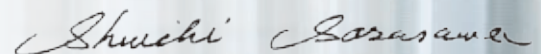


# Contributing to the Establishment of a Truly Prosperous Society through *Monozukuri*



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## 80th Anniversary

The Central Glass Group will mark its 80th anniversary in October 2016. The Group's origins lie in Ube Soda Industry Co., Ltd., which was founded in 1936. At Central Glass, which started out as a chemical company based on industrial soda products and later grew to also include fertilizers, we have a strong tradition of contributing to the establishment of a truly prosperous society through the spirit of *Monozukuri*. The Central Glass Group remains committed to this aspiration that we have carried with us since our founding as we head toward our 80th and then our 100th anniversaries. Along the way, we will pursue sustainable growth while deepening our ties with stakeholders, including customers and local communities.

## ■ Aiming to Increase Our Corporate Value

### We will create value through highly functional products based on our original technologies.

We believe that in order for a company to grow sustainably and contribute to the development of society, the most important thing is to continually create value that will lead to solutions for society and customers.

The Central Glass Group's basic policy is to develop original products that meet the diversity of market needs accompanying changes in the social environment. In addition to expanding and strengthening our existing business fields, we are diligently engaged in R&D with the aim of developing products that will form the core of new business in the future. We are conducting R&D for glass products under the concept of high functionality, including energy savings, security, and acoustic and thermal insulation. We are also carrying out R&D for chemical products with a focus on fundamental research to discover technologies that

match market needs.

In fiscal 2015, we developed a unique and innovative new material for the semiconductor industry by combining glass surface treatment technology from our glass division with high-quality semiconductor material mass-production technology from our chemicals division. Furthermore, we are committed to developing products with low global warming potential with the aim of realizing CFC-free alternatives. Going forward, the Central Glass Group will pursue further technological development and continue to plan business attuned to societal needs.

## ■ Human Resource Development

### We are committed to human resource development and diversity promotion.

At the Central Glass Group we believe that *Monozukuri* starts with *Hitozukuri*, or the development of human resources. Accordingly, we focus on *Hitozukuri* as the foundation of our corporate growth, and strive to enhance our human resource development and HR programs. As international competition intensifies, we have established a variety of educational programs to help our employees acquire not just language skills but also the ability to conduct business in light of cultural sensibilities and values in order to develop human resources capable of playing an active role on the global stage. We are also enthusiastically working to promote diversity. Just as combining glass products with chemical products creates high added value, new value can be created when diverse human resources bring their talents together. We are working to provide opportunities and establish systems that will enable all kinds of people to play an active role regardless of age, gender, or nationality.



■ Realization of Our Corporate Philosophy

We will contribute to the establishment of a truly prosperous society through *Monozukuri*.

In March 2015, the Central Glass Group articulated the aspirations cultivated and shared since the Company's establishment as the Central Glass Group Corporate Philosophy.

The Corporate Philosophy comprises the Basic Philosophy and Basic Policy. The Basic Philosophy is "Creating a Better Future Through *Monozukuri*". The Central Glass Group will contribute to

the establishment of a truly prosperous society through the spirit of *Monozukuri*.

The Basic Policy presents a more specific direction in which to move toward achievement of the Basic Philosophy. It consists of four policies: (1) Create new value through original technology; (2) Pursue harmony with the environment and harmonious coexistence with society; (3) Strive to increase corporate value powered by global growth; and (4) Aspire to be a vibrant company that respects the pioneering spirit and diversity.

The Corporate Philosophy represents the aspirations that the Central

Corporate Philosophy System



## ■ Top Message

Glass Group must communicate to its stakeholders. It will serve as the starting line from which we carry out the Central Glass Group's corporate activities, and I believe that it will increase our sense of identity and strengthen our power as a Group.

## ■ Mid-Term Management Plan

**We are pursuing new growth based on three key phrases: (1) Environment and energy, (2) Life sciences, and (3) Comfortable living.**

The Central Glass Group have formulated a five-year medium-term management plan that began in fiscal 2014. Under the plan, we are implementing four basic strategies with a core policy of "achieving new growth by strengthening our business foundations and original technologies."

The four strategies are: (1) Achieve revenue growth through aggressive investment in growth businesses, focusing on the key phrases of environment and energy, life sciences, and comfortable living; (2) Promote structural reforms in existing core businesses; (3) Aggressively expand overseas operations and strengthen Group management; and (4) Strengthen our R&D structure with our eyes set ten years into the future.

In fiscal 2015, the second year of our medium-term management plan, we increased sales through our growing businesses of gases for pharmaceuticals and semiconductors as well as aggressive overseas expansion of automotive glass. In addition to this increased revenue, we secured greater income as a result of Group-wide efforts to reduce the costs of both manufacturing and sales.

In our chemicals business, we are currently building additional production plants for the growing businesses of fluorocarbon products, intermediates for pharmaceuticals/agrochemicals, and WF<sub>6</sub> for



semiconductors, and we plan to start commercial production in fiscal 2016. Outside Japan, a production facility for electrolytes for lithium-ion batteries was completed in South Korea in 2015, and another was completed in China in April 2016.

We are now preparing to expand our sales targeting the Asian market, which is expected to explode in the future. We will also stabilize the earnings base of the glass business.

We are determined to continue strengthening our production and sales systems and promoting all-around management efficiency. At the same time, we will focus our management resources on growth businesses and work to bolster the Group's corporate capabilities by accelerating overseas expansion.

We look forward to your continued understanding and support as we move ahead into the future.

## Environmental Principles

Central Glass will help create a truly prosperous society through the production of goods and services by giving consideration to the global environment, health, and safety at all times.

**“Doing everything in the interests of humanity and the global environment.”**

### Action Guidelines

- 1 We will give consideration to the protection of the global environment and people's health and safety on a group-wide scale in all activities spanning from R&D to production and sales.
- 2 We will build frameworks and systems that promote environmentally-conscious corporate activities and strive to make continual improvements.
- 3 We will make efforts to develop products and production technologies that are friendly to the global environment.

- 4 We will strive to build a recycling-based society by effectively using the earth's resources and by recycling waste.
- 5 We will observe laws and regulations relating to the environment, health and safety, and make efforts in communicating with citizens.
- 6 As an employee of the company, each and every one of us will strive to contribute to society with a focus on the local community.