

To Provide Products and Services That Our Customers Can Use With Peace of Mind

The Central Glass Group carries out quality control initiatives that always place customer satisfaction first as we work toward our goal of establishing a truly prosperous society through the spirit of *Monozukuri*. In addition to complying with laws and regulations, we ensure product safety in order to minimize risks to customers, and take customer feedback seriously so that we can accurately understand their demands and provide products and services that they prefer and can use with peace of mind.

Basic Quality Policy

We aspire to truly contribute to society with the environment, safety, and quality as our fundamentals. We always place customer satisfaction first and provide products and services that customers love and can use with peace of mind throughout the entire product lifecycle, from product development to disposal after use.

Action Guidelines

1. We listen to customers and respond promptly.
2. Our basic approach is to build quality into processes and improve quality continually.
3. We provide customers with appropriate information regarding quality and features.

Quality Improvement Activities: Toward Sustainable Consumption

The Central Glass Group formulates annual quality policies based on the Basic Quality Policy and in consideration of quality assessment results for the previous fiscal year. These annual policies are rolled out at each workplace and affiliates in Japan and abroad. Each worksite strives to make continuous quality improvements in order to achieve quality objectives based on the quality policies. We check and assess conformity with requirements as well as the validity of our Quality Management System (QMS), manufacturing processes, and products through quality audits and reviews of quality improvement initiatives, tying the results into activities aimed at improving quality.

We have developed an organizational structure for quality-assurance activities that allows us to take practical action on quality assurance for glass and chemicals products respective-

ly by separating corporate functions for glass and chemicals. Our objectives are to establish quality-assurance systems suited to the different businesses of glass and chemicals products, and to enhance the functioning of those systems.

FY2016 Quality Policy

1. **Enhance quality management.**
Further enhance quality management at Central Glass's plants, subsidiaries, affiliates and departments managing subcontractors by implementing the PDCA cycle.
2. **Improve quality performance.**
Improve quality with awareness that "Quality must be built in during the manufacturing processes" and "The next processes are our consumers."
3. **Ensure compliance.**
Ensure strict compliance. "Follow what is decided" and "Follow what we decide."

Details of Activities and Evaluation

Progress Accomplished: ⊙ Made steady progress: ○ Additional measures required: △

Major Issues	(P) FY2016 Quality Policy and Plan	(D) FY2016 Results	(C) Rating	(A) FY2017 Quality Policy and Plan
Customer satisfaction	Enhance quality management. Further enhance quality management at Central Glass's plants, subsidiaries, affiliates and departments managing subcontractors by implementing the PDCA cycle.	<ul style="list-style-type: none"> •Conducted quality audits based on ISO 9001 standards or ISO/TS 16949 standards at each workplace and affiliated manufacturing site, and provided support and guidance for maintenance and improvement of quality-control systems. •Conducted quality management activities targeting subcontractors and suppliers of raw materials. •Conducted activities to reduce risk at an early stage with decisions on R&D feasibility (gate meetings) and design reviews (DR). 	⊙	Improvement of quality management system Improve initiatives to create a more effective quality management system through awareness in all processes that "Quality must be built in during manufacturing processes" and "The next processes are our consumers."
	Improve quality performance. Improve quality with awareness that "Quality must be built in during the manufacturing processes" and "The next processes are our consumers."	<ul style="list-style-type: none"> •Conducted complaint reduction initiatives providing guidance on the practice of "5 Whys Analysis" as a method of analyzing the causes of quality defects. •Identified cases of complaints by business and product category, determined causes, and instituted measures to prevent occurrence and defects reaching the market. •Actively collected quality evaluations from customers and applied them to quality improvement initiatives. •Actively responded to demands for improvement based on quality auditing by customers. •Conducted quality and product-safety education for employees by position and division. 	⊙	Continue and enhance risk-reduction initiatives. Predict potential risks in all processes and make efforts to reduce them.
	Ensure compliance Ensure strict compliance. "Follow what is decided" and "Follow what we decide."	<ul style="list-style-type: none"> •Confirmed conformity with public standards for products at each workplace and affiliate. •Conducted product safety training sessions that include understanding of laws and regulations related to product liability and quality 	⊙	Ensure compliance Ensure strict compliance. "Follow what is decided" and "Follow what we decide" in all processes.

Quality and Product-Safety Education: Educating Employees to Ensure the Protection of Consumers' Health and Safety

In order to conduct comprehensive and systematic quality-related education, we established a quality education system for Central Glass and our affiliates in Japan in FY2016, and provide employees with systematic education organized by position and division in the areas of laws and regulations, quality-related knowledge, management methods, and quality awareness.

As one of our educational initiatives by position, we hold product-safety training sessions including coverage of product liability law and quality-related laws and regulations, with specialists invited from outside the company, for committees composed of the heads of departments including sales, technology, and back-office departments. This educational initiative is aimed at preventing product accidents and serious quality issues.

Among our educational initiatives by division, we provide education on "5 Whys Analysis" as a method of preventing the recurrence of quality defects not only to employees of our quality and manufacturing departments, but also to employees of R&D and sales departments. We also educate employees of our sales departments regarding quality and product safety, and employees of our R&D and manufacturing departments regarding SDS and labeling (compliance with the GHS).

Central Glass and our affiliates in Japan have been en-

couraging employees to take the Quality Management and Quality Control (QM/QC) Exam since 2007 in an effort to promote the acquisition of knowledge related to quality management and improvement. Each workplace and affiliate in Japan is working continuously on this initiative. Additionally, Central Glass became a sponsor of the Japanese Standards Association's QM/QC Exam in 2016.

Through these efforts, we have raised quality awareness among all employees and applied quality-related knowledge and techniques to quality activities, helping us carry out better "Monozukuri".



Product-safety training session

34th Company-Wide QC Circle Rally

We held the 34th Company-Wide QC Circle Rally on November 22, 2016.

A total of eleven circles gave presentations at the 34th rally, consisting of five circles from our plants' manufacturing divisions, one from the Head Office, four from affiliates in Japan, and one from overseas affiliates.

There were presentations by each circle on various proposals and measures for cutting costs, as well as the outcomes of their efforts over the past year. There was also a lively ques-

tion and answer session between judges and attendees.

As our QC circles engage in friendly competition with each other through these company-wide rallies, they pursue the realization of the Central Glass Group's corporate philosophy, "the creation of a better future through Monozukuri."

Circles Participated in the 34th Company-Wide QC Circle Rally

Workplace	Circle Name
Mie Glass Industry Co., Ltd.	Eight Men
Ube Plant	TEKI
Central Chemical Co., Ltd.	The Guts D
Matsusaka Plant	Blue Impulse
Glass Manufacturing Technology Center	Red Lantern
Central Glass Plant Services Co., Ltd.	JEEP
Carlex Glass America, LLC	Assembly Line Relocation
Ube Plant	Group F
Ube Plant	Gas-Con
Kawasaki Plant	Wave
Central Glass Fiber Co., Ltd.	MFC



Carlex Glass America's presentation



Awards Ceremony