b>	46,889
Cash and deposits	16,819	Notes payable - trade	1,669
Notes receivable - trade	1,155	Accounts payable - trade	7,156
Accounts receivable - trade	28,952	Current portion of bonds payable	10,400
Merchandise and finished goods	16,466	Short-term borrowings	17,140
Work in process	1,290	Lease obligations	0
Raw materials and supplies	10,949	Accounts payable - other	1,984
Prepaid expenses	208	Accrued expenses	5,436
Short-term loans receivable	13,172	Income taxes payable	825
Accounts receivable - other	4,778	Deposits received	1,318
Other	399	Provision for bonuses	740
Allowance for doubtful accounts	(13)	Other	215
<b>Non-current assets:</b>	166,611	<b>Non-current liabilities:</b>	55,333
Property, plant and equipment:	60,203	Bonds payable	20,000
Buildings	56,383	Long-term borrowings	23,884
Accumulated depreciation	(44,146)	Deferred tax liabilities	1,334
Buildings, net	12,237	Provision for retirement benefits	5,218
Structures	19,957	Provision for special repairs	3,101
Accumulated depreciation	(15,015)	Provision for business restructuring	1,005
Structures, net	4,941	Provision for environmental measures	36
Machinery and equipment:	136,858	Other	753
Accumulated depreciation	(120,696)		
Machinery and equipment, net	16,161		
Vehicles	512		
Accumulated depreciation	(482)		
Vehicles, net	30		
Tools, furniture and fixtures	18,343		
Accumulated depreciation	(16,190)		
Tools, furniture and fixtures, net	2,152		
Land	23,274		
Construction in progress	1,403		
Intangible assets:	746		
Software	712		
Other	34		
Investments and other assets:	105,660		
Investment securities	31,998		
Shares of subsidiaries and associates	66,126		
Long-term loans receivable	2,250		
Long-term prepaid expenses	378		
Other	4,967		
Allowance for doubtful accounts	(60)		
		<b>Total liabilities</b>	102,223
		<b>Net assets</b>	
		<b>Shareholders' equity:</b>	141,550
		Share capital	18,168
		Capital surplus	8,075
		Legal capital surplus	8,075
		Retained earnings	121,674
		Legal retained earnings	2,430
		Other retained earnings	119,244
		Reserve for special depreciation	227
		Reserve for tax purpose reduction entry of non-current assets	1,154
		General reserve	62,850
		Retained earnings brought forward	55,012
		Treasury shares	(6,368)
		<b>Valuation and translation adjustments:</b>	17,017
		Valuation difference on available-for-sale securities	16,860
		Deferred gains or losses on hedges	156
		<b>Total net assets</b>	158,567
<b>Total assets</b>	260,791	<b>Total liabilities and net assets</b>	260,791

## Non-consolidated Statement of Income

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

Net sales		85,915
Cost of sales		67,436
Gross profit		18,479
Selling, general and administrative expenses		15,852
Operating profit		2,627
Non-operating income:		
Interest and dividend income	2,083	
Other	2,466	4,549
Non-operating expenses:		
Interest expenses	385	
Other	1,326	1,711
Ordinary profit		5,465
Extraordinary income:		
Gain on sale of non-current assets	46	
Gain on sale of investment securities	729	
Gain on sale of shares of subsidiaries and associates	25	
Reversal of provision for special repairs	3,772	4,573
Extraordinary losses:		
Loss on sale of non-current assets	28	
Impairment losses	2,466	
Loss on sale of investment securities	149	
Loss on valuation of investment securities	2	
Business restructuring expenses	640	3,287
Profit before income taxes		6,751
Income taxes - current	931	
Income taxes - deferred	655	1,587
Profit		5,164

## Non-consolidated Statement of Changes in Equity

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus	Retained earnings					Total retained earnings
		Legal capital surplus	Legal retained earnings	Other retained earnings				
				Reserve for special depreciation	Reserve for tax purpose reduction entry of non-current assets	General reserve		
Balance at beginning of period	18,168	8,075	2,430	163	1,122	62,850	52,982	119,548
Changes during period								
Provision of reserve for special depreciation				103			(103)	-
Reversal of reserve for special depreciation				(39)			39	-
Provision of reserve for tax purpose reduction entry of non-current assets					109		(109)	-
Reversal of reserve for tax purpose reduction entry of non-current assets					(76)		76	-
Dividends of surplus							(3,037)	(3,037)
Profit							5,164	5,164
Purchase of treasury shares								
Disposal of treasury shares							(0)	(0)
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-	64	32	-	2,029	2,126
Balance at end of period	18,168	8,075	2,430	227	1,154	62,850	55,012	121,674

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(6,365)	139,426	10,510	(407)	10,103	149,530
Changes during period						
Provision of reserve for special depreciation		–				–
Reversal of reserve for special depreciation		–				–
Provision of reserve for tax purpose reduction entry of non-current assets		–				–
Reversal of reserve for tax purpose reduction entry of non-current assets		–				–
Dividends of surplus		(3,037)				(3,037)
Profit		5,164				5,164
Purchase of treasury shares	(2)	(2)				(2)
Disposal of treasury shares	0	0				0
Net changes in items other than shareholders' equity			6,349	563	6,913	6,913
Total changes during period	(2)	2,124	6,349	563	6,913	9,037
Balance at end of period	(6,368)	141,550	16,860	156	17,017	158,567

This is the English translation of the audit report on consolidated financial statements which was originally issued in Japanese.

## REPORT OF INDEPENDENT AUDITORS

May 20, 2021

To the Board of Directors of Central Glass Co., Ltd.

**Yaesu Audit Company**

**Chiyoda-ku, Tokyo**

Representative and Engagement Partner

Certified Public Accountant

Tomoichi Mitsui [Seal]

Representative and Engagement Partner

Certified Public Accountant

Takashi Watanabe [Seal]

Engagement Partner

Certified Public Accountant

Kaori Nishiyama [Seal]

*Audit Opinion*

Pursuant to Article 444, paragraph 4 of the Companies Act, we have audited the consolidated financial statements of Central Glass Co., Ltd., which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements applicable to the fiscal year from April 1, 2020 through March 31, 2021.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group, which consisted of Central Glass Co., Ltd. and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2021 in accordance with accounting principles generally accepted in Japan.

*Basis for Audit Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Responsibilities of Management, Corporate Auditors and the Board of Corporate Auditors for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan; this includes the maintenance and

operation of internal control deemed necessary by management for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Corporate Auditors and the Board of Corporate Auditors are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the

related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Corporate Auditors and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Corporate Auditors and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

#### *Conflicts of Interest*

We or engagement partners have no interests in the Company and its consolidated subsidiaries, which should be stated in compliance with the Certified Public Accountants Act.

This is the English translation of the audit report on non-consolidated financial statements which was originally issued in Japanese.

## REPORT OF INDEPENDENT AUDITORS

May 20, 2021

To the Board of Directors of Central Glass Co., Ltd.

**Yaesu Audit Company**

**Chiyoda-ku, Tokyo**

Representative and Engagement Partner  
Certified Public Accountant

Tomoichi Mitsui [Seal]

Representative and Engagement Partner  
Certified Public Accountant

Takashi Watanabe [Seal]

Engagement Partner  
Certified Public Accountant

Kaori Nishiyama [Seal]

*Audit Opinion*

Pursuant to Article 436, paragraph 2, item 1 of the Companies Act, we have audited the non-consolidated financial statements of Central Glass Co., Ltd., which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements, and the supplementary schedules (hereinafter collectively referred to as “non-consolidated financial statements, etc.”) applicable to the 107th fiscal year from April 1, 2020 through March 31, 2021.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations applicable to the fiscal year ended March 31, 2021 in accordance with accounting principles generally accepted in Japan.

*Basis for Audit Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Responsibilities of Management, Corporate Auditors and the Board of Corporate Auditors for the Non-consolidated Financial Statements, Etc.*

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan; this includes the

maintenance and operation of internal control deemed necessary by management for the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Corporate Auditors and the Board of Corporate Auditors are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

*Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.*

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the non-consolidated financial statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the non-consolidated financial statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and notes to the non-consolidated financial statements, etc. are in accordance with accounting standards generally accepted in

Japan, as well as evaluate the presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly present the underlying transactions and accounting events.

We report to the Corporate Auditors and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Corporate Auditors and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

*Conflicts of Interest*

We or engagement partners have no interests in the Company, which should be stated in compliance with the Certified Public Accountants Act.

## AUDIT REPORT OF CORPORATE AUDITORS

The Board of Corporate Auditors, having deliberated on the issues based on the reports made by each Corporate Auditor concerning the execution of business activities by the Directors for the 107th fiscal year from April 1, 2020 to March 31, 2021, have prepared this Audit Report and hereby submits it as follows:

1. Outline of auditing method applied by the Corporate Auditors and the Board of Corporate Auditors:

- (1) The Board of Corporate Auditors established auditing policies, assigned responsibilities to each Corporate Auditor to carry out the policies, received reports and explanations regarding the status of audits and the results thereof from each Corporate Auditor as well as regarding the status of the execution of duties from the Directors and accounting auditor, and requested further explanations as necessary.
- (2) In accordance with the auditing standards for Corporate Auditors determined by the Board of Corporate Auditors, the auditing policies and their assigned responsibilities, each Corporate Auditor endeavored to collect information and establish the auditing environment through communication with Directors, internal audit staff and other employees, and performed audits in the following manner:
  - 1) Each Corporate Auditor attended meetings of the Board of Directors and other important meetings to receive reports regarding execution of business activities by Directors and employees and requested explanations as necessary. Each Corporate Auditor also inspected significant approved documents and examined the status of operations as well as conditions of assets at the Company's head office and principal offices. In addition, each Corporate Auditor received business reports from subsidiaries as necessary through communication and information sharing with their Directors and Corporate Auditors.
  - 2) Each Corporate Auditor received regular reports from Directors and other employees regarding the structure and operational status of systems mentioned below, requested explanation as necessary and expressed opinion regarding the contents of resolutions adopted by the Board of Directors regarding the establishment of a system for ensuring that the Directors' business activities described in the business report are executed in conformity with laws and regulations and the Articles of Incorporation of the Company, a system necessary to ensure proper business operations of a corporate group consisting of a corporation and its subsidiaries set forth in paragraphs 1 and 3 of Article 100 of the Regulation for Enforcement of the Companies Act, and an internal control system in accordance with the resolution of the Board of Directors.
  - 3) Corporate Auditors also reviewed the basic policy stipulated in Item 3-a, Article 118 of the Regulation for Enforcement of the Companies Act and the activities stipulated in Item 3-b of the same Regulation which are described in the business report, based on the deliberations at the meetings of the Board of Directors and other meetings.
  - 4) Corporate Auditors monitored and verified that the accounting auditor maintained independence and conducted the audits appropriately. Corporate Auditors also received reports of the status of the execution of duties from the accounting auditor and requested explanations as necessary. In addition, Corporate Auditors were informed of the arrangement of the "System for ensuring that the duties are executed appropriately" (matters stipulated in the items of Article 131 of Rules of Corporate Accounting in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005)) from the accounting auditor and requested explanation as necessary.

In accordance with the procedures mentioned above, the Board of Corporate Auditors reviewed the non-consolidated financial statements (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to the non-consolidated financial statements), and the supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity and notes to the consolidated financial statements), for the fiscal year ended March 31, 2021.

## 2. Results of Audit

### (1) Results of audit of business report and accompanying documents

- 1) The business report and supplementary schedules present fairly the financial condition of the Company in conformity with related laws and regulations and the Articles of Incorporation of the Company;
- 2) Regarding the execution of business activities by the Directors, there were no instances of misconduct or material matters in violation of laws and regulations or the Articles of Incorporation of the Company;
- 3) Resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters requiring additional mention regarding the description of the internal control system in the business report and execution of business activities by Directors; and
- 4) There are no matters to be pointed out with respect to the basic policy regarding those who shall control the decision of the Company's financial and operational policies described in the business report. Activities stipulated in Item 3-b, Article 118 of the Regulation for Enforcement of the Companies Act, which are described in the business report, are in line with such basic principles, not harmful to the common interest of shareholders, and not intended to maintain the positions of Directors or Corporate Auditors of the Company.

### (2) Results of audit of the non-consolidated financial statements and supplementary schedules

The auditing methods and results of the accounting auditor, Yaesu Audit Company, are fair and reasonable.

### (3) Results of audit of the consolidated financial statements

The auditing methods and results of the accounting auditor, Yaesu Audit Company, are fair and reasonable.

May 24, 2021

The Board of Corporate Auditors of Central Glass Co., Ltd.

Full-Time Corporate Auditor	Yasunobu Nishimura	[Seal]
Full-Time Corporate Auditor	Takahiro Kondo	[Seal]
Outside Corporate Auditor	Ken Kikuchi	[Seal]
Outside Corporate Auditor	Masaaki Hori	[Seal]
Outside Corporate Auditor	Hiroyuki Kawai	[Seal]

## Shareholder Memo

Fiscal year	From April 1 of each year to March 31 of the following year
Annual shareholders' meeting	Late June of each year
Record dates	Voting rights at the annual shareholders' meeting: March 31 of each year Year-end cash dividend: March 31 of each year Interim cash dividend: September 30 of each year
Method of public notice	Electronic public notice In the event, however, that the Company is unable to utilize electronic means due to an accident or any other unavoidable circumstance, public notices shall be published in the "Nikkei" newspaper ( <i>Nihon Keizai Shimbun</i> ).
Shareholder register administrator	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Account management institution for the special account	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Mailing address (Telephone number)	Stock Transfer Agency Business Planning Department Sumitomo Mitsui Trust Bank, Limited 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063 Tel: 0120-782-031 (Toll-free within Japan only) Intermediary business is performed at the head office of Sumitomo Mitsui Trust Bank, Limited and at its branches throughout Japan.

- To contact regarding change of address, request for purchase or sale of shares less than one unit, etc.  
Please contact the securities company where you have your account.  
If you have had a special account established for you because you do not have an account with a securities company, please contact Sumitomo Mitsui Trust Bank, Limited, the account management institution for the special account.
- Regarding payment of dividends payable  
Please contact Sumitomo Mitsui Trust Bank, Limited, the shareholder register administrator.