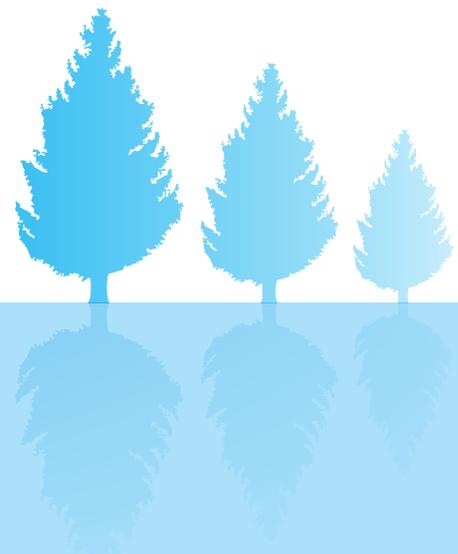
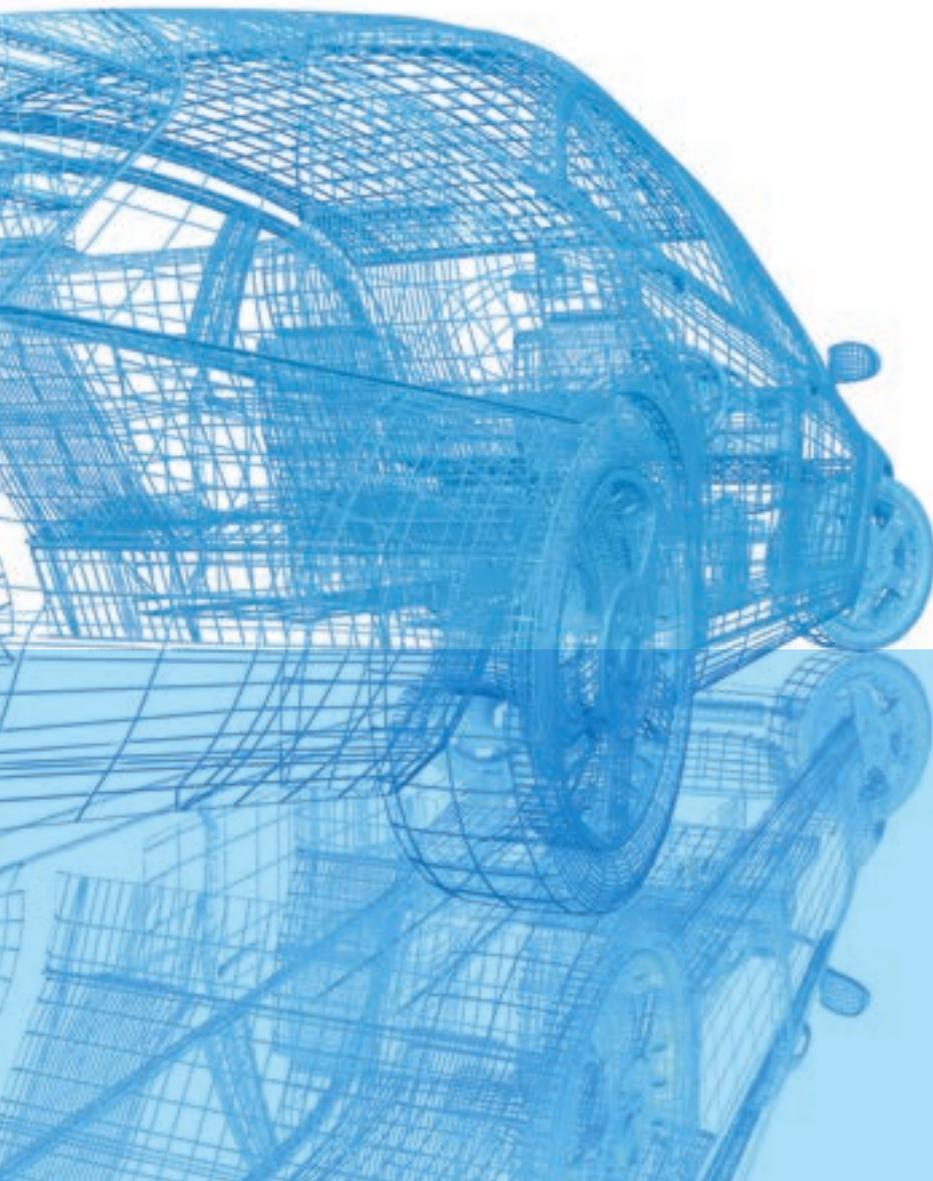




CSR Report 2016

G-TEKT Corporation



G-TEKT endeavors to contribute to the creation of a better global future.

Corporate Philosophy



Code of Conduct

- To commit to self-development with mutual trust and affection
- To pursue cutting-edge technology and offer the best product quality at a competitive and affordable price
- To contribute to the society self-initiatedly with intelligence and dexterity

Management Vision

To become a company that contributes to a low-carbon society by integrating cutting-edge technology with high quality products at an affordable price, while serving customers around the globe to their fullest satisfaction.

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Editorial Policy

Purpose of this Report

We are issuing our CSR Report to inform our stakeholders of our CSR activities based on our "G-TEKT Philosophy" aimed at realizing a sustainable society. The purpose of the report is to deepen your understanding of our CSR activities through the disclosure of such non-financial information.

Our CSR Report defines our own CSR theme that is of significance to our business activities and provides a compilation of reports on our efforts related to the theme. Positioning the Report as an important tool for communication with our stakeholders, we will strive for its further improvement going forward.

Reference Guidelines

- ISO26000
- GRI (Global Reporting Initiative) "Sustainability Reporting Guidelines"
- United Nations Global Compact
- Ministry of Environment "Environmental Reporting Guidelines"

Period Covered

FY2015 (April 1, 2015 to March 31, 2016)
However, some past efforts as well as the most recent activities are also included.

Scope

The Report provides information primarily on our activities within Japan and includes information on efforts by our overseas subsidiaries.

Release Schedule

June 2016 (Next issue scheduled for June 2017)

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Message from the President



Seeking to Realize a Sustainable Society

Since its launch as a new company in April 2011, G-TEKT has set its Management Vision to “become a company that contributes to a low-carbon society by integrating cutting-edge technology with high quality products at an affordable price, while serving customers around the globe to their fullest satisfaction.” By strengthening the link between our businesses and CSR activities, we have been endeavoring to improve our corporate value in financial and social terms and engaging in activities to meet the expectations of all of our stakeholders including customers, society, shareholders and employees.

In recent years, the automobile industry surrounding G-TEKT has not only been experiencing increasingly fierce competition on a global scale

but has also been urged to develop: self-driving cars for realizing the future mobility system; traffic network information systems; and eco-friendly cars including the electrification of power-train systems, as represented by electric vehicles (EVs) and fuel-cell vehicles (FCVs).

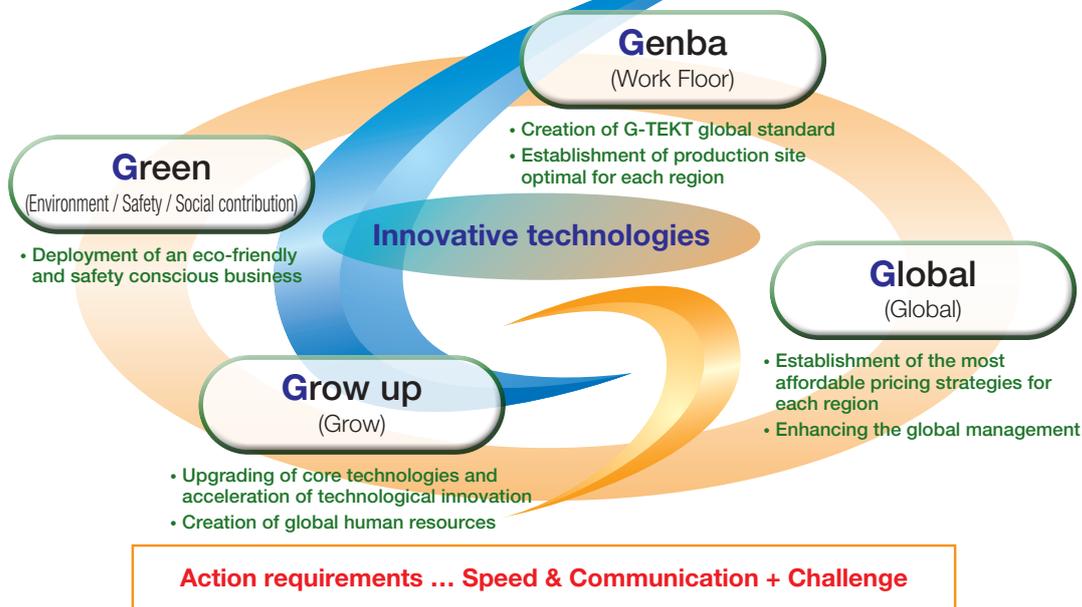
Under such circumstances, G-TEKT will execute innovation in three fields.

These three fields are: “technology innovation,” which creates new value by anticipating changes in the needs of the future mobility system; “sales innovation,” which is aimed at delivering more superior products to customers around the world; and “human resources innovation,” which, above all else, involves the development of human resources for supporting the aforementioned

2020 Vision G4-20

G4-20
(Twenty)

To aim to be a global leading expert manufacturer of parts for automotive body and transmission by pursuing cutting-edge technology that conforms strictly to safety and environmental requirements



innovations. G-TEKT will further pursue sustainable and strong growth by promoting these innovations on a medium- and long-term basis.

Especially in the area of personnel affairs, in order to transform the personnel system into one that enables G-TEKT to grow together with its human resources, the existing personnel system and human resource development system will be revamped under the motto of “enjoyable and busy, on common grounds” in addition to conventional CSR activities from the sixth fiscal year onwards, with the aim to: (1) develop human resources that will create value in the next era; and (2) create an organizational culture in which everyone can grow together and play an active role. We have started engaging in the development of

human resources that would assist in the sustained growth of G-TEKT focusing on people through such system reforms that would lead to the development of an environment in which our employees can fully demonstrate their respective capabilities and truly feel happy at work.

I would like to take this opportunity to ask for your support as we continue our efforts to contribute to the realization of a sustainable society as a company expected to have a presence in 50 years time, and even 100 years time, through our CSR activities based on dialogues and “joint-creation” of products with our stakeholders.

April 2016

Naohiro Takao, President



Corporate Data

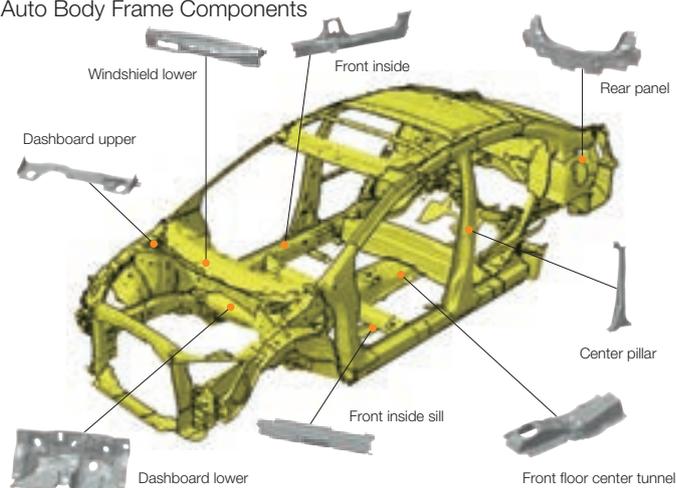
Company Overview

Company Name	G-TEKT Corporation
Founded	April 1, 1947
Established	November 4, 1953
Capital	4,656,227,715 yen
Representative	Naohiro Takao, 'President/ President & Chief Executive Officer'
Lines of Business	Manufacturing and sales of auto body frame components, transmission parts, stamping dies/weld equipment, etc.
Number of Employees	7,684 (Consolidated), 1,189 (Japan) (As of March 31, 2016)

	FY ended March 31, 2014	FY ended March 31, 2015	FY ended March 31, 2016
Sales (Hundred million yen)	1,815	1,938	2,207
Ordinary Income (Hundred million yen)	139	90	114

Main Components

• Auto Body Frame Components



• Transmission components

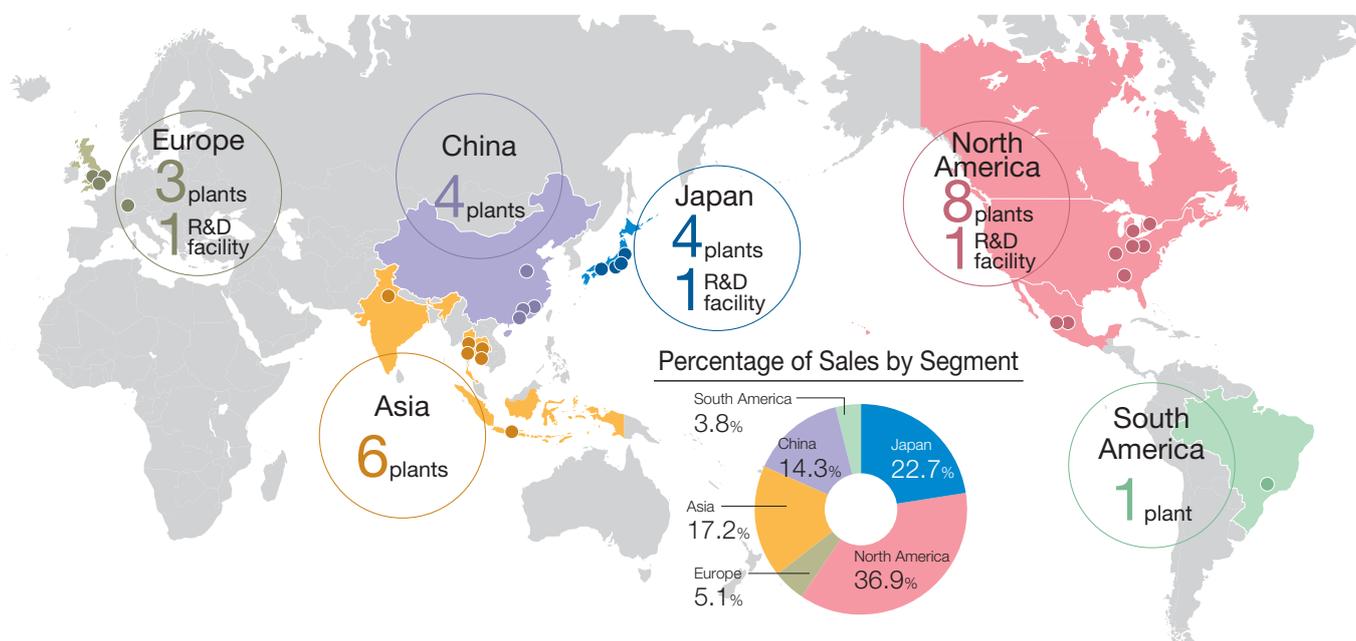


◀AT Components
(Automatic Transmission)



◀CVT Components
(Continuously Variable Transmission)

Global Network





G-TEKT's CSR

Fundamental Policies on CSR

As our moral and social responsibilities increase, the Company will achieve sustainable growth together with society through CSR activities and become a company for which there are high expectations.

G-TEKT's Responsibilities to Be Fulfilled in Response to High Social Expectations

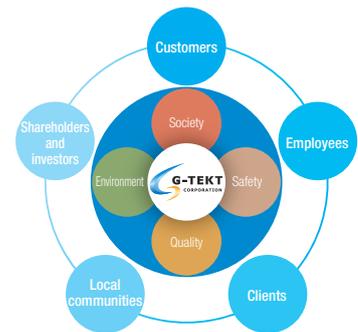
4 Basic Domains	Themes	CSR
<p>Subdivided into 7 CSR themes</p> <ul style="list-style-type: none"> Engage in fair and transparent business activities by enhancing corporate governance Provide good quality products from a safe and comfortable environment Respect human resources, pay regard to human rights, and improve the work environment Contribute to the conservation of the global environment as well as to local communities 	 Corporate Governance	We will strive to increase the transparency of our business activities, while proactively addressing various matters and disclosing information.
	 Information Management	We will establish a trustworthy corporate culture by strengthening our security management system.
	 Safety and Health	We will establish a safe and comfortable work environment.
	 Quality	We will continually provide reliable products that satisfy customer needs.
	 Human Rights / Labor Practices	We will respect the individuality of our employees and strive to create a fair and equitable workplace that provides job satisfaction.
	 Environment	We will give utmost priority to the conservation of the global environment and strive to achieve a low-carbon society.
	 Social Contribution	We will make social contributions that can be passed on to the next generation through coexistence with the local communities.

Relationships with Stakeholders

In order to become a trustworthy company for which our stakeholders, including customers, employees, clients, local communities, shareholders and investors, continuously hold high expectations, we have established "Our Code of Conduct" as the code of conduct to be followed by our employees in an effort to ensure that each employee acts with full awareness as a member of society and a member of a company constituting a part of the automobile industry.

Basic Stance towards Stakeholders

We will remain a trustworthy partner of our customers, to whom we deliver our products, by providing safe and reliable products.



Customers

We will remain a trustworthy partner of our customers, to whom we deliver our products, by providing the desired products in the desired quantities at the desired time.

Local communities

We will proactively seek to integrate and harmonize with the local residents through such means as participation in social contribution activities and seek to establish favorable relationships based on mutual understanding.

Employees

Based on the principle of respecting human dignity, we will endeavor to establish a safe, secure and lively workplace that provides each employee with job satisfaction and does not permit harassment of any kind.

Shareholders and investors

We will strive to enhance our corporate value and achieve an appropriate share price by actively establishing opportunities for dialogues with our shareholders and investors based on our commitment to prompt and fair disclosure.

Clients

We will conduct business in a fair and reasonable manner and establish cooperative relationships with our clients through mutual respect, recognizing them as partners indispensable to our production activities.

Identification of Material Issues

Material aspects as of 2016 were identified based on the view that G-TEKT should engage in business activities while understanding the social impact of its business activities, managing the possibility of having such an impact, and controlling the impact itself. We will organize and enhance the method of managing material issues that have been identified, with the aim of integrating it into the process of formulating the next new medium-term plan.

Identification of Material Issues

Identifying Material Issues

In recent years, there has been a growing demand among various stakeholders for the disclosure of financial and non-financial information. G-TEKT believes that it should engage in business activities while understanding the social impact of its business activities, managing the possibility of having such an impact, and controlling the impact itself.

Important aspects in FY2016 were identified while seeking our stakeholders' opinions in consideration of such factors as the characteristics of G-TEKT Group' businesses and the regions in which the Group operates. We will organize and enhance the method of managing material issues that have been identified, with the aim of integrating it into the process of formulating the next new medium-term plan.

STEP

1

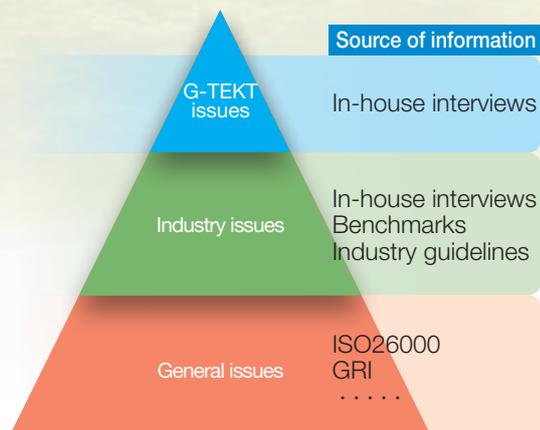
Detection of social issues

Identify a wide range of CSR issues and sort the issues from the stakeholders' point of view based on social roles

On the basis of issues that have already been addressed by G-TEKT, we utilized ISO26000, Global Reporting Initiative (GRI) and United Nations Global Compact, etc. for general issues, in-house interviews, benchmarks of other companies and industry guidelines for industry issues, and information gathered from stakeholders, etc. for G-TEKT issues, and verified these issues with the respective social issues stemming from them.

As a result, we prepared a list of social issues by adding issues pointed out in such external assessments to the issues that have already been addressed.

■ Identifying Material Issues



STEP

2

Issues based on G-TEKT's business strategies

Find CSR-related issues from the Management Principles, business strategies, etc.

We found CSR-related issues from G-TEKT Group's Management Principles, Management Vision, management policies, etc. and added them to the list of social issues.

Management Principles

Corporate Philosophy	Code of Conduct
Respect Human Dignity	To commit to self-development with mutual trust and affection
Technological Innovation	To pursue cutting-edge technology and offer the best product quality at a competitive and affordable price
Sound Management	To contribute to the society self-initiatedly with intelligence and dexterity

Management Vision

To become a company that contributes to a low-carbon society by integrating cutting-edge technology with high quality products at an affordable price, while serving customers around the globe to their fullest satisfaction.

2020 Vision G4-20



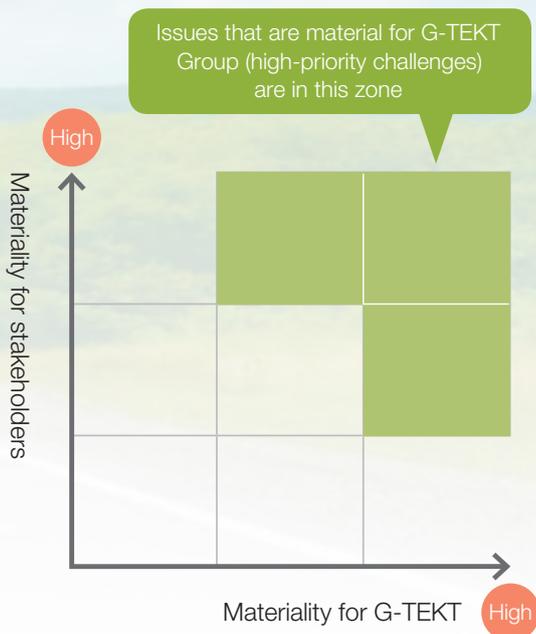
Process of Identifying Material CSR Issues



STEP 3 Examination of materiality

Examine the materiality of issues revealed from stakeholders' expectations, G-TEKT's management strategies, etc.

On a grid in which the vertical axis represents materiality for stakeholders and the horizontal axis denotes materiality for G-TEKT Group, we mapped the issues stated on the list of social issues from STEP 2, and assessed issues that are deemed highly material from the viewpoint of both parties for the purpose of identifying material issues.



STEP 4 Confirmation of appropriateness of material issues

Perform a final check on material issues that have been sorted out

The process of identifying material CSR issues of G-TEKT Group and the revealed issues were assessed by outside experts and discussed by the management team.

STEP 5 Identification of material issues

Material issues that have been identified

- Enhancement of corporate governance
- Development of environmental-friendly products and technologies
- Human resource development
- Environmental management

Manufacturing of Environmentally-friendly Products

Manufacturing of environmentally-friendly products

The automobile industry surrounding G-TEKT has been urged to develop: self-driving cars for realizing the future mobility system; traffic network information systems; and eco-friendly cars including the electrification of power-train systems, as represented by electric vehicles (EVs) and fuel-cell vehicles (FCVs).

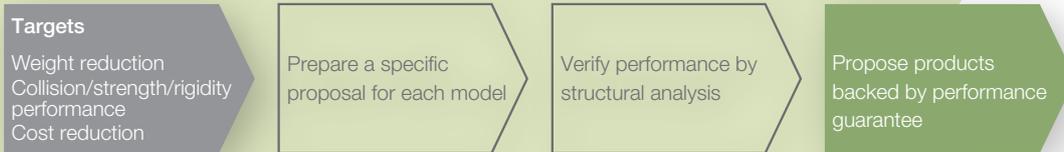
Under these circumstances, G-TEKT has been endeavoring day by day to provide high-performance automotive bodies with minimum weight at a low cost so that environmentally-friendly products can be utilized broadly at competitive prices.

Structural approach (one-vehicle analysis technology)

Proposal of lightweight, high-rigidity automotive bodies

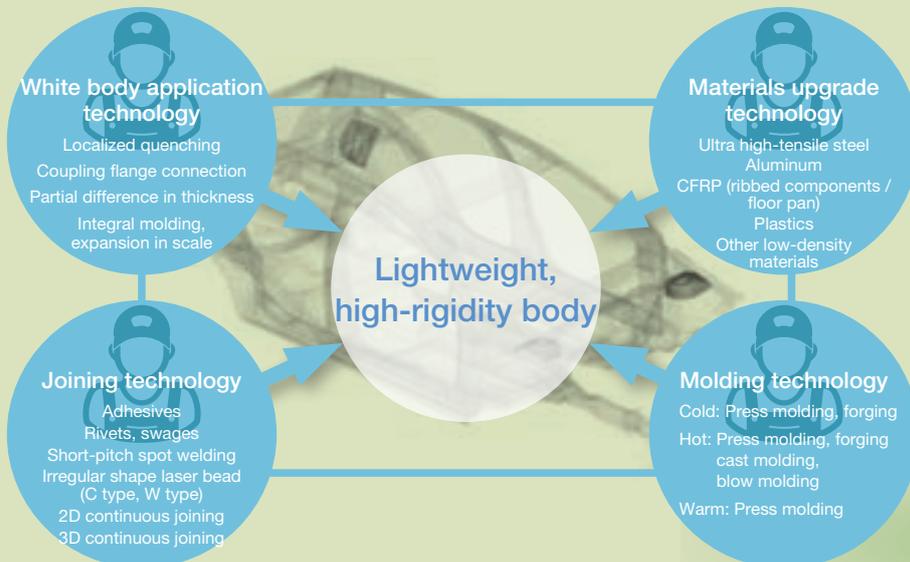
Weight reduction is sought after in making automotive bodies: CO₂ emissions need to be reduced by making the body itself lighter in weight, and in the case of environmentally-friendly EVs and FCVs which are equipped with heavy batteries, the body weight needs to be reduced even further. G-TEKT proposes optimal automotive bodies as a product of their expertise in lightweight bodies gained through the internalization of key technologies and research on competitors' products, backed by a performance guarantee based on full-car simulations.

Flow of proposal of high-performance automotive bodies with minimum weight at a low cost



Internalization of Key Technologies

In order to achieve lightweight, high-rigidity bodies, G-TEKT is pushing forward with the internalization of key technologies for white bodies by working on “white body application technology”, “materials evolution technology”, “joining technology” and “molding technology” fields.



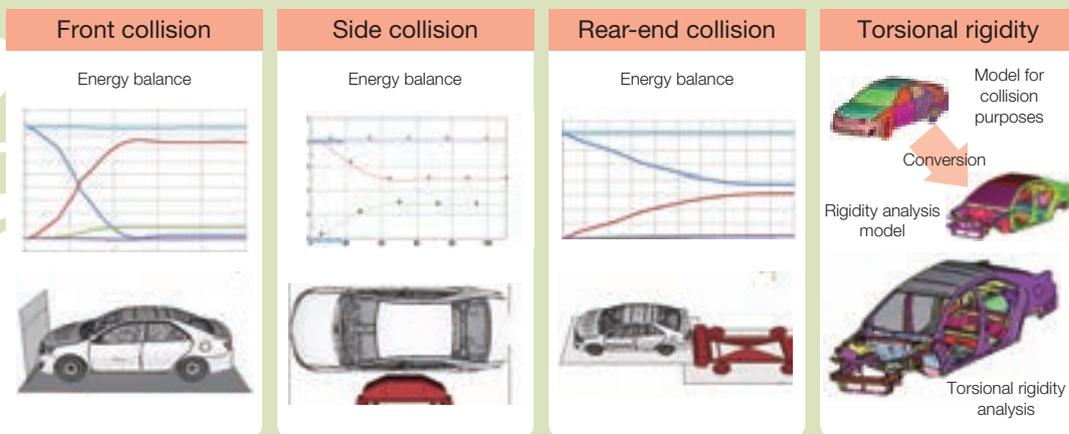
Performance guarantee based on full-car simulations

Research on competitors' products

We thoroughly conduct research on the latest vehicle models that are drawing attention to make comparisons with competitors and determine trends in the industry and new products, in an effort to improve G-TEKT's technological capabilities and gain expertise in lightweight bodies.

Performance guarantee based on full-car simulations

We evaluate performance and make optimal proposals based on the omnidirectional collision and rigidity analysis results using models that reflect the expertise we have gained through the internalization of key technologies and the research on competitors' products.

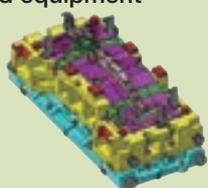


Resource-saving for mold equipment and product materials

Resource-saving for mold equipment and product materials

We are engaged in ongoing activities to realize environmentally-friendly production sites where resources are conserved through yield improvement (scrap reduction) by the reduction of mold materials based on multi-cavity molds for components and streamlined processes, as well as the modification of processing methods.

Reduction of materials of mold equipment



Example of multi-cavity molds

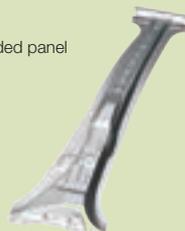
Mold materials reduced by multi-cavity molds

Reduction of materials of products

Draw-formed panel



Form-molded panel



Example of yield improvement

Materials reduced by 15% as a result of change in processing method



Corporate Governance

We strive to proactively address various matters and disclose information in order to increase the transparency of our business activities.

Fundamental Policies on Corporate Governance

G-TEKT acknowledges the importance of management as a company with social responsibility in order to become a company in which customers, employees, shareholders, investors and society place high expectations. We also recognize that one of the top-priority management issues is to develop an organization and framework to ensure transparent, speedy, fair and bold decision-making in consideration of risks, and to build a relationship based on trust with all stakeholders.

We will seek to attain sustained growth and improve corporate value in the medium and long run by implementing corporate governance more effectively and making ongoing improvement efforts.

Corporate Governance Code

Our Corporate Governance Code has been established with the aim of realizing “aggressive governance”. In light of the spirit of the Code, the Board of Directors has passed a resolution for “G-TEKT’s Fundamental Policies on Corporate Governance”, which set out our basic approach, framework and implementation policy regarding corporate governance, for the purpose of establishing a structure of governance that would be most effective for the management of G-TEKT with the aim of attaining sustained growth and improving medium/long-term corporate value, as disclosed in the Corporate Governance Report.

▶To view our Corporate Governance Report, please check the following link:

URL http://www.g-tekt.jp/company/pdf/governance_report.pdf



“Corporate Governance Report”

Compliance

Since we have the highest respect for compliance, we endeavor to act conscientiously at all times in compliance with every law, internal regulation, and any other rule as a matter of social norm. Looking at compliance from the perspective of meeting the expectations of our stakeholders, we have established “Our Code of Conduct” as the code to be followed by each employee so as to act with high ethical standards, and we are ensuring that our employees are familiar with the Code. In addition to activities that promote the spread and establishment of compliance, we will engage in ongoing improvement to prevent and/or promptly address scandals as well as ensure compliance, as we strive to raise the level of compliance further.

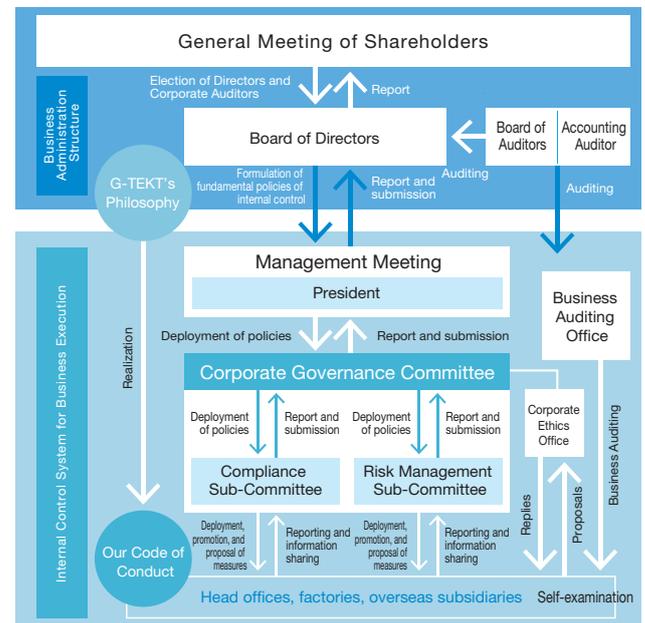


“Our Code of Conduct”

Corporate Governance Structure

Our corporate governance structure, including the internal control system, is as shown in the figure below.

■ Corporate governance structure



Risk Management

We are striving to identify, analyze, and appropriately control the various risks surrounding our business in order to ensure sound execution of our business activities. Although the risks related to our business operations are diversifying and becoming more difficult to manage, we are promoting risk management activities by establishing a Risk Management Sub-Committee under the Corporate Governance Committee for the purpose

of ensuring the appropriate monitoring of risk situations, company-wide measures regarding risk management issues, and horizontal deployment of measures.

Recently, we have formulated a business continuity plan (BCP) for each plant in Japan based on a large-scale disaster (e.g., earthquake) scenario and made other such preparations for speedy recovery in the unlikely event of such disaster.

Communication with Shareholders and Investors



A plant visit for shareholders

As regards disclosure to shareholders and investors, we are conducting disclosure operations and IR activities on a daily basis with a commitment to promptness and fairness.

Further, in the belief that it is important for us to communicate proactively with our shareholders and investors in order to deepen their understanding of G-TEKT as a company, we organize company information sessions for individual investors, plant visits for shareholders and other events, in addition to the shareholders' reception at the general meeting of shareholders, financial results briefings for institutional investors and individual IR visits, in order to provide opportunities for the top management to converse in person with the shareholders and investors.

Additionally, we update our home page in a timely manner, issue shareholder newsletters and send out other information in an effort to further deepen our shareholders' and investors' understanding of G-TEKT's business activities, while studying our evaluation obtained primarily through shareholder surveys and our share price information as we seek to achieve the ideal state as a company.



IR website



Shareholder Newsletter

Our Employees

VOICE



Aiming to Further Enhance the Risk Management Structure

Tomohiko Soda Secretariat, Risk Management Sub-Committee
Legal Department

G-TEKT is promoting the establishment of a company-wide risk management structure, having established the "Risk Management Sub-Committee", which is a risk management organization that cuts across boundaries within the entire company. The Sub-Committee also addresses significant risks that may put the company's survival at stake as an issue to be tackled. In the previous fiscal year, we not only formulated a business continuity plan (BCP) at each of our business locations in Japan and reviewed our risk management structure in the event of disaster, but also worked on drawing up a risk map by country where G-TEKT Group has a presence, and once again detected business risks surrounding G-TEKT.

More measures will be implemented and further refinements will be made to the structure that we have built, to help create an even stronger risk management structure.



Information Management

We will establish a trustworthy corporate culture by strengthening our security management system.

Objectives of Information Security

By establishing security policies as fundamental rules for preventing information leakage, we aim to enhance the awareness of G-TEKT employees worldwide on thoroughly protecting our information assets, and to establish information security systems and structures capable of adapting to changes and trends over time.

Fundamental Policies on Information Security

The fundamental policies for protecting the Company's information assets shall be set as follows:

- All actions shall be taken with the understanding of the risks of information leakage.
- G-TEKT employees worldwide shall manage information and prevent information leakage under the same security policies regardless of the location or the technologies in use.
- Cases of information leakage and other risk information shall be shared worldwide, reflected in the security policies, and used to prevent the occurrence or recurrence of information leakage at G-TEKT.
- The approach as set forth in the security policies shall be observed when establishing a new system or structure relating to information management or processing.
- Changes in the social environment shall be addressed expeditiously and measures shall be taken in anticipation of future needs.
- The security policies shall be reviewed and revised constantly.

Education on Information Security

Confidential information of our clients and our own company, personal information of our employees, and various other information that must not be divulged to the outside world exist in vast amounts in the course of our business operations. Since it is believed that the leakage and other mismanagement of information are basically largely attributable to a decline in employee awareness on information security, we regularly educate our employees on information security in order to prevent information leakage. As regards the method of education, employees read through and indoctrinate the "Ten Commandments of Information Management," which summarize the gist of the security policies.

項目	内容	項目	内容
1. Passwordの管理 (パスワード)	個人用パスワードは必ず8文字以上とし、英数字と記号を組み合わせたものを使用する。	11. 個人情報の管理	個人情報は厳格に管理し、必要最小限の範囲で共有する。漏洩防止のために、アクセス権を適切に設定する。
2. 端末の管理	端末の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	12. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
3. PC/USBメモリ等の管理	PC/USBメモリ等の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	13. 入退室の管理	入退室の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。
4. PC/USBメモリ等の管理	PC/USBメモリ等の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	14. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
5. 情報の管理	情報の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	15. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
6. 情報の管理	情報の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	16. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
7. 情報の管理	情報の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	17. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
8. 情報の管理	情報の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	18. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
9. 情報の管理	情報の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	19. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。
10. 情報の管理	情報の管理は、セキュリティ上の観点から、必ずしも必要ではないが、推奨される。	20. 情報の漏洩防止	情報の漏洩防止のために、必要に応じて、物理的なセキュリティ対策（鍵、ロック）を実施する。

Ten Commandments of Information Management



Safety and Health

We will establish a safe and comfortable work environment for all who work at G-TEKT.

Safety and Health Policies

Since safety and health activities form the foundation of corporate management, we will aim to achieve a work place that we can be proud of by managing corporate activities in terms of safety and hygiene to minimize the impact on the safety and health of both the people working at G-TEKT and those of the local communities.

1. Efforts shall be made to further manage safety and health in compliance with the relevant safety and health laws and regulations, and internal standards.
2. The Company shall assess risks to define the danger factors in the workplace and determine the priority of relevant measures for the progression from an “accident-free” to a safe and comfortable “danger-free” workplace.
3. The Company shall establish communication, not only with all its employees but also with the cooperating manufacturers and other parties concerned, in order to conduct safety and health-related activities with the participation of all parties.
4. The Company shall strive to raise awareness on safety through the education and training of its employees.
5. The Company shall appropriately allocate management resources to the execution of safety and health-related activities to ensure effective and continuous improvement.

Employee Safety Training

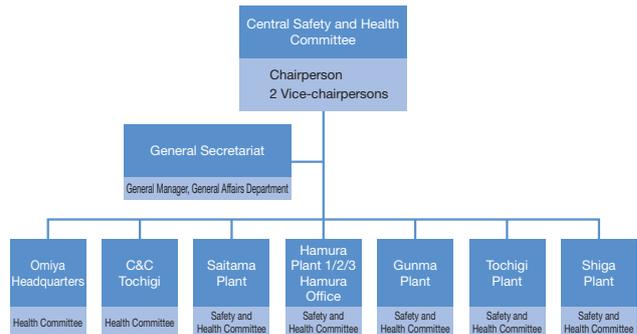
We hold a “Safety Convention” each year in July to reflect on industrial, traffic and other accidents of the past, while concurrently seeking to raise awareness on achieving an accident-free and incident-free work environment.

Further, in order to allow our employees to maintain a high level of awareness on accident and incident prevention at all times as they engage in their daily work, we share information with them on accidents at other business locations as well as other companies in the industry.



Employees in a training session

Organization Chart of Central Safety and Health Committee



Evacuation Drills

In preparation for fires and large earthquakes, we regularly conduct evacuation drills at each of our business locations in order to raise awareness of fire and disaster prevention for injury prevention and the protection of our employees’ lives. A series of drills that start from initial fire extinguishing efforts and reporting of the fire to evacuation are conducted in partnership with the local fire department in preparation for emergency situations. We also conduct first aid drills using AED concurrently and have emergency rations in stock for those who are unable to return their homes in case of a disaster.



First aid and evacuation drills

Safe Driving Initiatives for Forklifts

Many forklifts are being used to transport products in the premises of our plants. In the unlikely event of an accident involving a forklift, the accident may result in a fatality. For this reason, we have introduced a unique in-house driving license system in which workers who have a certificate for completing the forklift operator training course are given an annual examination, in an effort to make them perform their tasks with more advanced skills and greater awareness of safe driving. Workers are also required to check for any damage to the forklift body upon inspection at the start of each business day to make them more conscious of safe driving.



Safe driving initiative for forklifts



quality

Quality

We will continue to provide reliable products that satisfy customer needs.

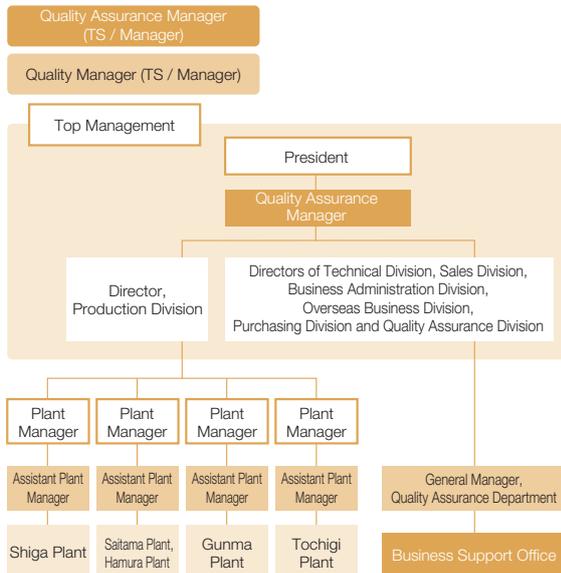
■ Policies on Quality

The Company shall create and provide products that delight and inspire customers, placing the highest possible quality at the core of its management principles.

■ Quality Assurance System

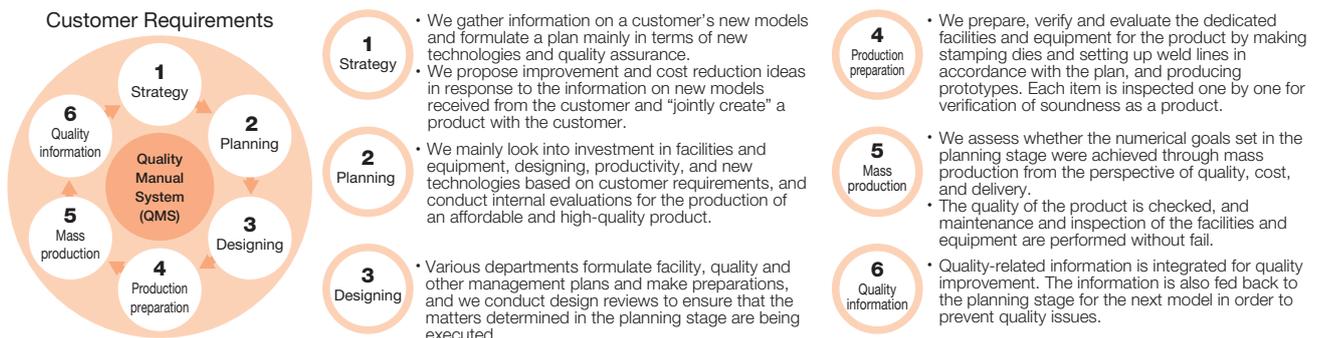
We have established the “1 assurance system, 1 manual” rule at all 19 G-TEKT locations in order to produce high-quality products that bring about customer satisfaction. Further, with each business location following this rule, horizontal deployment of the quality assurance system is rendered possible, thereby allowing the system to extend to all locations and contributing to the quality assurance not only of the production activities but also of distribution and logistics.

■ Quality Management System Based on International Standard ISO/TS 16949



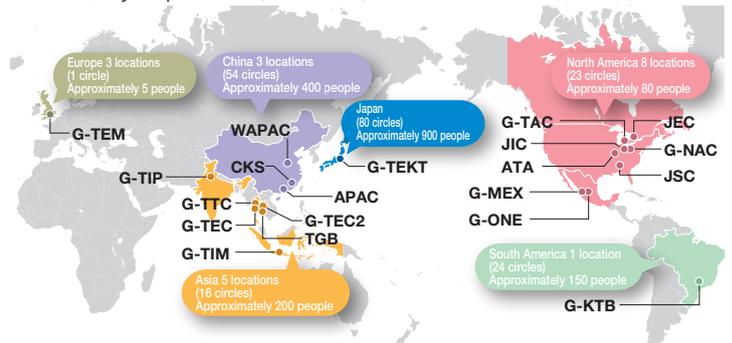
■ Quality Improvement Efforts

■ Quality Assurance System



■ G-TEKT Circle

The G-TEKT Group voluntarily and actively conducts activities geared towards education in small groups for the continuous management and improvement of the quality mainly of products, services, and work.



G-TEKT Circle World Conference

Every year in autumn, the circles selected from all over the world gather together in Japan for the G-TEKT World Conference. Examples of improvements achieved are shared worldwide to foster international human resources.

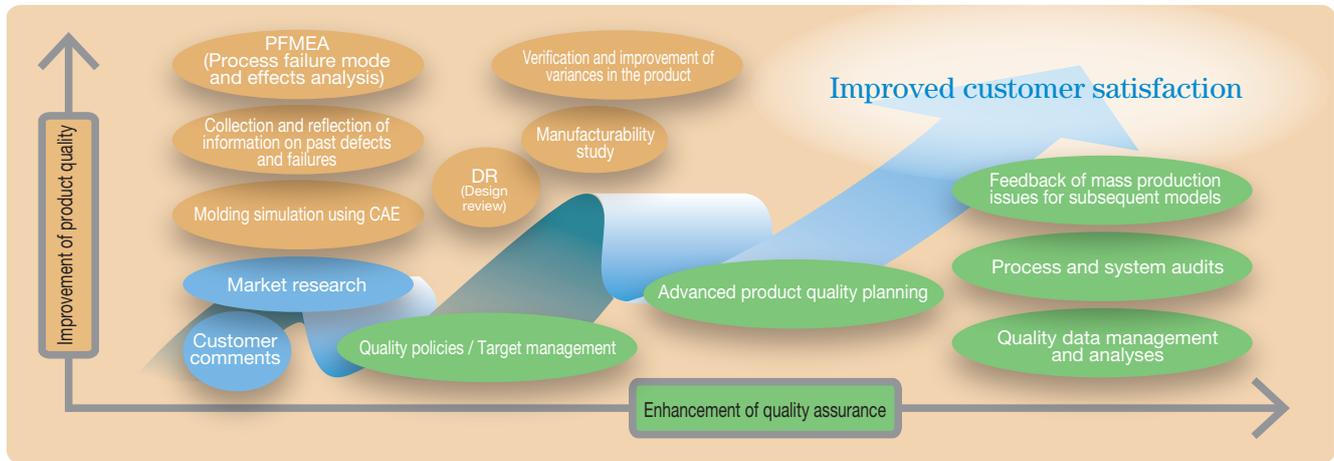


■ Acquisition of ISO/TS 16949 Certification

We have established a quality management system based on the ISO/TS 16949 requirements in order to achieve a system for providing products that satisfy the quality requirements of our customers. Further, having promoted the establishment of a quality management system at our locations worldwide in accordance with the ISO/TS 16949 standard ever since our founding, we have seen 16 of our locations acquire this ISO certification to date, after the addition of two certified locations in FY2015.



Customer Satisfaction Improvement Policies



Purchasing / CSR Procurement Policies

We will raise awareness on CSR procurement involving the use of supplier status regarding efforts on compliance and eco-friendliness as well as human rights and labor environment as a criterion for doing business, and ask our suppliers to share in our approach of making products in an eco-friendly manner in compliance with laws and regulations.

Activity Guidelines

1. Formulate the CSR procurement policies and guidelines
2. Investigate the current status of the supplier
3. Propose to the supplier and implement corrective and/or improvement measures
4. Conduct audits of the supplier

Publication of G-TEKT's Supplier CSR Guidelines

It is becoming important to engage in CSR activities covering the entire supply chain, including compliance with laws and regulations, respecting human rights, occupational safety and quality—not just environmental problems. While we have been making CSR efforts with suppliers to date, we established “G-TEKT's Supplier CSR Guidelines” in April 2016, in order to further clarify GTEKT's CSR approach and share it at a deeper level. We will continue making efforts to enhance our supply chain into the future, with the aim of identifying and resolving issues in the supply chain.



New Year's reception for clients

Communication with Suppliers

In order to beat the tough environment as “Team G-TEKT”, we are endeavoring to enhance cost competitiveness, safety and quality by creating opportunities to share information

with clients at all times. As part of communication with our clients, we also hold a convivial gathering with our clients every year, in which G-TEKT's policies are explained to them.

Our Employees'

VOICE



Serving as a Bridge between Japan and Overseas for Quality Assurance

Yumi Sasae Quality Assurance Section, Quality Assurance Department, Quality Assurance Division

Having been assigned to the Quality Assurance Department since joining G-TEKT, I have been in charge of dealing primarily with overseas business locations while making use of my proficiency in English. I am also engaged in the task of promptly acquiring quality information worldwide, sharing information with each business location in real time, and tallying the information with respect to each business location on a monthly basis, thereby providing feedback to the next model planning stage. I also prepare educational materials for quality-related work, QC circles, etc. and implement them at all domestic and overseas business locations every month. While communicating with overseas business locations is tough in some aspects due to such factors as the time difference, I am making daily efforts to serve as a bridge that helps bring about quality assurance and improvement in Japan and overseas.



Human Rights / Labor Practices

We will apply the principle of “respect(ing) human dignity” as stated in our corporate philosophy not only to our relationship with all of our employees but also to that with the people and companies we work with, and strive to create a fair and equitable workplace that provides job satisfaction.

■ Fundamental Policies on Human Resource Development

1. The Company shall develop human resources fit for a global leading expert manufacturer of parts for automotive body and transmission through the development of employee capabilities, with a view to achieving the ideal pool of human resources.
2. Employees shall have the enthusiasm and the attitude of taking the initiative to learn and think on their own, and we shall proactively support the growth of each employee.
3. Foster the “culture of learning” and the “culture of nurturing” through systemized job rotation in addition to the departmental education consisting of rank-based education, OJT at the workplace, OFF-JT training, and voluntary education, and thereby establish the culture of prioritizing human resource development.

■ Human Resource Development System

G-TEKT has established a human resource development system consisting of rank-by-rank training sessions conducted in stages and its signature global basic education, in addition to training sessions for new employees held in production and technology departments with the view to “develop human resources that will create value in the next era”, OJT for personnel which is conducted in the department to which they are assigned and OFF-JT training. Also, this system fosters personnel capable of totally-optimized manufacturing by implementing job rotation in a planned manner whereby employees gain expert knowledge while understanding the overall picture of auto body frame components production.

■ Global Basic Education (Overseas Training)

G-TEKT, whose basic policy is to carry out production locally outside Japan, has established business locations in 11 countries and engages in manufacturing on a global scale. In order to foster personnel who can play an active role in such a business environment, G-TEKT has created an overseas training program to nurture a global mindset from early stages. This program combines language study at an overseas language school with practical training at an overseas business location so that employees will learn languages, cultures and business customs, spread harmony with local staff at overseas business locations, and build the foundations for playing an active role on a global scale.

■ Diversity

In the belief that diversity is the source of innovation, we consider it important to view the differences in sex, nationality, work history, age, personality, values and other external/internal aspects as the “individuality of that person” and respect them as such. We will continue to gather diverse talents and competence to address the diverse customer needs in the global market.

■ Action Plan based on Act of Promotion of Women’s Participation and Advancement in the Workplace

In order to become a “truly global company”, G-TEKT is making enhancement efforts in the area of people who support the enterprise by treating it as a key management issue. In Japan, where women’s participation and advancement is regarded as one of our priority issues, our principal initiatives are “hiring more women”, “enhancing female training” and “implementing continual employment and working style reform”.

■ Human Resource Development Program





Environment

We will give utmost priority to the conservation of the global environment and strive to achieve a low-carbon society.

Environmental Philosophy

The Company places the highest priority on the conservation of the global environment and local environments. As a member of the society responsible for passing on the green Earth to the next generation, it shall strive to both engage in environmentally considerate business activities and help conserve the global environment under the slogan, “The Earth is our shared resource”.

Environmental Policies

- 1 The Company shall assess the environmental impact of all its business activities, voluntarily formulate improvement plans, and actively work on environmental conservation.
- 2 The Company shall comply with related environmental laws and regulations and other requirements and establish its own management standards to prevent environmental pollution.
- 3 The Company shall define purposes, set goals and formulate implementation plans for its environmental protection activities, and reduce its environmental burden by engaging in ongoing improvement, and conduct business in harmony with the environment. Further, the Company shall review and revise the purposes, goals and plans as necessary.
- 4 The Company shall ensure all employees and all people working at the Company are aware of and understand its environmental policies by providing them with environmental education and training activities.
- 5 The Company shall disclose its environmental information to the general public. The Company shall conduct activities aimed at achieving a deeper level of communication with the community and society at large and actively cooperate in community- or society-based environmental conservation activities.

Our Employees'



VOICE



Environmentally-friendly Sustainable Manufacturing

Kentaro Noma Environmental Management Section, Production Division

Food, water, climate stability and other benefits we enjoy as we live on the Earth that are derived from the ecosystem in which diverse organisms interact with each other are referred to as “ecosystem services”. Since these ecosystem services are also utilized in manufacturing (business activities), we are engaging in environmental activities through day-to-day production activities in pursuit of a sustainable society, where such services will still be available in the future.

Environmental Management System across G-TEKT

G-TEKT considers the global environmental issue to be a problem of the highest priority that should be addressed by a company and has been working to acquire the ISO 14001 environmental management system (EMS) certification since 1998 in Japan. Each plant is making ongoing efforts to promote environmental compliance and improvement activities on an ISO 14001 EMS Environmental Committee basis with the respective Plant Manager serving concurrently as the Chief Environmental Manager. The Company has established the Central Environmental

Promotion Committee as an upper-level organization of the plants and two additional business locations, specifically the Head Office and C&C Tochigi, to manage matters related to company-wide global environmental improvement activities.

The “World Environmental Safety Conference”, which was established in June 2014, is also meeting regularly in an effort to strengthen our environmental management worldwide as well as to share information with each Director of each overseas division serving as a person-in-charge.

G-TEKT Domestic Environmental Management Structure



ISO 14001 Certification Acquisition Status

Domestic Site	Acquisition Date
Tochigi Plant	December 1998
Saitama Plant	April 1999
Hamura Plant 1/2	
Hamura Office	
Shiga Plant	April 1999
Gunma Plant	December 2004

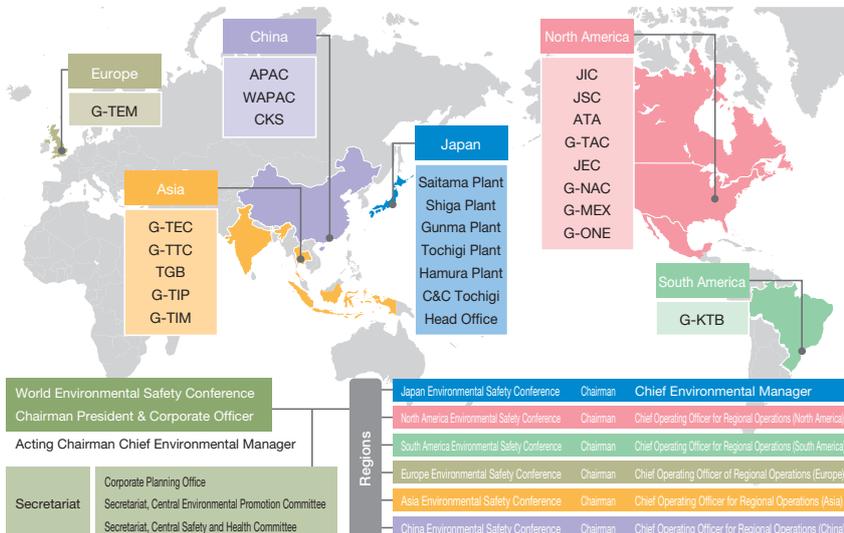


World Environmental Safety Conference

ISO 14001 Registration Certificate

Saitama Plant
Hamura Plant 1/2
Hamura Office

World Environmental Safety Conference



G-TEKT Environmental Road Map

Fundamental Environmental Philosophy: Realizing the idea of “The Earth is our shared resource”

We are establishing environmental goals and engaging in ongoing improvement activities pursuant to environmental activity plans designed to achieve the goals.

[2020 Vision G4-20]

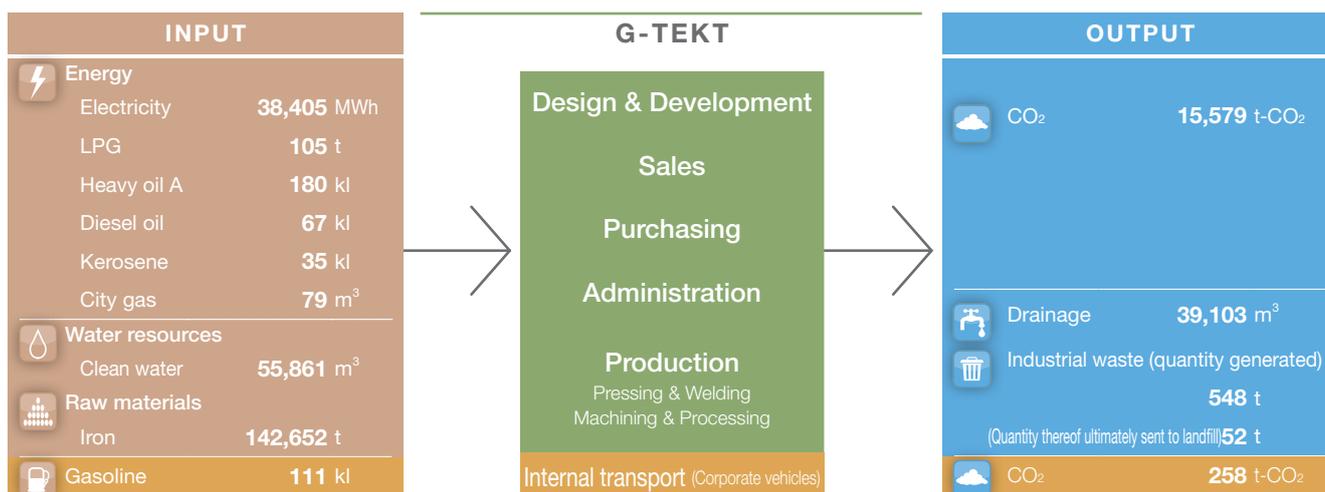
Green (Environment / Safety / Social contribution)
 Deployment of an eco-friendly and safety conscious business
[High-Priority Corporate Goal]
 Reduction of environmental burden and environmental risks

[Environmental goals of each business location]

1. Prevention of water pollution
2. Prevention of factory noise and vibrations
3. Reduction of energy consumption
4. Reduce waste (3R)
5. Contribution to local communities

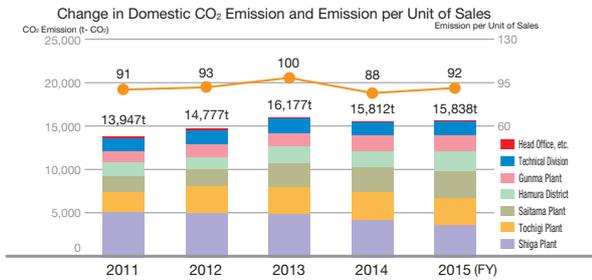
Area	Description	Target/Actual	FY2014	FY2015	FY2016
Production	Reduction of greenhouse gas (GHG) emission per unit of sales	Target	Improve by 1% (from 2013)	Improve by 2% (from 2013)	Improve by 3% (from 2013)
		Actual	Improved by 12.5%	Improved by 8.1%	–
		Assessment	◎	◎	–
	Strengthening of the global environmental management system	Target	• Reduce emission on a global scale • Increase the accuracy of environmental data	Reduce emission	Continue efforts
		Actual	• Established the World Environmental Conference • Made preparations to build an overseas environmental data system	• Shared examples of environmental improvements at the World Environmental Conference	–
		Assessment	◎	◎	–
Environmental management	Prevention of noise, vibration, water pollution, atmospheric pollution, waste disposal, and other environmental problems	Target	Comply with environmental laws and regulations Achieve zero leakage and zero complaints	Comply with environmental laws and regulations Achieve zero leakage and zero complaints	Continue efforts
		Actual	Had no environmental issues	Had no environmental issues	–
		Assessment	◎	◎	–
	Transition to the revised 2015 ISO 14001 EMS	Target	Make preparations	Re-establish systems	Transition to the new systems
		Actual	Gathered information	Reviewed system documents	–
		Assessment	◎	◎	–
Corporate activities	Biodiversity measures	Target	Formulate activity guidelines Make preparations and implement activities	Implement activities	Continue efforts
		Actual	• Issued guidelines • Commenced activities	Implemented forestation activities, etc.	–
		Assessment	◎	◎	–
	Dissemination of information to society	Target	Make preparations to issue an environmental (CSR) report	Issue CSR Report 2015	Continue efforts
		Actual	Information gathering and preparation	Issued first edition in June 2015	–
		Assessment	◎	◎	–

Material Flow (*Actual figures for FY2015)



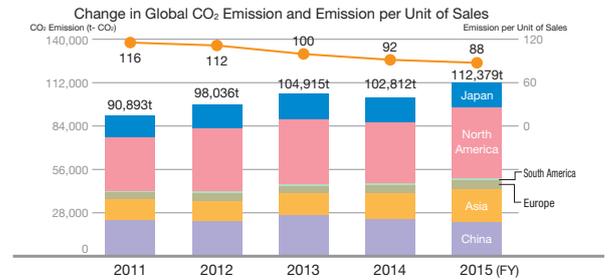
Reduction of Greenhouses Gas (Japan)

We engaged in efforts to reduce our CO₂ emission in Japan, setting our target at an annual reduction rate of 1% relative to the FY2013 level in terms of emission per unit of sales. In FY2015, poor sales and the reduction in the number of units produced as a result of such factors as the stagnant Japanese economy translated into a 8.1% decrease in emission per unit of sales—which was 4 percentage points higher than in FY2014—and an increase in CO₂ emission by 26 t.



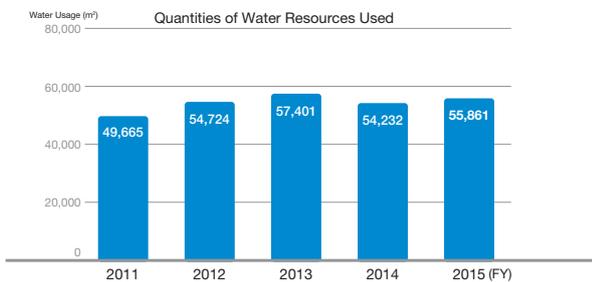
Reduction of Greenhouses Gas (Global)

We commenced our global efforts to reduce our CO₂ emission, setting our target at an annual reduction rate of 1% relative to the FY2013 level in terms of emission per unit of sales. In FY2015, increased production in North America and Asia and higher sales of non-mass-produced items, combined with the impact of exchange rates, resulted in a 12.1% reduction in emission per unit of sales, and an increase in CO₂ emission by 9,567 t.



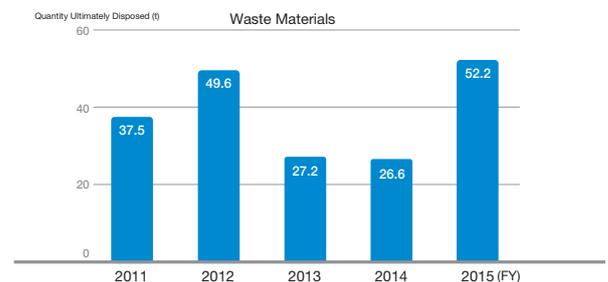
Reduced Usage of Water Resources

Activities to reduce the usage of precious water resources help reduce the energy used to power the pumps at the water basins. Further, our visualization efforts are contributing to the early detection of leaks in water pipes on our premises.



Reduction of Waste Materials

We are promoting the reduction of waste materials through the 3R (reduce, reuse, recycle) of unnecessary materials.



Note: The figures represent the quantity collected before intermediate processing

Green Procurement Efforts

We are aspiring to contribute to the realization of a sustainable society by promoting global manufacturing practices designed to reduce the environmental burden attributable to the production processes present in the supply chain overall. As a part of these efforts, we are engaging in green procurement efforts in order to procure products, which

are made with the appropriate use of chemical substances using processes resulting in less environmental burden and contribute to the conservation of the ecosystem, from suppliers who are active in environmental conservation activities.



Environmental Improvement Efforts

Reduction of Power Usage by Controlling the Number of Air Compressors in Operation (Japan)

Compressed air is produced by air compressors, as press machines, welding jigs, air tools, etc. used at the production site need to be powered by compressed air. In order to reduce the electricity consumed by such air compressors,



Inverter air compressors, each of which is equipped with two compression machines

Saitama Plant executes coordinated control and operation of three inverter air compressors (150kW type) which control the number of units of compression machines in operation as necessary.

Reduction of Lighting Time with Skylights in Ceilings and Windows on Walls of Plant (Brazil)

G-KTB in Brazil installed many skylights in the ceilings and windows on the walls of its plant; the hours during which ceiling lights are turned on has been reduced, by maintaining lighting at a level that does not affect production even if



Skylights in ceilings and windows on walls of plant

the ceiling lights are turned off during daytime when the sun is out, leading to the reduction in electricity consumption.

Measures against Global Warming

As a measure against global warming, we installed solar panels on the roof tops of plants and began a power generation business in 2014 from the perspective of generating power in a manner that renders the reduction of CO₂ emission possible. A secondary benefit is that the panels shield the roofs from solar heat and suppresses the increase in temperature inside the plants, leading to reduced load on air-conditioning equipment during summer.



Saitama Plant Solar Power Station		Gunma Plant Solar Power Station		Shiga Plant Solar Power Station	
[Facility Overview]		[Facility Overview]		[Facility Overview]	
Photovoltaic cell capacity	1,605kW	Photovoltaic cell capacity	1,306kW	Photovoltaic cell capacity	602kW
SHARP 245 W × 6,552 panels		SHARP 245 W × 3,920 panels SHARP 250 W × 1,386 panels		SHARP 245 W × 2,408 panels	
Maximum power output	1,500kW	Maximum power output	1,000kW	Maximum power output	500kW
PCS: TMEIC 500 kW × 3 units		PCS: TMEIC 500 kW × 2 units		PCS: TMEIC 500 kW × 1 unit	
Solar Power Generation		System Linkage Commencement Date		Actual Annual Power Output	Annual CO ₂ Equivalent
Saitama Plant		March 31, 2014 -		1,957,260 kWh	988 t-CO ₂
Gunma Plant		April 25, 2014 -		1,571,059 kWh	793 t-CO ₂
Shiga Plant		December 5, 2014 -		777,823 kWh	413 t-CO ₂



G-TEKT's Biodiversity Efforts

In FY2014, G-TEKT established the “G-TEKT Biodiversity Guidelines” and commenced further efforts with respect to “biodiversity”, one of the matters relating to its highest priority issue “conservation of the global environment”, which its business activities may possibly impact.

G-TEKT Biodiversity Guidelines

G-TEKT recognizes the “conservation of and sustainable usage of biodiversity” as a significant issue to be addressed as a part of the “conservation of the global environment” under the “G-TEKT Environmental Philosophy” and shall strive to promote both the conservation efforts and business activities while maintaining a balance between the two.

Priority Measures

1. Pursuit of environmentally-friendly cutting-edge technologies

The Company shall contribute to the conservation of biodiversity through the development and mass production of products resulting in one of the smallest environmental burdens in the industry.

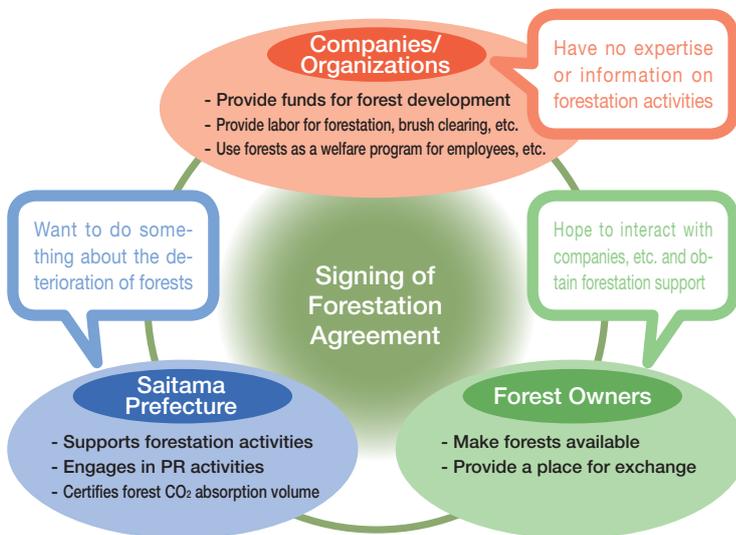
2. Undertakings related to business activities

The Company shall reduce environmental burden through the pursuit of higher production efficiency, as well as reduce the impact on biodiversity while striving to achieve the sustainable use thereof.

3. Communication with local communities

The Company shall endeavor to interact with the local communities as well as the society at large by actively cooperating in the environmental conservation activities and social contribution activities in partnership with the local communities.

G-TEKT's Forestation Program



Saitama Prefecture's "Corporate Forestation" framework

G-TEKT launched “Corporate Forestation” activities in 2014 as part of its biodiversity initiatives.

“Corporate Forestation” is an initiative in which three parties—namely, municipal government, etc. (which provides the place for forestation activities), prefectural government (which supports the activities) and companies/organizations (which engage in forestation activities)—enter into an agreement and carry out forestation in cooperation with each other.

G-TEKT participates in this initiative under the slogan “passing on a lush and green earth to future generations of children”.



Signboard made of wood sourced from Saitama Prefecture installed near the summit of Mt. Yumitate

Signing of the Forestation Agreement

Shiga Plant

On December 10, 2014, Shiga Plant entered into a “Lake Biwa Forestation Partnership Agreement” with Shiga Prefecture and Ohno Forest Property Ward Management Association.

Saitama Plant, Hamura District, Head Office and Gunma Plant

On February 4, 2015, we entered into a “Saitama Prefecture Forestation Agreement” with Saitama Prefecture and Tokigawa-cho.

Signing ceremony of Saitama Prefecture Forestation Agreement

Photo (from left): G-TEKT Chairman (then President) Toshitsugu Kikuchi, Saitama Governor Ueda, Tokigawa-cho Mayor Sekiguchi



Forestation Activities

At Ohno Forest in Tsuchiyama-cho, Koka City, Shiga Prefecture

On March 4, 2016, we engaged in the “Second Lake Biwa Forest Partner” forestation activities. Ten young trees of Japanese cherries were planted with the participation of 15 employees of Shiga Plant. Staking and tying tasks were also done to support the young trees, which would have otherwise fallen easily without support.



“Second Lake Biwa Forest Partner” forestation activities.

Mt. Yumitate in Tokigawa-cho, Saitama Prefecture

Mt. Yumitate, which is 420m high, suffered a forest fire in May 2013, resulting in approx. 7.6 hectares of forest land being reduced to ashes. To revive Mt. Yumitate, we launched the “First G-TEKT Forestation” activities on April 25, 2015. With the participation of 45 employees of Saitama Plant, Hamura District, Head Office and Gunma Plant, 80 broad-leaf trees were planted, including flower “*Rhododendron dilatatum*” and tree “*Acer palmatum*”, both of which are Tokigawa-cho’s symbols.

On September 26, we conducted the “Second G-TEKT Forestation” activities, in which 20 employees used grass scythes and manually removed overgrown weeds around the young trees. (brush clearing)



“Second G-TEKT Forestation” brush clearing activities

In addition to the above, we are engaged in a management project commissioned by the Saitama Prefectural Agricultural and Forestry Corporation; in FY2015, we planted 519 trees in total, and obtained certification from Saitama Prefecture for the absorption of 5.4 tons of CO₂ emissions.



Saitama Prefecture’s certification scheme for volume of CO₂ absorption by forests Young tree of *Rhododendron dilatatum*



social contribution activities

Social Contribution

We will continue to make social contributions that can be passed on to the next generation through coexistence with the local communities.

Social Contribution Activities

Each of the business locations is engaging in various activities, recognizing the importance of interacting and mutually developing with the people of the local communities.

Shiga Plant

The plant is conducting Operation Clean activities in its peripheries and is participating in the environmental beautification projects conducted by the local companies and municipal governments of the Konan and the Koka Districts. In terms of environmental beautification campaigns, 25 employees participated and engaged in cleaning activities around Blue River Park of Ohzuchi Dam.



Shiga Plant:
Ayukawa Cherry Tree Protection Society's activities



Shiga Plant:
Beautification activities around Ohzuchi Dam

Gunma Plant

A total of 800 people including junior high school students from Ohta-shi, various groups, Subaru affiliates, and other organizations gathered to clean Kanayama, which is a castle related to Lord Yoshitada Nitta and can be considered a symbol of Ohta-shi. Our employees also participated in the event to pick up trash and weed the premises.



Gunma Plant: Kanayama cleaning project

Tochigi Plant

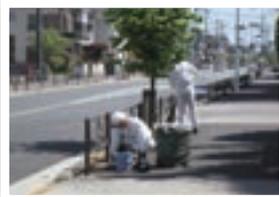
In activities to clean the park on the bed of Kinugawa River, 36 employees of the Plant participated and picked up trash. Employees also participated in the Omaruyama Park Resuscitation Basic Plan in Sakura City, in which they are commissioned to perform brush-clearing work twice a year.



Tochigi Plant: Kinugawa River bed cleaning activities

Saitama Plant, Hamura Plant

Employees participate in the "Full of Flowers Project" organized in partnership with the Futaba Neighborhood Association of Hamura City, and also engage in cleaning and weeding activities in roads around the Plant.



Saitama Plant, Hamura Plant: Futaba Neighborhood Association "Full of Flowers Project"

C&C Tochigi

Employees participated in Kinugawa River and Kokaigawa River cleaning activities as well as the community event "Information Forest Cherry Blossom Festival". C&C Tochigi also cooperates in blood donations.



C&C Tochigi: Kinugawa River and Kokaigawa River cleaning activities

Overseas Efforts

The Company is engaging in environmental conservation activities not only in Japan but also in North America, Europe, Asia, China and South America, with one Environmental Safety Conference in each region. Our overseas locations are also engaging in activities that contribute to their local communities. In North America, our employees are actively engaging in energy conservation measures and projects that contribute to their local communities. Our European locations are promoting employment support, community welfare, and local environmental activities. In China, energy conservation and CO₂ reduction efforts are under way, along with social contribution activities. Our South American locations are also actively promoting environmental improvement projects while engaging in social welfare activities, such as donating to children's welfare facilities.

North America



Green campaign



Family event



Commendation by local community

Europe



Charity cake sale



Promoting separation of trash by type



Repairing communal facilities in local community (Mailbox)

China



Visiting an old people's home



Activities as model company of safe production in community



Tree planting project

South America



Donating clothes to city office

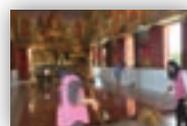


Holding an environmental poster contest



Environment improvement activities at a local river

Asia



Temple cleaning activities



Green activities



Donation activities for four neighboring villages



Third-Party Opinion



Kazuhiro Bai

Professor, Faculty of Economics and Business Administration and Graduate School of Economics and Business Administration, Reitaku University
Deputy Director, Business Ethics and Compliance Research Center, Reitaku University
Ph. D. (Management)

Assumed position as a faculty member of Reitaku University in 2001 and has been with the university ever since. President, Japan Society for Management Accounting; Vice-President, ICBM (International Conference on Business Management); Member, Japan Federation of Management Related Academies, etc. 2008: Visiting Professor, Faculty of Business, Bond University (Australia); Author of numerous publications, including "Outlook on CSR Accounting" (Moriyama Shoten), "CSR Management Control," and "Requirements for Corporate Survival: Five Basic Rules for Overcoming Environmental Changes" (both from Reitaku University Press).

G-TEKT Corporation (hereinafter "the Company") has summarized, in the form of a "CSR Report", its initiatives based on its medium and long-term vision "2020 Vision G4-20" with the aim of realizing a sustainable society. The following is a third-party opinion from the perspective of promoting CSR accounting, which is designed to quantify CSR activities, and business continuity.

Aspects to Be Lauded

The Company should be praised for this Report as it has started to proactively take on the tough challenge of balancing CSR activities with a series of activities from manufacturing to sale of automotive body and transmission components which constitute the core of its businesses.

Firstly, it is worth noting that in the Message from the President, the Company seeks to realize a sustainable society by determining its unique CSR theme under the banner of "innovation in three fields" ("technology innovation", "sales innovation" and "human resources innovation"), with its medium and long-term vision "2020 Vision G4-20" in mind (pp.3 to 4). Secondly, in "G-TEKT's CSR" (p.6), the Company identifies the CSR activities that it should engage in while being conscious of the relationship with its stakeholders, in an attempt to clarify its basic stance toward its stakeholders. Thirdly, in "Identification of Material Issues", the Company clarifies "issues based on G-TEKT's business strategies" through the "detection of social issues", and provides an easy-to-understand explanation of the subsequent steps in this process, i.e., "examination of materiality", "confirmation of appropriateness of material issues" and "confirmation of material issues" (pp.6 to 8).

What is most distinctive in the Company's initiatives highlighted here is that CSR efforts are deemed to have a hierarchical structure and are implemented in a pragmatic fashion, which reflects its stance on tackling issues while fostering its company-wide consensus on CSR by breaking down its objective—i.e., its medium and long-term vision—in stages (Refer to "Our Employees' VOICE", "Biodiversity Efforts", (pp.23 to 24), etc.). Such pragmatic efforts are highly promising in terms of the power to appeal to stakeholders, and are highly commendable. In addition, the Company's approach to proactively disclosing not only financial but also non-financial information serves as a benchmark for future integrated reports, and is commended for being effective in steadily raising the standard of promoting CSR activities.

Improvements Expected

The issue of establishing a management system—i.e., how CSR activities should be linked with business activities, and what kind of system should they be based on—and the issue of preparing an integrated report were mentioned in the previous fiscal year as improvements expected to be made. As far as these issues are concerned, the Company is deemed to have steadily taken the first step with this Report.

The next area in which improvements are expected to be made is providing an easy-to-understand explanation in concrete terms as to how the aforementioned accomplishments of individual CSR activities are linked to the Company's business performance and operational improvements—in a nutshell, the relationship between the two. The Company's basic approach to CSR efforts is to determine CSR activities from its own perspective, and take action to win the understanding of its stakeholders through specific activities. Based on its ability to take action, the Company should come up with creative ideas (mechanisms) to further boost its power to appeal to stakeholders. In the lead up to 2020, as depicted in its medium and long-term vision, I look forward to the Company's efforts translating into the establishment of a CSR promotion structure with greater effectiveness.



VOICE

In Response to the Third-Party Opinion

Corporate Planning Office

I would like to thank Dr. Bai for his extremely valuable comments and opinions on G-TEKT Corporation's CSR Report 2016, as well as his input on the aspects where we did well and those where improvements are expected to be made in the future, among others.

In this year's Report, we covered the "Process of Identifying Material CSR Issues at G-TEKT" as an example of close links between CSR activities and business activities. In future Reports, we will endeavor to help our stakeholders gain a better understanding of our activities including explaining in concrete terms how the accomplishments of CSR activities are linked to business performance and operational improvements—i.e., the relationship between CSR activities and business activities—as pointed out by Dr. Bai.

Going forward, we will continue to respect the valuable opinions of third parties and push ahead with our CSR activities, while also proactively disclosing data deemed necessary and pursue the evolution of our activities to meet the expectations of all of our stakeholders.

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