



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 March 2018, Glory opened its renovated Glory Next Gallery, the head office showroom, where visitors can experience the history and technologies behind the company's progression story. Divided into four zones—Prologue, History & Technology, Core Technologies, and Glory Future—it features actual products and videos that take visitors through the company's history, products, and technological developments since its foundation.

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 Next Gallery (head office showroom)



Glory Innovation Forum, a private exhibition (Germany)

Dialogue with Shareholders and Investors

Glory strives to build long-term trusting relationships with its shareholders and investors. To this end, the company engages 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. In fiscal year 2017, Glory hosted a tour of the Saitama Factory for institutional investors, a tour of the showroom for shareholders, 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.



Tour of Saitama Factory for institutional investors



Showroom tour for shareholders

Dialogue with Business Partners

Suppliers are important partners that enable Glory to consistently manufacture high-quality products, and it is vital that a cooperative system is in place. To this end, Glory has been holding annual Supplier Conferences in Japan, where the company explains its current situation, strategies, and purchasing policy. 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 the trusting relationships 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 in Japan



GLORY Denshi Kogyo (Suzhou) Ltd. holds Supplier Conference

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 2017, these meetings were held at nine locations throughout Japan. In addition, through site visits, in-house events, and group company visits, senior executives can interact closely with employees, fostering a sense of oneness among everyone in the Glory Group.

Once a year since fiscal year 2008, Glory has held a tour of its head office for families of employees. Family members get to view the workplace, eat at the company cafeteria, and meet the president.



President Onoe visits an in-house technology event



President Onoe visits the European Master Distribution Centre (EMDC) in the Netherlands

Third-Party Opinion

About the *Glory CSR Report 2018*

• **Glory's CSR Advancements Described in the CSR Report 2018**
This year's CSR Report reveals the following progress from the previous year.

- (1) The company has established its new Medium-Term Management Plan, in which the most obvious policies are the change from last year's "enhance profitability" to "realize sustainable business management," and from "meet market needs" to "strengthen collaboration with various partners to solve social issues." Glory shows an awareness of Sustainable Development Goals (SDGs) as it brings sustainability and collaboration to the forefront. Glory has responded to my third-party opinion of last year: it has shifted its management focus by taking a broader vision and a long-term view as it approaches its 100th anniversary.
- (2) In the process for identifying materiality (material issues), 11 items were chosen and classified into five priority CSR themes. For example, two years ago in the third-party opinion, I pointed out that the company should formulate a medium-to-long-term strategy that allows it to seamlessly link key performance indicators (KPIs) in CSR with KPIs for raising corporate value; and that it should establish concrete action plans and KPI progress management. Glory did these and has made incredible progress as a result.
- (3) Such progress can also be seen in the commitment of top management. Glory states that it will "strengthen collaboration with various partners to solve social issues" in its second century, and has shown that is working to solve social issues through its business strategy, in line with the SDGs.
- (4) In the area of governance, Glory revised its risk management rules and risk evaluation standards in 2017, and the report shows a strengthened system under which the entire Glory Group is carrying out risk analysis and assessment under the same standards.
- (5) In the area of quality initiatives, the report introduces Glory's Automation Smart Robot for Future (ASROF) and its fascinating application to show how the company is creating environments in which humans and robots can work together in harmony.
- (6) In social initiatives, the report shows the many ways Glory

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works to be a good corporate citizen, through activities to foster the next generation and to contribute to communities around the world. (7) In environmental initiatives, Glory describes its success in areas such as improving resource productivity through the adoption of nesting.

• Looking Ahead to the Next 100 Years

In this year's report, Glory states its commitment to pursuing sustainability in its second century of business as it works together with society to solve social issues.

I am studying financial data covering more than 30 years of over 80,000 listed companies in 148 countries worldwide. Research has revealed issues such as how companies distribute their added value between workers and investors, and the truth about how companies avoid taxes. In view of the impact that companies have on society, I think that they have a bigger-than-ever role to play and that collaboration among companies is crucial to achieving what Glory calls "creating shared value (CSV)."

Mother Teresa once said, "If you want to bring happiness to the world, go home and love your family." I believe that the same can be said of achieving the SDGs: all organizations must take good care of the community and the people who live there. The fact that Glory has always contributed to communities in a down-to-earth way is something we know from the company's CSR report and firsthand from its stakeholders. I believe this will lead to the creation of further corporate value in the company's second century of business.

Glory's Response

We once again offer our sincere thanks to Professor Saka for her valuable remarks on our CSR efforts.

Our 2020 Medium-Term Management Plan, which we announced in May 2018, is the first step towards realizing the Long-Term Vision 2028, our target for 10 years from now. Amidst the spread of fintech, the diversification of payment methods, and a rapid move towards a cashless economy, we vow to continue with our existing businesses while opening new business domains

in which we collaborate with various partners to solve social issues in order to realize new levels of trust that we can provide to customers. Professor Saka has rated Glory highly on these initiatives from the standpoint of SDGs, and this motivates us to work even harder in the future.

Future efforts are aimed at achieving our long-term vision, which states "We enable a confident world." We will ensure that our stakeholders receive thorough and periodic reports on these efforts.



Motozumi Miwa
Executive Vice President,
GLORY LTD.