

## Monozukuri Is About Hitozukuri

Central Glass Co., Ltd. is a Monozukuri company that has continually provided superior products with higher added value in order to enrich people's lives. We focus on *Hitozukuri* (developing human resources) as the foundation of our corporate growth and strive to enhance our programs for human resource development with the aim of building an environment where each individual can demonstrate his or her capabilities and skills to the utmost

#### **Promoting Work-Life Balance**

Central Glass Co., Ltd. has built systems surpassing those mandated by law to support a better work-life balance for people raising children and caring for family members. From April 2022, in addition to establishing leave programs for fertility treatment and for gradual entry into daycare, a new "job return" system was established for re-employment of those who left the company for childcare, nursing care, or other reasons, and we have organized the systems to improve employee awareness of them and make them easier for employees to use.

The rate of male employees taking parental leave has been increasing year by year as we continue to promote its use. We will continue to enhance these systems and employees awareness of them so that they can work with peace of mind over the long term.

#### Childcare and Nursing Care Programs

| F            | Program name                              | Description   |  |  |
|--------------|---|---|--|--|
|              | Childbirth preparation leave*             | Two days off per month for hospital visits, etc. during pregnancy.  |  |  |
| Childcare    | Maternity leave                           | Legally mandated leave 6 weeks before childbirth and 8 weeks after childbirth.  |  |  |
|              | Childbirth leave*                         | Three days off within one month before or after the expected delivery date.   |  |  |
|              | Parental leave*                           | Legally mandated childcare leave for employees with children between the ages of zero to one year. It is possible to extend leave until one year and six months or until two years old. Up to five days of paid leave from the first day of leave. 30,000 yen is provided as a support grant for each month of leave. |  |  |
|              | Leave for gradual entry*                  | May be taken after parental leave ends during the gradual entry period into preschool.  |  |  |
|              | Parental leave*                           | One day off per month for childcare until enrollment in primary school.   |  |  |
|              | Nursing care leave for children           | 36 days off per year for nursing care for children until graduation from primary school. Employees can take leave in hour increments.   |  |  |
|              | Shortened working hours during childcare* | Shortening of working hours by a maximum of two hours per day until graduation from primary school. Female employees can also shorten hours during pregnancy.   |  |  |
|              | Staggered working hours during childcare  | One-hour postponement of the start of the workday for staggered working hours until graduation from primary school.   |  |  |
| Nursing care | Nursing care leave*                       | Total of 365 days of leave, which can be divided into up to three periods.  |  |  |
|              | Time off for nursing care                 | Ten days off per year for nursing care and to attend to family members. Employees can take leave in hour increments.  |  |  |
|              | Shortened working hours for nursing care  | Shortening of working hours by one hour per day.  |  |  |
| Other        | Job Return System*                        | Anyone who resigns due to pregnancy, childbirth, raising children, marriage, a spouse's work transfer, or caring for family is prioritized for re-employment for up to five years.  |  |  |
|              | Fertility treatment leave*                | May be used five times per month for hospital visits and rest associated with fertility treatment.  |  |  |

<sup>\*</sup> An asterisk indicates a program surpassing that mandated by law (the program itself, the length of time, etc.)

#### **Promotion of Diversity**

Diversity refers to individuals with all their varied attributes. It is essential for increasing corporate value, achieving sustainable growth, and realizing our corporate philosophy. Central Glass Co., Ltd. has traditionally rehired retirees and employed people with disabilities. In addition, the Company hires new graduates and mid-career workers regardless of gender, race, or nationality, and encourages them to make the most of their individual perspectives. In addition, in order to respond to changes in employees' lifestyles and career aspirations after they join the company, we have established systems related to evaluation, placement, compensation, childcare, nursing care, and illness, and are working to enable employees to demonstrate their abilities in accordance with their individual styles.

On the other hand, we recognize that there are issues in promoting diversity at the Company. For instance, we had not, as of the end of FY2021, achieved the legally mandated employment ratio for persons with disabilities, which was increased to 2.30% in March 2021. We will continue to employ and develop diverse human resources while furthering the cultivation of a company culture where each and every employee can work enthusiastically.

| Item  | FY2019         | FY2020         | FY2021         |  |  |
|---|----------------|----------------|----------------|--|--|
| (1) Number of Employees (Female Employees)  | 1,631<br>178   | 1,671<br>180   | 1,630<br>172   |  |  |
| (2) Number of new recruits (Female Employees)   | 74<br>13       | 91<br>12       | 40<br>4        |  |  |
| (3) Ratio of female managers  | 2.04%          | 2.30%          | 2.00%          |  |  |
| (4) Average age   | 36.4 years old | 36.6 years old | 37.3 years old |  |  |
| (5) Average years of continuous employment  | 14.9           | 15.1           | 15.8           |  |  |
| (6) Number of Job Return System applicants (Number Employed)  | 5<br>0         | 5<br>0         | 7<br>2         |  |  |
| (7) Number of non-Japanese employees  | 11             | 13             | 13             |  |  |
| (8) Percentage of employees taking  | 100%           | 100%           | 100%           |  |  |
| parental leave (Female) Percentage of employees taking parental leave (Male)                        | 6.10%          | 7.95%          | 15.22%         |  |  |
| (9) Number of employees on<br>shortened or staggered working<br>hours during childcare              | 34             | 38             | 44             |  |  |
| (10) Number of employees taking nursing care leave  | 1              | 1              | 0              |  |  |
| (11) Percentage of persons with disabilities  | 2.16%          | 2.17%          | 2.04%          |  |  |
| (12) Number of people who are re-employed after retirement  | 179            | 164            | 131            |  |  |
| (1) to (6). Non-consolidated full-time employees only. (7) to (12). Includes temporarily dispatched |                |                |                |  |  |

<sup>(1)</sup> to (6): Non-consolidated, full-time employees only; (7) to (12): Includes temporarily dispatched

#### **Towards Creating a Vibrant Company**

Since FY2016, Central Glass Co., Ltd. has been implementing measures aimed at active participation of diverse human resources and improving the performance of our organization as a whole. FY2021 was the final year of the Second Action Plan to Promote Female Workplace Participation. We were able to steadily educate and inform employees about the introduction of new childcare-related systems and the implementation and consideration of systems related to flexible work styles for April 2022 and beyond. However, we were unable to achieve our numerical target ratio of female employees of 11%, although the ratio increased to 10.6%, compared to 9.8% in FY2017.

In light of these circumstances as we formulated the Third Action Plan to be implemented from FY2022 to FY2025, we placed new emphasis on improving the ratio of female employees, setting target figures not only for the ratio of current female employees but also for the ratio of women among new hires.

By creating a corporate culture in which women can play more active roles, we aim to become a vibrant company in which each employee with diverse work styles and values can feel their own personal growth and have both the desire and the ability to continue working for years with us.

#### Second Action Plan to Promote Female Workplace Participation

| Action Plan   |   | (Plan)<br>FY2021 Targets  | (Do)<br>FY2021 Performance Results   | (Check)<br>Ratings | Action Plan<br>Final Rating |
|---|---|---|--|--------------------|-----------------------------|
| Target 1: Increase the female employee ratio. (Numerical target: 11%) |   | Use positive outreach to recruit female candidates and take advantage of the (next generation) re-employment program.   | Hired two women under the Job Return System (next-generation re-employment program). The ratio of female employees among new graduates hired: 10%.   | Δ                  | ×<br>(10.6%)                |
|   | (1) Promote changing working style to finish work within the designated working hours.  | Investigate institutionalization of measures to facilitate flexible working hours and locations in anticipation of professional life after the COVID-19 pandemic. | Continued the staggered working hours and telework programs to prevent spread of infectious disease. In tandem with these efforts, expanded eligibility for flextime work (to be implemented from FY2022), and considered the institutionalization of telework.  | 0                  | 0                           |
| Target 2: Raise<br>awareness<br>about<br>work-style<br>reforms.       | (2) Continue to implement Smart Day<br>(days designated for leaving work<br>on time), overtime applications<br>and planned leave program. | Continue implementation and measure the effectiveness.  | Continued implementation. Smart Day was canceled due to staggered work hours. A recommended day for taking paid leave was set once a month. Average number of annual paid vacations and summer vacation days taken increased to 16.1 compared to 14.8 in FY2020. | 0                  | 0                           |
|   | (3) Encourage managers, including line managers, to change their attitudes regarding working style.                                       | Plan and implement training for managers about flexible work styles.  | Held training for managers, including lectures on diversity management and group work discussing issues.   | 0                  | 0                           |
| Target 3: Share child raising and nursing care information.           |   | Better utilize the internal corporate bulletin board and continue to raise awareness. Investigate follow-up support for employees on parental leave.              | Shifted to a digital approval system for some applications and updated the internal corporate bulletin board regarding raising children.   | Δ                  | 0                           |

#### Third Action Plan to Promote Female Workplace Participation

| Objectives  | Targets<br>(To be achieved by the end of FY2025)   | Example measures  |
|---|--|---|
| 1. Increase the ratio of female managers            | Female manager ratio: 4%   | Career education for female employees, training to raise awareness of managers with female subordinates, etc.   |
| 2. Increase the ratio of female employees           | Female employee ratio: 12%<br>Target ratio of female hires from FY2022 onwards: 20% or more  | Public relations and recruitment activities aimed at increasing the number of female job applicants, measures to retain female employees in shift work, etc.                          |
| 3. Encourage male employees to take childcare leave | (1) Percentage of male employees taking childcare leave: 30% (2) Percentage of male employees taking childcare leave of 30 days or more: 50% | Raise awareness of childcare-related programs within the company, strengthen contact points, and provide education to make it easier for employees to obtain childcare benefits, etc. |



#### Kazuhide Sawada (Joined in 2013)

Chemicals Engineering & Technical Group, Engineering & Technical Department, Ube Plant

#### Voice of an employee taking parental leave

Since my wife and I both wanted to work, I took five months of parental leave and supported my wife's job search.

There was a precedent of several senior male coworkers at my workplace taking parental leave, and with the understanding of my colleagues, I think the application and handover of duties went smoothly. In addition, based on my senior colleague's recommendation, I had monthly meetings with my supervisor during my parental leave where I learned about

the situation at my workplace, allaying my concerns. After returning to work, I received support from those around me and was able to gradually get reacquainted with my former job. I am very grateful to everyone involved.

I had the invaluable experience of spending a lot of time with my child during their first year. I believe that it is now my turn to return the favor with those who take parental leave.



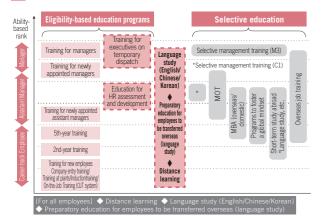
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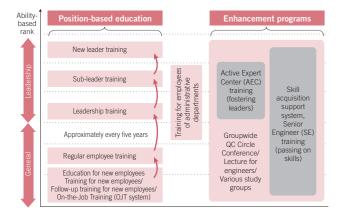
#### **Central Glass's Education System**

The education that Central Glass Co., Ltd. provides to employees is broadly divided into "Career Development Education" and "Monozukuri Education." Career Development Education comprises new position training, management education, business skills development education, and professional development education. Monozukuri Education, meanwhile, consists of position-based education, AEC trainee education, and skill acquisition support education. Both of these educational systems enhance developmental opportunities by providing off-thejob training (Off-JT) for all employees according to their work experience and qualifications, as well as selective programs for those recommended according to their work performance and abilities.

#### Career Development Education



#### Monozukuri Education



#### **Language Study**

Central Glass Co., Ltd. provides English, Chinese and Korean language study programs to improve the language skills of its employees as part of global human resource development.

We also provide an English Course to Develop Globally Minded Employees as an enhancement program, in which our employees are offered opportunities to join local onsite language schools or take intensive online lessons as a way to acquire more practical language abilities.

In FY2021, the English Course to Develop Globally

Minded Employees identified areas where students had difficulty in speaking, such as sentence structure, vocabulary, pronunciation and fluency, and offered tailored support to overcome these weaknesses. To encourage students to focus on achieving their own objectives, we asked each of them to submit a goal achievement sheet and report on their performance and successes at the end of each month. All three of the employees who took part clearly showed improvement in their English-speaking abilities in testing upon completion of the course.

New courses for employees with intermediate-level English were offered to cultivate study habits and improve TOEIC scores. Based on these courses, 7 out of 10 participants improved their TOEIC scores. We will continue to implement the courses in FY2022 to support improving the language skills of our employees.

The Short-term Study Abroad Program offers opportunities to our employees to attend foreign language schools for three to six months in order to develop their practical business skills in a foreign language and foster their global mindset. Unfortunately, we were unable to deploy any students via this study abroad program in FY2021 to prevent the spread of COVID-19. Central Glass Co., Ltd. plans to continue to offer this opportunity to candidates in the future while confirming the state of travel to other countries. In FY2022, we will also support our employees who will transfer overseas in becoming better at adapting to different cultures and values by sending them to outside training programs which nurture a global mindset.

#### **Develop candidates for managerial positions**

Central Glass Co., Ltd. provides management education for young employees who qualify to participate in eligibility-based programs as well as for selected assistant managers and managers, for the purpose of fostering employees not only who are well versed in technology and management but also who can promote strategic research and technological development. The selective management education programs consist of education for assistant managers and managers where they are sent to outside business schools and an English proficiency program to develop global human resources. The selected management-level participants give presentations to senior management on the results of their language skill development, management issues and their initiatives.

In FY2021, as infectious disease prevention we continued to provide opportunities for human resource development through online training. Online training enabled participants to take the course from home or from overseas business sites, which also helped them improve their ICT (Information and Communication Technology) skills. We will continue to nurture human resources who will become candidates for management positions with the aim of continuously increasing corporate value.

#### **Compliance Education**

The Central Glass Group believes that compliance is an essential part of fulfilling our social responsibility, and we conduct annual training to instill its importance.

We also offer interactive training sessions led by executive officers to raise awareness about compliance among junior and mid-career employees. Since FY2019, we have also been providing once-yearly e-learning on compliance to all employees, including those working at our affiliate companies, in our ongoing efforts to raise awareness about compliance throughout the entire Central Glass

#### Fostering On-site Leaders for a New Generation

The Central Glass Group has established Active Expert Centers (AECs) at each plant as educational institutions specializing in the transmission and development of technology and skills. The AECs provide a full year of training to selected next-generation leadership candidates as AEC trainees. After receiving basic education, trainees actually visit the production floor to identify issues (themes) together with coordinators and staff from the trainees' original departments. Through repeated information gathering, analysis, and discussion, trainees consider and understand the essence of the themes and engage in practical problem-solving.

In FY2020 (October 2020 to September 2021), nine trainees selected from each plant participated in the AEC trainee education. In FY2021 (October 2021 to September 2022), six new employees selected as new trainees will continue this work to develop future on-site leaders.

FY2021 Targets and Performance Results

| Major Issues   | (Plan)<br>FY2021 Targets  | (Do)<br>FY2021 Performance Results  | (Check)<br>Ratings | (Act)<br>FY2022 Initiatives  |
|--|---|---|--------------------|--|
| Cultivation of<br>global human<br>resources<br>through<br>Career<br>Development<br>Education | mprove systems to support  - Improvement of employees' language skills through English, Chinese, and Korean language education.   |   | 0                  | Continue to provide support fo<br>language study.  |
|  | <ul> <li>Partially suspended efforts due to the impact of the COVID-19 pandemic (MOT dispatch).</li> <li>Assigned selected managers to external training (online).</li> <li>Continued to strengthen management skills by training those promoted to senior management positions.</li> </ul> |   | 0                  | Expand external training for selected managers.     Use e-learning to strengthen training and improve programs         |
|  | Send trainees to overseas affiliates.   | Partially suspended efforts due to the impact of the COVID-19 pandemic.   | -                  | Continue human resource<br>development to nurture<br>employees with a global<br>mindset.                               |
| of on-site<br>capabilities<br>through<br><i>Monozukuri</i><br>education                      | Continue to foster a new<br>generation of leaders through<br>Active Expert Center (AEC)<br>trainee programs.  | Held basic education for 9 selected trainees and improved problem-solving<br>skills through theme-based activities. | 0                  | Hold basic education for 6<br>select trainees and improve<br>problem-solving skills through<br>theme-based activities. |
|  | Improve and implement position-based education programs.  | Implemented and reviewed position-based education programs.   | 0                  | Continue position-based education programs.  |

△: Achieved most targets but not all X: Additional measures required Rating. O. Achieved target

# VOICE

### Chiharu Sugaya (Joined in 2003)

Quality Assurance Department, Matsusaka Plant

#### Voice of participant in training for newly appointed managers

I participated in a training for newly appointed managers in May 2021, after taking maternity and parental leave between April 2020 and March 2021 and returning to work. Since the training was held online to prevent COVID-19 spread, I started my training with a negative feeling expecting that it would be difficult to receive the same level of quality as I could from face-to-face training, as well as concerns that three days of non-routine work would affect my childcare. But contrary to these expectations, my actual impression of the training was positive. The online training, which I participated in from my own private space, was relaxing because there were no eyes around me, but at the same time I felt the right amount of tension as if I was taking the course one-on-one. The three-day training was structured with two outside instructors and the managers of each department allocating a moderate amount of time for the programs including discussion, which allowed the participants to stay focused.

The managers of each department who served as in-house instructors provided precise training to ensure that we, the trainees, were fully aware of our new positions and roles, and that we acquired the necessary skills and professional qualities. The education from a fellow company employee, which was different from that of outside instructors, was easier to grasp and raised my awareness as members of the same company working toward the same goal, despite our different ranks. Some of the instructors I had worked with since I joined the company, which made me even more enthusiastic.

The group discussions gave me an opportunity to confer with fellow employees who specialized in completely different fields. Different perspectives offered diverse opinions, and I was able to arrive at a solution that I never could have come up with on my own, no matter how many times I thought it through.

As for the impact on childcare, since I would not have been

able to participate in overnight training as held in previous years, the online training made it possible to join in all three days with no big imposition. I felt the online discussion using chatting and screen sharing was an advantageous use of time as it allowed efficient opinion gathering and summarizing.

I realized that online training is one positive change that has come out of the COVID-19 pandemic.



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