



# Stakeholder Dialogue

GLORY communicates with stakeholders and strives for appropriate information disclosure.

## Dialogue with Customers

GLORY takes the opportunity to introduce the GLORY Group's products and services to customers in Japan and around the world and to hold dialogues with them.

In February 2017, GLORY renovated its Tokyo showroom, the GLORY Brand Square. Visitors to the showroom are given a firsthand look at GLORY's comprehensive, high-quality solutions. The venue is divided into areas with themes such as Finance, Retail, and Overseas. Each area reproduces the latest installations and operational scenes, while showcasing solutions that optimally match customer needs. GLORY further communicates with customers in Japan and overseas by holding private exhibitions and by taking part in major trade shows.

GLORY also invites its customers to the Himeji and Saitama factories, so they can see the production sites for themselves. This gives them a deeper understanding of the company's production system and quality control.



GLORY Brand Square (Tokyo showroom)



Glory Postal Solutions, a private exhibition (France)

## Dialogue with Shareholders and Investors

GLORY strives to build long-term relationships of trust with its shareholders and investors. To this end, the company engages them in constructive dialogue to deepen their understanding of GLORY's management policy and business activities. It also works to increase management transparency through prompt, accurate, and fair information disclosure. After the fiscal year 2016 general meeting of shareholders, GLORY hosted a tour of its new factory, which was completed in September 2015. Visitors on the tour were invited to view the factory's state-of-the-art equipment. On other occasions during the year, GLORY held financial results briefings for institutional investors and company briefings for individual investors.

The GLORY corporate website has a special section for shareholders and investors. Here, quarterly financial reports, shareholder reports, annual reports, and other materials are disclosed in a timely manner for the convenience of shareholders and investors.



Factory tour for shareholders



Financial results briefing for institutional investors

## Dialogue with Business Partners

Suppliers are important partners that enable GLORY to consistently manufacture high-quality products, and it is vital that a system of cooperation is in place. To this end, GLORY has been holding annual Supplier Conferences in Japan, where the company explains its current situation and strategies. These conferences are also held at GLORY Products Ltd., GLORY Denshi Kogyo (Suzhou) Ltd., and GLORY (PHILIPPINES), INC. This is part of an effort to build relationships of trust that allow GLORY and its suppliers to share the common goal of achieving a sustainable society.

GLORY also holds Quality Improvement Activity Workshops where suppliers present their quality improvement initiatives. This event enables suppliers to share information on best practices.



Supplier Conference



Quality Improvement Activity Workshop

## Dialogue with Employees

Since fiscal year 2012, GLORY has held meetings in which the president and other senior executives provide updates to employees. The president explains the company's philosophy and the state of its business. The goal of these meetings is to enhance employees' sense of involvement in business management and to boost their motivation. In fiscal year 2016, these meetings were held at nine locations throughout Japan.

Once a year since fiscal year 2008, GLORY has held a tour of its headquarters offices for families of employees. Family members get to view the workplace, eat at the company cafeteria, and meet the president. This event has proven popular with employees and their families, as it gives family members a chance to see the GLORY work environment firsthand.



Office tour for families of employees



Meeting with the president at GLORY (PHILIPPINES), INC.

## Third-Party Opinion

### About the GLORY CSR Report 2017

#### • Commitment of Top Management

In the opening of the report, the President of GLORY expresses the company's strong commitment to the United Nations (UN) Global Compact and the UN Sustainable Development Goals (SDGs).

The report explains that GLORY is in the process of identifying material issues of CSR. A desirable innovation for GLORY would be to build CSR policies that incorporate international frameworks—for example, GRI, ISO 26000, and SDG targets—and to carry out these policies through the company's business activities. Clear goal setting and careful evaluation of results will improve GLORY's global business activities in the future. I expect that GLORY will develop its business sustainably by solving social problems through its business activities and by enhancing its efforts towards Creating Shared Value (CSV).

#### • Value Chain and Special Report

The section entitled "Major CSR Initiatives in the Value Chain" discloses new information on CO<sub>2</sub> emissions defined in Scope 1, 2, and 3. This indicates GLORY's commitment to achieving its goal of reducing CO<sub>2</sub> emissions and is in line with the actions of many countries that are setting quantitative targets in the wake of the Paris Agreement adopted in December 2015. The disclosed information on CO<sub>2</sub> emissions will make it possible for GLORY to set and improve new key performance indicators (KPIs) that take account of eco efficiency.

The Special Report outlines GLORY's facial recognition technology and provides seven examples of how this technology is contributing to the development of a safer and more secure society—a concept at the heart of the company's corporate philosophy.

#### • Initiatives in Governance, Quality, Human Resources, Social Contribution, and the Environment

This report explains both new and continuing efforts that GLORY is making in the fields of governance, product quality, human resources, social contribution, and environmental protection. In fiscal year 2016, the company formulated an action plan to promote women's participation and advancement in the workplace, established a daycare center on the company

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premises, reduced 60% of paper usage through campaigns to promote paperless documentation in the Himeji Factory, and established a distribution center in the Netherlands to reduce CO<sub>2</sub> emissions. These achievements show that the company has successfully enhanced its activities and systems in these fields.

As part of GLORY's ongoing contribution to society, many of its employees participate in local volunteer activities. Local residents also participate in GLORY-sponsored activities. These efforts by the company reveal a commendable spirit of corporate citizenship.

#### • Being a Long-Lasting Company

In 2018, GLORY will celebrate its 100th anniversary. I have conducted research on listed companies in 140 countries around the world. This research gathers financial data from the past 30 years for companies that have been operating for over 100 years and that have achieved sustainability. My research findings reveal that the profit rates of long-lasting companies tend to be large and stable and that these companies add a large amount of value. They contribute to society on an ongoing basis by properly distributing their profits to stakeholders—a management style that emphasizes a positive relationship with stakeholders.

GLORY's management creed states that it endeavors to "coexist harmoniously with society at large." This is borne out in the company's management style, which values coexistence with stakeholders, and in the contribution to society it has been making over the past 100 years. I am very interested in seeing how GLORY will plan for the next century and how it will go about taking large strides based on its experience in CSR—experience that the company has diligently built up since before the term "CSR" was created.

## GLORY's Response

This year GLORY once again offers its sincere thanks to Professor Saka for her valuable remarks regarding our CSR efforts. We also appreciate her complimentary words about our 100 years of history.

The GLORY Group upholds a corporate philosophy of helping to realize a sustainable society through our business activities. This year, Professor Saka has suggested we take these two further steps: first, incorporate SDG targets into our CSR agenda and aim to solve

these issues in our business activities; and second, use CO<sub>2</sub> emissions data to set and raise new KPIs that take account of environmental efficiency.

GLORY is currently in the process of identifying material issues. From the perspective of raising corporate value, we will put Professor Saka's suggestions into concrete form, and we will continue our efforts in contributing to the development of a more secure society.



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