

The Articles of Incorporation of The Asahi Glass Foundation, A Public Interest Incorporated Foundation

TRANSLATION FOR REFERENCE PURPOSES ONLY. This is an English translation of the original Japanese text of the Articles of Incorporation, and is prepared for reference purposes only. The Japanese original is the governing document of the Foundation and this English translation shall have no legal force.

Established December 2009
Revised November 2010

Chapter 1. General Provisions

Article 1. Name

The name of this foundation shall be The Asahi Glass Foundation, a Public Interest Incorporated Foundation (the "Foundation").

Article 2. Office

The principal office of the Foundation shall be located in Chiyoda-ku, Tokyo, Japan.

Chapter 2. Purposes and Projects

Article 3. Purposes

The purposes of the Foundation is to support research in the fields of science and technology to open up paths to the next generation, and to recognize contributions made to global issues in science and technology for industrial, economic and social progress and improvement, with a view to benefiting the creation of a new society and culture where everyone can enjoy the genuine wealth of human civilization.

Article 4. Projects

1. The Foundation shall engage in the following projects to achieve its purposes as stated in the preceding Article.

- (1) Providing grants to researchers and research organizations in the fields of science and technology to pave the way for the next generation.
- (2) Providing grants and sponsoring international conferences and symposiums in the fields of science and technology to pave the way for the next generation.
- (3) Gathering and providing information in the fields of science and technology to pave the way for the next generation.
- (4) Rewarding individuals and organizations that have made outstanding contributions to the research of science and technology in terms of environmental issues that need to be addressed on a global basis.
- (5) Other projects required to achieve the purposes of the Foundation, in addition to those mentioned in the preceding items.

2. The projects mentioned in the preceding paragraph shall be undertaken in Japan and abroad.

Chapter 3. Assets and Accounting

Article 5. Basic Assets

The basic Assets of the Foundation shall consist of the following:

- (1) Basic assets as shown in the attachment, comprising the essential items for conducting the projects for the purposes of the Foundation;
- (2) Assets resolved to be transferred into the basic assets by the Board of Trustees and the Board of Councillors; and
- (3) Assets that have been donated as part of the basic assets after being approved as a public interest incorporation foundation.

Article 6. Maintenance and Disposal of Basic Assets

The basic assets shall be managed with the care of a good manager to achieve the purposes of the Foundation, and in case where any portion of the basic assets is to be disposed of, removed from the basic fund, or transferred into the basic fund, it shall require the prior resolution of the Board of Trustees and the Board of Councillors.

Article 7. Fiscal Year

The fiscal year of the Foundation shall commence on March 1 of each year and end on the last day of February of the following year.

Article 8. Project Plan and Budget

1. The project plan and budget of the Foundation shall be prepared by the Chairman and shall be resolved by the Board of Trustees and approved by the Board of Councillors no later than the day preceding the commencement of each fiscal year. The same shall also apply for any changes to be made.
2. Any documents associated with the preceding paragraph shall be kept at the principal office until the end of such fiscal year and shall be made available for general viewing.

Article 9. Project Report and Financial Results

1. With regard to the project report and financial results of the Foundation, after the end of each fiscal year, the following documents shall be prepared by the Chairman, audited by the Auditor and approved by the Board of Trustees; in addition, the contents of Items (1) and (2) shall be reported to, and the documents listed in Items (3) through (7) shall be approved by the general meeting of the Councillors:
 - (1) Project report
 - (2) Detailed statement annexed to the project report
 - (3) Balance sheet
 - (4) Profit and loss statement (net assets variation statement)
 - (5) Detailed statement annexed to the balance sheet and profit and loss statement (net assets variation statement)
 - (6) List of property
 - (7) Cash flow statement
2. In addition to the documents mentioned in the preceding paragraph, the following documents shall be kept at the principal office for a period of five (5) years and shall be made available for general viewing.
 - (1) Audit report
 - (2) List of the Trustees, Auditors and Councillors
 - (3) Document stating the standards for remuneration paid to the Trustees, Auditors and Councillors
 - (4) Documents summarizing the status of the operating organization and project activities, and the key figures related to such activities

Article 10. Determination of the Balance of Property acquired for Public Purposes

The Chairman shall calculate the balance of property acquired for public interest purposes as of the last day of the fiscal year, based on the provisions of Article 48 of the enforcement ordinance of the Act on the Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, and shall specify such balance in the document listed in Paragraph 2, Item (4) in the preceding Article for each fiscal year.

Chapter 4. Councillors

Article 11. Councillors

There shall be a minimum of ten and a maximum of eighteen Councillors in the Foundation.

Article 12. Election and Dismissal of Councillors

1. Councillors shall be elected and dismissed by the Board of Councillors in accordance with the provisions of Article 179 through Article 195 of the Act on General Incorporated Associations and General Incorporated Foundations.
2. For the election of Councillors, all the following conditions shall be satisfied.
 - (1) The total number of Councillors corresponding to Items a. through f. below shall not exceed one third of the total number of Councillors.
 - a. Any person within the third degree of relationship of a Councillor or its spouse
 - b. Any person who is not registered as a married spouse but is in a de facto relationship with a Councillor
 - c. Employees of a Councillor
 - d. Any person other than those mentioned in Item b. or c., and who makes a living by a financial support and other property received from a Councillor

- e. The spouses of those mentioned in Item c. or d.
 - f. Any person who is a relative within the third degree of relationship and living in the same household with those mentioned in Item b. through d.
- (2) The total number of Councillors from other same organization (with the exception of public interest corporations) that fall under Item a. through d. below shall not exceed one third of the total number of Councillors.
- a. Trustees
 - b. Employees
 - c. Officers other than a Trustee of the other same organization, or any member who is responsible for executing operations
 - d. Any person who is an employee of the following organizations (with the exception of members of the Diet and elected members of the local government)
 - (i) National government organizations
 - (ii) Local government organizations
 - (iii) Independent administrative agencies as defined in Article 2, Paragraph 1 of the General Rule Act for Independent Administrative Agencies
 - (iv) The National University Corporation as defined in Article 2, Paragraph 1 of the National University Corporation Act and the Inter-University Research Institute Corporation as defined in Paragraph 3 of the preceding Act
 - (v) Local independent administrative agencies as defined in Article 2, Paragraph 1 of the Regional Administrative Agency Act
 - (vi) Special corporations (corporations established under a special act of establishment under special law, to which Article 4, Item 15 of the Ministry of Internal Affairs and Communications Establishment Act applies) and semi-governmental corporations (corporations established under the provisions of a specific law, and requiring approval of the administrative authority for their establishment)

Article 13. Term of Office

1. The term of office of a Councillor shall expire at the close of the general meeting of the Board of Councillors for the fiscal year that ends within four years of its appointment.
2. The term of office of a Councillor appointed as a substitute for a Councillor who has retired from office before the expiration of the term of office shall run until the expiration of the term of office of the predecessor.
3. In case where the number of Councillors falls below the quorum stipulated in Article 11, a Councillor who retired from office due to expiration of the term of office or resignation shall continue to perform the rights and obligations as a Councillor until a newly appointed person assumes the position.

Article 14. Remuneration for Councillors

Remuneration shall be paid to the Councillors, which total amount shall not exceed five million yen for each year, in accordance with the standards for remuneration payment as separately decided by the Board of Councillors.

Chapter 5. The Board of Councillors

Article 15. Organization

The Board of Councillors shall consist of all Councillors.

Article 16. Authority

The Board of Councillors shall decide on the following matters

- (1) The election and dismissal of Trustees and Auditors
- (2) The amount of remuneration to be paid to Trustees and Auditors
- (3) The standards for remuneration to be paid to Councillors
- (4) Approval of the balance sheet, profit and loss statement (net assets variation statement) and annexed detailed statement
- (5) Revisions to the Articles of Incorporation
- (6) Disposal of surplus property
- (7) Approval of disposal or removal of basic assets

- (8) Other matters to be resolved by the Board of Councillors in accordance with the applicable laws and regulations and the Articles of Incorporation

Article 17. Convening

1. There shall be two types of meetings; the general meeting of the Board of Councillors and the extraordinary meeting of the Board of Councillors.
2. In addition to the general meeting of the Board of Councillors held in April every year, the meeting of the Board of Councillors shall be held in November and as necessary.

Article 18. Convocation

1. Unless otherwise provided for by laws and regulations, the Board of Councillors shall be convened by the Chairman pursuant to the resolution of the Board of Trustees.
2. Councillors may request that the Chairman convene the Board of Councillors by indicating the purpose and reason for convening the Board of Councillors.

Article 19. Chairperson

The Chairperson of the Board of Councillors shall be selected from the Councillors present at the Board of Councillors.

Article 20. Resolution

1. The resolution of the Board of Councillors shall require the attendance of at least a majority of the Councillors as a quorum, excluding those Councillors with a special interest in the vote to be taken, and shall require a simple majority of those eligible to vote.
2. Notwithstanding the provisions of the preceding paragraph, the following resolutions shall be agreed by greater than two-thirds majority of the Councillors, excluding those Councillors with a special interest in the vote to be taken.
 - (1) Dismissal of an Auditor
 - (2) Standards for payment of remuneration to the Councillors
 - (3) Changes to the Articles of Incorporation
 - (4) Approval of disposal or removal of basic assets
 - (5) Other items required by laws and regulations
3. In terms of the voting for the appointment of Trustees and Auditors, a vote as per Paragraph 1 shall be taken for each individual candidate. If the total number of candidates for Trustees or Auditors exceeds the maximum number as provided in Article 23, appointment shall be made to those candidates who receive majority votes in the order of the number of votes won by each candidate until all positions are filled.

Article 21. Omission of Resolution

If all Councillors who are eligible to vote on a certain proposal made by a Trustee regarding matters to be voted by the Board of Councillors express their agreement either in writing or by electromagnetic record, it shall be deemed that a resolution of the Board of Councillors has been passed.

Article 22. Minutes of Meeting

1. Minutes of meeting shall be prepared with respect to the matters of the Board of Councillors as required by laws and regulations.
2. The Chairperson and the two appointed signatories selected from the Councillors present at the meeting shall sign or affix their names and seals to the minutes.

Chapter 6. Directors

Article 23. Directors

1. The Foundation shall have the following Directors:
 - (1) Trustees No fewer than ten and no more than eighteen
 - (2) Auditors No more than three
2. Two Trustees shall be Representative Trustees.
3. Among the Trustees who are not Representative Trustees, no more than two Trustees shall be appointed as Operating Trustees.

Article 24. Election of Directors

1. Trustees and Auditors shall be elected by a resolution of the Board of Councillors.
2. The Representative Trustees and Operating Trustees shall be appointed among the Trustees by the resolution of the Board of Trustees.
3. Of the Representative Trustees, one shall be the Chairman and the other shall be the Senior Executive Director.
4. Of the Operating Trustees who are not Representative Trustees, no more than two shall be appointed as Executive Directors.

Article 25. Duties and Authority of Trustees

1. The Trustees shall constitute the Board of Directors, and shall execute their duties in accordance with the applicable laws and regulations, and the Articles of Incorporation.
2. The Representative Trustee shall represent the Foundation and execute its duties in accordance with the applicable laws and regulations, and the Articles of Incorporation, and the Operating Trustees shall execute the shared duties of the Foundation, as determined separately by the Board of Trustees.
3. The Chairman shall control all the operations of the Foundation.
4. The Senior Executive Director shall assist the Chairman and shall administrate the operations of the Foundation.
5. The Executive Directors shall assist the Senior Executive Director and shall carry out the operations of the Foundation.
6. The Representative Trustees and Operating Trustees shall report the status of their duties to the Board of Trustees at least twice each fiscal year at intervals of no less than four months.

Article 26. Duties and Authority of Auditors

1. The Auditors shall audit the execution of the duties of the Trustees and shall prepare audit reports in accordance with the applicable laws and regulations.
2. The Auditors may request operation reports from the Trustees or employees at any time, and may investigate the operations and the status of the properties of the Foundation.

Article 27. Term of Office

1. The term of office of a Trustee shall continue until the close of the general meeting of the Board of Councillors for the last fiscal year that ends within two years of their appointment.
2. The term of office of an Auditor shall continue until the close of the general meeting of the Board of Councillors for the last fiscal year that ends within two years of their appointment.
3. The term of office of a Trustee or an Auditor elected as a replacement shall continue until the end of the term of office of its predecessor.
4. In case where the number of Trustees or Auditors falls below the quorum stipulated in Article 23, a Trustee or Auditor who retired from office due to expiration of the term of office or resignation shall continue to perform the rights and obligations until a newly appointed person assumes the position.

Article 28. Dismissal

If any of the following shall apply to a Trustee or an Auditor, such Trustee or Auditor may be dismissed by a resolution of the Board of Councillors.

- (1) Has breached the duties of the office, or has failed to conduct their duties.
- (2) Has difficulty in, or is unable to cope with the execution of its duties due to mental or physical disability.

Article 29. Remuneration

Remuneration may be paid to Trustees and Auditors in an amount calculated pursuant to the standards for payment of remuneration separately provided for by the Board of Councillors.

Chapter 7. The Board of Trustees

Article 30. Trustees

The Board of Trustees shall consist of all the Trustees.

Article 31. Authority

The Board of Trustees shall carry out the following duties.

- (1) Make decisions on the execution of the projects of the Foundation.
- (2) Supervise the execution of the duties of the Trustees.
- (3) Appoint and dismiss Representative Trustees and Operating Trustees.

Article 32. Convening

1. There shall be two types of Board of Trustees meetings: the general meeting of the Board of Trustees and the extraordinary meeting of the Board of Trustees.
2. The general meeting of the Board of Trustees shall be held twice a year, in April and in November.
3. The extraordinary meeting of the Board of Trustees may be called at any time as necessary.

Article 33. Convocation

1. The Board of Trustees shall be convened by the Chairman.
2. In case where the Chairman is unavailable to convene the meeting due to absence or an accident, a Senior Executive Director or an Executive Director shall convene the Board of Trustees.

Article 34 Chairperson

1. The Board of Trustees shall be chaired by the Chairman.
2. In case where the Chairman is unable to perform its duties due to absence or an accident, a Senior Executive Director or an Executive Director shall perform the duties of the Chairperson on behalf.

Article 35. Resolution

The resolution of the Board of Trustees shall require a quorum of a majority of the Trustees, excluding those Trustees with a special interest in the vote to be taken, and shall require a simple majority of those eligible to vote.

Article 36. Omission of Resolution

If all Trustees who are eligible to vote on a certain proposal made by a Trustee regarding matters to be voted by the Board of Trustees express their agreement either in writing or by electromagnetic records, then it shall be deemed that a resolution of the Board of Trustees has been passed unless an Auditor raises any objection to such proposal.

Article 37. Minutes of Meeting

1. Minutes of meeting shall be prepared with respect to the matters of the Board of Trustees as required by laws and regulations.
2. The Representative Trustee and the Auditors present at the meeting shall sign or affix their names, and affix seals to the minutes referred to in the preceding paragraph.

Chapter 8. Amendment to the Articles of Incorporation and Dissolution

Article 38. Amendment to Articles of Incorporation

1. The Articles of Incorporation may be amended by the resolution of the Board of Councillors.
2. The preceding paragraph shall also apply to Articles 3, 4, and 12 of the Articles of Incorporation.
3. In case where amendments are made pursuant to the preceding paragraph, the Foundation shall notify to the administrative agency without delay.

Article 39. Dissolution

The Foundation shall be dissolved in case where the success of the projects that are the purposes of the Foundation became impossible due to loss of basic fund or other reasons provided for by applicable laws and regulations.

Article 40. Donation Due To Cancellation of Public Interest Accreditation

In the event that the Foundation is subject to the cancellation of its public interest accreditation, or the Foundation ceases to exist as a result of merger (excluding the case where the corporation succeeding the rights and obligations is a public interest incorporated institutions), it must donate an amount equal to the balance of the property acquired for public interest purposes to a corporation

listed in Article 5, Paragraph 17 of the Act on the Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, the government or the local government, within one month after the date of the cancellation of public interest accreditation or the date of such merger, following a resolution of the Board of Councillors.

Article 41. Attribution of Residual Property

In the event that the Foundation is to be liquidated, residual property shall be donated to a corporation listed in Article 5, Paragraph 17 of the Act on the Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, the government or the local government following a resolution of the Board of Councillors.

Chapter 9. Method of Public Notice

Article 42. Method of Public Notice

1. Public Notices of the Foundation shall be made electronically.
2. In the event where an electronic public notices cannot be made for unavoidable reasons, public notices shall be made in the official gazette (Kanpo).

Chapter 10. Committees

Article 43. Committees

1. The Foundation may establish committees for a smooth operation of its projects.
2. Any matters necessary for the organization and projects of a committee shall be resolved by the Board of Trustees and decided separately by the Chairman.

Article 44. Grants and Commendation Committee

1. Grants and Commendation Committee shall be established to facilitate the projects listed in Article 4, Paragraph 1, Items (1) through (4) of the Articles of Incorporation
2. The members for the Grants and Commendation Committee shall be appointed by the resolution of the Board of Trustees.
3. The operation of the Grants and Commendation Committee shall be conducted pursuant to the Committee Rules as separately defined by the Board of Trustees.

Article 45. Selection Committee

1. Selection Committee shall be established separately for each grant giving and commendation to select matters for the projects listed in Article 4, Paragraph 1, Items (1) through (4).
2. The members of the Committee in the preceding paragraph shall be elected by the Board of Trustees from a person with academic background, and shall be delegated by the Chairman.
3. Any matters necessary for the Selection Committee shall be resolved by the Board of Trustees and decided separately by the Chairman.

Chapter 11. Administration Office

Article 46. Administration Office

1. The Foundation shall have an administration office for its administrative operation.
2. The administration office shall have a Secretary General and necessary staff.
3. The Secretary General shall be delegated by the Chairman, based on a resolution of the Board of Trustees, and the appointment and dismissal of the staff shall be made by the Chairman.

Article 47. Books and Documents to be Kept

The Secretariat office must keep the following books and documents at all times:

- (1) The Articles of Incorporation
- (2) List of Trustees, Auditors and Councillors
- (3) Documents regarding authorization, permission, approval, and registration

- (4) Documents related to the proceedings of the Board of Trustees or the Board of Councillors as provided in the Articles of Incorporation
- (5) List of property
- (6) Remuneration regulations for Directors, etc.
- (7) Project plans, income and expenditure budget
- (8) Project reports and financial statements
- (9) Audit reports for the preceding paragraph
- (10) Other books and documents as required by applicable laws and regulations

Chapter 12. Supplementary Provisions

Article 48. Exercise of Voting Rights of shares

With the exception of those matters mentioned below, the exercise of voting rights of shares that are incorporated in the basic fund shall require a resolution passed by a majority vote of more than three quarters of the current number of Trustees.

- (1) Receiving dividends
- (2) Receiving new shares without contribution
- (3) Application for share allotment
- (4) Receiving documents addressed to shareholders

Supplementary Provisions

1. These Articles of Incorporation shall come into force on the date of registration as a public interest incorporated organization as defined in Article 106, Paragraph 1 of the Act on Arrangements of Relevant Acts Accompanying the Enforcement of the Act on General Incorporated Associations and General Incorporated Foundations and the Act on Authorization of Public Interest Incorporated Associations and Public Interest incorporated Foundations.
2. In the event where registration for the dissolution of a corporation as in the special civil act and the establishment of public interest incorporations takes place as provided for in Article 106, Paragraph 1 of the Act on Arrangements of Relevant Acts Accompanying the Enforcement of the Act on General Incorporated Associations and General Incorporated Foundations and the Act on Authorization of Public Interest Incorporated Associations and Public Interest incorporated Foundations, notwithstanding the provisions of Article 7, the preceding date of registration for dissolution shall be the final date of the fiscal year, and the date of registration for establishment shall be the starting date of the fiscal year.
3. The first Representative Trustees of the foundation shall be Hiromichi Seya and Shunichi Samejima.
4. The first Councillors shall be the following:

Masuo Aizawa	Kazuhiko Ishimura	Michiko Imai	Hitoshi Osaki
Katsuhisa Kato	Ryozo Kato	Yoichi Gohshi	Hiroshi Komiyama
Yuichi Shionoya	Niro Shimada	Tsukasa Shimizu	Junjiro Takahashi
Keiko Nakamura	Minoru Makihara	Nobuo Matsunaga	Mamoru Mohri

Attached list

Basic Assets (related to Article 5)

Type of Assets	Amount
(1) Company shares (Asahi Glass Co., Ltd.)	21,848,998 shares
(2) Fixed term deposits	125,915,000 yen
(3) Bonds (face value)	9,100,000,000 yen

Revision History

November 2010
Article 7. Fiscal Year
April 1 → March 1; March 31 → Last day of February