



GLORY CSR Report 2018



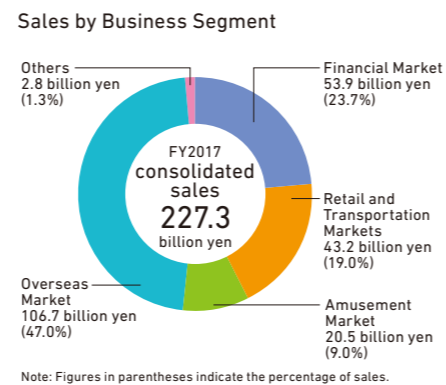
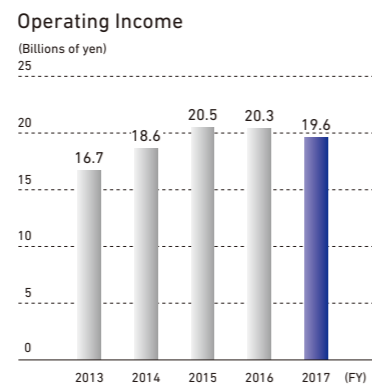
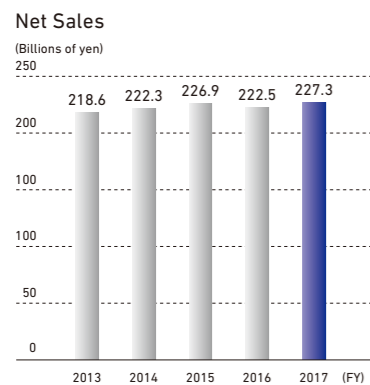
Glory at a Glance

Corporate name : GLORY LTD.	Stock listings : Tokyo Stock Exchange (1st Section)
Founded : March 1918	Number of employees : 3,314 (Group: 9,516) <small>Note: As of March 31, 2018</small>
Incorporated : November 1944	Line of business : Development, manufacturing, sales, and maintenance of cash handling machines, data processing equipment, peripheral devices with data processing equipment, vending machines, automatic service equipment, etc.
Capital : ¥12,892,947,600	

Business Segments

	Main Customers	Main Products and Goods
Financial Market 	Financial institutions, OEM clients, and others in Japan	Open teller systems Coin and banknote recyclers for tellers Coin recycling modules for ATMs Multifunctional banknote changers Cash monitoring cabinets Security storage systems Key management systems Banknote recycling modules for horse race ticket vending machines
Retail and Transportation Market 	Supermarkets, department stores, cash-in-transit companies, railroad companies, tobacco companies, hospitals, local governments, general companies, and others in Japan	Coin and banknote recyclers for cashiers Sales proceeds deposit machines Multifunctional banknote changers Cash recyclers for gas stations Coin-operated lockers Ticket vending machines Cigarette vending machines Medical payment kiosks RFID self-checkout systems for cafeterias Ballot sorters for handwritten ballots
Amusement Market 	Amusement halls (pachinko parlors) and others in Japan	Card systems for pachinko parlors Banknote conveyor systems Pachinko prize dispensing machines Pachinko ball counters for individual pachinko machines Membership management systems for pachinko parlors Pachinko ball/token counters
Overseas Market 	Financial institutions, cash-in-transit companies, retail stores, casinos, OEM clients, and others overseas	Banknote recyclers for tellers Banknote sorters Banknote and check deposit modules for ATMs Banknote counters Coin and banknote recyclers for cashiers Sales proceeds deposit machines Coin wrappers
Others	Other than those above	Other than those above

Financial Data (Consolidated)

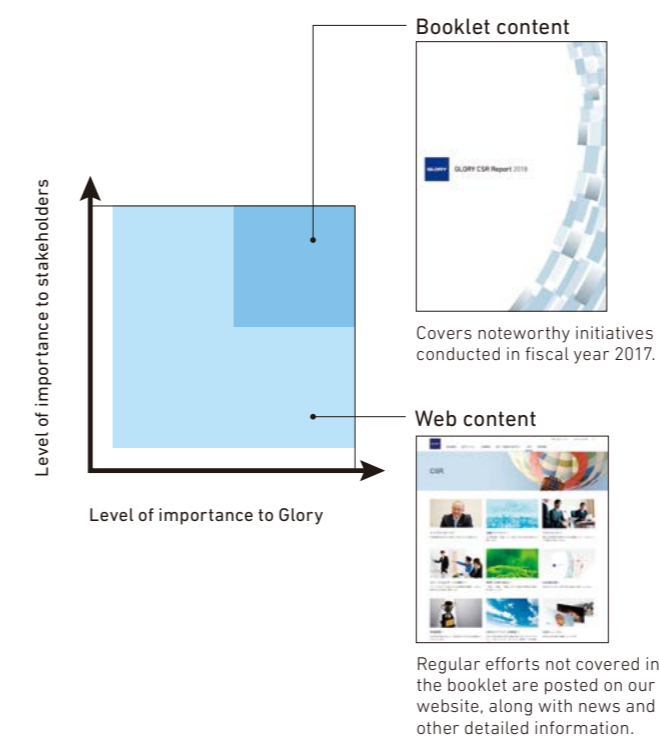


Editorial Policy

The Glory CSR Report 2018 aims to inform a wide range of stakeholders about the CSR initiatives that GLORY LTD. and Glory Group companies conducted during fiscal year 2017.

This report contains information in line with the Standard Disclosures of the Sustainability Reporting Guidelines, Version 4 set out by the Global Reporting Initiative (GRI). Glory has also completed identifying material issues in line with the relevant processes as defined by the GRI.

The Special Report section showcases Glory's coin-operated lockers, which were developed to meet new societal needs. The Glory CSR Report 2018 also covers major efforts in fiscal year 2017 related to environmental protection, social action, and corporate governance. Further details can be found on the Glory website.



Report Subjects

This report generally describes the efforts of GLORY LTD. It will be explicitly stated if a particular item being reported concerns a specific Glory Group company or another company. Moreover, the report on environmental activities covers the ISO 14001-certified offices of GLORY LTD. and Glory Group companies.

Reporting Period

Fiscal year 2017 (April 1, 2017 to March 31, 2018)
(May include reporting of items occurring in or after April 2018.)

Publication Date

July 2018

Referenced Guidelines

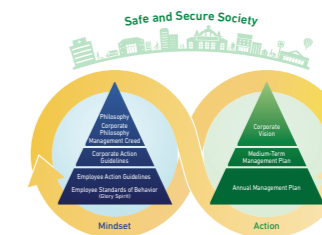
Sustainability Reporting Guidelines, Version 4, Global Reporting Initiative (GRI)
2012 Environmental Reporting Guidelines, Ministry of the Environment, Japan

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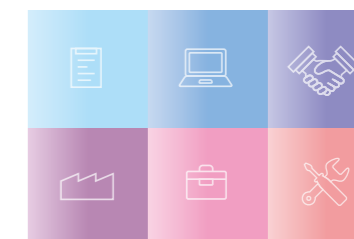
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Hirokazu Onoe.

Hirokazu Onoe
President, GLORY LTD.

As Glory enters its next 100 years, we will contribute to the creation of a safe and secure future.

Glory's 100th Anniversary

In March 2018, thanks to your support, our company marked the 100th anniversary of its foundation. We have come this far thanks to the long-term support of our stakeholders, to whom we offer our deepest gratitude. Our company was founded in 1918, with seven employees, as a repair factory for light-bulb manufacturing devices. Now, the Glory Group has about 9,500 employees, subsidiaries in more than 20 nations around the globe, and offers products and solutions to meet the diverse needs of customers in over 100 countries.

Since our foundation, we have continued to strive to achieve the technological innovation and superb manufacturing that society has sought. Along the century-long path that we have traveled, the cornerstone of our current growth was the development of the first domestically produced coin counter, and its provision to the Ministry of Finance's Mint Bureau (now the Japan Mint) in 1950. Since then, we have created many products which were the first of their kind in Japan, such as coin wrappers, coin sorters, cigarette vending machines, and coin-operated lockers with



Japan's first coin counter

extendable time limits. We have established our standing as a pioneer of cash handling machines.

To arrive at where we are today, we have created various innovations within business fields related to currency, and we have expanded our market, but our roots remain the philosophy that we have maintained since our foundation, of "continuously striving to benefit people by creating products that have never been seen before." We have a long and continuous heritage focused on the development of innovative solutions that improve society. This is enshrined in our corporate philosophy with the words "a striving spirit and cooperative efforts."

Determining Our Long-Term Vision 2028

In April 2018—with our focus on the next 100 years—we put together the ideal image of Glory 10 years from now and set forth the Long-Term Vision 2028, which states "We enable a confident world." Until now, within the business domain of cash handling, the Glory Group has worked to create an environment in which society can use cash with peace of mind. Going forward, as well as furthering that goal, we plan to enter new fields of business. With the spirit we have inherited from our predecessors of taking on a challenge, and via the application of advanced technology that exceeds the boundaries of cash handling, we will work to create new domains in the four business areas detailed below.

- Various methods of payments: Extend solution portfolio to processing and settlement of electronic payments and digital currencies
- Currency circulation management: Extend capabilities to track and manage cash through its complete life cycle
- Automated society: Contribute to productivity in multi-industry applications of robotics, which can work in harmony with human employees
- Personal identification and authentication: Develop solutions to detect, authenticate, and protect personal identity, enhancing trust and security in society

In order to realize these four new business domains, we will further advance our current core technologies of recognition/identification and mechatronics. We will also work to provide products and solutions that meet customers' needs by fusing new technologies via the promotion of open innovation, and through a flexible approach to changes in the market environment.

As the first step, in April 2018 we began a three-year planning period with the initiation of our 2020 Medium-Term Management Plan. This plan sets aside a period of preparation for the creation of our long-term vision, and pushes forward initiatives aimed at creating new value. It includes the three basic policies of building foundations for realizing sustainable business management, strengthening collaboration with various partners to solve social issues, and realizing higher productivity and robust corporate constitution that directly generate outcome.

Toward the Creation of a Sustainable Society

The Glory Group conducts management based on our corporate philosophy, and we believe that the actions of each and every employee will lead to the realization of that

philosophy. In order to share and permeate that philosophy, we translated into eight languages and distributed to every group employee the *Guidelines of Glory* handbook, which sets forth principles such as our corporate philosophy, management creed, and corporate action guidelines. Furthermore, in 2014, we signed up to the United Nations Global Compact because its 10 principles in the four areas of human rights, labor, the environment, and anti-corruption share the same values with our corporate action guidelines.

In September 2015, at a United Nations summit, sustainable developments goals (SDGs) were adopted and 17 goals were set. We have linked those goals to our group's strengths so that by implementing our business strategies we are also working to solve social issues.

We will continue to earn the trust of our stakeholders and strive to be a corporate group contributing to the realization of a sustainable society.

June 2018



Corporate Philosophy and Management Creed

Corporate Philosophy

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

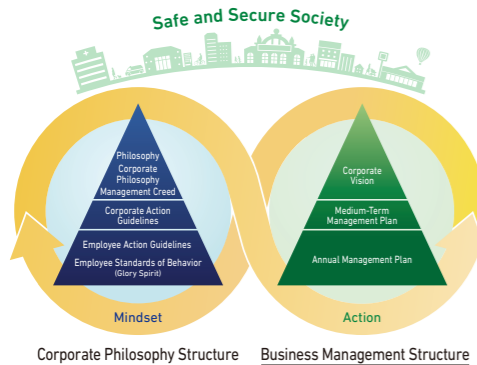
Management Creed

- 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.



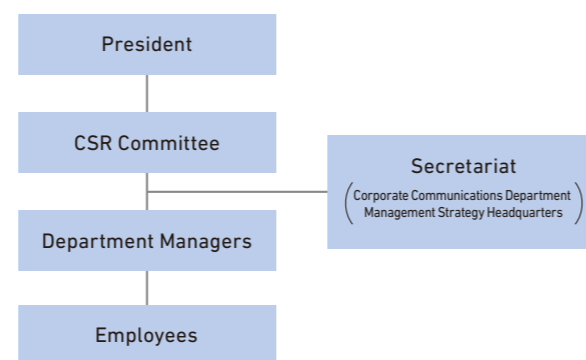
Glory's CSR Philosophy

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.



CSR Promotion Framework

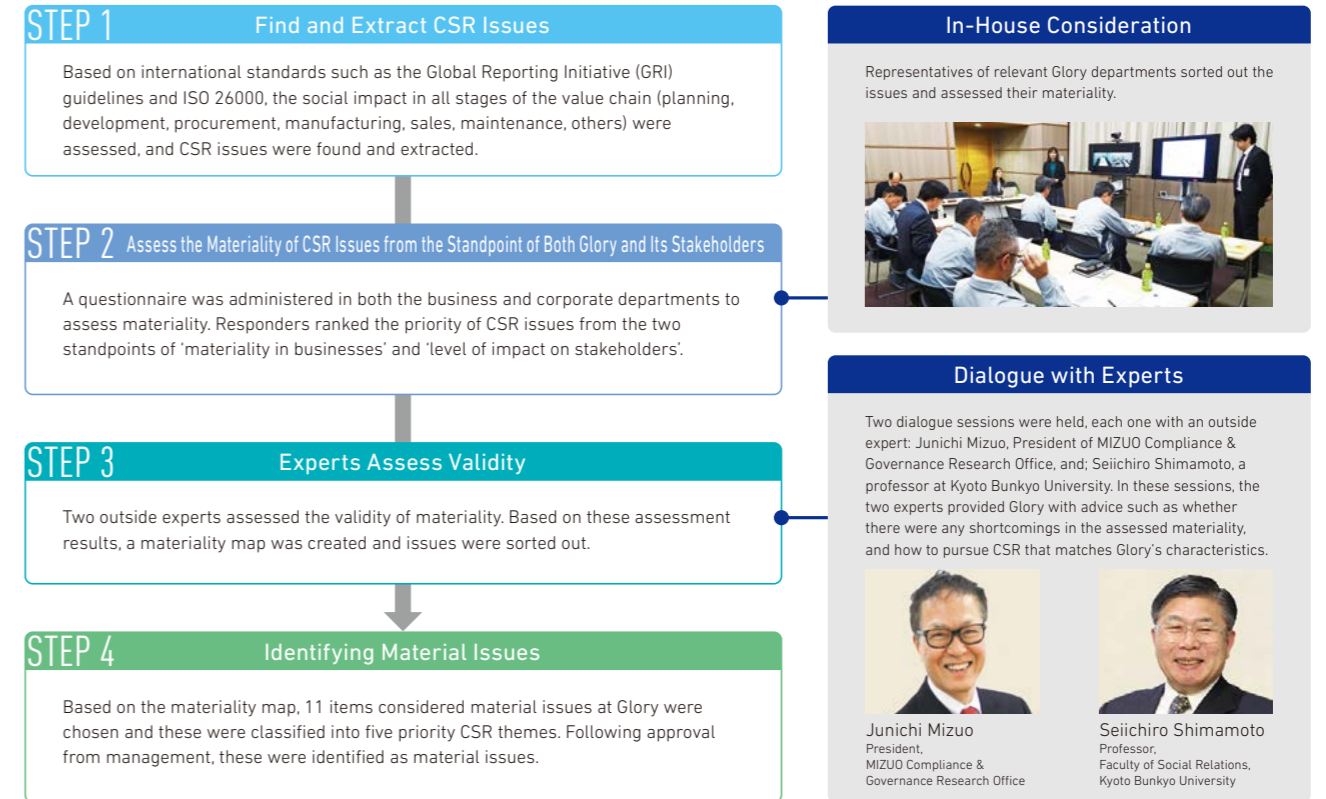
CSR efforts in the Glory Group are led by the CSR Committee, which is chaired by the President and made up of management-level employees. The committee convenes twice a year, at which time it deliberates on the basic direction and plans for CSR management and establishes policies for major annual CSR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



Glory's Material Issues

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

Process for Identifying Material Issues

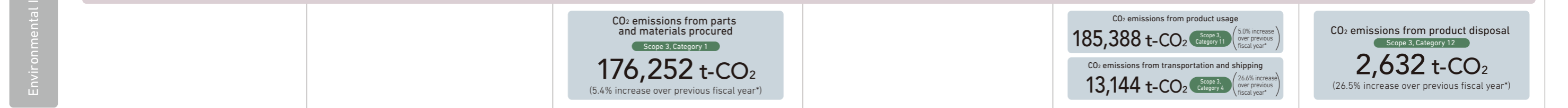
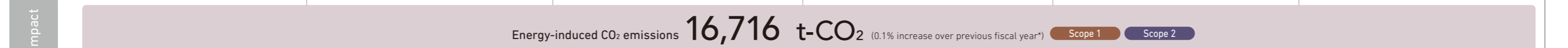
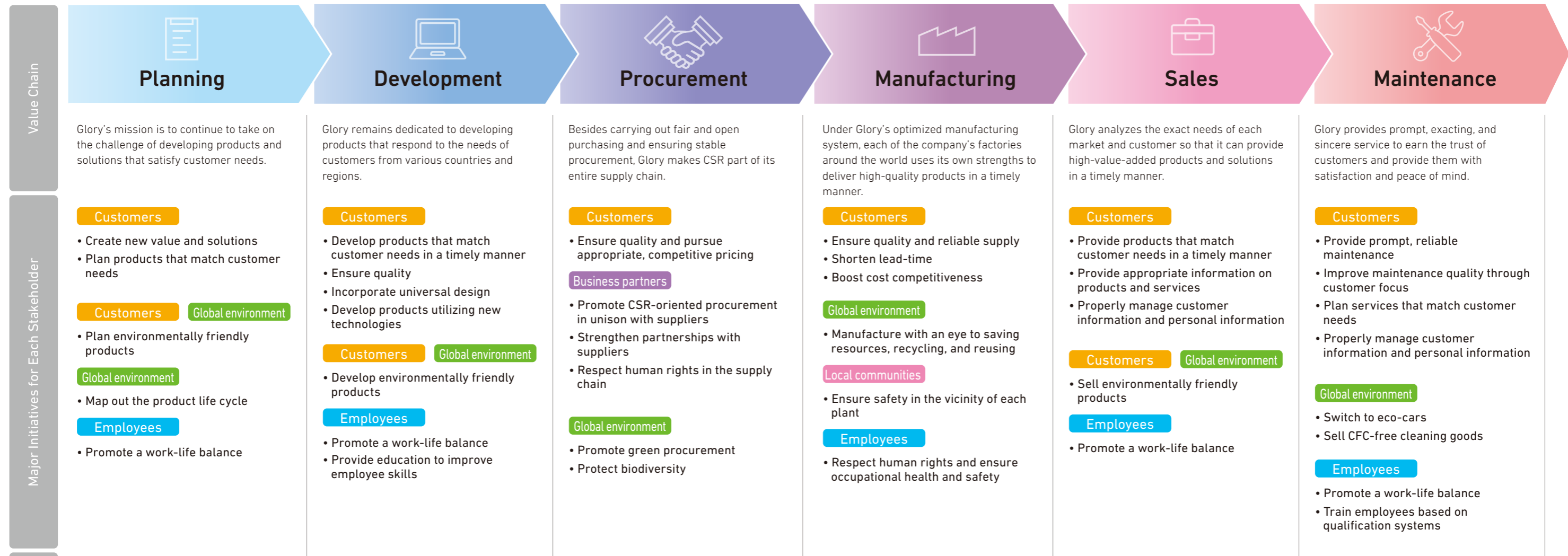


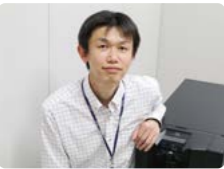





Material Issues Identified at Glory

Category	Priority CSR Themes	Material Issues	Fiscal Year 2018 Targets
Creating new value	New value creation through business	<ul style="list-style-type: none"> • Build a business model that contributes to the advancement of customers' business and helps them boost their operational efficiency • Aim to be a reliable partner to customers, and establish a scheme for periodically confirming progress and customer satisfaction 	<ul style="list-style-type: none"> • Build solutions using diverse data • Select model customers and periodically review
Environment	Environmental protection	<ul style="list-style-type: none"> • Reduce energy consumption per employee • Reduce CO₂ emissions from new products • Carry out biodiversity preservation activities in cooperation with stakeholders 	<ul style="list-style-type: none"> • Reduce energy consumption per employee by 1% (base year: fiscal year 2010) • Improve energy efficiency of newly developed products by at least 15% compared to previous models • Carry out 100% of activities planned for this fiscal year
Social	Human resource initiatives Promotion of CSR in the supply chain	<ul style="list-style-type: none"> • Promote work-style reform • Support and secure human resources essential to Glory's business • Conduct CSR-oriented procurement worldwide 	<ul style="list-style-type: none"> • Implement and verify new ways of working • Boost operational efficiency • Offer job-level-specific training and support candidates who can lead the company in the future • Continue to use the CSR voluntary checklist, and work to improve assessment scores • Spread activities to overseas sites
Governance	Strengthening of governance	<ul style="list-style-type: none"> • Strengthen corporate governance • Strengthen risk management activities and communicate to Glory Group companies • Strengthen compliance management and communicate to Glory Group companies 	<ul style="list-style-type: none"> • Conduct activities in line with the Corporate Governance Guidelines • Conduct risk management from a global perspective and communicate activities to Glory Group companies • Conduct job-level-specific compliance education, and strengthen collaboration with Glory Group companies

Major CSR Initiatives in the Value Chain

These are the major initiatives that the Glory Group is carrying out for each stakeholder category in the value chain.



<p>Voices</p> <p>Quickly responding to social change</p>  <p>Kiyooki Kobayashi Product Planning Department, Product Management Division, Marketing Management Office, International Business</p> <p>Amid globalization and the diversification of customers' needs in line with changes in the social environment, we maintain a sense of speed as we work to respond to those needs. We will continue to apply leading technology as we plan products that provide our customers with new value.</p>	<p>Aiming to provide products and services that are easy to use</p>  <p>Jyunichi Ichikawa Industrial Design Division, Development Headquarters</p> <p>We regard essential usability as the key focus of product design and aim to create products that are easy for our customers to use. We endeavor to offer ever-better products by always adopting the point of view of the user, and flexibly adjusting our ideas and methods of approach.</p>	<p>Promoting CSR-oriented procurement in unison with our suppliers</p>  <p>Miho Kakinuma Purchasing Procurement Department, Purchasing Division, Production Headquarters</p> <p>We procure the electronic parts—such as motors and switches—that are used in coin and banknote recyclers and other products that we offer worldwide. As well as working to ensure the stable procurement of parts, we are communicating actively with our suppliers as we together pursue CSR-oriented procurement.</p>	<p>Dedicated to constantly returning to our foundations</p>  <p>Aki Morimoto Production Engineering Department 2, Himeji Factory, Production Headquarters</p> <p>On a daily basis we work on creating the work manual that is the foundation of our manufacturing. In order to manufacture products with quality stability, we include in the manual not only assembly procedures but also quality standards and knowhow. We aim to create a work manual that is easy to understand for our employees in Japan and overseas.</p>	<p>Providing optimum solutions</p>  <p>Mizuki Matsuoka Retail Market Sales Planning Department 1, Sales Planning Division, Domestic Business Headquarters</p> <p>We oversee coin and banknote recyclers that carry out cash management within stores, and we conduct sales activities to customers throughout the retail market in Japan. We work to understand our customers' business issues and operational configurations and to offer them optimum solutions in line with those needs.</p>	<p>Aiming to improve customer satisfaction</p>  <p>Ryota Uehara Field Service Planning Department, Customer Service Division, Service Headquarters</p> <p>Under the "no downtime" concept for our products, we offer a monitoring service for open teller systems. As well as having customers able to use our products with peace of mind, we will continue to plan high-value-added services that help solve their problems.</p>
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*CO₂ emission increases over the previous fiscal year are due to increases in production volume.

Changing with the Needs of the Times Glory's Coin-Operated Lockers

Glory's coin-operated lockers meet the needs of the increasing numbers of inbound tourists and the continued growth of online shopping.



Case 1 Keyless and Cashless

Glory was the first company in the industry to develop a keyless locker that generates and reads QR codes. When users store their baggage in a locker, they get a receipt with a printed QR code. This is their locker key, which they swipe over the QR code reader to open the locker. An IC card can also be used to do everything from paying for the service to opening the locker door. Because users have either a QR code receipt or an IC card to open the locker, they needn't worry about walking around with—or losing—a key. This also eliminates the need for personnel to deal with replacing lost keys, exchanging keys, and handling cash.



LTS-100 Series, the industry's first locker using QR codes

Case 2 Convenience for Users, Efficiency for Delivery Companies

In Japan, the increase in online shopping is creating a serious shortage of employees for delivery companies. Glory helps solve this problem with the development of a locker specifically for receiving delivered packages. These lockers have been installed in a wide range of locations, including train stations and supermarkets. Online shoppers can pick up their goods anytime, without having to worry about what time the goods will be delivered to their homes or office. Delivery companies enjoy greater efficiency since there is no need to return when customers are not at the delivery address.



Lockers for receiving deliveries, at Sanyo-Himeji Station on the Sanyo Electric Railway Line (Hyogo Prefecture)

Case 4 Effective Use of Limited Space

In February 2018, Glory developed control software that can be installed in baggage storage lockers already placed in train stations so they can also be used for receiving deliveries. This means people can use the lockers to either store their baggage or to pick up delivered packages. The result is greater convenience for locker users and greater operational efficiency for the train stations installing these lockers.



Combination baggage storage/delivery receiving lockers, at Sakado Station on the Tobu Railway Line (Saitama Prefecture)

Case 3 Making Visits to Japan More Comfortable and Enjoyable

A record number of foreign tourists—28,690,000—visited Japan in 2017. And more are expected to visit in the run-up to the 2020 Olympic and Paralympic Games in Tokyo. Glory's terminal lockers offer service in Japanese, English, Korean, simplified Chinese, and traditional Chinese. Other services that contribute to stress-free locker use include the ability to check the availability of lockers online via a cloud server.



The locker's guidance screen is available in five languages

Case 5 Helping Achieve a Work-Life Balance

Lockers represent one way that companies are providing benefits to their employees. With Glory's refrigerated lockers for receiving and storing fresh foods, company employees can order groceries online that are delivered and stored at their place of work. To open the lockers, they simply input the password sent by the online retailer. This lets people use their time after work more effectively since they no longer need to go grocery shopping on the way home.



Refrigerated lockers for receiving and storing fresh foods, installed in a company

History of Glory's Coin-Operated Lockers

1960s First Made-in-Japan Coin-Operated Locker with Extendable Time Limit

At the time, coin-operated lockers could only be used for one day, and had to be cleared out manually for use by someone else the following day.

In 1965, Glory developed the first made-in-Japan coin-operated locker with an extendable time limit. The proprietor of the coin-operated locker needed only to re-set the extendable time limit once a day at a certain time, and it could then be used for 96 consecutive hours. This development validated the functionality and marketability of terminal coin-operated lockers and greatly contributed to the advancement of coin-operated lockers as a whole.



The first made-in-Japan coin-operated locker with extendable time limit

1970s Expo '70 Provides Impetus for Spread of Coin-Operated Lockers

In 1970, a total of 531 Glory coin-operated lockers were installed in Osaka during Expo '70: in Shin-Osaka Station, Osaka Station, and Ibaraki Station on the Japanese National Railways (now JR). Compared to baggage check-in counters, they offered smoother drop-off and pick-up of baggage, helping to alleviate crowding among tourists. This provided a need for the further rollout of coin-operated lockers, as installations spread nationwide in locations such as train stations, airports, golf clubs, and amusement parks.



Coin-operated lockers installed in Shin-Osaka Station

1990s Excellence in Safety, Convenience, and Design

Throughout the 1990s, Glory continued to develop lockers that met the changing requirements of the times. The company sought to improve security and coin identification accuracy by equipping coin-operated lockers with electronic locking systems that better prevent theft, and coin-sorting functions that use electronic sensors. Convenience was further improved by widening locker openings to make baggage insertion and removal easier, and adopting time-usage-based fee systems. Glory also developed products with patterns on the doors to help lockers match their surroundings and improve the aesthetics.



Lockers adorned with a tulip pattern

Today The Journey Continues

As a coin-operated locker pioneer, Glory has for over 50 years been pursuing convenience for customers and improvements in function and quality. There are currently more than 20,000 Glory lockers in the field, providing services for users in all types of locations including train stations, airports, leisure facilities, supermarkets, and more. Whether it's lockers for receiving deliveries to meet the demand of online shopping, Glory continues to meet newly emerging needs by developing products that offer a wealth of services to match the diverse lifestyles of customers.



Refrigerated lockers for receiving and storing fresh food, at Life Central Square Nishimiyahara shop (Osaka Prefecture)



Based on its corporate philosophy, Glory is pursuing sound and efficient business management that earns the trust and support of all stakeholders.

Corporate Governance

Glory's corporate philosophy guides its efforts to continuously improve corporate value through sound and efficient business management, so that the company can exist in harmony with society and earn the trust and support of all stakeholders. None of this can be achieved without a firm commitment to the continuing improvement of corporate governance. Glory will continue its efforts to strengthen the supervisory and executive functions of management, accelerate decision-making, ensure transparency and objectivity, and enhance compliance management.

Corporate Governance Framework

Glory adopts an audit and supervisory board system. This means the company's Board of Directors, which includes two outside directors, makes decisions on important matters and oversees business execution, while the Audit and Supervisory Board oversees the actions of the Board of Directors. An executive officer system allows the company to separate the management supervisory and business executive functions, thereby enabling speedy and efficient business administration. In addition, committees such as the Nomination Advisory Committee and the Compensation Advisory Committee serve to boost transparency and objectivity when making important management decisions.

Furthermore, to maintain and improve the efficacy of its Board of Directors, every year Glory conducts periodic

analysis and evaluation related to the Board's effectiveness. In fiscal year 2017, based on past evaluation results, under a review of the "Rules of the Authority of Final Decision," Glory conducted a transfer of authority in order to optimize management and ensure that it conducts speedy decision-making.

Glory's basic policy on corporate governance is set out in the Corporate Governance Guidelines.

Risk Management

Glory has a Risk Management Committee, which is chaired by the President and which has the purpose of maintaining and strengthening risk management for the entire Glory Group. The committee regularly conducts risk assessments and determines the divisions and individuals responsible for each risk item. It works with these divisions and individuals to implement precautionary measures against risks during normal times and to secure and improve a system that can respond promptly in times of crisis.

In fiscal year 2017, as well as undertaking a review of the company's risk management rules and risk evaluation standards, each group company also completed an analysis and evaluation of its own operations, using those same standards. Through measures such as these, Glory has strengthened its group-wide risk management structure.

Compliance

Glory has a Compliance Committee as one way to maintain and improve its compliance framework. This committee—which is chaired by the President and which includes two outside experts (attorneys at law)—deliberates on important compliance-related issues concerning the Glory Group. Glory also has in place four compliance helplines (including one outside helpline) in Japan. These helplines enable Glory to detect and correct problems at an early stage, while protecting those seeking consultations.

In addition, Glory provides education to employees to thoroughly familiarize them with compliance. In fiscal year 2017, Glory also held e-learning and group training sessions for group companies to further reinforce information management and harassment prevention.



At a compliance training session

Message from an outside director

By keeping CSR in mind as we carry out core operations, we can further enhance Glory's raison d'être.



Outside Director
Joji Iki
 Previously served as Gas Turbine & Machinery Company president and representative director and vice president at Kawasaki Heavy Industries, Ltd. June 2017, appointed outside director at Glory
 Nomination Advisory Committee member
 Compensation Advisory Committee member

Offering objective support based on own experience as a manager and engineer

At Glory, we feel that, as we head toward the 100th anniversary of the company's foundation, we are entering a period of dramatic change. Drawing out the potential of our engineering and our personnel is key to achieving sustainable growth, and our Board of Directors conducts very active and meaningful discussions on this topic. From a standpoint of not participating in business execution, I regard being able to share my opinion from an objective point of view as my most important role. I am requesting the deepening of Glory's management strategy, such as the creation of new business and changes to business models. I want to help push forward the company's initiatives by offering advice based on my experience as a manager and an engineer.

Governance amid continued globalization

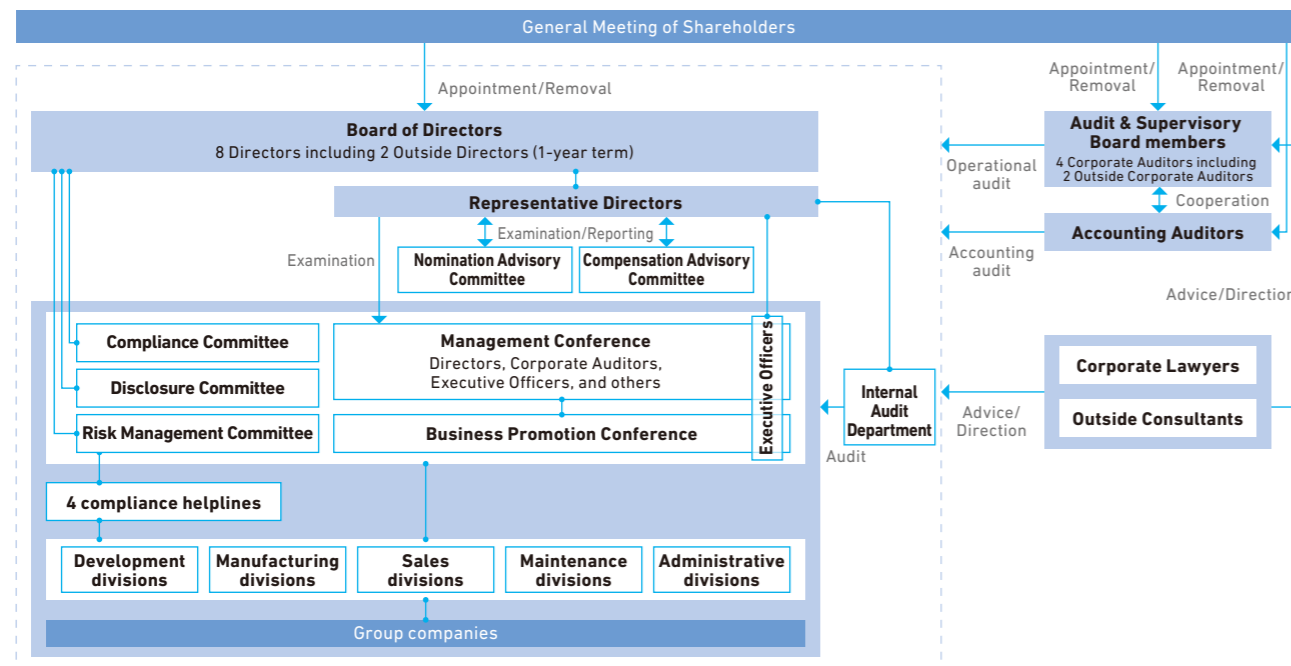
Social demands regarding corporate governance have become stricter in the last few years. At Glory

we assess our governance to be functioning appropriately, but such demands are growing along with the times. Furthermore, because the common sense that forms the standard of governance varies according to country and region, we must integrate each nation's laws and culture into Glory's governance. In society now, if a problem occurs it spreads instantly and often becomes a bigger issue than it really is. From the saying "problems arise at the edges," even our group companies in Japan and overseas must pay careful attention.

It is important to contribute to society via our core business

In recent years there has been an increase in corporate initiatives in line with Sustainable Development Goals (SDGs) or Environmental, Social, and Governance (ESG). I believe that we can make the greatest contribution to realizing a sustainable society via our most socially influential operations, which is our core business. For Glory, its offering of accurate, easy-to-use products and services that contribute to improved production efficiency will result in a contribution to society. I believe that Glory can improve its social raison d'être by pleasing stakeholders and remaining conscious of CSR while engaging in its core business.

Corporate Governance Framework (As of June 27, 2018)





Glory provides products and services in a timely manner to win the confidence and satisfaction of customers.

Quality Policy

We will provide products and services in a timely manner to win the confidence and satisfaction of customers.

Three Priority Guidelines

- 1 By sensing advanced market needs, develop products that are attractive to customers.
- 2 Establish the quality of products at the earliest stage possible.
- 3 Place importance on customers' first impression of quality and on after-sales services.

Providing Peace of Mind to Customers Worldwide via Maintenance Services

In order for its customers worldwide to be able to use its products with peace of mind, the Glory Group maintains a direct sales and direct maintenance network across 24 countries outside of Japan, including the U.S., Europe, and Asia. Currently, that network includes around 2,000 maintenance staff members and maintenance contracts with customers for a total of more than 240,000 products.

Glory receives inquiries from customers regarding issues with its products or requests for repair via call centers set up at each of its bases. When it is determined that a visit by Glory maintenance staff is required, a staff member close to the customer's location is quickly dispatched. Glory has put in place a thorough support structure in order to solve customers' problems as quickly as possible.



Responding to a customer's inquiry via telephone support

Annual Quality Meetings

Maintenance quality managers from each region of the world and members of the development division and quality assurance division meet to share information on their maintenance activities and on the operational and quality conditions of products in the markets of each region. Glory improves its product quality by feeding back the information gained from maintenance calls.

Fostering Personnel Who Can Maintain Quality

Group Skill Training

Aiming to improve the expertise and response skills of technical staff, Glory conducts group skill training by region or country. The staff responsible for each product model train the technical staff in the products being offered in their market. Glory is enhancing the effectiveness of this training by having the trainees undergo preparatory study via an online education system ahead of the training day.



An explanatory page from the online training

Technical Staff Cup

The Technical Staff Cup that Glory has been running in Japan for more than 20 years, Glory also now runs in the North American region, the EMEA*1 region, and the Asia and China region. Technical staff from each region gather and compete against each other by using the expertise they have accumulated on a daily basis, increasing their motivation and communication between them.

*1: EMEA: Europe, the Middle East, Africa



The Technical Staff Cup held in the North American region

Initiatives to Improve Maintenance Quality

In order to provide high-quality maintenance services that exceed the satisfaction of its customers, Glory employs a variety of measures, including group skill training and joint initiatives with each region of the world.

Joint Initiatives with Each Region of the World

Senior Service Leadership Meetings

Maintenance managers from each region of the world meet to share their initiatives and success stories regarding each regional maintenance business, and also to share their progress in measures being undertaken on a global scale. In order to provide maintenance services that meet the diverse needs of customers, Glory aims to improve the maintenance quality of the entire Glory Group and boost the level of each of those operations.

Next-Generation Manufacturing for the Creation of a Collaborative Environment

As labor shortages have become an urgent social issue in Japan, expectations have grown that robots could be an effective solution. With the goal of applying at production sites outside the company the production technology and knowhow that it has cultivated so far, in April 2017 Glory began the ASROF*2 system integration business for the practical use of collaborative robots.

By offering a total solution from robotic line automation to development of peripheral equipment and operational knowhow and after-sales service, Glory is creating a collaborative environment for robots and humans. It is able

to flexibly respond to multi-product, variable-volume production and achieve further labor savings and quality stability in a wide range of industries, including the fields of food and cosmetics, thereby contributing to next-generation manufacturing.



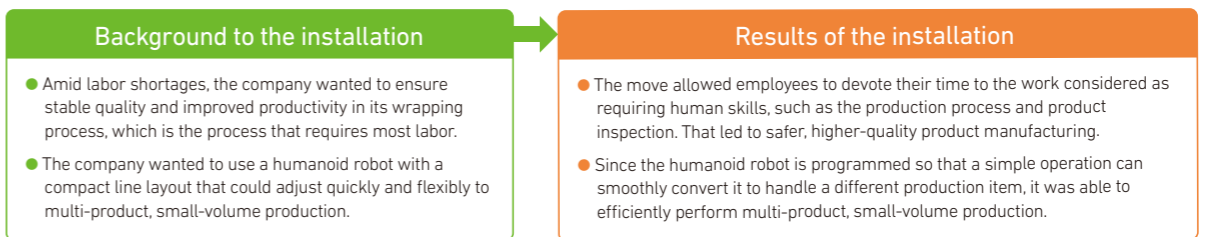
*2: ASROF: Automation Smart Robot for Future



Collaborative labor between humans and robots

Customer Case Study: Sanshu Seika Co. Ltd.

For over 60 years, Sanshu Seika has been producing and selling unique rice crackers and pasta snacks using special ingredients and traditional manufacturing methods. It has striven to maintain an easy working environment for its employees. In a joint development effort with Sanshu Seika, Glory installed ASROF into its line for packing its products into boxes.



ASROF's duties



Check the shape and weight of the container

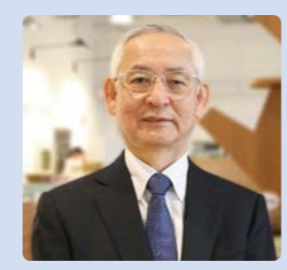


Pack the crackers into the container



Based on the total weight, check the content amount and number of servings of crackers in the container. Forward to the next process only those that have successfully passed this phase.

Voice



Shinichi Sainohira
President
Sanshu Seika Co. Ltd.

We believe that humanoid robots are extremely effective for multi-product, small-volume production, where production efficiency can't be increased by using dedicated machinery like mass production can. Furthermore, a collaborative robot can work close to humans without the need to provide safety barriers—this is a distinct advantage. Faced with chronic labor shortages, improving productivity is now a key issue for small to medium enterprises, and we hope that together with Glory, we can spread the use of ASROF beyond the borders of region and industry.

Our desire going forward is to improve versatility, with an eye to including artificial intelligence. If we can enable programming changes and the adjustment of robot hand parts to suit package shapes and production items onsite—even where multiple humanoid robots are installed—production will be able to continue without halting the line. That will lead to increased customer satisfaction. We anticipate further development from Glory.



Glory respects every employee as an individual and strives to create an enriching and pleasant work environment.

Promoting Diversity

Glory aims to build a workplace where every employee, regardless of gender, nationality, sexual orientation, or disability, can utilize his or her talents to the fullest.

Equal Opportunities for Women

Since fiscal year 2011, Glory has been focusing on ensuring gender equality and delivering equal opportunities for female employees. In fiscal year 2016, Glory formulated an action plan based on Japan's Act on the Promotion of Women's Participation and Advancement in the Workplace, and has been creating a more inclusive workplace ensuring there is more female representation.

Action plan based on the Act on the Promotion of Women's Participation and Advancement in the Workplace

- 1 Increase 20% of new graduate hires in the next three years to be female
- 2 Over the next five years, double the number of female managers (i.e., those at the rank of section manager or higher)

Employing People with Disabilities

In 1999, GLORY Friendly Co., Ltd. was established to give people with disabilities an opportunity to make a living and contribute to society. Under the slogan "Foster a creative working environment by valuing communication with one another and fully demonstrating our skills," employees conduct duties such as company janitorial work and landscaping, in-house documentation and mail delivery, and waste disposal. Glory fully complies with all equal opportunity laws and never discriminates on the grounds of disability.



Participants take part in the first Friendly Skills Competition

Voice



Satoshi Hosokawa

Career Guidance Manager,
Hyogo Prefectural Himeji School for
Students and Children with
Special Needs

I recently had the opportunity to visit the first Friendly Skills Competition organized by Glory Friendly. I was truly happy to see the hard work and progress of graduates from my school, as they took on tasks such as cleaning desks and floors.

One of our most important responsibilities is to secure employment for our graduates so that they can go out and make a living for themselves. Glory Friendly has programs to

develop the capabilities of each person and an environment where they can exercise their full potential while being given comprehensive support. That's why we can send our graduates to work at Glory Friendly with peace of mind. Society is becoming ever more diversified, and we hope that Glory Friendly will remain a company that provides a place where every employee can play an active role and coexist happily with one another.

Work-Life Balance

Glory has in place numerous initiatives aimed at promoting a work-life balance. These initiatives enable employees to match their job and work schedule to their lifestyle while maximizing their abilities and career potential.

Work-Life Balance Support Systems

● Balancing Work and Parenthood

Since April 2017, Glory has provided subsidies for parents working full-time at Glory sites (other than the Glory head office) to hire childcare services. The company has also created an in-house daycare center called "G Kids Home" for children of full-time Glory employees. Such measures support employees by placing an equal importance on career development and parenthood.

● Balancing Work and Caregiving

Glory also helps employees work with peace of mind while caring for sick or elderly family members. Glory has improved and expanded its employee support system to include extended periods for nursing care leave and extended periods during which employees may reduce their daily working hours in order to look after a sick or elderly family member.

Reducing Long Work Hours

Glory strives to modify work processes and schedules in order to reduce constant bouts of long work hours. This helps to bolster employees' mental and physical well-being and maintain their motivation for work. In an effort to impress upon employees the importance of working efficiently so as to avoid overtime, Glory has instituted "no-overtime days" and "no-overtime weeks." And to encourage employees to go home on time, the company has also put a limit on the number of overtime hours they can work each day.

Fostering Human Resources

Fostering Globally Minded Human Resources

Today, overseas sales account for approximately 47% of Glory Group consolidated net sales, and overseas employees account for approximately 39% of all Group employees. Given this group make-up, the company is placing special emphasis on fostering human resources that can support international expansion. It is bringing this objective about through programs such as the short-term overseas study program and the GUTS program.

Glory also provides as many opportunities as possible for exchanges between employees in Japan and those at overseas subsidiaries.

● Short-Term Overseas Study Program

This program sends participants to language schools in the U.S. or the U.K. for three months so that they can acquire the language and business skills needed to do business on a global stage. By exposing themselves to diverse ways of thinking, values, and cultures, employees develop into individuals with not only improved language skills, but also a global perspective. In fiscal year 2017, four employees took part in the study program.



Participants celebrate the completion of their study program

● GUTS Program

Glory has developed a program called GUTS (Glory Up Technique Shōshūdankaizen ["small-group reforms"]), which aims to boost employees' problem-solving abilities and their capability to think and act for themselves by taking on operational reforms. It also aims to create a livelier work environment. GUTS is a world-wide initiative; it is also taken up at production group companies including those overseas. In fiscal year 2017, there were a total of 340 action themes.

A company-wide GUTS conference is held annually at the Glory head office. At this event, outstanding circles, including those from group companies are selected to give presentations on their achievements, and best practices are shared company-wide.



Employees from GLORY (PHILIPPINES) INC. give a presentation at the company-wide GUTS conference

New Career-Building Initiatives

Glory helps employees achieve their personal career plans by providing systems and measures that support the development of their capabilities and that further their careers.

● Employee Awareness Surveys

In April 2017, Glory conducted a survey targeting its executive officers and employees, on topics such as work motivation, awareness of compliance, and understanding and implementation of Glory's CSR and management plans. This year's survey revealed that many improvements have been made since the previous survey, including; feeling stuck in a rut at work, feeling overwhelmed by the volume of work, and the level of penetration of the corporate philosophy. On the other hand, the survey revealed that the understanding of the management plan and putting it into action, feeling convinced with the fairness of evaluation, and awareness of the future prospect of the company was on the decline among general employees, particularly those in lower ranking positions.

Taking these results into consideration, for fiscal year 2018, Glory will commit to the following actions: permeate the corporate message company-wide; appropriate operation of the personnel system; and create an environment in which employees, company-wide, can freely take on challenges.

● Career Training

Glory holds level-specific career training for its employees. One of these is the Self-Inquiry Adventure Training, which is held for employees when they first join Glory, on their fourth year at the company, and when they turn 30 years old. This program allows them to envision a career plan and to grow into competent personnel who can achieve their career goals. In fiscal year 2017, a total of 187 employees took part in the program.

Respecting Human Rights

All employees must abide by Glory's Corporate Action Guidelines. These stipulate rules on respect for individuals, talent development, and workplace safety. They also clearly call for respect for other employees' diversity, personalities, individual differences, and—above all—human rights. To ensure that these efforts extend throughout the entire supply chain, the company has produced the Glory CSR Procurement Guidebook (for suppliers in Japan) and the Glory Supplier Code of Conduct (for overseas suppliers). These documents outline rules on respect for human rights that all suppliers are urged to follow.

The Glory Group has signed and participates in the United Nations Global Compact, which advocates universal principles covering the four areas of human rights, labor, the environment, and anti-corruption. The Group will continue to ensure respect for human rights is a cornerstone of its management.



Glory will harmonize and advance the interests of the company and of society. As a good corporate citizen, it will also actively participate in social action programs.

Supporting the Promotion of Sports

Glory Sponsors Victorina Himeji Volleyball Team

Glory has signed a sponsorship agreement with Himeji Victorina Co., Ltd., which manages the Victorina Himeji women's volleyball team (general manager: Masayoshi Manabe, coach: Yoshie Takeshita). Based in Himeji, Hyogo Prefecture, Victorina Himeji is Japan's first professional women's volleyball team.

Besides playing in various volleyball tournaments, the team promotes the sport in the community through activities that include appearances on talk shows and volleyball clinics for elementary and junior high school students. Glory strives to use sponsorship as a way to stimulate community-level sports and support the development of the next generation.

As a company founded in Himeji, Glory fully understands Victorina Himeji's vision—"From Himeji to the world"—and will support the team in all its endeavors.



Victorina Himeji team members pose for a photo at a press conference



At the 1st Glory Cup Victorina elementary school volleyball clinic

Fostering the Next Generation

GLORY Foundation for Elementary School Students

In March 1995, Glory established the GLORY Foundation for Elementary School Students with the goal of supporting the sound development of young people. Through the foundation, the company conducts sports, arts, and cultural activities that have included hands-on science classes, hands-on classes for parents and children, and children's theater. A cumulative total of 99,000 people have taken part in these activities since the foundation was launched.

The foundation also provides assistance to organizations that work towards the sound development of elementary school students through activities in sports, science, and culture.

● Hands-on Science Classes

In hands-on science classes held during the summer holidays, elementary school students build their own science projects, experiencing firsthand the wonders of science and in the process cultivating their creativity and unique powers of imagination. Glory employees take part by helping the students with their projects.

In fiscal year 2017 science classes, 200 students from grades three to six took on the challenge of building eight-legged robots using a crank mechanism.



Students build an eight-legged robot under the guidance of a Glory employee

A completed eight-legged robot

● Children's Theater

The Children's Theater project is held with the goal of enriching the aesthetic sensibilities of youngsters and planting in them the seeds of creativity.

In fiscal year 2017, a total of 2,900 elementary school students and their parents were invited to performances of the musical, *Children in the Storm*, presented by the Shiki Theater Company.



Children enjoying the musical

● Hands-on Classes for Parents and Children

This program is held every spring and autumn with the goal of strengthening the bonds between parents and children through a range of fun and exciting experiences.

In May 2017, a total of 80 children and parents, selected by a lottery, went to see the Shiki Theater Company's performance of the musical *Cats*, followed by a backstage tour. Later that year, in November, 300 students and their parents were invited to see a hot-air balloon at a local elementary school. Participants learned how hot-air balloons work and took turns boarding one anchored at the school.

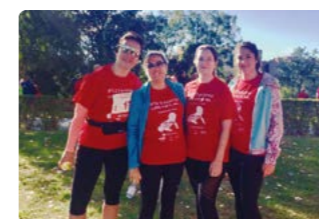


At the hot-air balloon event

Other Contributions to Society

Participating in Run for the Children

In November 2017, seven employees of Glory Global Solutions (Spain) S.A. took part in the Run for the Children charity race. The event's aim is to contribute to the advancement of research into intensive care and to promote healthy lifestyles. Proceeds gathered at this event go towards supporting activities of a biomedical research foundation at the Niño Jesús University Children's Hospital.



Employees who took part in Run for the Children

Volunteering in the Bollywood Farm Tour

In June 2017, five employees of Glory Global Solutions (Singapore) Pte. Ltd. volunteered in the Bollywood Veggies Farm Tour, an event held for children living in facilities run by Canosaville Children and Community Services in Singapore. The fun- and activity-filled day saw the children touring the Bollywood Veggies farm to see gardens of fruits, vegetables, and herbs, and learning how produce is grown.



Children on the Bollywood Farm Tour

Hosting the Great Glory Bake Off

Employees from Glory Global Solutions (Hong Kong) Ltd. and Glory Group companies in three other Asian countries held an in-house charity event called the Great Glory Bake Off. Sweets such as cakes and muffins baked by participants were sold to Glory employees, with the proceeds going to organizations helping victims of natural disasters throughout Asia and to local charity groups.



Participants in the Great Glory Bake Off

Protecting the Marine Environment in the Philippines

In October 2017, GLORY (PHILIPPINES), INC. donated "reef buds" as its contribution to an ocean regeneration project in the municipality of Rosario in the province of Cavite. This artificial coral is made from low-impact material and provides a habitat for sea organisms. Reef buds also contribute to the stabilization of the ocean's pH balance, helping prevent degradation of the marine environment caused by increasing atmospheric CO₂ concentrations.



Employees who donated the reef buds

Making Wood Block Puzzles from Sustainable Wood

With the goal of protecting the environment and contributing to children's education, Glory creates children's building blocks and puzzles from sustainable wood (wood from forest thinning) with the support of the Lifestyle Research Institute of Forests NPO.

For fiscal year 2017, a total of 133 employees at nine local Glory offices in Japan, including those in Tokyo and Kyushu, took part. The participants used masking tape to color cubes cut from sustainable wood to make three sets of wood block puzzles (totaling 378 pieces). The completed puzzles were donated to a daycare center in Kumamoto, Kyushu.



Donating the wooden puzzles to a daycare center in Kumamoto

Cosponsoring the World Heritage Himeji Castle Marathon 2018

Glory was a cosponsor of the World Heritage Himeji Castle Marathon 2018, held in February. Fifty Glory employees volunteered on race day to assist approximately 7,000 participants running the full marathon.

Several Glory employees also took part in the race itself, wearing Glory t-shirts bearing the 100th anniversary logo as they made a spirited run to the finish line.



Glory employee volunteers cheering on the runners



The entire Glory Group works to protect the environment under the Glory Environmental Vision.

To create a sustainable society, the Glory Group has formulated an environmental vision with three areas of focus: products, business, and awareness. Under this vision, the entire Glory Group is taking action on the themes of the prevention of global warming, management and reduction of chemical substances, effective use of resources, and preservation of biodiversity.

Developing Environmentally Friendly Products

The Glory Group develops environmentally friendly products that minimize environmental impact throughout the product life cycle—from material procurement and customer use of the product through to final disposal.

Glory certifies products as G-Eco products if they satisfy certain in-house standards for environmental friendliness—for example, if they exhibit electric power efficiency at least 15% better than existing products and if they conform to regulations on chemicals contained in products. Of the G-Eco products developed in fiscal year 2017, the R03 Series coin and banknote recyclers for convenience stores use approximately 23% less electricity during operation than their predecessor products.



R03 Series coin and banknote recycler

Reducing Environmental Impact from Business Activities

Promoting Environmentally Friendly Logistics

Glory strives to be environmentally friendly at its distribution centers. Collaboration is carried out with other companies to ensure both their products and Glory products can be sent together to delivery points. In addition, greater shipping efficiency is achieved through efforts including loading products bound for multiple destinations on to one truck that makes trips to various delivery points. Furthermore, by switching transport from trucks to lower-impact methods such as railways and ships, CO₂ emissions are cut and energy is used more efficiently, resulting in a lower impact on the environment.



Loading products on to a railway container

Using Environmentally Friendly Nesting

Glory designs products based on the concept of nesting*¹ right from the development stage. By conducting design with consideration for material, thickness, necessary amount, and molds of the components used in the product, nesting can be done for each product and component processing can be carried out according to production plans. In addition, nesting allows components to be designed on to and cut from a metal sheet to make the most efficient use of the material. This reduces the amount of material waste and has resulted in a yield rate*² as much as 15% or higher than previously.



A fiber laser cutting machine is used to process components according to a nested design

Nesting means that only the necessary amount of product is produced, and only when needed. The result is the effective use of resources.

*¹ Nesting: Making multiple components at the same time from a single steel sheet.
 *² Yield rate: The number of products that can be made per amount of raw material.

Preserving Biodiversity

Since fiscal year 2011, Glory has strived to protect and maintain biodiversity through initiatives such as forest conservation activities and nature appreciation events at the Glory Yumesaki Forest (Himeji City, Hyogo Prefecture), with the aim of conveying to young people the importance of nature. In fiscal year 2013, Glory began expanding its activities to the Kanto region and in fiscal year 2017 it held a forest conservation activity in Hachioji City, Tokyo. In addition, a tree-planting event was held in Yamamoto Town, Miyagi Prefecture, where Glory employees planted 100 Japanese black pine trees to help restore a coastal disaster prevention forest that had been ravaged by the tsunami triggered by the 2011 Great East Japan Earthquake.

Another example of group-wide contributions to biodiversity preservation is the participation by employees of GLORY (PHILIPPINES), INC. in the Adopt-A-Tree Park Program since fiscal year 2011.



Employees participating in the Adopt-A-Tree Park Program

2017 Medium-Term Environmental Plan, Fiscal Year 2017 Results, 2020 Medium-Term Environmental Plan

Activity Areas	Activity Themes	2017 Medium-Term Environmental Targets	Fiscal Year 2017 Targets	Fiscal Year 2017 Results	2020 Medium-Term Environmental Targets
Products Development of environmentally friendly products	Prevention of global warming	Reduce CO ₂ emissions compared with previous models by at least 15% (average across all new products)	Reduce by at least 15% (for products developed in fiscal year 2017)	Reduced by average of 27.3% (target achieved for 16 of 25 models)	Reduce CO ₂ emissions compared with previous models by at least 15% (average across all new products)
	Management and reduction of chemical substances	Make all new products RoHS compliant	Comply with all relevant laws	All new products were RoHS compliant	Make all new products RoHS compliant
	Effective use of resources	Reduce CO ₂ emissions during parts manufacturing by at least 10%	Reduce by at least 3% (for products developed in fiscal year 2017)	Reduced by average of 6.1% (by reducing number of parts) Note: Applies to G-Eco products (13 of 25 models achieved emissions same as or lower than previous models)	Note: To be established at a later date
Business Reduction of environmental impact from business activities	Prevention of global warming	Have environmentally friendly products account for at least 55% of sales Reduce annual per-unit energy consumption by 1%	At least 50% of sales Reduce annual average by 1%	Accounted for 63.8% of sales Reduced annual average by 2.1%	Have environmentally friendly products account for 70% of sales (fiscal year 2020) Reduce annual per-employee energy consumption by 1% (base year: fiscal year 2010)
	Management and reduction of chemical substances	Strictly manage chemical substances on a global scale	Conduct CMS audit	Conducted CMS audits at 6 group companies in Japan (to comply with RoHS Directive)	Strictly manage chemical substances
	Effective use of resources	Reduce annual volume of waste generated by 1% (base year: fiscal year 2010)	Manage control limits	Reduced annual volume of waste generated by average of 4.1%	Reduce annual volume of waste generated by 1% (base year: fiscal year 2010)
Awareness Raising environmental awareness	Preservation of biodiversity	Increase the contribution that the Glory Yumesaki Forest makes to biodiversity preservation (continue botanical surveys and improve management criteria)	Plant 20 trees	Himeji: Held forest conservation activity in April (20 trees planted, 1 hectare of forest thinned); held nature appreciation event for employee families in October	Increase contribution to biodiversity preservation (improve management criteria)
			Thin 1 hectare of forest	Kanto area: Helped restore coastal disaster prevention forest in Yamamoto, Miyagi Prefecture in April; held forest conservation activity in Hachioji, Tokyo in May; held cleanup on banks of Arakawa River, Tokyo in March; donated puzzles made from sustainable wood to daycare center in October	Plant 20 trees a year Thin 1 hectare of forest a year
	Cooperate with stakeholders to preserve biodiversity	Formulate plan Carry out plan	Himeji: 82 people participated in forest conservation activity (3 families [8 people] of Glory suppliers also participated); 89 people participated in nature appreciation event (3 families [13 people] of Glory suppliers also participated) Kanto area: 67 people participated in forest conservation activities in Yamamoto, Miyagi Prefecture and Hachioji, Tokyo (6 family members of Glory customers and suppliers also participated); 18 people participated in cleanup on banks of Arakawa River, Tokyo	Cooperate with stakeholders to preserve biodiversity	
Develop environment-related action programs on a global scale	Ascertain situation Formulate plan	Conducted questionnaire of overseas group companies Overseas group companies held biodiversity preservation activities and community cleanups	Disclose environmental information on CSR Report and website		



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

Chika Saka

Advisor to the President and Professor, School of Business Administration, Kwansei Gakuin University; Doctor

Member of the Science Council of Japan, member of the Osaka Prefecture Environment Council, executive director of the Japan Business Analysis Association, board member of the Japanese Association for Research in Disclosure, and board member of the Japan Corporate Social Accounting and Reporting Association. Awards include Japan Accounting Association's Association Award.



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
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