

Corporate Social Responsibility

Glory's CSR Philosophy

Glory believes that CSR (corporate social responsibility) is achieved by putting its corporate philosophy into practice. This means offering cash handling machines and other products and services of high social importance to respond to customers' needs for efficiency and accuracy and thus contribute to the realization of a safe and secure society.

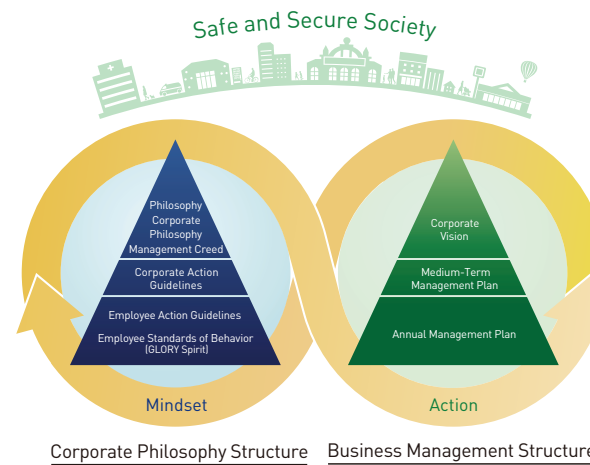


CORPORATE PHILOSOPHY

We will contribute to the development of a more secure society through a striving spirit and co-operative efforts.

MANAGEMENT CREED

- Through a spirit of continuous development, we will provide products and services our customers can rely on.
- We will build a vigorous corporate group through respect for the individual and teamwork.
- We will endeavor to act as responsible corporate citizens and co-exist harmoniously with society at large.



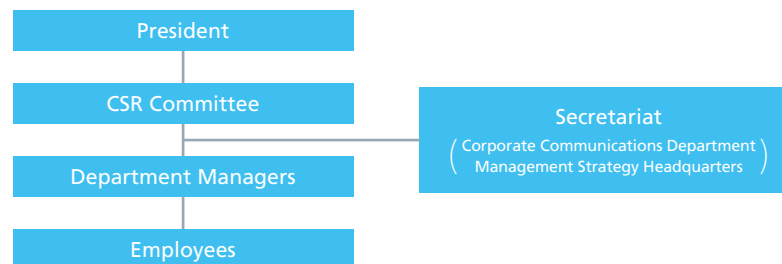
Participation in the United Nations Global Compact



The Glory Group operates in more than 100 countries. We contribute to every region in which we operate by matching technologies and services to the issues faced by customers and society, and as responsible corporate citizens, we conduct our work with awareness of the issues of the international community. To further clarify our stance on social contribution, Glory signed the United Nations Global Compact, an international framework for sustainable development, in March 2014.

CSR Promotion Framework

CSR efforts in the Glory Group are led by the CSR Committee, which is chaired by the President and made up of management-level employees. The committee convenes twice a year, at which time it deliberates on the basic direction and plans for CSR management and establishes policies for major annual CSR initiatives.



Glory promotes various other CSR Activities. For further information, please visit our website. <http://corporate.glory-global.com/csr/>

Glory's Material Issues

Glory has identified its CSR-related material issues through the following process.

Process for Identifying Material Issues

STEP 1

Find and Extract CSR Issues

Based on international standards such as the Global Reporting Initiative (GRI) guidelines and ISO 26000, the social impact in all stages of the value chain (planning, development, procurement, manufacturing, sales, maintenance, others) were assessed, and CSR issues were found and extracted.

In-House Consideration

Representatives of relevant Glory departments sorted out the issues and assessed their materiality.



STEP 2

Assess the Materiality of CSR Issues from the Standpoint of Both Glory and Its Stakeholders

A questionnaire was administered in both the business and corporate departments to assess materiality. Responders ranked the priority of CSR issues from the two standpoints of 'materiality in businesses' and 'level of impact on stakeholders'.

Dialogue with Experts

Two dialogue sessions were held, each one with an outside expert: Junichi Mizuo, President of Mizuo Compliance and Governance Research Office, and; Seiichiro Shimamoto, a professor at Kyoto Bunkyo University. In these sessions, the two experts provided Glory with advice such as whether there were any shortcomings in the assessed materiality, and how to pursue CSR that matches Glory's characteristics.

STEP 3

Experts Assess Validity

Two outside experts assessed the validity of materiality. Based on these assessment results, a materiality map was created and issues were sorted out.

STEP 4

Identifying Material Issues

Based on the materiality map, 11 items considered material issues at Glory were chosen and these were classified into five priority CSR themes. Following approval from management, these were identified as material issues.



Junichi Mizuo
President, Mizuo Compliance and Governance Research Office



Seiichiro Shimamoto
Professor, Faculty of Social Relations, Kyoto Bunkyo University

Material Issues Identified at Glory

Category	Priority CSR Themes	Material Issues	Fiscal Year 2018 Targets
Creating new value	New value creation through business	• Build a business model that contributes to the advancement of customers' business and helps them boost their operational efficiency	• Build solutions using diverse data
		• Aim to be a reliable partner to customers, and establish a scheme for periodically confirming progress and customer satisfaction	• Select model customers and periodically review
Environment	Environmental protection	• Reduce energy consumption per employee	• Reduce energy consumption per employee by 1% (base year : fiscal year 2010)
		• Reduce CO ₂ emissions from new products	• Improve energy efficiency of newly developed products by at least 15% compared to previous models
		• Carry out biodiversity preservation activities in co-operation with stakeholders	• Carry out 100% of activities planned for this fiscal year
Social	Human resource initiatives	• Promote work-style reform	• Implement and verify new ways of working • Boost operational efficiency
		• Support and secure human resources essential to Glory's business	• Offer job-level-specific training and support candidates who can lead the company in the future
Governance	Promotion of CSR in the supply chain	• Conduct CSR-oriented procurement worldwide	• Continue to use the CSR voluntary checklist, and work to improve assessment scores • Spread activities to overseas sites
		• Strengthen corporate governance	• Conduct activities in line with the Corporate Governance Guidelines
Governance	Strengthening of governance	• Strengthen risk management activities and communicate to Glory Group companies	• Conduct risk management from a global perspective and communicate activities to Glory Group companies
		• Strengthen compliance management and communicate to Glory Group companies	• Conduct job-level-specific compliance education, and strengthen collaboration with Glory Group companies