

Note: This document is a translation for the convenience of non-Japanese speakers. In the event of any discrepancy between this translation and the original Japanese document, the latter shall prevail.



Notice of Convening The 159th Ordinary General Meeting of Shareholders

- We will be streaming the General Meeting of Shareholders live via the Internet, allowing you to watch from the comfort of your home or any other location.

- Questions may also be submitted in advance via the Internet.

For details, please refer to pages 4 to 5 of this Notice of the Ordinary General Meeting of Shareholders.

Nippon Sheet Glass Company, Limited
Securities Code: 5202

Date and Time:

10:00 a.m., Thursday, 26 June 2025
(Reception desk to open from 9:00 a.m.)

Venue:

Hall D7, Tokyo International Forum
3-5-1 Marunouchi, Chiyoda-ku, Tokyo

Matters to be Resolved:

Proposal: Election of Eight Directors

Deadline to exercise voting rights in writing or via the Internet:

5:45 p.m., Wednesday, 25 June 2025
(Japan time)

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Dear Shareholders,

During the fiscal year ended March 31, 2025 (FY2025), the profitability of our Architectural and Automotive glass businesses significantly fell due to the continued economic slowdown in Europe and rising labor and other costs associated with global inflation. To address such challenging business environment in Europe, we implemented restructuring measures and recorded the associated cost as an exceptional item.

As a result, for FY2025 on a full-year basis, the Group reported revenues of 840.4 billion yen, an increase of 0.9% year-on-year (FY2024: 832.5 billion yen) and an operating profit of 16.5 billion yen, a decrease of 54.0% year-on-year (FY2024: 35.9 billion yen). Also, the Group recorded a pre-tax loss of 8.5 billion yen (FY2024: profit of 17.6 billion yen), a net loss of 13.5 billion yen (FY2024: profit of 10.9 billion yen) and a loss attributable to owners of the parent of 13.8 billion yen (FY2024: profit of 10.6 billion yen), indicating a significant decline from the previous year. Although we lagged behind in achieving the financial targets (operating profit, ROS, free cash flow, interest bearing debt, and shareholders' equity ratio) set forth in the Medium Term Plan "2030 Vision: Shift the Phase," which commenced this fiscal year, we have driven our way forward by promoting various initiatives such as starting production of glass for solar panels in North America in line with the strategic pillars of the 4 "D"s : Business **D**evelopment, **D**ecarbonisation, **D**igital Transformation, and **D**iverse Talent.

In the fiscal year ending March 31, 2026 (FY2026), while we need to closely monitor developments in the U.S. tariff policies, European economy is expected to start recovering in the latter half of the year and beyond. In the Architectural glass business, demand for solar energy glass remains robust and production at the new facility in North America, which came on stream in January 2025, is expected to contribute to business improvement throughout the year. In the Automotive glass business, sales volume is expected to recover gradually supported by the demand for automobiles and we will also continue negotiations to increase selling prices. The Technical glass business is anticipated to remain highly profitable. We continue to strive to transform into a highly profitable company resilient to fluctuations in the business environment, reduce debt drastically with enhanced cash generation capabilities, and bolster the equity capital by pursuing the strategy focused on the 4 "D"s .

In this business environment, it is truly regretful but the Group decided not to declare dividends on common shares for the fiscal year to 31st March 2025, taking into consideration its financial situations comprehensively. I am deeply sorry and sincerely apologize to our shareholders. The Group recognizes the importance of dividends to its shareholders and will concentrate its efforts to improve profitability and shore up its financial base with a view to the resumption of dividend payment as early as possible.

I would like to ask your continued understanding and support.

Munehiro Hosonuma
Director, Representative Executive Officer President and CEO
Nippon Sheet Glass Company, Limited

Munehiro Hosonuma
Director, Representative Executive Officer
President and CEO
Nippon Sheet Glass Company, Limited
5-27, Mita 3-Chome, Minato-ku, Tokyo

Notice of Convening the 159th Ordinary General Meeting of Shareholders

Dear Shareholders,

Thank you for your continued support for NSG Group. We are pleased to notify you of the forthcoming 159th Ordinary General Meeting of Shareholders of the Company, as detailed below.

If you are unable to attend the meeting in person, you may exercise your voting rights in advance either by electronic means (via the Internet) or in writing (by mail). We kindly request that you review and consider the "Reference Materials to Proposals at the General Meeting of Shareholders" below and exercise your voting rights by no later than **5:45 p.m., Wednesday, 25 June 2025 (Japan time)**.

1. Date and Time	10:00 a.m., Thursday, 26 June 2025 (Reception will open from 9:00 a.m.)
2. Venue	Hall D7, Tokyo International Forum 3-5-1 Marunouchi, Chiyoda-ku, Tokyo (Please come to the reception desk on the 6th floor.)
3. Agenda	Matters to be Noted: - Report on the Business Report, the Consolidated Financial Statements, and the Audit Reports of the Accounting Auditor and the Audit Committee on the Consolidated Financial Statements, for the 159th fiscal period (from 1 April 2024 to 31 March 2025) - Report on the Financial Statements for the 159th fiscal period (from 1 April 2024 to 31 March 2025) Matters to be Resolved: Proposal: Election of Eight Directors

Information Related to Electronic Provision Measures

In convening the 159th Ordinary General Meeting of Shareholders, the Company has taken measures to provide the information that constitutes the content of reference materials for the General Meeting of Shareholders, etc. (matters to be provided electronically), in electronic format. The information is posted on the Company's website as "**Notice of the 159th Ordinary General Meeting of Shareholders**" and "**Other Matters Subject to Measures for Electronic Provision for the 159th Ordinary General Meeting of Shareholders (Matters Omitted from Delivered Paper-Based Documents)**". To review the information, please access the website below.

NSG website Website for the Ordinary General Meeting of Shareholders	https://www.nsg.com/en/investors/library/shareholders-meeting
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In addition to the above, matters to be provided electronically are also posted on the Tokyo Stock Exchange (TSE) website. Please access the TSE website below, search by "Nippon Sheet Glass" or "Ticker code (5202)", select "Basic information", and then "Documents for public inspection/PR information" to review filed information.

Tokyo Stock Exchange (TSE) website Listed Company Search	https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show
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- ◎ Among the matters subject to electronic provision measures, the following matters are only posted on the Company's website and TSE website above-mentioned, based on the laws and Article 14 of the Articles of Incorporation. These are not included in the documents to be mailed to shareholders who requested paper delivery:
 - (1) Business Report: "Matters Related to the Stock Acquisition Rights, etc.", "Systems to Secure appropriateness of businesses" and "Summary of the Operation Status to Secure appropriateness of businesses"
 - (2) Consolidated Financial Statements: "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements"
 - (3) Financial Statements: "Statement of Changes in Net Assets" and "Notes to the Financial Statements"
- ◎ The Consolidated Financial Statements and the Financial Statements audited by the Audit Committee and the Accounting Auditor consist of the documents listed in the "Notice of Convening the 159th Ordinary General Meeting of Shareholders" posted on the Company's website, as well as those listed in (2) and (3). The Business Report audited by the Audit Committee consists of documents listed in the "Notice of Convening the 159th Ordinary General Meeting of Shareholders" posted on the Company's website, as well as those listed in (1).
- ◎ If any revisions are made to the information subject to electronic provisions measures, matters before and after amendments will be posted on the websites of the Company and TSE mentioned above.

The shareholders meeting is live-streamed on the Internet. For details on how to watch the meeting, please refer to "Watch Live Stream" on pages 5.

Guidelines for Exercising Voting Rights and Timeline for Ordinary General Meeting of Shareholders

Leading Up to the Meeting (Convocation Notice Release to Wed., 25 June)

28 May

Electronic Provision of Reference Materials

NSG website

<https://www.nsg.com/en/investors/ir-library/shareholders-meeting>

4 June

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Exercise Voting Rights in Advance

You may exercise your voting rights in advance via the Internet or mail.

Via the Internet

Smart Voting or **Enter Code & Password**



Scan QR code printed on the lower right-hand side of the voting form



Visit the website for exercising voting rights:
<https://www.web54.net>

Password will become invalid after multiple incorrect attempts.
To request a new one, follow on-screen instructions.

Via mail



Indicate approval or disapproval of proposals on the voting form and return it. The form must arrive no later than the below deadline.

Voting Deadline

5:45 p.m., Wed., 25 June 2025

For inquiries regarding voting via the Internet

Phone: 0120-652-031 (available 9:00-21:00, toll-free in Japan)
Web Support Desk, Stock Transfer Agency Department
Sumitomo Mitsui Trust Bank Limited

5 June

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Submit Questions in Advance

To ask questions in advance, visit the dedicated website using the URL or QR code below, and enter your Shareholder Number and Postal Code from the voting card.

※The word "QR Code" is registered trademark of DENSO WAVE INCORPORATED.

URL

https://web.sharely.app/e/nsg159/pre_question

Deadline

Wed. 18 June 2025

Shareholder Number

Nine digits

Postal Code

Seven digits



18 June

25 June

- Please keep your questions brief and to the point.
- Note that we may not be able to respond to all questions or each one individually.

The Day of the Meeting (Thu., 26 June)

26 June

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Attend Meeting in Person / Watch Live Stream

Attend Meeting in Person



Present your voting form at the reception

Date/Time 10:00 a.m.
Thu., 26 June 2025

Venue Hall D7, Tokyo International Forum
3-5-1 Marunouchi, Chiyoda-Ku, Tokyo

Watch Live Stream

Visit the dedicated website using the URL or QR code below and enter your Shareholder Number and Postal Code from the voting card.

Date/Time 10:00 a.m.
Thu., 26 June 2025



URL <https://web.sharely.app/kj>

- Watching the live stream does not count as attendance at the general meeting of shareholders under the Companies Act of Japan. You cannot vote or ask questions while watching the live stream.
- Please exercise your voting rights in advance.

For inquiries regarding live stream viewing

Phone: 03-6683-7664 (available from 9:00 a.m. until the end of the Meeting on 26 June). **Sharely Co., Ltd.**

After the Meeting

From
27 June

Check Voting Results / Watch Video Stream

Voting results at the Ordinary General Meeting of Shareholders will be posted on the Company's website.

In addition, the meeting video featuring the Business Report will be available.

NSG website <https://www.nsg.com/en/investors/ir-library/shareholders-meeting>

Guidelines for Exercising Voting Rights

- If a shareholder exercises their voting rights both in writing and via the Internet, the Internet vote will take precedence. If a voting right is exercised multiple times via the Internet, the last valid vote will be considered the final vote.
- If a shareholder does not indicate approval or disapproval of any of the proposals on the returned voting form, it will be treated as an indication of approval.

For institutional
shareholders

Institutional shareholders may also vote via the Electronic Voting Platform operated by ICJ, Inc. subject to prior application.

Reference Materials for the General Meeting of Shareholders

—Proposal and Reference Information—

Proposal: Election of Eight Directors

The term of office of all the six Directors shall expire as of the end of this Ordinary General Meeting of Shareholders. Hence the shareholders are hereby asked to approve the election of eight Directors based on and pursuant to the decision of the Nomination Committee of the Company. The Director candidates are as follows. For further information on each candidate, please refer to pages 8 to 15 of this Convening Notice:

No.	Name	Position	Current Responsibilities at the Company				Record of attendance at Board meeting
			Board	NC	AC	CC	
1	Hiroshi Ishino To be re-elected	External Independent	Chair person	Chair person			100% (7/7)
2	Munehiro Hosonuma To be re-elected	Representative Executive Officer, President and CEO	Member	Member		Member	100% (7/7)
3	Kunihito Minakawa To be re-elected	External Independent	Member	Member	Chair person	Member	100% (7/7)
4	Shinji Asatsuma To be re-elected	External Independent	Member	Member	Member	Member	100% (7/7)
5	Tetsuya Fujioka To be newly-elected	External Independent					
6	Takehiro Kamigama To be newly-elected	External Independent					
7	Hideki Miyazaki To be newly-elected	External Independent					
8	Denise Haylor To be newly-elected	Executive Officer, Chief Human Resources Officer					

- Notes:
- Hiroshi Ishino, Kunihito Minakawa, Shinji Asatsuma, Tetsuya Fujioka, Takehiro Kamigama and Hideki Miyazaki are all candidates for the External Directors stipulated in Article 2-3.7 of the Regulation for Enforcement of the Companies Act. In addition, all of them have been notified to the Tokyo Stock Exchange (hereinafter called "TSE") as Independent Directors. The Company has on its own created and applied more stringent criteria with respect to such independency of directors, considering their relationships with the Group itself, its directors and/or major shareholders, which above five candidates for External Directors also meet. For the details of the criteria, please see page 16.
 - The Company has entered into an agreement on limitation of liabilities with all the candidates of the External Directors whose tenure is expiring (Hiroshi Ishino, Kunihito Minakawa and Shinji Asatsuma) respectively to the effect that the level of the liability of each of the External Directors in having performed their duties in good faith and without gross negligence on their part should be capped by the amount allowed by law. The Company further intends to enter into an agreement on similar limitation of liability with Tetsuya Fujioka, Takehiro Kamigama and Hideki Miyazaki once elected, to the effect that the level of the liability in having performed their duties in good faith and without gross negligence on their part should be capped by the amount allowed by law.
 - The Company contracts the Directors and Officers liability insurance based on the Article 430-3, Paragraph 1 of the Companies Act of Japan with insurance companies, and the policy will compensate any reasonable and necessary legal or other defense costs incurred in defending an action brought against them during the policy period. It also pays any ensuing damages, judgements and settlements that are awarded to the plaintiff or third party against the director or officer. Hiroshi Ishino, Munehiro Hosonuma, Kunihito Minakawa, Shinji Asatsuma Tetsuya Fujioka, Takehiro Kamigama, Hideki Miyazaki and Denise Haylor as director candidates respectively will be included to insured persons, if elected as a director. The premium of the insurance for all insured persons is paid by the Company. The Company plans to renew the contract with the same terms and conditions at the time of the next renewal.

(For Reference)

To develop and enhance the Group's enterprise value in a sustainable manner over the medium to long term, the Board must effectively supervise the execution of duties by Executive Officers, etc., while fostering a corporate environment that enables the executive management to take appropriate business risks. In light of the company's current situation and the issues to be solved in the medium-term plan "2030 Vision: Shift the Phase," starting from the fiscal year ending March 2025, we have defined the areas of experiences and specialized knowledge that the Nomination Committee deems crucial for Director candidates as below, and considered the diversity element to ensure a well-balanced composition of Directors as a whole.

Name	Global Company Management Experience	Financial Expertise	Risk Management	ESG / Sustainability	Portfolio Management / New Business Development	DX / Operational Excellence	Marketing / Commercial
H. Ishino	○					○	○
K. Minakawa	○	○	○				
S. Asatsuma	○	○	○				
T. Fujioka	○	○	○				
T. Kamigama	○				○	○	
H. Miyazaki	○	○			○		
M. Hosonuma	○					○	○
D. Haylor	○			○	○		

Notes: Up to three most highly expected areas of experiences and specialized knowledge are shown for each candidate. The table does not represent all the specialized knowledge and the experiences possessed by each candidate.

- Global Company Management Experience: The area of experience and/or expertise required from the perspective of supervising the management of the Group which operates globally, based on the management experiences in a global or multinational business environment.
- Financial Expertise: The area of experience and/or expertise required from the perspective of supervising the execution of the financial targets, "Increasing cash generation" and "Improving the financial status" set forth in the medium-term plan.
- Risk Management: The area of experience and/or expertise required from the perspective of identifying and evaluating critical risks that the Group should manage, as well as effectively and efficiently supervising the risk management process.
- ESG / Sustainability: The area of experience and/or expertise required from the perspective of effective and efficient supervision of climate change-related efforts and other initiatives aimed at both attaining the Group's sustainable growth and contributing to a sustainable society in the medium-to long-term, and initiatives to ensure a highly independent and transparent Corporate Governance system for that purpose.
- Portfolio Management / New Business Development: The area of experience and/or expertise required from the perspective of effective and efficient supervision of initiatives related to business structure reform, such as new business development and portfolio transformation to a highly profitable business.
- DX / Operational Excellence: The area of experience and/or expertise required from the perspective of effective and efficient supervision of initiatives utilizing digital technology to quickly execute strategies based on globally integrated information and carry out reform measures for high value-added operations that transcend the boundaries of functions from procurement and manufacturing to logistics.
- Marketing/Commercial: The area of experience and/or expertise required from the perspective of effective and efficient supervision of initiatives for strategic marketing including business structure reform and customer-oriented corporate culture reform.

1 Hiroshi Ishino



■	Positions/responsibilities at the Company
	Director, Chairperson of the Board, Chairperson of Nomination Committee
■	Date of birth
	10 April 1951 (74 years old)
■	Gender
	Male
■	Length of incumbency as External Director
	5 years (as of the end of this General Meeting of Shareholders)
■	Record of attendance at meetings
	Board of Directors : 100% (7/7)
	Nomination Committee : 100% (8/8)
	Audit Committee : 100% (3/3)*
	Compensation Committee : 100% (1/1)*
	*As Hiroshi Ishino retired from the Audit Committee and the Compensation Committee on 26 June 2024, the above indicates the number of meetings held and his attendance prior to his retirement.
■	Number of the Company's common shares owned
	11,353
■	Material Positions concurrently held with third parties
	Honorary Advisor, Kansai Paint Co.,Ltd.
■	Special interest existing between the candidate and the Company
	n/a
■	Other
	Hiroshi Ishino is scheduled to be appointed as an External Director of LIXIL Corporation in June 2025. He is also scheduled to be appointed as an External Director of Olympus Corporation in June 2025.

Brief career history-----

Apr. 1975	Joined Mitsubishi Corporation
Mar. 2003	Joined Kansai Paint Co., Ltd.
Jun. 2006	Director, Deputy General Manager, International Affairs, Kansai Paint Co., Ltd.
Jun. 2008	Managing Director, Sales, Coatings Business, Kansai Paint Co., Ltd.
Apr. 2010	Senior Managing Director, Sales, Kansai Paint Co., Ltd.
Jun. 2011	Director, Senior Managing Executive Officer, Sales, International Affairs and Procurement, Kansai Paint Co., Ltd.
Jun. 2012	Representative Director, Senior Managing Executive Officer, Sales, International Affairs and Procurement, Kansai Paint Co., Ltd.
Apr. 2013	Representative Director and President, Kansai Paint Co., Ltd.
Jun. 2019	Senior Corporate Advisor, Kansai Paint Co., Ltd.
Jul. 2020	Director, the Company (Incumbent)
Jun. 2023	Honorary Advisor, Kansai Paint Co., Ltd. (Incumbent)

Reasons for recommendation as an External Director and expected roles to be fulfilled-----

Hiroshi Ishino has served as an External Director of the Company since July 2020. He previously held responsibility for overseas operations at a major trading company and later served as Representative Director and President of a major international manufacturer, where he led that corporate group's global strategy and business development across diverse areas. It is expected that he will continue to contribute to the enhancement of our corporate value by advising the executive team and overseeing the performance of Executive Officers from an independent and objective standpoint, drawing from his extensive executive experience in a global company at the top management level and his broad expertise in business transformation and operations from manufacturing to sales.

2 Munehiro Hosonuma



■ Positions/responsibilities at the Company	Director, Representative Executive Officer, President and CEO, a member of Nomination Committee and Compensation Committee
■ Date of birth	27 November 1972 (52 years old)
■ Gender	Male
■ Length of incumbency as Director	3 years (as of the end of this General Meeting of Shareholders)
■ Record of attendance at meetings	Board of Directors : 100% (7/7) Nomination Committee : 100% (8/8) Compensation Committee : 100% (5/5)
■ Number of the Company's common shares owned	91,690
■ Material Positions concurrently held with third parties	n/a
■ Special interest existing between the candidate and the Company	n/a

Brief career history

Apr. 1998	Joined Nikken Sekkei Ltd.
Jul. 2005	Joined Boston Consulting Group
Oct. 2010	Joined Sumitomo 3M Limited (Currently 3M Japan Limited) Business Development Senior Manager, Display and Graphics Business Group
Sep. 2013	General Manager, Cleaning and Workplace Safety Division, Sumitomo 3M Japan Limited
Apr. 2017	General Manager, Infection Prevention Division, 3M Japan Limited
Aug. 2018	Joined the Company Senior Corporate Officer, CCPO (Chief Corporate Planning Officer)
Jan. 2021	Senior Executive Officer, Head of Architectural Glass SBU
Apr. 2022	Representative Executive Officer, Vice President and COO (Chief Operating Officer)
Jun. 2022	Director (Incumbent)
Apr. 2023	Representative Executive Officer, President and CEO (Incumbent)

Reasons for recommendation as a Director

After working for a leading Japanese design office and a major international management consulting firm, Munehiro Hosonuma joined a major international manufacturer, where he held key positions within the business division. He joined NSG in August 2018 and served in senior roles within the Group, specifically as Chief Corporate Planning Officer and Head of Architectural Glass SBU. In April 2022, he was appointed Representative Executive Officer, Vice President and Chief Operating Officer, where he gained experience leading the Group's overall operations. Building on a wealth of experience and a strong track record in business execution, he was appointed Representative Executive Officer, President and CEO in April 2023, assuming leadership of the Group management. He was elected as a Director in June 2022. It is expected that he will continue to make a valuable contribution to the Board's decision-making, drawing from his extensive experience and accomplishments in business strategy and operations.

3 Kunihiro Minakawa



■ Positions/responsibilities at the Company
Director, Chairperson of Audit Committee, a member of Nomination Committee and Compensation Committee
■ Date of birth
15 August 1954 (70 years old)
■ Gender
Male
■ Length of incumbency as External Director
5 years (as of the end of this General Meeting of Shareholders)
■ Record of attendance at meetings
Board of Directors : 100% (7/7)
Nomination Committee : 100% (8/8)
Audit Committee : 100% (11/11)
Compensation Committee : 100% (5/5)
■ Number of the Company's common shares owned
5,673
■ Material Positions concurrently held with third parties
External Director, Mitsubishi Electric Corporation
■ Special interest existing between the candidate and the Company
n/a

Brief career history-----

Apr. 1978	Joined RICOH CO., LTD.
Oct. 1997	SVP and CFO, Ricoh Americas Corporation
Jan. 2008	Business Planning Manager and Business Management Manager, Business Management Centre, Overseas Division, RICOH CO., LTD.
Apr. 2010	Corporate Vice President and General Manager, Finance and Accounting, RICOH CO., LTD.
Apr. 2012	Corporate Senior Vice President and General Manager, Finance and Accounting, RICOH CO., LTD.
Jun. 2013	Corporate Auditor (Full-time), RICOH CO., LTD.
Jun. 2017	External Director, Sony Corporation (Currently Sony Group Corporation)
Jun. 2018	External Director, Santen Pharmaceutical Co., Ltd.
Apr. 2019	Commissioner, Certified Public Accountants and Auditing Oversight Board, Financial Services Agency
Jul. 2020	Director, the Company (Incumbent)
Jun. 2024	External Director, Mitsubishi Electric Corporation (Incumbent)

Reasons for recommendation as an External Director and expected roles to be fulfilled -----

Kunihiro Minakawa has served as an External Director of the Company since July 2020. He possesses broad knowledge and practical experience in finance and auditing. At a major international manufacturer, he served as Corporate Senior Vice President overseeing Finance and Accounting, and as an Audit & Supervisory Board Member. In addition, He served as a Commissioner on the Certified Public Accountants and Auditing Oversight Board of the Financial Services Agency. It is expected that he will continue to contribute to the enhancement of our corporate value by advising the executive team and overseeing the performance of Executive Officers from an independent and objective standpoint, drawing from his extensive executive management experience in a global company and his professional expertise in finance and accounting.

4 Shinji Asatsuma



■ Positions/responsibilities at the Company

Director, a member of Nomination Committee, Audit Committee and Compensation Committee

■ Date of birth

2 February 1961 (64 years old)

■ Gender

Male

■ Length of incumbency as External Director

3 years (as of the end of this General Meeting of Shareholders)

■ Record of attendance at meetings

Board of Directors	: 100% (7/7)
Nomination Committee	: 100% (8/8)
Audit Committee	: 100% (11/11)
Compensation Committee	: 100% (5/5)

■ Number of the Company's common shares owned

3,256

■ Material Positions concurrently held with third parties

n/a

■ Special interest existing between the candidate and the Company

n/a

Brief career history-----

Apr. 1984	Joined Kansai Paint Co., Ltd.
Apr. 2012	Executive Officer, General Manager Corporate Planning Office, Kansai Paint Co., Ltd.
Apr. 2015	Senior Executive Officer, General Manager International Div., Kansai Paint Co., Ltd.
Jun. 2016	Director, Senior Executive Officer, General Manager, Administration Div., Kansai Paint Co., Ltd.
Apr. 2018	Director, Senior Executive Officer in charge of Business Management, Corporate Planning, IS, Human Resources Planning, General Manager, Administration Div., Kansai Paint Co., Ltd.
Jun. 2019	External Director, Kyushu Railway Company
Jun. 2022	Director, the Company (Incumbent)

Reasons for recommendation as an External Director and expected roles to be fulfilled-----

Shinji Asatsuma has served as an External Director of the Company since June 2022. He was previously responsible for accounting, finance, business strategy, and overseas operations at a major international manufacturer. He later served as Director and Senior Executive Officer, overseeing Administration and leading the development of business strategies and overseas business expansion for that corporate group. It is expected that he will continue to contribute to the enhancement of our corporate value by advising the executive team and overseeing the performance of Executive Officers from an independent and objective standpoint, drawing from his extensive executive management experience in global companies and his broad expertise in finance, accounting, and risk management.

5 Tetsuya Fujioka



■ Positions/responsibilities at the Company

-

■ Date of birth

29 September 1958 (66 years old)

■ Gender

Male

■ Length of incumbency as External Director

-

■ Record of attendance at meetings

-

■ Number of the Company's common shares owned

0

■ Material Positions concurrently held with third parties

External Audit & Supervisory Board Member, JVCKENWOOD Corporation

■ Special interest existing between the candidate and the Company

n/a

■ Other

Tetsuya Fujioka is scheduled to be appointed as an External Director (Audit & Supervisory Committee Member) of JVCKENWOOD Corporation in June 2025.

Brief career history-----

Apr. 1981	Joined NEC Corporation
Jun. 2007	CFO, NEC Europe Ltd.
Apr. 2010	General Manager, Corporate Finance Division, NEC Corporation
Apr. 2013	Vice President, General Manager, Corporate Finance Division, NEC Corporation
May 2014	Vice President, NEC Corporation
Jun. 2014	Audit & Supervisory Board Member, NEC Corporation
Jun. 2018	Executive Consultant, NEC Capital Solutions Limited
Jun. 2021	External Audit & Supervisory Board Member, JVCKENWOOD Corporation (Incumbent)

Reasons for recommendation as an External Director and expected roles to be fulfilled-----

Tetsuya Fujioka possesses extensive experience in finance and auditing. He served as General Manager of the Corporate Finance Division at a major international manufacturer and as CFO of its European subsidiary, where he led structural reforms across that corporate group. He later held the position of Internal Auditor at the parent company and currently serves as an External Auditor at another major manufacturing company. It is expected that he will contribute to the enhancement of our corporate value by advising the executive team and overseeing the performance of Executive Officers from an independent and objective standpoint, drawing from his extensive executive management experience in global companies and his professional expertise in finance and accounting.

6 Takehiro Kamigama



■ Positions/responsibilities at the Company	-
■ Date of birth	12 January 1958 (67 years old)
■ Gender	Male
■ Length of incumbency as External Director	-
■ Record of attendance at meetings	-
■ Number of the Company's common shares owned	0
■ Material Positions concurrently held with third parties	External Director, OMRON Corporation External Director, SoftBank Corporation External Director, KOKUYO Co.,Ltd. Chief Consultant, Contemporary Amperex Technology Japan KK Representative Director, Gama Expert, Inc.
■ Special interest existing between the candidate and the Company	n/a
■ Other	Takehiro Kamigama is scheduled to retire as an External Director of SoftBank Corporation on 26th June 2025.

Brief career history-----

Apr. 1981	Joined Tokyo Denki Kagaku Kogyo K.K. (Currently TDK Corporation)
Jun. 2002	Corporate Officer, TDK Corporation
Jun. 2003	Senior Vice President, TDK Corporation
Jun. 2004	Director, Executive Vice President, TDK Corporation
Jun. 2006	Representative Director & President, TDK Corporation
Jun. 2016	Chairperson & Representative Director, TDK Corporation
Jun. 2017	External Director, OMRON Corporation (Incumbent)
Mar. 2018	External Director, Yamaha Motor Co., Ltd.
Jun. 2018	External Director, SoftBank Corporation (Incumbent)
Jun. 2018	Mission Executive, TDK Corporation
Mar. 2021	External Director, KOKUYO Co., Ltd. (Incumbent)
Jul. 2021	Chief Consultant, Contemporary Amperex Technology Japan KK (Incumbent)
Aug. 2021	Representative Director, Gama Expert, Inc. (Incumbent)

Reasons for recommendation as an External Director and expected roles to be fulfilled-----

Takehiro Kamigama previously led global business expansion as the head of a business unit at a major international manufacturer. He later served for many years as a Representative Director, where he drove structural reforms and growth strategies across that corporate group. He currently serves as an External Director at major manufacturers and a leading telecommunications company, contributing to the oversight of corporate management. It is expected that he will contribute to the enhancement of our corporate value by advising the executive team and overseeing the performance of Executive Officers from an independent and objective standpoint, drawing from his extensive executive management experience—including leadership roles in global companies—and his broad expertise in the field of technology.

7 Hideki Miyazaki



■ Positions/responsibilities at the Company

-

■ Date of birth

22 January 1958 (67 years old)

■ Gender

Male

■ Length of incumbency as External Director

-

■ Record of attendance at meetings

-

■ Number of the Company's common shares owned

0

■ Material Positions concurrently held with third parties

n/a

■ Special interest existing between the candidate and the Company

n/a

■ Other

Hideki Miyazaki is scheduled to be appointed as an External Director (Audit & Supervisory Committee Member) of Mizuho Securities Co., Ltd. in June 2025.

Brief career history-----

Apr. 1980	Joined Nomura Securities Co., Ltd.
Jul. 2005	Joined Japan Tobacco Inc.
Jun. 2008	Senior Vice President, and CFO, Japan Tobacco Inc.
Jun. 2010	Executive Vice President, and CFO, Japan Tobacco Inc.
Jun. 2012	Director and Executive Vice President, Japan Tobacco Inc.
Jan. 2018	Director, Japan Tobacco Inc.
Mar. 2018	Joined JSR Corporation
Jun. 2018	Director and Managing Officer, and CFO, JSR Corporation

Reasons for recommendation as an External Director and expected roles to be fulfilled-----

Hideki Miyazaki held key positions at a major securities firm, primarily within its overseas operations. He later served as CFO at a leading international manufacturer, where he spearheaded structural reforms. Subsequently, he served as Director and Vice President, overseeing the management of that corporate group. He then assumed the role of CFO at another prominent global manufacturing company, where he continued to lead business structural reforms. It is expected that he will contribute to the enhancement of our corporate value by advising the executive team and overseeing the performance of Executive Officers from an independent and objective standpoint, drawing from his extensive executive management experience at global companies and his broad expertise in finance, capital, and business structural reform.

8 Denise Haylor



■	Positions/responsibilities at the Company Executive Officer, CHRO (Chief Human Resources Officer)
■	Date of birth 5 August 1964 (60 years old)
■	Gender Female
■	Length of incumbency as Director -
■	Record of attendance at meetings -
■	Number of the Company's common shares owned 0
■	Material Positions concurrently held with third parties n/a
■	Special interest existing between the candidate and the Company n/a

Brief career history

Sep. 1988	Joined Siemens
Jun. 1998	Joined Motorola Limited
Jan. 2003	Joined Motorola Inc
Jan. 2007	Corporate Vice President Human Resources, Motorola Inc
Jul. 2010	Corporate Vice President and Deputy Head of Human Resources, Motorola Inc
Feb. 2011	Joined Flextronics as Chief Human Resources Officer
Jun. 2014	Joined Royal Philips as Chief Human Resources Officer and member of the Executive Committee
Apr. 2017	Joined Boston Consulting Group as Partner and Managing Director
Jun. 2023	Joined the Company Executive Officer, CHRO (Chief Human Resources Officer) (Incumbent)

Reasons for recommendation as a Director

Denise Haylor held key positions in Human Resources at a major international electronics manufacturer, a leading telecommunications equipment company, and a prominent medical equipment manufacturer. Following her tenure at a leading management consulting firm, she joined NSG in June 2023 and was appointed Executive Officer and Chief Human Resources Officer. She has since led the Group's HR function and contributed to the overall management of the Group. It is expected that she will make a valuable contribution to the Board's decision-making, drawing from her extensive executive management experience at European and American companies—including leading business transformation initiatives—and her professional expertise in HR strategy, talent management, and DEI (Diversity, Equity, and Inclusion).

For Reference: Criteria of Independency for External Directors at NSG

External Directors of Nippon Sheet Glass Company, Limited ("NSG" or the "Company") falling into any of the following categories are considered to lack independency as an External Director.

(1) As to the External Director him/herself, where:-

- a) He/she is, has become or once served as an executive director, executive officer, corporate officer or employee of the NSG Group (hereinafter collectively referred to as an "executive/employee");
- b) i) He/she has a business relationship with the Company and received from the Company the following sum during any single financial year of those past three years most recently ended or (in case where the one having such business relationship is an organization such as a legal entity, then he/she serves or served as an executive/employee of the organization), OR NSG Group is a Major Business Partner for him/her/it
 - Aggregate payments equivalent to more than 1% of their consolidated sales during the subject year; OR,
 - ii) he/she has a business relationship with the Company and paid the Company the following sum during the Company's any single financial year of those past three years most recently ended, or he/she is a Major Business Partner of the NSG Group (or in case where the one having such business relationship is an organization such as a legal entity, then he/she serves or served as an executive/employee of the organization);
 - Aggregate payments equivalent to more than 1% of the Company's consolidated sales during the subject year

Note: For the purpose of this criteria protocols, "Major Business Partner" means, as between the NSG Group and the group having business relationship with us, those persons who could be, in terms of magnitude of its business relationship, expected to exert the same degree of influence on the decision-making process of the other as would exist among parent-subsidiary relationship or affiliated group.

- c) He/she is a Certified Public Accountant retained as Accounting Auditor for the Company (or in case the accounting firm is retained as Accounting Auditor, then he/she serves as a partner or employee of the firm) or he/she has engaged in any audit activities of the NSG Group businesses at any time during the past three years;
- d) He/she is one of those consultants, accountants or lawyers who have received a substantial amount of cash or other financial gains (equivalent to JPY 10 million or more per financial year of the Company) from the NSG Group (or in case where an organization such as the consulting, accounting or law firm is the one having received such cash or gains, then he/she belongs to any such organization);
- e) He/she has a material business relationship with or is materially interested in the NSG Group (or in case where an organization such as a legal entity has such relationship or interest, he/she is an executive/employee of the organization). (For this purpose, the fact of receipt of the sum in the form of donation or loans from the NSG Group equivalent to JPY 10 million or more on an average per annum for the past three financial years of the Company most recently ended is deemed to constitute such material interest in the NSG Group.);
- f) He/she holds cross-directorships or has significant links with other Directors/Executive Officers of the Company through involvement in other companies/bodies;
- g) He/she is a major beneficial shareholder who is entitled to 10% or more of the total voting rights of the Company (or in case where the organization such as a legal entity falls into such a shareholder, then he/she currently is or was employed as an executive/employee of the organization at any time during the past five years); or
- h) He/she is an individual who has fallen into the above d), e) or f) during the Company's any single financial year of those past three financial years most recently ended.

(2) As to the close relative(s) of the External Director (his or her spouse, or those relatives who are within the second degree of kinship or live in the same dwelling as him or her):

Specific criteria are set in accordance with (1) above. Please refer to our website for details.

https://www.nsg.com/-/media/nsg/site-content/sustainability/downloads-attached-to-pages-in-sustainability-section/annex/annex13_1812_e.pdf

For Reference: Selection Criteria for Director Candidates

The Nomination Committee, composed of a majority of independent external directors, selects director candidates and submits the nominations as a proposal to the Ordinary General Meeting of Shareholders. In making these selections, in particular for independent external directors, the Group seeks candidates from a broad pool with the cooperation of executive search companies and other resources. The selection criteria are as follows. For directors selected based on these criteria, we aim to ensure that the expertise of each individual is well-balanced across the entire Board of Directors, as defined in the 7th criterion. Additionally, we strive to achieve a composition that ensures diversity in terms of gender, internationality, work experience, and age.

[Personality, Insight, leadership]

1. Being a person of good character and high ethical standards.
2. Upholding and promoting compliance with laws and regulations.
3. Being fit to hold office and able to fulfil the duties required.
4. Possessing excellent business acumen and the ability to make judgements objectively.
5. Having abundant leadership experience and being team orientated.

[No material interest]

6. Having no personal interest or business relationship that might affect management decisions in our Group's business areas. ("Criteria of Independency for External Directors" is defined separately.)

[Skill/Expertise]

7. Having broad business experience globally or multi-nationally and/or such specialized knowledge in market, technology, accounting, law, talent development, or other specific fields that are necessary or desirable for directors in light of the current situation of the Group, strategies, etc.

[Commitment]

8. Being the person who agrees with the philosophy and basic stance set forth in "NSG Group Corporate Governance Guidelines" and "Board of Directors Charter" and can be expected to perform his/her duties accordingly
9. Having sufficient time to participate in meetings of the Board and the Committees of which he/she would be a member, and being qualified to fulfil the duties as a member of one of any three committees on which he/she would sit: Nomination Committee, Audit Committee or Compensation Committee.

For Reference: Composition of the Board of Directors and each Committee (plan)

If this proposal is approved at this General Meeting as originally proposed, the composition of the Board of Directors and each Committee will be as follows:

Board of Directors

Hiroshi Ishino (Chairperson), Kunihiro Minakawa, Shinji Asatsuma, Tetsuya Fujioka, Takehiro Kamigama, Hideki Miyazaki, Munehiro Hosonuma, Denise Haylor

Nomination Committee

Hiroshi Ishino (Chairperson), Kunihiro Minakawa, Shinji Asatsuma, Takehiro Kamigama, Hideki Miyazaki, Munehiro Hosonuma

Audit Committee

Kunihiro Minakawa (Chairperson), Shinji Asatsuma, Tetsuya Fujioka, Hideki Miyazaki

Compensation Committee

Shinji Asatsuma (Chairperson), Kunihiro Minakawa, Takehiro Kamigama, Munehiro Hosonuma

159th Business Report of Nippon Sheet Glass Company, Limited

From 1 April 2024
To 31 March 2025

I. Matters Relating to the Current State of the Company's Group

1. Overview and Results of Business Activities

The market environment for the Group continued to be severe in many major markets, partly due to the impact of the European economic slowdown that continued from the previous fiscal year, but some regions showed signs of improvement in the fourth quarter. In Architectural markets, sales volumes and prices decreased, mainly in Europe. The demand for solar energy glass remained robust throughout the year. In Automotive markets, sales volumes remained flat or slightly decreased in many regions, and the business environment remained challenging. In Technical glass markets, demand improved in many fields.

Group revenues increased by 0.9 percent year on year to 840,401 million yen (4Q FY2024: ¥ 832,537 million), due in part to the impact of exchange rates in the Automotive business and a recovery in the Technical glass business. Operating profits decreased 54.0 percent year on year to ¥ 16,491 million (4Q FY2024: ¥ 35,860 million), mainly due to reduced profitability in the Architectural business. Exceptional items amounted to a charge of ¥ 5,249 million (4Q FY2024: income of ¥ 90 million). Net financial expenses decreased to ¥ 25,293 million (4Q FY2024: ¥ 28,208 million), and the Group's share of the post-tax profit of joint ventures and associates improved slightly to ¥ 5,526 million (4Q FY2024: ¥ 5,092 million). During the previous year, the Group also recorded one-off gains arising from the disposal of its joint venture business in Russia of ¥ 4,836 million.

As a consequence, the Group's year-end results were as shown in the table below.

Consolidated Revenue		Consolidated Operating Profit	
¥840,401m	(up 0.9%)	¥16,491m	(down 54.0%)
Consolidated Profit/(Loss) before Taxation		Consolidated Profit/(Loss) for the Period	
(¥8,525m)	—	(¥13,466m)	—
Consolidated Profit/(Loss) Attributable to Owners of the Parent			
(¥13,831m)	—		

Notes:

Operating profit in the above table is defined as being operating profit stated before exceptional items.

The performance by segment is as follows.

Architectural Glass Business

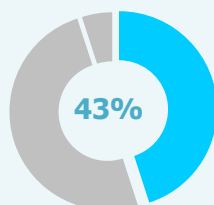
Revenue ¥ 363,025million

Operating profit ¥ 13,574million

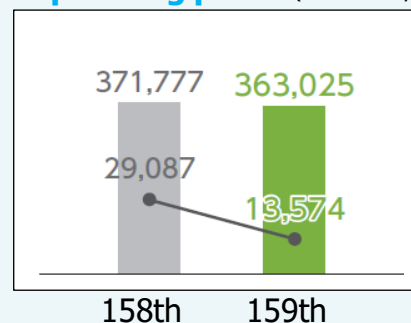
Main Focus of the Business :

- Manufacturing and supply of flat glass for the architectural market
- Manufacturing and supply of processed glass for interior and exterior use
- Manufacturing and supply of glass products for solar energy (solar panel glass)

Ratio of sales to Group revenue



Revenue Operating profit (Millions of yen)



The Architectural business recorded cumulative revenues of ¥ 363,025 million (4Q FY2024: ¥ 371,777 million) and operating profit of ¥ 13,574 million (4Q FY2024: ¥ 29,087 million). Architectural revenues and profits decreased from the previous year due to reduced volumes and prices across most markets, especially in Europe.

In Europe, representing 35 percent of the Group's architectural sales, revenues fell below the previous year, with subdued demand leading to a surplus of glass availability and a weak pricing environment. The impact of the weaker market conditions was mitigated somewhat by a decline in input costs. The fourth quarter showed signs of improvement with margins benefitting from higher price levels combined with falling energy costs. To address the low market volumes, the Group closed two float lines in Germany during the year.

In Asia, representing 33 percent of the Group's architectural sales, revenues and operating profit were above the previous year. Profits declined in Japan due to continued challenging market conditions. Markets also remain difficult elsewhere across South East Asia. Volumes of solar panel glass increased, thanks in part to the contribution of a facility in Malaysia which started production from November 2023.

In the Americas, representing 32 percent of the Group's architectural sales, operating profit fell below the previous year. In North America, results declined in line with the lackluster commercial building market. On 16 January 2025, the Group announced the warm up of a float glass production line in Rossford, Ohio, USA, dedicated to manufacturing glass for solar energy. Demand in South America also declined, reflecting difficult market conditions in Argentina.

Automotive Glass Business

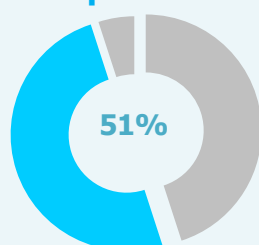
Revenue ¥ 429,444 million

Operating profit ¥ 7,667 million

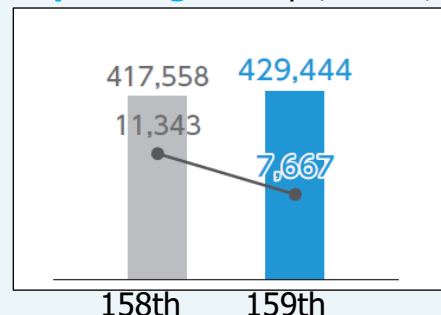
Main Focus of the Business :

- Manufacturing and supply of a wide range of automotive glazing for new vehicles
- Manufacturing and supply of a wide range of automotive glazing for replacement markets

Ratio of sales to Group revenue



Revenue Operating Profit (Millions of yen)



The Automotive business recorded cumulative revenues of ¥ 429,444 million (4Q FY2024: ¥ 417,558 million) and operating profit of ¥ 7,667 million (4Q FY2024: ¥ 11,343 million). Exchange factors, reflecting a reduced average value of JPY from the previous year, contributed to increased revenues. Underlying sales remained similar to the previous year across most regions.

Europe represents 41 percent of the Group's automotive sales. Local currency revenues slightly decreased, but revenues improved on consolidation due to exchange factors. Operating profit fell below the previous year. On 24 January 2025, the Group announced adjustments to production in Germany following a review of the weak demand situation and ongoing cost pressures in the European market.

In Asia, representing 19 percent of the Group's automotive sales, revenues and operating profit improved from the previous year. Volumes in Japan strengthened during the fourth quarter, after reflecting disruptions to production activities at some customers during earlier quarters.

In the Americas, representing 40 percent of the Group's automotive sales, revenues increased from the previous year, although operating profit fell. Volumes in North America reflected disruptions to production at some customers despite a stable market background overall. Compared to the previous year, volumes in Brazil were positive, while volumes fell in Argentina.

Technical Glass Business

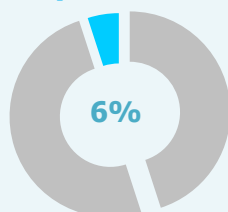
Revenue ¥ 46,584 million

Operating profit ¥ 7,568 million

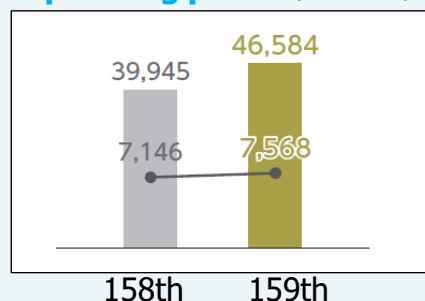
Main Focus of the Business :

- Manufacturing and supply of very thin glass for display cover glass
- Manufacturing and supply of lenses and light guides for printers
- Manufacturing and supply of glass fiber products, such as glass components for engine timing belts

Ratio of sales to Group revenue



Revenue Operating profit (Millions of yen)



The Technical Glass business recorded cumulative revenues of ¥ 46,584 million (4Q FY2024: ¥ 39,945 million) and operating profit of ¥ 7,568 million (4Q FY2024: ¥ 7,146 million). Technical Glass revenues and operating profit improved from the previous year, with positive demand across most business areas.

In the Fine Glass business, revenues improved from the previous year. In the Information Devices business, volumes were boosted by recovering demand for printers and scanners. The volume of glass cord used in engine timing belts, high demand has continued in the automotive replacement market. Metashine® sales increased for cosmetic applications.

Other Operations

The Other Operations recorded revenues of ¥ 1,348 million (4Q FY2024: ¥ 3,257 million) and operating loss of ¥ 12,318 million (4Q FY2024: loss of ¥ 11,716 million).

This segment covers corporate costs, consolidation adjustments, certain small businesses not included in the segments covered above and the amortization of other intangible assets related to the acquisition of Pilkington plc.

2. Capital Expenditure

The capital expenditure of the Group totaled ¥62,758million during the fiscal year under review, broken down by segment as follows:

(Millions of yen)	
Business	Expenditure
Architectural	¥ 40,774
Automotive	¥ 18,943
Technical Glass	¥ 2,067
Other	¥ 974

3. Financial Situation

Total assets at the end of March 2025 were ¥ 1,032,931 million, representing an increase of ¥ 25,346 million from the end of March 2024. Total equity was ¥ 142,411 million, representing a decrease of ¥ 11,427 million from the end of March 2024 figure of ¥ 153,838 million, mainly due to the loss recorded for the year.

Net financial indebtedness increased by ¥ 6,762 million from 31 March 2024 to ¥ 454,259 million at the period end. The increase in indebtedness arose largely from strategic capital investment projects, offset by favorable movements in working capital. Foreign exchange movements generated a decrease in net indebtedness of ¥ 730 million. Gross debt was ¥ 524,830 million at the period end.

Cash inflows from operating activities were ¥ 52,419 million. Cash outflows from investing activities were 42,444 million, including capital expenditure on property, plant, and equipment of 54,710 million. As a result, free cash flow was an inflow of ¥ 9,975 million (4Q FY2024 free cash inflow of 15,257 million).

4. Assets and Business Results (Consolidated)

(Millions of yen, except per-share figures)

	156th (FY2022)	157th (FY2023)	158th (FY2024)	159th (FY2025)
Revenue	600,568	763,521	832,537	840,401
Operating Profit	19,980	34,812	35,860	16,491
Profit/(loss) before taxation	11,859	(21,933)	17,597	(8,525)
Profit/(loss) for the period	6,759	(31,017)	10,930	(13,466)
Profit/(loss) Attributable to Owners of the Parent	4,134	(33,761)	10,633	(13,831)
Earnings/(loss) per Share Attributable to Owners of the Parent (yen)	24.07	(393.06)	95.40	(173.20)
Total Shareholders' Equity	145,291	97,040	124,275	108,065
Total Shareholders' Equity per Share (yen)	1,255.96	723.78	1,021.29	843.04
Total Assets	939,281	951,387	1,077,585	1,032,931

Notes:

1. The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS). Operating Profit in the above table is operating profit before exceptional items.
2. Basic earnings per share attributable to owners of the parent is calculated by dividing the profit attributable to owners of the parent, after deducting dividends and cash redemption premiums related to Class A shares, by the weighted average number of common shares in issue during the year. The dividends related to Class A shares are calculated by the dividend rate defined in the issuance terms. The weighted average number of common shares outstanding excludes common shares purchased by the Company and held as treasury shares and restricted shares allocated under the stock compensation plan that do not satisfy the conditions to lift the restriction.
3. Total shareholders' equity per share is calculated by dividing the total shareholders' equity, after deducting the amount paid in for the Class A Shares and dividends and cash redemption premiums related to Class A shares, by the number of common shares outstanding at the end of the financial year, excluding common shares purchased by the company and held as treasury shares and restricted shares allocated under the stock compensation plan that do not satisfy the conditions to lift the restriction.

5. Issues to be Addressed

(1) Materiality

The Group identified Materiality as critical challenges to attain sustainable growth of the Group and contribute to a sustainable society in the medium-to long-term. Materiality was selected according to the significance assessed on the matrix measuring the axes of impacts on both society and the Group.

	Materiality	FY2030 Aspirations
Materiality Targets (Fundamental Management Matter)	Health and Safety	Under the strong leadership, a safety culture has been fostered in which all consider safety as a value and work together to build a safe workplace. All risks are properly managed. Particularly for critical risks, a high level of control is in place. The use of digital technology has significantly improved the level of control.
	Ethics and Compliance	Partner and gain trust from stakeholders by regularly improving the Ethics and Compliance (E&C) programs to address Group risks.
	Safe and High-quality Products and Services	<u>Supply Chain:</u> To implement a Sustainable Supply Chain strategy to minimize negative environmental and societal impact, increase innovation, reduce waste and risk and enhance NSG's brand <u>Quality:</u> Customer satisfaction remains as a core mission for the Group. The objective to supply of safe and high-quality products and services has been enhanced by incorporating a greater degree of automation and digitalization into our processes.
Materiality Targets (Sources of Competitiveness)	Environment	To exceed stakeholder expectations by implementing sustainable processes to produce environmentally positive products and actively contribute to a decarbonized and a circular based society.
	Social shift and Innovation	With the strength of NSG's unique glass technologies, we aim to be a trusted partner for the stakeholders and contribute to the realization of a sustainable society.
	Human Capital	<u>Employee Value Proposition:</u> A globally consistent employer brand that is relevant, differentiates NSG from its competitors and allows for local adaptation. The value proposition will be distinctive, aspirational but will maintain authenticity. <u>DEI:</u> Inclusive organization where everyone can be their best (#BeYourselfAtWork activity). Recognized as a leader and winner of awards

(2) Medium Term Vision of NSG Group

The Group has set a goal for 2030 as "To shift our company's phase and become vital in advancing a sustainable society". In order to achieve this goal, we have set forth the following four commitments to be fulfilled by the Group.

- We commit to creating value that realizes a sustainable society for all stakeholders and with stakeholders.
- We commit to developing and providing glass and its related technologies and services that play a crucial role in our customers' solutions.
- We commit to deeply understanding our customers' potential needs and delivering solutions that are suitable for them by leveraging both tangible and intangible assets.
- We commit to continuing our investment in our people, taking pride in a global, diverse team passionate about glass and brimming with talent.

(3) Medium-Term Plan “2030 Vision : Shift the Phase”

Reflecting on the previous Medium-Term Management Plan concluded in the fiscal year ended March 2024, which underscored the continued weakness in profit margins, we decided to focus on the 4 “D”s of Business Development, Decarbonization, Digital Transformation, and Diverse Talent as the strategic pillars of the current Medium-Term Plan and strive to reduce debt drastically and boost equity capital by improving profitability and reinforcing our cash generation capabilities.

a. Update of “2030 Vision: Shift the Phase” - 4 “D”s

Despite the ongoing challenging business environment, particularly in Europe, our commitment to the Medium-Term Plan including 4 “D”s is unchanged and we continue to promote our strategy while flexibly securing resources.

	Update
Business Development	- Started solar energy glass production at Rossford, Ohio which is converted from existing float line - Development of less commoditized products (downstream) in European Architectural in progress - Established the steering committee across the Group to cultivate future perovskite market
Decarbonization	Contribution to GHG emission reduction and financial improvement through expansion of solar energy glass production
Digital Transformation	ERP system harmonization pilot delivered in a region
Diverse Talent	- The female manager ratio improved to 18.0% in FY2025/3 from 16.8% in FY2024/3 - HR system business case, readiness and system requirements prepare

b. Update of “2030 Vision: Shift the Phase” - Financial Targets

While we have been significantly affected by the economic slowdown in Europe, our businesses - excluding the Architectural and Automotive glass operations in the region - have progressed in line with the Plan. We remain focused on improving profitability and strengthening our cash generation capabilities to reinforce our financial foundation.

		FY2027/3 Targets	FY2030/3 Targets	FY2025/3 Full-year Actual
Profitability (P/L)	Operating profit	JPY 64.0 bn		JPY 16.5 bn : mainly impacted by economic slowdown in Europe. On track except European Arch and Auto
	ROS	7%	10% or more	2.0% : increased by 0.3pt from Q3
Cash Generation (C/F)	Free cash flow	JPY 27.0 bn		JPY 10.0 bn : positive free cash flow due to working capital improvement while OP decrease
Stabilization of Financial Status (B/S)	Interest-bearing debt	JPY 442.0 bn		JPY 528.4 bn : increased by JPY 18.4 bn from the previous year end
	Shareholders' equity ratio	15%		10.5% : decreased by 1.9pt from the previous year end

(4) Business environment and issues to be addressed

a. Business environment surrounding the Group

In the fiscal year ended March 2025, our business was significantly impacted by the continued economic slowdown in Europe, which began in the previous fiscal year as well as by rising labor and other costs driven by global inflation. Although the Architectural glass market was heavily affected by the economic downturn in Europe, signs of recovery emerged in the fourth quarter supported by improvements in selling prices. Meanwhile, demand for solar panel glass remained robust, and production commenced at our new facility in the United States during the fourth quarter. In the Automotive glass market, recovery in demand was delayed due to a decline in automobile production in Europe and production suspensions at certain customer sites in Asia and North America, resulting in lower asset utilization rates, particularly in Europe. Furthermore, global inflationary trends led to increased labor and other costs. In Technical Glass, demand continued to recover across many markets.

Moreover, uncertainty remains regarding U.S. tariff policies. However, we expect its impact on our business to be relatively limited since glass products are generally produced and consumed locally. We will continue to closely monitor policy developments and respond to any increases in tariffs or costs through measures such as price pass-throughs. Although the impact of the economic slowdown in Europe and rising labor and other costs driven by global inflation is expected to persist for some time, we anticipate a gradual recovery in demand over the medium to long term underpinned by growing renovation needs in the Architectural glass sector and a moderate rebound in automobile production in the Automotive glass sector. In response to the current challenging business environment and the demand growth expected over the medium- to long-term, we are proactively pursuing cost reductions by reviewing our production structures while also accelerating the shift from commodity to value-added (VA) products, leveraging the 'Business Development' pillar of the MTP.

We believe it is essential to recover profitability through continued efforts to drive down production costs and seek price pass-throughs.

b. Issues to be addressed

The key issues to be addressed by the Group are to improve its financial base to reduce debt and improve the equity ratio by enhancing profitability and cash generation capabilities.

The impacts of increases in materials and labor costs associated with global inflation, economic slowdown in Europe and interest rate hikes in Europe and the United States are expected to continue for a while. There are also signs that interest rates will rise in Japan in the near future. Against such a backdrop, it is essential to establish a business structure resilient to business fluctuations and not dependent on a large amount of debt.

In the medium-term plan (MTP) "2030 Vision: Shift the Phase" starting in FY2025 (ending in March 2025), we will aim to overcome key challenges mentioned above by focusing on the 4 "D"s of Business Development, Decarbonization, Digital Transformation, and Diverse Talent as the strategic pillars of the MTP.

Business Development: We will develop new solutions and technologies with our customers to create high added value by adapting to societal changes. Specifically, in Architectural glass business, we will aim to be a leading supplier of architectural glass that contributes to sustainability with a focus on decarbonization by intensively investing in glass coating technology development and equipment, promoting decarbonization of our products, and continuously reviewing regional strategies. In Automotive glass business, we will accelerate development of manufacturing technologies to enable our global customers shift to safer, connected, greener vehicles while shifting to a sustainably profitable business as key strategic global supplier by enhancing capabilities to cater to ADAS and EV, reinforcing the aftermarket business, and through improvement of profitability. In Technical glass business, we will establish a new revenue pillar by developing proprietary materials that play a pivotal role in advancing our customers' product offerings through expansion of business in adjacent markets, commercialization of new technologies, and selection of technological or business seeds.

Decarbonization: We are dedicated to driving decarbonization across our entire supply chain, embodying our commitment to sustainable social development with the aim of achieving carbon neutrality in 2050.

Digital Transformation: In the Medium-Term Plan period, which is viewed as a second phase of post-merger integration (PMI), we aim to transform our Group operations by leveraging digital technology to its fullest, thereby enhancing our value creation capabilities. By thoroughly standardizing data and processes, we will elevate the level of information integration, thereby accelerating the quality and efficiency of our global management practices.

Diverse Talent: Aiming to build a robust and high-performing workforce and organization, which is pivotal to our strategy, we will invest based on a well-defined HR strategy, globally demonstrating our attractiveness as a workplace that offers opportunities for professional development for those who work with genuine passion and interest. For this purpose, we will continue to promote the 4 “F”s (Flat, Frank, Fast, and Fun) in communication within the organization as part of our corporate culture.

By implementing these strategies, we will strive to reduce debt drastically and boost our equity capital by improving profitability and reinforcing cash generation capabilities.

(6) Approach to Sustainability

The Group adopted the “NSG Group Basic Policy on Sustainability” at the meeting of the Board of Directors to set out our basic stance and policy for sustainability as we strive to realize a sustainable society and world under the management principle, “Our Vision”.

a. Efforts to tackle climate change

The Group acknowledges that tackling climate change and other environmental issues is a major challenge for realizing a sustainable growth of the Group.

The Group received certification from the Science Based Targets initiative (SBTi*) in 2019 for its target to reduce GHG emissions from the manufacturing processes (Scope 1 and Scope 2) by 21% compared to its 2018 levels by 2030. This target was later revised to a more ambitious one and in addition, a new target was established for Scope 3 emissions, which cover GHG emissions across the value chain. The updated target, certified by SBTi in May 2022, aims to reduce Scope 1, 2, and 3 emissions by 30% compared to 2018 levels by 2030. Furthermore, the Group also committed itself to achieving carbon neutrality by 2050. As of the fiscal year ended March 2024, the Group already reduced Scope 1 and 2 emissions by approximately 16% compared to 2018 levels, demonstrating steady progress towards its target.

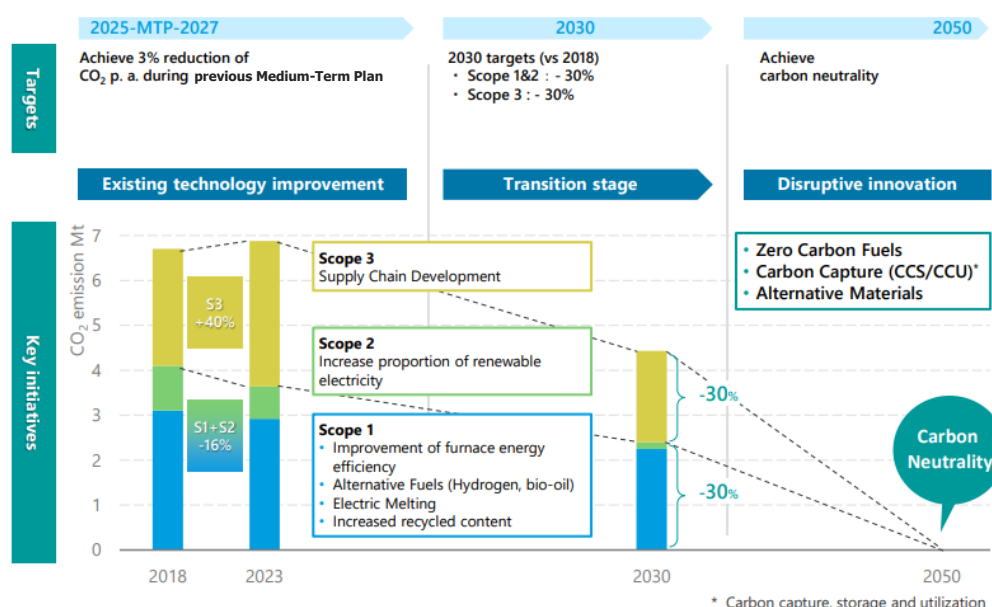
In November 2021, the Group announced the support for the recommendations issued by the TCFD (Task force on Climate-related Financial Disclosures). In line with the disclosure framework published by the TCFD, we disclose the results of the quantitative evaluation of climate-related risks and opportunities using the Climate Scenario Analysis on our website.

We continued to market the lowest carbon glass of its kind launched last year in Europe as part of our commitment to environmental sustainability through product decarbonization. Meanwhile, we remained focused on expanding our flagship products, such as solar glass and insulating glass.

The Group will continue to focus on decarbonization initiatives by developing combustion methods using alternative fuels, introducing renewable energies, and reducing CO₂ emissions across our value chains. We are also determined to contribute to the decarbonization of society through our products.

* SBT (Science Based Targets) are a set of greenhouse gas reduction targets consistent with scientific knowledge

Roadmap to Carbon Neutrality for 2050



b. Human Capital and Diversity

The Group positions cultivating corporate culture, developing human resource systems, and creating an employee-friendly work environment as key elements of “Human Capital Investment” to ensure that every employee can “grow” through business activities and “find joy in their work”. To maximize the effectiveness and efficiency of these investments and to drive sustainable corporate growth, we are promoting “Human Capital Management” on a global scale.

The Group has formulated a Human Resource Strategy based on the following key pillars and is steadily advancing initiatives under clear policies and defined targets: “Reinforcing and integrating the senior management team as One Team,” “Fostering open, transparent and interactive organizational management,” “Providing growth opportunities, including reskilling,” “Harnessing diversity to drive innovation,” “Enhancing community awareness to build a unified Group identity,” and “Establishing evaluation and compensation systems that contribute to the recruitment, development, and retention of talent”.

Also, an employee awareness survey called “Your Voice” is conducted annually for all employees. Based on the survey results, which are considered as a key indicator of employee engagement, improvement measures are implemented by region and organization, aiming to promote Corporate Culture Reform and enhance employee motivation. Regarding Diversity, Equity and Inclusion (DEI), our commitment goes beyond simply promoting diversity in attributes. We are strengthening our efforts to create an “organization where diverse talent has equitable access growth opportunities and can fully realize their potential.” Specifically, we regularly monitor key indicators such as the ratio of female managers, the balance in terms of regions, generations, and nationalities, as well as the employment of individuals with disabilities for the purpose of continuous improvement. We also offer unconscious bias training and conduct inclusive leadership workshops, aiming to foster a psychologically safe workplace where all employees can thrive and grow.

c. Efforts to improve supply chains

The Group shares its values with suppliers and aims to achieve a better world and society together through the highest standard supply chains. We consider “responsible sourcing” as a key priority for the Group, and set goals, monitor progress, and commit ourselves to implementing initiatives designed to realize sustainable supply chains. Specifically, the Group kept moving forward steadily in increasing the penetration rate of the “Supplier Code of Conduct,” which covers such areas as environment protection, social responsibilities, governance, risk management, etc., as well as in improving the evaluation of suppliers' sustainability performance.

Especially, in response to increasing demands from various stakeholders for sustainable supply chains in recent years, the Group established the Sustainable Supply Chains sub-Committee under the Sustainability Committee to pursue more proactive activities. We developed the Supply Chain Charter as our long-term vision, in which eight priority issues related to supply chains were selected including climate change, labor and human rights. We also identified priority issues for suppliers by industry and are working to disseminate the Charter starting with those suppliers that have the highest priority. Additionally, through our efforts to improve scores from EcoVadis, an external body that evaluates sustainable supply chains, we strive to enhance our engagement with suppliers and achieve the objectives. The Group will continue to work together with our suppliers to build sustainable supply chains.

6. Overview of Major Subsidiaries (as of 31st March 2025)

Subsidiary undertakings	Capital stock		% Ownership	Business
Japan				
NSG Building Products Co., Limited	JPY million	350	100	Architectural
NSG S&S Co., Limited	JPY million	72	100	Architectural
Europe				
Pilkington United Kingdom Limited	GBP thousand	428,483	100 (100)	Architectural
Pilkington Automotive Limited	EUR thousand	732,961	100 (100)	Automotive
Pilkington Technology Management Limited	GBP thousand	441,320	100 (100)	Architectural and Automotive
Pilkington Deutschland AG	EUR thousand	69,290	96.3 (96.3)	Architectural
Pilkington Automotive Deutschland GmbH	EUR thousand	18,996	100 (100)	Automotive
Pilkington Automotive Poland Sp. z o.o.	Zloty thousand	30,511	100 (100)	Automotive
Pilkington Italia S.p.A	EUR thousand	112,996	100 (100)	Architectural and Automotive
NSG Holding (Europe) Limited	JPY million	42,071	100	Holding company
NSG UK Enterprises Limited	GBP thousand	426,962	100 (100)	Holding company
Pilkington Group Limited	GBP thousand	736,866	100 (100)	Holding company
Asia (excluding Japan)				
NSG Vietnam Glass Industries Limited	USD thousand	150,070	100 (52.2)	Architectural
Americas				
NSG Glass North America, Inc.	USD	1	100 (100)	Architectural
Pilkington North America Inc.	USD thousand	17,701	100 (100)	Architectural and Automotive
Vidrieria Argentina S.A.	Arg.Peso thousand	8,238,452	51.0 (51.0)	Architectural
Pilkington Brasil Limitada	Real thousand	333,008	100 (100)	Architectural and Automotive
Vidrios Lirquen S.A.	Chilean Peso thousand	22,443,983	51.6 (51.6)	Architectural

Note: Any above figure of % Ownership in parentheses stands for the percentage owned indirectly through the Company's subsidiary/subsidiaries.

7. Main Offices and Plants (as of 31st March 2025)

The Company	Head Offices	Tokyo head office (Tokyo); Osaka head office (Osaka)
	Branch Offices	Toyota branch office (Aichi); Hiroshima branch office (Hiroshima)
	Plants/Laboratory	Chiba plant (Chiba); Sagamihara plant (Kanagawa); Yokkaichi plant (Mie); Tsu plant (Mie); Kyoto plant (Kyoto); Maizuru plant (Kyoto); Research laboratory (Hyogo)
Major Subsidiaries	Japan	NSG Building Products Co., Limited (Chiba) NSG S&S Co., Limited (Tokyo)
	Europe	Pilkington United Kingdom Limited (UK) Pilkington Automotive Limited (UK) Pilkington Technology Management Limited (UK) Pilkington Deutschland AG (Germany) Pilkington Automotive Deutschland GmbH (Germany) Pilkington Automotive Poland Sp. z.o.o. (Poland) Pilkington Italia S.p.A (Italy) NSG Holding (Europe) Limited (UK) NSG UK Enterprises Limited (UK) Pilkington Group Limited (UK)
	Asia (excluding Japan)	NSG Vietnam Glass Industries Limited (Vietnam)
	Americas	NSG Glass North America, Inc. (USA) Pilkington North America Inc. (USA) Vidrieria Argentina S.A. (Argentina) Pilkington Brasil Limitada (Brazil) Vidrios Lirquen S.A. (Chile)

8. Permanent Employees (as of 31st March 2025)

Segments	Number of employees (Consolidated)
Architectural Glass	8,598
Automotive Glass	14,198
Technical Glass	939
Other	1,671
Total	25,406 (up by 50 year on year)

Note: The table above doesn't include the number of temporary employees.

9. Main Lenders (as of 31st March 2025)

Lenders	Amount (Millions of yen)
Sumitomo Mitsui Banking Corporation	100,299
Mizuho Bank, Ltd.	38,637
Development Bank of Japan Inc.	35,430
Sumitomo Mitsui Trust Bank, Limited	34,684
Resona Holdings, Inc.	20,000
MUFG Bank, Ltd.	18,062
SBI Shinsei Bank, Ltd.	15,445
National Westminster Bank	15,016
Banco Santander	15,016
HSBC Bank	14,397

Note: The figures shown in the above table include the amount borrowed from those lenders as parties to syndicated loan agreements.

II. Matters Related to the Shares (as of 31st March 2025)

- 1. Authorized Number of Shares to be Issued and Authorized Number of Shares to be Issued by Class:**

(a) Authorized Number of Shares to be Issued		177,500,000 shares
(b) Authorized Number of Shares to be Issued by Class	Common Shares	177,500,000 shares
	Class A Shares	40,000 shares

- 2. Total Number of Shares Issued:**

	Common Shares	91,538,599 shares
	(Shares held as treasury:	35,222 shares)
	Class A Shares	30,000 shares

- 3. Number of Shareholders:**

	Common Shares	48,245
	Class A Shares	3

4. Top 10 Shareholders

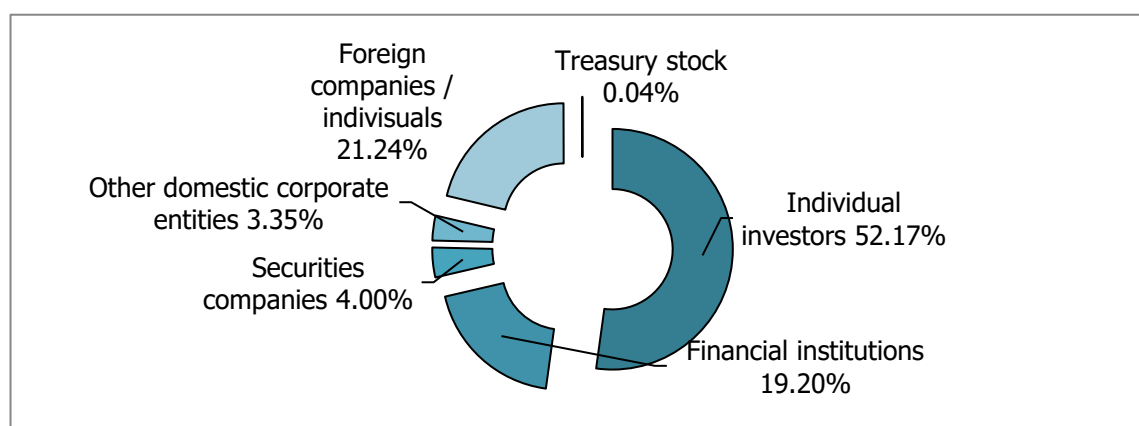
Shareholders	Number of Shares (common shares)	Percentage of Shares
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,252,000	15.57
MSIP CLIENT SECURITIES	2,534,019	2.76
BBH CO FOR ARCUS JAPAN VALUE FUND	2,009,000	2.19
MLI FOR CLIENT GENERAL OMNI NON COLLATERAL NON TREATY-PB	1,942,500	2.12
Client stock ownership of Nippon Sheet Glass	1,638,878	1.79
J.P.MORGAN SECURITIES PLC	1,577,866	1.72
JP MORGAN CHASE BANK 385781	1,278,102	1.39
Custody Bank of Japan, Ltd. (Trust Account)	1,263,300	1.38
SBI SECURITIES Co.,Ltd.	1,142,267	1.24
SUMITOMO LIFE INSURANCE COMPANY	914,800	0.99

Note: Where the percentage of shares is calculated, treasury shares are excluded from the total number of issued common shares and it has been rounded down to the second decimal.

5. Stocks issued to Directors and Executive Officers as Compensation in the current fiscal year

The Company issued 110,500 common shares as restricted shares to eight Executive Officers on 23th July 2024 as Compensation.

■Distribution of NSG Group Shareholders of common shares



■Shareholders of Class A Shares

Shareholders	Number of shares (Class A shares)
Japan Industrial Solutions Fund II	15,000shares
UDS Corporate Mezzanine No.3 Limited Partnership	6,750shares
UDS Corporate Mezzanine No.4 Limited Partnership	8,250 shares

III. Policy on Return of Our Profits to Shareholders

- Recognizing the distribution of profit to shareholders as one of its important management objectives, the Group has upheld a basic policy of stably declaring dividend payments on common shares based on sustainable business results. To that end, dividend payments by the Group will be determined with a focus on enhancing its financial position and ensuring an appropriate level of retained earnings for future business growth.

- Considering factors such as the Group's current financial position and its level of profitability, the Board of Directors has regrettably decided not to declare dividends for common shares for the fiscal year to 31 March 2024. The Group recognizes the importance of dividends to its shareholders and anticipates resuming dividend payments when the financial performance and financial status of the Group allows. The Board of Directors resolved to distribute the designated amount of dividends for Class A Shares.

IV. Matters Related to Directors and Executive Officers

1. Name etc. of Directors and Executive Officers

A) Directors (as of 31st March 2025)

Name	Non-executive position		Material concurrent positions
Hiroshi Ishino	Director (External)	Chairperson of the Board; Chairperson of Nomination Committee	➤ Honorary Advisor, Kansai Paint Co.,Ltd.
Jörg Raupach Sumiya	Director (External)	Chairperson of Compensation Committee; Member of Nomination and Audit Committees	➤ Professor, College of Business Administration, Ritsumeikan University
Kunihito Minakawa	Director (External)	Chairperson of Audit Committee; Member of Nomination and Compensation Committees	➤ External Director, Mitsubishi Electric Corporation
Shinji Asatsuma	Director (External)	Member of Nomination, Audit, and Compensation Committees	—
Eriko Sakurai	Director (External)	Member of Nomination and Compensation Committees	➤ External Director, Sumitomo Mitsui Financial Group, Inc. ➤ External Director, KAO Corporation ➤ External Director, Astellas Pharma Inc.
Munehiro Hosonuma	Director	Member of Nomination and Compensation Committees	—

Notes:

- Hiroshi Ishino, Jörg Raupach Sumiya, Kunihito Minakawa, Shinji Asatsuma and Eriko Sakurai serve as External Directors as stipulated in Article 2.15 of the Companies Act. All of them have been notified to the Tokyo Stock Exchange (hereinafter referred to as "TSE") as Independent Directors. In addition to the independence criteria set by TSE, the Company has created and applied its own criteria more stringent standards for director independence, taking into account relationships with the Group, its directors and/or its major shareholders, which all five External Directors also meet.
- Kunihito Minakawa, Chairperson of the Audit Committee, has served as Corporate Senior Vice President overseeing Finance and Accounting and as Corporate Auditor at a major international manufacturing company. He has also served as a Commissioner of the Certified Public Accountants and Auditing Oversight Board of the Financial Services Agency. He is therefore equipped with extensive experience and broad knowledge in the fields of finance and accounting.
- At present, we have not appointed a full-time Audit Committee member. This is primarily due to our governance structure as a company with three committees, under which audits are conducted under the leadership of the Audit Committee through an organizational approach. This includes liaising with Group Internal Audit, other internal control functions, and the external Accounting Auditor. We have also appointed certain employees as dedicated Support Staffs for the Audit Committee. These individuals report to and provide necessary information to the Audit Committee.
- Kunihito Minakawa served as an External Director of Santen Pharmaceutical Co., Ltd., but retired on 25 June 2024, and has served as an External Director of Mitsubishi Electric Corporation since the same day. He also served as a Commissioner of the Certified Public Accountants and Auditing Oversight Board of the Financial Services Agency, but retired on 31 March 2025.
- In relation to External Directors, Hiroshi Ishino, Jörg Raupach Sumiya, Kunihito Minakawa and Eriko Sakurai, the Company has no special business relationships with any of the organizations where they concurrently hold positions, as listed above.

B) Executive Officers (as of 31st March 2025)

Name	Executive position		Material concurrent positions
Munehiro Hosonuma	Representative Executive Officer	President and Chief Executive Officer (CEO)	—
Shigeki Mori	Executive Officer, Chairperson of the Company	Chairperson of the Company	—
Leopoldo Garces Castiella	Senior Executive Officer	Head of Architectural Glass SBU	—
Koichi Hiyoshi	Senior Executive Officer	Chief Administration Officer (CAO), Company Secretary	—
Hisashi Okamoto	Senior Executive Officer	Head of Creative Technology SBU	—
Akihito Okochi	Senior Executive Officer	Chief Financial Officer (CFO)	—
Rob Purcell	Senior Executive Officer	Head of Automotive SBU	—
Mike Greenall	Executive Officer	Chief Technology Officer (CTO)	—
Denise Haylor	Executive Officer	Chief Human Resources Officer (CHRO)	—
Masaki Kambayashi	Executive Officer	Chief Risk Officer (CRO) and Assistant CFO	—
Michael Kiefer	Executive Officer	Chief Legal Officer (CLO), Chief Ethics & Compliance Officer (CE&CO)	—
Shiro Kobayashi	Executive Officer	Sustainability Director	—
Yohei Nakatsuji	Executive Officer	Chief Strategy Officer (CSO)	—
Iain Smith	Executive Officer	Finance Director	—

Notes:

Phil Wilkinson and Kumi Nakamura retired from their positions as Executive Officers upon the expiration of their term of office, effective at the conclusion of the Meeting of the Board of Directors held on 26 June 2024, following the 158th Ordinary General Meeting of Shareholders held earlier that day.

2. Outline of an Agreement on Liability Limitation

An agreement has been entered into between the Company and each of the External Directors, to the effect that the liability of each of the External Directors in having performed their duties in good faith and without gross negligence be capped to the amount permitted by law.

3. Outline of the Directors and Officers Liability Insurance

The Company contracts the Directors and Officers liability insurance based on the Article 430-3, Paragraph 1 of the Companies Act of Japan with insurance companies, and the policy will compensate any reasonable and necessary legal or other defense costs incurred in defending an action brought against them during the policy period. It also pays any ensuing damages, judgements and settlements that are awarded to the plaintiff or third party against the director or officer. Insured Persons include past, present and future directors and officers, as well as other employees acting in a managerial or supervisory capacity for NSG and/or its subsidiary companies. The premium of the insurance for all insured persons is paid by the Company. The policy does not cover claims based upon any Insured gaining any profit or advantage to which such person or entity had illegal entitlement and any intentionally dishonest or intentionally fraudulent act or omission committed by an Insured.

4. Compensation for Directors and Executive Officers

(1) Principles of Compensation for Directors, and Executive Officers

① Organization & Responsibilities for determining Compensation

The company has in place the statutory Compensation Committee (the "Committee") as adopting a "Company with Committees" structure. No member of the Committee is allowed to be present when matters relating to their specific compensation are being discussed.

Role	The Compensation Committee is responsible for making decisions on the compensation policy for Directors and Executive Officers as well as individual elements of compensation for Directors and Executive Officers. The Committee may also give recommendation or advice to the Representative Executive Officer, President and CEO on the policies and details with respect to compensation for the Group's senior management other than Directors and Executive Officers, keeping a consistency with the policy of ③ Below.
Composition	• 4 Independent External Directors and 1 Director who concurrently serves as Representative Executive Officer • Chaired by Jörg Raupach Sumiya, Independent External Director
Secretariat	Company Secretary Department
Remuneration Expert	Human Resources Department

② Activities of the Committee in Compensation related Decision-Making Process

- During FY2025, the Committee met on five occasions, and the attendance rate was 100%, all members attended all Compensation Committee meetings. The Committee reviewed the executive incentive plans based on global executive compensation trends, and resolved the individual amount of basic salary, the performance indicators and method for determining the payment amount of incentives (performance linked compensation), and the actual payment amount based on the achievement against the previous year's indicators. Also the Committee resolved a plan to allot restricted shares to certain qualified Executive Officers under Japanese employment terms as a retirement benefit. Accordingly, the number of restricted shares to be issued to the relevant, individual Executive Officers was determined.
- The Compensation Committee gave its final approval to the individual compensation for Directors and Executive Officers for the year ended in March 2025 after confirming that it is consistent with the basic policy on compensation as detailed in ③ and ④.

③ Compensation Policy for Executive Officers

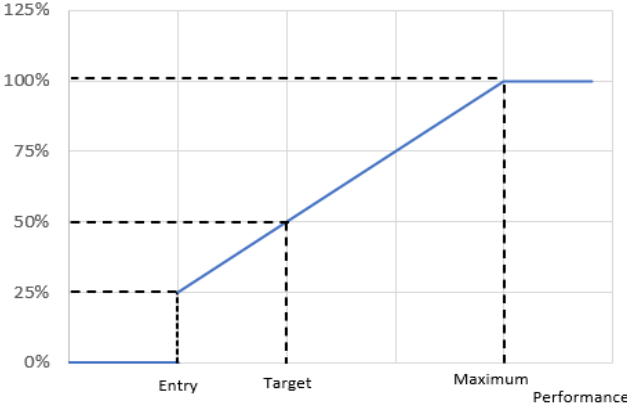
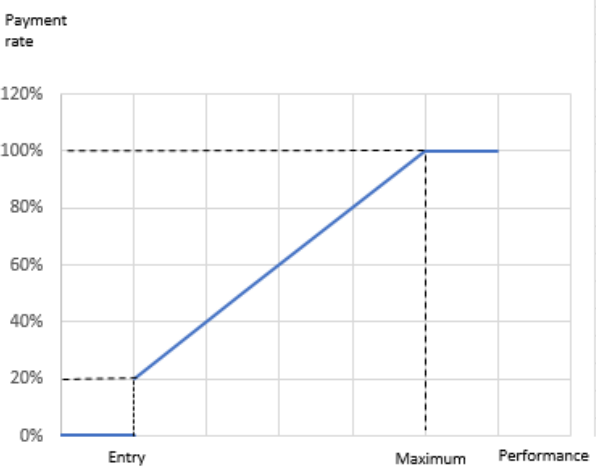
A. Compensation System and Compensation Composition Ratio

Compensation packages for the Executive Officers principally consist of basic salary, Management Incentive Plan (annual bonus) and Long- term Incentive plan.

The Group operates a global grading structure across the Group, and management grade is determined based on job evaluation by the Group common scale using the Korn Ferry /HAY management grade methodology, a globally recognized job evaluation methodology. Management grade determines the maximum quantum levels for participants in both the annual and long-term incentive structures.

A) Compensation System

Objectives	• To ensure that packages of employment terms and conditions are market competitive and designed in such a way as to attract, retain and motivate Executive Officers of the highest calibre on a worldwide basis in an international business. • To ensure that each individuals basic salary and incentives are aligned with the performance of the Group and the interests of shareholders, as well as reflecting the commitment and achievements of the individuals concerned.		
Composition and Details	Fixed salary	Basic salary	• Salaries are reviewed annually and are broadly aligned with market medians for a global business. • In determining what are the appropriate market rates, account is taken of turnover, number of employees and the complexity and breadth of internationalization. • In reviewing salaries, account is also taken of the scope and responsibilities of the role, the performance of the individual, the progress the Company is making against its targets and pay increase rate in market medians.
	Performance-related compensation	Management Incentive Plan (annual bonus)	• Assessed against the achievement of annual performance indicators which are mainly financial. • Aligned to NSG Group's Medium-Term Plan • Payment Maximum levels: Ranging between 40% and 125% against each individual's basic salary dependent upon the management grade • $\text{Payment Level} = \text{Maximum payment amount} \times \text{Payment rate of Performance measures}$ • A Gate mechanism operates for the plan, based on a minimum level of Net Income that must be reached, the gate acts as an affordability threshold before considering payment based on achievement against the different performance measures. • For each performance measure, a scale is set consisting of a minimum performance level ("Entry") for ensuring that the business is meeting the minimum standard of financial performance, "Target" and a maximum value for stipulating the upper limit of annual bonus payments "Max", scales are based around the annual budget for the financial year.

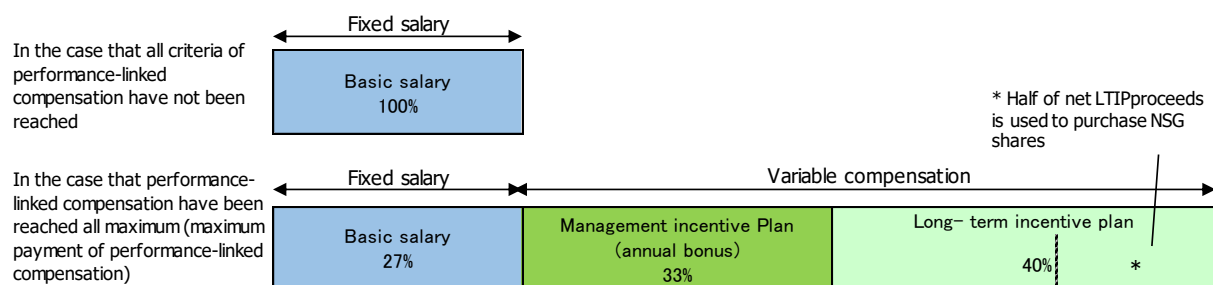
			Payment rate 
	Long-term incentive plan		• Assessed against the achievement of long-term performance indicators over a three-year period • Issued annually • Payment Maximum levels: Ranging between 50% and 150% against each individual's basic salary dependent upon the management grade • LTIP Payment = Maximum payment amount × Payment rate of Performance measures × Share price movement rate • For each measure, "Entry" is set in such a way to ensure that the business is meeting the minimum required performance level and the "Maximum" point on the scale has appropriate stretch. Payment rate  • Require the purchase of NSG Shares by using part of the cash award from the plan to lead to further alignment of the Executive Officers with shareholders, allowing Executive Officers to continue to be motivated to help build shareholder value • Shareholding targets set for Executives • Plans contain Malus (ability for the value of award to be reduced after it has been granted but before it has vested) and Clawback clauses (ability for the Group to require the participants to repay the value they received after the award has vested). The Group can exercise these provisions if one of a list of trigger events occurs. Trigger events include the Misstatement of results, an error that causes an award to be paid at too high a level, a serious illegal act, or a material breach of the Group Code of Ethics.

	Stock Compensation	Restricted shares are issued annually to Executive Officers under Japanese employment terms as a retirement saving plan.
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B) Compensation ratio

The ratio of basic salary and incentives is, rather than specifically and equally applied, set according to individuals' management grades.

<CEO's compensation ratio>



Note: For clarification, the above diagram includes only base salary plus annual and Long-term incentive plan compensation, no additional benefits are included. In addition, the impact of the share price movement element of the Long-term incentive plan is not taken into account.

④ Compensation Policy for Independent External Directors

Objectives	- To ensure that independent external directors can adequately and effectively fulfill their supervisory roles - To ensure that they have the capability and experience required to fulfill this role
Compensation level	Set at the appropriate level based on comparisons with other companies using benchmark data provided by specialist external advisers.
Compensation Structure	- Only Basic salary - Not eligible for Management incentive plans (annual bonuses) and Long-term incentive plans - Independent External Directors receive additional reward if they act as Chair at either the Board or any of the Committees.

(2) Amount of Compensation for Directors and Executive Officers

① Targets and results of performance measures for the performance-linked compensation related to the financial year ended in March 2025 (FY2025)

A. FY25 Management Incentive Plan (annual bonus)

In line with the Policy of Directors and Executive Officers Compensation, the Company operates an annual incentive plan. The table below summarises the performance measures, annual targets and results for the financial year FY2024.

A) Performance measures and targets & results

(i) CEO, CFO and Kaicho

Element	Ratio	Target	Maximum	Results	Payment rate against measure
Group Management Operating Profit	50%	41,570 Million JPY	47,810 Million JPY	Entry point not met	0%
Group Free Cash Flow	50%	10,000 Million JPY	15,000 Million JPY	Entry point not met	0%

Note: Group Free Cash Flow used in the above table represents the net debt movement arising as a consequence of the operating and investing activities in the period. It includes transactions that have impacted the Group's net debt even where there has been no cash movement through an NSG Group bank account, and is therefore different to the Free Cash Flow as derived from the sum of operating and investing activities included within the Group's consolidated statement of cash flows. Group Operating Profit shown in the above table is defined as being operating profit stated post-amortization before exceptional items on a consolidated basis plus share of income from the Cebrace JV. The actuals for these KPIs are the subject-matter of review and confirmation by the Compensation Committee.

(ii) EO other than CEO, CFO and Kaicho

Element	Ratio	
	Executive Officers who are mainly responsible for specific Global SBUs	Executive Officers who are mainly responsible for specific group functions
Group Management Operating Profit	35%	35%
Group Free Cash Flow	35%	35%
Global SBU Management Operating Profit	In relation to the results of specific SBUs they are responsible for, constituting 15% in total	In relation to the results for every of SBU of the Group, constituting 15% in total
Global SBU Cash Flow from Operations	In relation to the results of specific SBUs they are responsible for, constituting 15% in total	In relation to the results for every of SBU of the Group, constituting 15% in total

Note:

(1) SBU means each "Strategic Business Unit" of the Group

(2) Performance targets are set for each global SBU.

B) Determination of Management Incentive Plan (annual bonus) Payment Level

(i) Judgment of the Gate

A Gate mechanism operates for the plan, which is based on a minimum level of Net Income that must be reached, as an affordability threshold before considering payment based on achievement against the different performance measures.

If the Gate is met, payment is made based on payment rate against the performance measures. In the event that the Group Gate is not met, any achievement against the NSG Group Financial measures is forfeit and a second gate relating to achievement of target Management Operating Profit is applied to the Global SBU financial elements. If the target level of the Global SBU's Management Operating Profit is achieved, half of any payment achieved is paid only for the Global SBU Management Operating Profit and the Global SBU Cash Flow from Operations elements.

The Net Income Gate for FY2025 plan has not been achieved. As a result, there will be no payment for the NSG Group financial performance measures. Payments will be made at 50% of the achievement rate for Global SBU performance measures that achieved the target level of the Global SBU management Operating Profit.

(ii) Method of calculation

- Payment Level = Maximum payment amount × Payment rate of Performance measures
- Due to the Gate for FY2025 plan not being achieved, Payment rate of performance measures for EOs who have Global SBU performance measures in their plans that achieved the target level of the Global SBU Management Operating Profit measure = Payment rate of Global SBU Management Operating Profit x 15% x 50% + Payment rate of Global SBU Cash Flow from Operations x 15% x 50%

C) Payment level in FY2025

- There will be no payment for the CEO, CFO and Kaicho, who have only Group financial performance measures, because the Group Gate has not been achieved.
- For Executive Officers other than CEO, CFO and Kaicho, as a result of calculating the pay rate of performance measures by using 50% of the achievement rate for each of the Global SBU Management Operating Profit measure and Cash Flow from Operations measure, results range between 0% to 12% of the maximum annual bonus payment amount.

B. The long-term incentive plan for the three-year evaluation period ("LTIP") with the financial year ended in March 2025 (FY2025)

A) Performance measures and targets & results

Measures	Ratio	Entry	Maximum	Result	Payment rate against measure
EPS during the evaluation period (April 2022 to March 2025)	75%	187 JPY	431 JPY	Entry point not met	0%
Free Cash Flow	25%	30,000 Million JPY	61,900 Million JPY	39,900 Million JPY	42.8%

Note: The net income used for EPS calculation is the adjusted one such that the deduction of the amount equivalent to the preferred share dividends etc. are excluded.

For the Executive Officers other than CEO and Kaicho, the EPS measure is evaluated not only the achievement of the three-year performance targets, but also the achievement of the targets to be achieved in the first year and the cumulative first and second years, and the highest payment rate is applied.

Measures	Evaluation Period	Maximum applicable % for the plan	Entry	Maximum	Result	Achievement rate
EPS during the evaluation period	FY2023	25%	22.6 JPY	80.2 JPY	109.9 JPY	100%
	FY2023 & FY2024	50%	70.8 JPY	216.0 JPY	205.5 JPY	94.2%
	Cumulative 2 year					

B) Determination of LTIP Payment Level

<Method of calculation>

- LTIP Payment Level = Maximum payment amount × Payment rate of Performance measures × Share price movement rate
- Payment rate of performance measures = Payment rate of "EPS" measure x 75% + Payment rate of "Free Cash Flow" measure x 25%

C) Payment level for FY2025

- The entry point of “EPS over three years” measure in the long-term incentive Plan (“LTIP”) for the three-year evaluation period with the financial year ended in March 2025 has not reached the “Entry” point on the scale and therefore there is no payment for this performance measure to the CEO and Kaicho.
- For Executive Officers other than CEO and Kaicho, the three-year cumulative EPS result has not met the entry point on the scale. The plan also contained a cumulative 2 year scale for which the entry point was met, leading to a payment rate of 47.1% for this element of the plan.
- The plan contained a second performance measure “Cumulative Free Cash Flow”. The cumulative free cash flow achieved during the 3 year performance period was 39,900 million JPY, this exceeds the “Entry” point on the scale, resulting in a payment level of 10.7% for this element of the plan.
- The share price movement rate during the performance period of the plan was 99.8%, which resulted in the final payment level for CEO and Kaicho being 10.7% of the maximum LTIP potential and for Executive Officers other than the CEO and Kaicho being 57.7% of the maximum LTIP potential.

② Amount of Compensation for Directors and Executive Officers paid by Nippon Sheet Glass Company, Limited (NSG)

The amounts shown in the table below are payments earned in respect of the Groups Financial Year from 1st April 2024 to 31st March 2025, and those paid, or clearly expected to be paid during the said period, by NSG.

Category	Headcount	Compensation (million Yen)					
		Basic salary	Performance -linked compensation			Non-monetary compensation	Total
			Annual bonus	Long-Term Incentive pay	Subtotal	Stock compensation	
Directors who do not concurrently serve as EOs (External Directors)	5	76	-	-	-	-	76
Executive Officers	9	238	3	44	47	48	333

Notes:

- (1)The amounts shown for Directors who do not concurrently serve as Executive Officers relate to all compensation paid to Hiroshi Ishino, Jörg Raupach Sumiya, Kunihiro Minakawa, Shinji Asatsuma and Eriko Sakurai.
- (2)The amounts shown for Executive Officers relate to all compensation paid or to be paid to Munehiro Hosonuma, Shigeki Mori, Koichi Hiyoshi, Hisashi Okamoto, Akihito Okochi, Masaki Kambayashi, Shiro Kobayashi, Kumi Nakamura and Yohei Nakatsuji.
- (3)In addition to the amounts shown in this table which are amounts paid by NSG, additional amounts were paid to other Executive Officers by subsidiaries of the Company, and these are shown in table 4 below.

- (4) Amounts shown relate to the periods for which the office of Director and Executive Officer was held.
- (5) The data for Directors and Executive Officers includes those who retired during the Group's Financial Year from 1st April 2024 to 31st March 2025.
- (6) The data for Directors and Executive Officers includes those who assumed office during the Group's Financial Year from 1st April 2024 to 31st March 2025.
- (7) The Performance-linked compensation in the table are the Annual Bonus for the year from April 2024 to March 2025 (FY2025) and the Long-Term Incentive Plan covering the three financial years from April 2022 to March 2025.
- (8) Non-monetary Compensation for Executive Officers are an amount for a total of 110,500 Restricted Shares allotted to eight Executive Officers.

③ Amount of Compensation for Executive Officers paid by subsidiaries

Category	Headcount	Compensation (million Yen)					
		Basic salary, etc.	Performance -linked compensation			Non-monetary compensation	Total
			Annual bonus	Long-Term Incentive pay	Subtotal	Other benefits Subtotal	
Executive Officers	7	360	5	95	100	20	481

Notes:

- (1) The amounts shown relate to all compensation paid or to be paid to Leopold Graces, Rob Purcell, Phil Wilkinson, Mike Greenall, Denise Haylor, Michael Kiefer and Iain Smith as Executive Officers, by the subsidiaries of the Company which has direct privity of contract with them in the form of a certain services contract. The Company has not directly paid for such compensations, but all of which have been reviewed and approved by the Compensation Committee of the Company.
- (2) Amounts shown relate to the periods for which the office of Director and Executive Officer was held.
- (3) The data for Executive Officers includes those who retired during the Group's Financial Year from 1st April 2024 to 31st March 2025.
- (4) Basic salary, etc. includes basic salary for Executive Officers and allowances for certain Executive Officers.
- (5) The Performance-linked compensation in the table is the Annual Bonus for the year from April 2024 to March 2025 (FY2025) and the Long-Term Incentive Plan covering the three financial years from April 2022 to March 2025.
- (6) Other Benefits include pension fund contributions, healthcare provision, transport, accommodation costs and so forth.
- (7) Where amounts in UK sterling and EURO and Brazilian Real have been converted to Japanese Yen this has been done at an average exchange rate for the year of GBP1:194.0JPY, EUR1: 163.0JPY and BRL1: 27.1JPY respectively.

(3) Targets of performance measures for performance-linked compensation

A. FY2026 Management Incentive Plan (annual bonus)

A) Performance measures and weight

Element	CEO, CFO, CHRO and Kaicho	Executive Officers other than CEO, CFO, CHRO and Kaicho, who are mainly responsible for specific Global SBUs	Executive Officers other than CEO, CFO, CHRO and Kaicho, who are mainly responsible for specific group functions
Group Management Operating Profit	50%	35%	35%
Group Free Cash Flow	50%	35%	35%
Global SBU Management Operating Profit	—	In relation to the results of specific SBUs they are responsible for, constituting 15% in total	In relation to the results for every of SBU of the Group, constituting 15% in total
Global SBU Cash Flow from Operations	—	In relation to the results of specific SBUs they are responsible for, constituting 15% in total	In relation to the results for every SBU of the Group, constituting 15% in total

* Note: SBU means each "Strategic Business Unit" of the Group

B) Reasons for selected the measures

Measures	Reasons
Group Management Operating Profit	Ensure alignment with delivery of the target numbers assigned to Group operating profit and cash flow which are the financial performance indicators specifically important to the annual budget
Group Free Cash Flow	
Global SBU Management Operating Profit	For Executive Officers who are mainly responsible for specific SBU or group function, ensure working together to achieve the targets numbers of the entire group as an Executive and also exercising the leadership within each SBU/Function to deliver annual target numbers of each SBU
Global SBU Cash Flow from Operations	

Note: Group Free Cash Flow used in the above table represents the net debt movement arising as a consequence of the operating and investing activities in the period. It includes transactions that have impacted the Group's net debt even where there has been no cash movement through an NSG Group bank account, and is therefore different to the Free Cash Flow as derived from the sum of operating and investing activities included within the Group's consolidated statement of cash flows. Group Operating Profit shown in the above table is defined as being operating profit stated post-amortization before exceptional items on a consolidated basis plus share of income from the Cebrace JV. The actuals for these KPIs are the subject-matter of review and confirmation by the Compensation Committee.

C) Determination of Management Incentive Plan (annual bonus) Payment Level

- $\text{Payment Level} = \text{Maximum payment amount} \times \text{Payment rate of Performance measures}$
- Payment rate of performance measures

(i) CEO, CFO, CHRO and Kaicho

$\text{payment rate of performance measures} = \text{Payment rate of Group Management Operating Profit measure} \times 50\% + \text{Payment rate of Group Free Cash Flow measure} \times 50\%$

(ii) EOs other than CEO, CFO, CHRO and Kaicho

$\text{payment rate of performance measures} = \text{Payment rate of Group Management Operating Profit measure} \times 35\% + \text{Payment rate of Group Free Cash Flow measure} \times 35\% + \text{Payment rate of Global SBU Management Operating Profit measure} \times 15\% + \text{Payment rate of Global SBU Cash Flow from Operations measure} \times 15\%$

- If the Gate is met, payment is made based on payment rate against the performance measures. Even if the Gate is not met, if the target level of the Global SBU's operating profit is achieved, 50% of the payment rate achieved is paid only for the Global SBU Management Operating Profit and the Global SBU Cash Flow from Operations

B. Long-term incentive

A) Performance measures, weight and reasons for selected the measures of plans currently in operation

(i) The Plan commencing in FY2024 (Target period : FY2024, FY2025 and FY2026)

(ii) The Plan commencing in FY2025 (Target period : FY2025, FY2026 and FY2027)

Performance Measures	Ratio	Reasons for selected the measures
EPS	60%	Two performance measures ensure clear link with the Medium-Term Plan, incentivising executives to improve restoration of financial stability and enhance shareholder value.
Free Cash Flow	40%	

B) Determination of LTIP Payment Level

- $\text{LTIP Payment} = \text{Maximum payment amount} \times \text{Payment rate of Performance measures} \times \text{Share price movement rate}$
- Payment rate of performance measures

$\text{Payment rate of performance measures} = \text{Payment rate* of "EPS" measure} \times 60\% + \text{Payment rate of "Free Cash Flow" measure} \times 40\%$

* Incorporating the degree of achievement of the targets to be achieved in the first and the second years to achieve the performance target for the three years

- The share price movement rate is a coefficient that is linked to the price movements of the Company's share price for the three-year period covered by each plan, and is adjusted based on the price movement of the monthly average share price in the month before the start of the plan and the monthly average share price of the last month of the plan. The share price movement rate is subject to an upper and lower limit of 20%.

5. Matters related to External Directors

Major Activities of External Directors during Fiscal Year 2025

Name	Contributions to Deliberations and Duties Performed in Relation to the Roles Expected of External Directors	Attendance
Hiroshi Ishino	Contributed to deliberations primarily from the perspective of a seasoned executive. As Chairperson of the Board of Directors which consists of a majority of Independent External Directors, provided leadership to foster constructive discussion. At the Board, spearheaded discussions on business portfolio and supply chain management, leveraging in-depth knowledge of global management strategy. As Chairperson of the Nomination Committee, led the succession plans for Executive Officers and the Group's human resource strategy with deep insights from extensive international experience.	Board of Directors : 100% (7/7) Nomination Committee : 100% (8/8) Audit Committee : 100% (3/3)* Compensation Committee : 100% (1/1)* *Note:As he retired from the Audit Committee and the Compensation Committee on 26 June 2024, the above indicates the number of meetings held and his attendance prior to his retirement.
Jörg Raupach Sumiya	Contributed to deliberations primarily from the perspective of a seasoned academic expert and executive. At the Board, spearheaded discussions on sustainability (environment, climate change, etc.) , leveraging management experience in a global company and academic expertise. As Chairperson of the Compensation Committee, provided leadership in designing executive compensation and evaluation systems. At the Audit Committee, made timely and relevant statements regarding cooperation with the external Accounting Auditor and Group Internal Audit to promote effective organizational audits.	Board of Directors : 100% (7/7) Nomination Committee : 100% (8/8) Audit Committee : 100% (11/11) Compensation Committee : 100% (5/5)
Kunihito Minakawa	Contributed to deliberations primarily from the perspective of a seasoned executive. At the Board, spearheaded discussions on finance, accounting, internal control and Group entity management, leveraging in-depth knowledge of finance and accounting. As Chairperson of the Audit Committee, provided leadership in building a highly transparent governance system by effectively auditing business execution and supervising executives.	Board of Directors : 100% (7/7) Nomination Committee : 100% (8/8) Audit Committee : 100% (11/11) Compensation Committee : 100% (5/5)
Shinji Asatsuma	Contributed to deliberations primarily from the perspective of a seasoned executive. At the Board, spearheaded discussions on global business management and financial and capital measures, leveraging extensive experience and insight in overseas business, finance and accounting. At the Audit Committee, made timely and relevant statements regarding risk assessment and crisis management based on his extensive experience.	Board of Directors : 100% (7/7) Nomination Committee : 100% (8/8) Audit Committee : 100% (11/11) Compensation Committee : 100% (5/5)
Eriko Sakurai	Contributed to deliberations primarily from the perspective of a seasoned executive. At the Board, spearheaded discussions on global business strategy, human resources and diversity, leveraging extensive experience and insight in global business management and business transformation.	Board of Directors : 100% (7/7) Nomination Committee : 100% (6/6)* Compensation Committee : 100% (4/4)* *Note:The above indicates the number of meetings of the Nomination Committee and the Compensation Committee since her appointment as these committee members on 26 June 2024, and her attendance at these meetings.

V. Accounting Auditor

1. Name of Accounting Auditor

Ernst & Young ShinNihon LLC

2. Fees, etc., to Accounting Auditor with respect to the Fiscal Year

Fees, etc., to Accounting Auditor with respect to the fiscal year under review	¥ 154 million
Monetary and/or other property benefits payable by the Company and its subsidiaries to Accounting Auditor	¥ 160 million

Notes:

1. The audit contract entered into between the Company and the Accounting Auditor does not differentiate the fees payable to it from their audit in their capacity as Accounting Auditor pursuant to the Companies Act and those payable to from their audit pursuant to the Financial Instruments and Exchange Act. It is not practically possible to differentiate them, either. As such, the "Fees, etc., to Accounting Auditor for the fiscal year" referred to in the above table show the total sum payable for these services.
2. Ernst & Young also acts as principal auditors for material subsidiaries of the Group.

3. The Reason for which Audit Committee Consented to the Fees, etc. to the Accounting Auditor

Audit Committee consented to the amount of the fees, etc. payable to the Accounting Auditor as set forth in Article 399.1 of the Companies Act, after, among others, having reviewed their audit plan, last year's performance and the rationale of fee estimate including audit time based on the received documents as necessary and hearing from the Executive Officers, relevant departments and Accounting Auditor themselves.

4. Details of non-audit services

The Company entrusts the Accounting Auditor with advisory services related to sustainability disclosure, which is a service other than services of Article 2.1 of the Certified Public Accountants Act and pays them accordingly.

5. Policies on Dismissal or Non-reappointment of Accounting Auditor

In addition to the dismissal of the Accounting Auditor by the Audit Committee where the Accounting Auditor is considered to fall into any of the causes described in Article 340.1 of the Companies Act, the Audit Committee would, in principle, propose an agenda for dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders when the Audit Committee considers that it would be difficult for the Accounting Auditor to perform its duties properly, due to their violation of law or other matters impairing its eligibility or independence.

VI. Status of Corporate Governance

1. Fundamental Principles on Corporate Governance

The Company believes that achieving and maintaining an advanced level of corporate governance is a key management agenda. The Company has created and adopted the “NSG Group Corporate Governance Guidelines,” supporting and endorsing the spirit and principles of the Corporate Governance Code provided by the Tokyo Stock Exchange. These Guidelines are intended to define and embed the basic principles and framework of corporate governance in the organization of the Company. To further secure such purposes, the Company has also adopted a self-disciplinary approach for the Guidelines which, among others, requires it to give a reasonable account to shareholders if the Company proceeds with any actions deviating from these Guidelines.

<NSG Group Corporate Governance Guidelines Fundamental Principles>

The Group considers the achievement of an advanced level of corporate governance a key management objective and will implement the following.

(1) Organizational structure

The Group's ultimate parent company, Nippon Sheet Glass Company, Limited will adopt a Company with Three-Committee structure. Accordingly, the Company will establish and maintain the Board of Directors (the “Board”), the Nomination Committee, the Audit Committee, the Compensation Committee (each individually referred to as the “Committee”) and Executive Officers. The Board will authorize the Executive Officers to make decisions on the execution of businesses for the Company within the scope as permitted by law, thereby facilitating the separation of business execution and oversight, enhancing the transparency of management processes and strengthening the Board's supervisory function over executive management. The Company will also establish and maintain an internal control system operating on a Group-wide basis including in relation to financial reporting (J-SOX).

(2) Stakeholders Communication

The Group aims to be judged as best in class by its various stakeholder groups across the entire organization (including shareholders, customers, employees, suppliers and local communities) from their respective perspectives. It will also develop, maintain and enhance good relationships with all such groups. Regarding the disclosure of corporate information, whether or not legally required, the Group always aims to act in a timely and appropriate manner in terms of both substance and form, with a view to maintaining and consistently enhancing the transparency of the Group's management.

(3) Code of Conduct

The Group will create the “NSG Group Code of Ethics” which all entities and employees of the Group must comply with. The Code will be regularly reviewed in light of its implementation status within the Group and its content.

Notes:

“NSG Group Corporate Governance Guidelines” is disclosed on the Company's website. For more details, please visit:
https://www.nsg.com/-/media/nsg/site-content/sustainability/downloads-attached-to-pages-in-sustainability-section/corporategovernanceguideline2025_03_e.pdf

2. Corporate Governance Structure

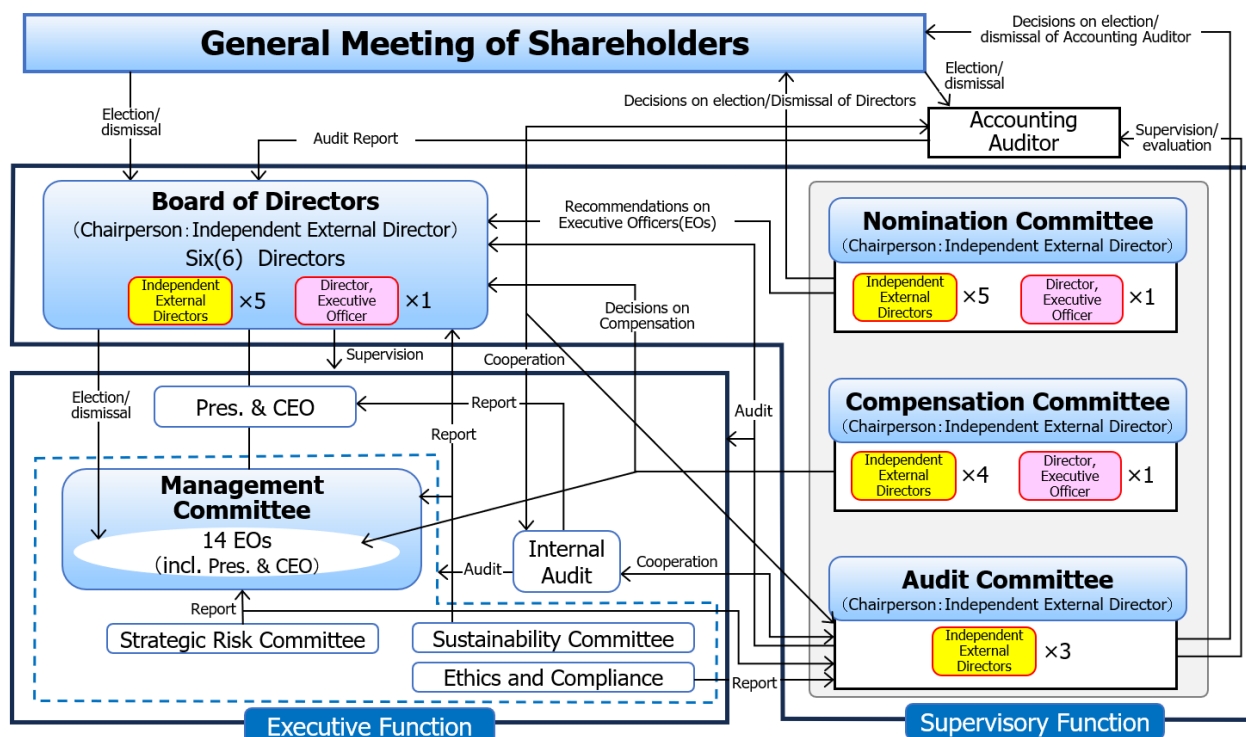
The Company adopts a “Company with Three Committees” governance structure, and has in place, as statutory corporate organizations, the Board of Directors, the Nomination, Audit and Compensation Committees, and Executive Officers. Various steps have been taken to date to enhance management transparency within the NSG Group by further separating the functions of business execution and supervision, and by strengthening the role of Independent External Directors.

For example, according to the “NSG Group Corporate Governance Guidelines”, the majority of the members of the Board of Directors are Independent External Directors. Also, the roles of the Chairperson of the Board and the CEO are clearly distinguished. In the event that the Chairperson of the Board is not an Independent External Director, one of the Independent External Directors is appointed to perform specific responsibilities, such facilitating communication, coordination and cooperation between the Independent External Directors and the Executive Divisions, supporting the Chairperson of the Board on corporate governance issues. Independent External Directors meet on an as-needed basis, even without the presence of executives, to discuss matters such as corporate governance and business strategy. In addition, the Board appoints the Company Secretary, who is responsible for promoting initiatives to ensure efficient functioning of the Board

and each Board Committee.

With regard to the executive function, the Company also has in place the Management Committee, the Sustainability Committee, and the Strategic Risk Committee.

<Corporate Governance Mechanism (as of 31 March 2025)>



(Supervisory Function)

Function	Responsibilities
Board of Directors	- Decide the basic policies for business management - Decide the basic policies for internal control - Determine the segregation of duties among Executive Officers and make other important management decisions - Supervise the execution of duties by Executive Officers
Nomination Committee	- Decide the details of proposals concerning the appointment or removal of Directors to be submitted to the General Meeting of Shareholders - Oversee succession plans for the President and CEO and other key executives - Provide recommendations or advice regarding candidates for Executive Officers
Audit Committee	- Audit the execution of duties by Directors and Executive Officers - Prepare audit reports - Decide the details of proposals concerning the appointment, removal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders
Compensation Committee	- Decide the compensation policy for Directors and Executive Officers - Determine the compensation details of individual Directors and Executive Officers

(Executive Function)

Function	Responsibilities
Executive Officer	Execute business operations across the NSG Group
Management Committee	Lead the Company's business operations and oversee the execution of business activities to ensure the policies and targets set forth by the Board of Directors are achieved in an efficient and appropriate manner
Sustainability Committee	Develop the Group's sustainability strategies, oversee sustainability-related activities across the Group, and ensure effective communication with various stakeholders on sustainability matters
Strategic Risk Committee	Periodically review policies, strategies, and frameworks related to risk management across the Group and integrate review outcomes into the organization's strategies and goals to promote efficient business management and enhance medium-to long-term corporate value

3. Board Effectiveness Evaluation

Since 2016, the Company has conducted an annual evaluation of the effectiveness of the Board of Directors, as well as the Nomination, Audit, and Compensation Committees, with the aim of continuously enhancing their performance and effectiveness.

Through this process, the Board reviews the progress of ongoing priority implementation items related to previously identified issues, incorporates any newly identified matters to develop a unified set of priority items, and regularly monitors these items to ensure the continued enhancement of the Board's overall effectiveness.

The entire process is led and supervised by the Independent External Directors under the leadership of the Chairperson of the Board to ensure its soundness and independence.

(1) Initiatives for the Priority Implementation Items for the Fiscal 2025

FY2025 Priority Implementation Items	FY2025 Initiatives Undertaken
• Further improvement of the supervisory function of BOD as a monitoring board through implementation of "Basic Stance" and "Expected Conduct" by each Director as provided by the "BOD Charter". • Monitoring (oversight) and focused discussion of identified "key management issues" and providing appropriate support to the management team as the situation requires (enhance decision-making, make suggestions, etc.)	• Re-organized agenda items for Board and offline meetings, and focused on discussing "key management issues" at Board meetings (Executive Team regularly updated progress for monitoring at Board meetings.) • Revised the Criteria for Agenda Items of the Board based on the BOD Charter. • Board proceedings conducted by the BOD Chairperson in alignment with the BOD Charter.
• Further enhancement of the Board meeting operation to contribute to invigoration of discussions at the Board meetings.	• Implemented initiatives to enhance Board discussions, such as setting agenda based on the clarified purposes of Board and offline meetings, making meeting papers and presentations more concise.
• Implementation of initiatives contributing to the enhancement of the Executive succession and the candidate recommendation process.	• Increased sharing of personnel information of Executive Officers with the Nomination Committee. • Created opportunities for communication with potential Executive Officer candidates through offline meetings, etc.
• Continued and more in-depth discussions with a view to more appropriate Management Incentive Plan in terms of incentivization.	• Continuously discussed the Management Incentive Plan at the Compensation Committee.

Notes: Offline meeting is a meeting that is distinguished from a formal Board meeting.

(2) Board Effectiveness Evaluation Process in Fiscal 2025

For the fiscal 2025 annual evaluation, a questionnaire survey (featuring a four-point scale and open-ended questions) and Individual follow-up interviews were conducted for all Directors by the Board of Directors Secretariat. The evaluation covered topics such as the composition of the Board of Directors and its Committees, meeting operations, agenda setting, the status of deliberations, the execution of oversight functions by the Board and individual Directors in alignment with the Board of Directors Charter, communication with the Executive team, and key issues requiring further in-depth deliberation.

Based on the responses and feedback from each Director, the Independent External Directors held discussions, and the Board evaluated the effectiveness of the Board of Directors and its committee. (The results of the evaluation and priority implementation items for fiscal 2026 will be disclosed in the Corporate Governance Report, scheduled for revision at the end of June 2025.)

The Company remains committed to continuously enhancing the effectiveness of the Board of Directors.

4. Board of Directors Charter

In May 2024, the Company established the "Board of Directors Charter", which defines the basic stance and expectations necessary for the Board of Directors to address the current circumstances of the Group. The Charter is intended to ensure that each Director exercises their supervisory functions based on a shared understanding.

The Board of Directors will strive to ensure that each Director fulfills their expected supervisory functions and roles in accordance with the Charter. Furthermore, the Charter will be actively utilized to evaluate the endorsement of and commitment to its aims by both current Directors and Director candidates during the Board Effectiveness Evaluation and the selection process.

Board of Directors Charter

Basic stance

- Oversight by the Board of Directors of the Group is not limited to checking the progress of management targets prepared by the management team ("monitoring"), but also involves proactively identifying material management issues on the basis of mutual trust with the management team, setting direction for resolving such issues in full cooperation with the management team, and providing appropriate support while being mindful of the separation of execution from supervision ("proactive oversight")

Expectations of Board of Directors

- Identify issues that have a critical impact on the Group's medium-to long-term corporate value and sustainable growth and set direction for resolving such issues.
- Quantitatively monitor the status of initiatives to address the issues identified as material management issues on a regular basis.
- Support or control the Executive team's decisive decision-making for creating value for the future, by taking into account the overall picture of management risks and opportunities as well as changes in their conditions in a timely and appropriate manner.

Expectations of Directors

- In order to fulfil the purpose of the Charter, each Director is expected to exercise his/her oversight function in accordance with the basic stance and expectations of the Board of Directors described above, and to perform his/her duties with full awareness of the following points:
 - Actively and interactively engage in discussions by providing constructive opinions with respect, while making the most of his/her expertise and experience and taking a bird's-eye view of the Group's material issues and other management issues.
 - Always strive to improve their ability to appropriately assess management risks and opportunities as well as changes in society, and encourage risk-taking by the Executive team when appropriate while being fully mindful of the balance between support and control functions of supervision.
 - Make efforts to foster an appropriate relationship of trust with the management team based on the spirit of mutual respect while maintaining tension in accordance with the separation of execution from supervision, by taking advantage of communication opportunities both inside and outside the meetings of the Board of Directors.

Ideal Board Culture

- Create a forum for making decisions to resolve management issues that will lead to medium-to long-term improvements in the Group's corporate value, and carrying out discussions from a broad perspective with a view to contributing to the expansion of the shared value of the stakeholders, in accordance with the Group's guiding principles ("Our Vision").
- Based upon the understanding that sound corporate governance is built on mutual trust between the supervisory and executive functions, maintain a milieu in which uninhibited, open and constructive discussions take place by actively utilizing communication opportunities both inside and outside the meetings of the Board of Directors.
- Continue to disseminate the above expectations and ideal culture of the Board of Directors by taking advantage of such opportunities as the annual Board effectiveness evaluation.

The above Business Reports are prepared by rounding off any fraction of one million yen to the nearest one million yen. Any future and prospective matters contained above are described by reference to the then status existing as of the end of FY2025.

NIPPON SHEET GLASS CO. LTD. & GROUP COMPANIES
Consolidated Financial Statements
Consolidated balance sheet (as of 31 March 2025)

(In JPY millions)

ASSETS		LIABILITIES	
Non-current assets	709,760	Current liabilities	409,438
Goodwill	82,134	Borrowings	177,012
Intangible assets	48,066	Derivative financial instruments	787
Property, plant and equipment	453,166	Trade and other payables	187,557
Investment property	134	Contract liabilities	20,561
Investments accounted for using the equity method	25,524	Taxation liabilities	2,636
Retirement benefit assets	29,367	Provisions	19,155
Contract assets	323	Deferred income	447
Trade and other receivables	6,358	Liabilities related to assets for sale	1,283
Assets held at Fair Value through other Comprehensive Income	23,689	Non-current liabilities	481,082
Derivative financial instruments	3,393	Borrowings	345,713
Deferred tax assets	37,393	Derivative financial instruments	1,318
Tax receivables	213	Trade and other payables	1,279
Current assets	323,171	Contract liabilities	40,074
Inventories	164,503	Deferred tax liabilities	21,589
Contract assets	1,015	Taxation liabilities	3,325
Trade and other receivables	83,438	Retirement benefit obligations	44,974
Derivative financial instruments	1,867	Provisions	18,890
Cash and cash equivalents	65,311	Deferred income	3,920
Tax receivables	2,929	Total: Liabilities	890,520
Assets held for sale	4,108	EQUITY	
Total: Assets	1,032,931	Capital and reserves attributable to the Company's equity shareholders	108,065
		Called up share capital	116,892
		Capital surplus	155,853
		Treasury stock	(44)
		Stock subscription rights	258
		Retained earnings	(60,280)
		Retained earnings (Translation adjustment at the IFRS transition date)	(68,048)
		Accumulated other comprehensive income	(36,566)
		Non-controlling interests	34,346
		Total: Equity	142,411
		Total: Liabilities and equity	1,032,931

Consolidated income statement (for the period of 1 April 2024 to 31 March 2025)

(In JPY millions)

Revenue		840,401
Cost of Sales		(672,228)
Gross profit		168,173
Other income	2,511	
Distribution costs	(67,386)	
Administrative expenses	(80,214)	
Other expenses	(6,593)	(151,682)
Operating profit before exceptional items		16,491
Exceptional items (gains)	5,479	
Exceptional items (losses)	(10,728)	(5,249)
Operating profit after exceptional items		11,242
Finance income		3,439
Finance expenses		(28,732)
Share of post-tax profit of joint ventures and associates accounted for using the equity method		5,526
Loss before taxation		(8,525)
Taxation		(4,941)
Loss for the period		(13,466)
Profit attributable to non-controlling interests		365
Loss attributable to owners of the parent		(13,831)

Consolidated statement of comprehensive income (Reference only)
(for the period of 1 April 2024 to 31 March 2025)

(In JPY millions)

Loss for the period	(13,466)
Other comprehensive income:	
Items that will not be reclassified to profit or loss:	
Re-measurement of retirement benefit obligations	458
Revaluation of Assets held at Fair Value through Other Comprehensive Income – equity investments	1,129
Sub total	1,587
Items that may be reclassified to profit or loss:	
Foreign currency translation adjustments	(19,233)
Revaluation of Assets held at Fair Value through Other Comprehensive Income – other investments	(523)
Cash flow hedges - fair value gains	430
Sub total	(19,326)
Total: Other comprehensive income for the period	(17,739)
Total comprehensive income for the period	(31,205)
Attributable to non-controlling interests	(4,999)
Attributable to owners of the parent	(26,206)

Consolidated statement of cash flows (Reference only)
(for the period of 1 April 2024 to 31 March 2025)

(In JPY millions)

Cash flows from operating activities	
Loss for the period from continuing operations	(13,466)
Taxation	4,941
Depreciation and amortization	49,438
Impairment	2,539
Finance costs - net	25,293
Share of profit from joint ventures and associates	(5,526)
Decrease in provisions and retirement benefit obligations	(3,648)
Net change in working capital	29,461
Other	(5,066)
Cash flows generated from operations	83,966
Interest paid	(25,099)
Interest received	2,861
Tax paid	(9,309)
Net Cash inflows from operating activities	52,419
Cash flows from investing activities	
Dividends received from joint ventures and associates	4,427
Purchases of property, plant and equipment and intangible assets	(59,206)
Proceeds on disposal of property, plant and equipment and intangible assets	12,818
Other	(483)
Net cash outflows from investing activities	(42,444)
Cash flows from financing activities	
Dividends paid	(2,462)
Repayment of borrowings	(137,261)
Proceeds from borrowings	148,467
Purchase of treasury stock	(1)
Purchase of shares in non-controlling interests	(230)
Net cash outflows from financing activities	8,513
Decrease in cash and cash equivalents (net of bank overdrafts)	18,488
Cash and cash equivalents (net of bank overdrafts) at beginning of period	44,278
Effect of foreign exchange rate changes	(2,539)
Hyperinflation adjustment	2,751
Cash and cash equivalents (net of bank overdrafts) at end of period	62,978

(in JPY millions)

ASSETS		LIABILITIES	
Current assets	123,066	Current liabilities	186,042
Cash and cash deposits	6,991	Accounts payable-trade	12,873
Notes receivable	906	Bank borrowings	32,234
Accounts receivable-trade	15,760	Current portion of Long-term borrowings	112,080
Products and goods	15,890	Accounts payable - non-trade	9,368
Work in process	2,717	Accrued income tax	337
Raw materials and consumables	7,630	Accrued expenses	1,442
Short-term loan receivable	63,007	Contract liabilities	728
Other current assets	10,197	Customers' deposits	13,902
Allowance for doubtful accounts	△32	Provision for loss on business of subsidiaries and affiliates	231
Fixed assets	581,212	Provision for employees' bonuses	1,085
Tangible assets	44,929	Provision for directors' bonuses	2
Buildings	9,158	Provision for warranties	1,239
Structures	966	Other current liabilities	521
Machinery & Equipment	18,343	Fixed liabilities	196,764
Vehicles	29	Long-term bank borrowings	188,682
Tools & Fixtures	4,117	Provision for retirement benefits	1,062
Land	7,972	Provision for rebuilding furnaces	3,827
Construction in progress	4,344	Asset retirement obligations	2,790
Intangible assets	351	Deferred tax liabilities	130
Computer software	79	Other fixed liabilities	273
Other intangible assets	272	Total: Liabilities	382,806
Investments and other assets	535,932	NET ASSETS	
Investments in securities	1,643	Shareholders' equity	328,563
Investments in subs. & affiliates	504,004	Capital stock	116,892
Long-term loan receivable	25,108	Capital surplus	153,713
Long-term prepaid expenses	2,163	Legal capital surplus	45,214
Prepaid pension expenses	1,210	Other capital surplus	108,499
Other assets	1,820	Retained earnings	58,002
Allowance for doubtful accounts	(16)	Legal earned surplus	6,377
Total: Assets	704,278	Other retained earnings	51,625
		Reserve for adv'd depreciation	653
		General reserve	24,977
		Retained earnings carried forward	25,995
		Treasury stock	(44)
		Valuation and translation adjustments	(7,349)
		Deferred gains or losses on hedges	(7,349)
		Stock subscription rights	258
		Net Assets	321,472
		Total: Liabilities and net assets	704,278

Income statement (for the period of 1 April 2024 to 31 March 2025)

(in JPY millions)

Revenue		119,967
Cost of sales		(90,406)
Gross profit		29,561
Selling, general and administrative expenses		(25,831)
Operating profit		3,730
Non-operating income		
Interest and dividend income	13,150	
Other income	169	13,319
Non-operating expense		
Interest expense	(10,073)	
Financial expense	(2,457)	
Other expense	(1,524)	(14,054)
Ordinary profit		2,995
Extraordinary income		
Gain from sale of fixed assets	6,243	
Gain on release of provision for restructuring expenditure	226	
Other extraordinary income	31	6,500
Extraordinary loss		
Loss on scrapping of fixed assets	(316)	
Loss on valuation of investments in subsidiaries & affiliates	(601)	
Other extraordinary loss	(21)	(938)
Net profit before tax		8,557
Income tax: Current	(360)	
Income tax: Deferred	352	(8)
Net profit		8,565

The following are also attached to the Japanese original of this document (for reference only):

A. Copy of Independent Accounting Auditor's Audit Report

- The financial statements and supplementary schedules thereof present fairly, in all material respects, the financial position of the Company and its financial performance.
- The Accounting Auditor does not have any interest in the Company that is required to be disclosed.

B. Copy of Audit Committee's Audit Report

- Results of Audit of Business Report:
 - The business report and supplementary schedules thereof present fairly the status of the Company.
 - No misconduct or material facts in violation of laws and regulations or the Articles of Incorporation of the Company was found in connection with the execution of the duties of the Directors and Executive Officers.
 - The Board of Directors' resolutions with respect to the internal control systems were appropriate. There are no matters to be noted regarding the statements in the business report or the performance of the duties of the Directors and Executive Officers with respect to the internal control systems.
- The methods and results of audits by the Accounting Auditor regarding the consolidated financial statements are appropriate.
- The methods and results of audits by the Accounting Auditor regarding the non-consolidated financial statements and supplementary schedules thereof are appropriate.