

Fundamental Policies on CSR

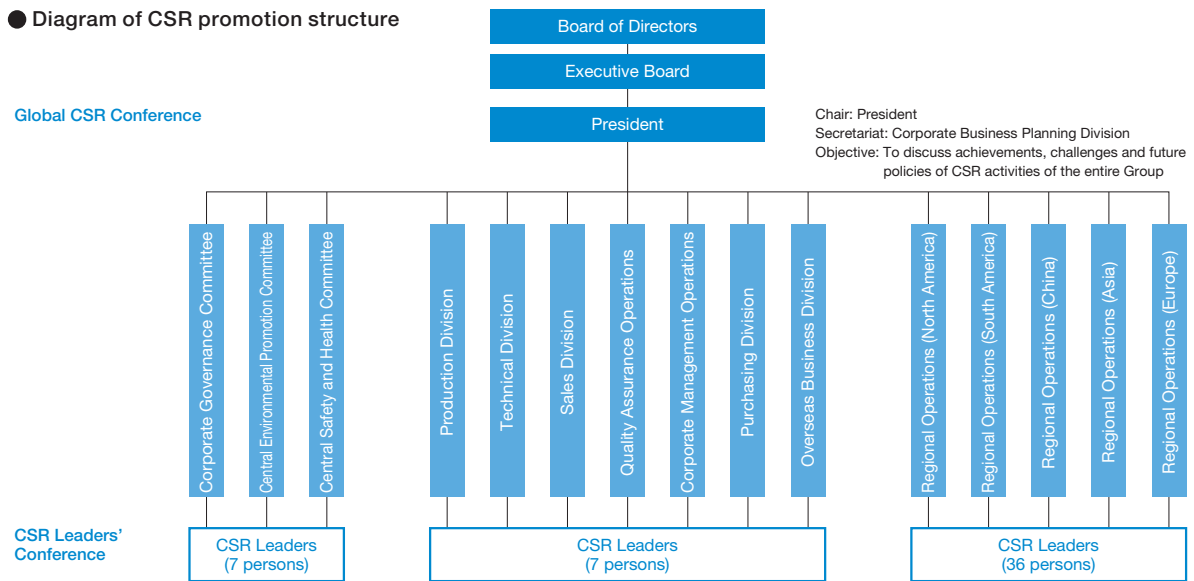
The Company will help solve social issues through business activities and seek to achieve sustained growth together with society.

G-TEKT Group's Structure to Promote CSR Activities

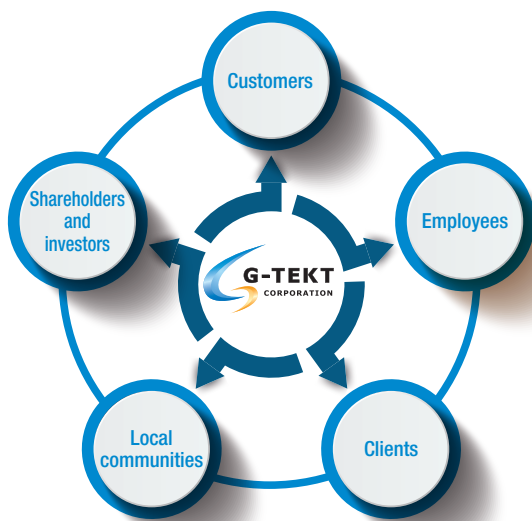
G-TEKT is structured to promote CSR activities based on an organization that cuts across the entire Company, in which a total of approximately 60 CSR Leaders (including responsible persons and working-level staff) are assigned in Japan and overseas.

Management-level staff hold the "Global CSR Conference" at least once a year to share the issues of the whole Group including overseas bases and discuss the direction of the activities. Working-level staff hold the "CSR Leaders' Conference" four times a year, for which a framework is in place to share CSR activities' achievements and challenges, and distribute the details of these Conferences to overseas CSR Leaders, and deal with matters as common issues.

● Diagram of CSR promotion structure



Relationships with Stakeholders



Customers

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

Employees

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

Clients

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

Local communities

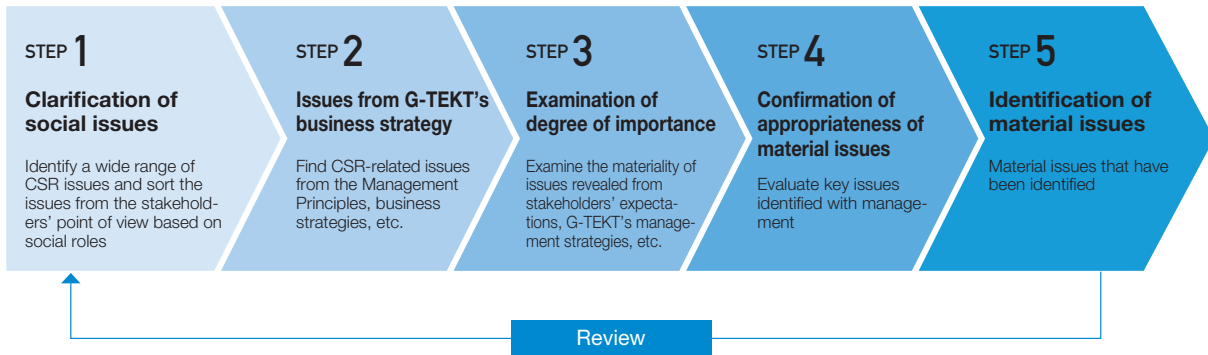
We will proactively seek to integrate and harmonize with the local residents through such means as participation in social contribution activities and seek to establish favorable relationships based on mutual understanding.

Shareholders and investors

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

Process for Identifying Material Issues

We believe that the G-TEKT Group should engage in business activities while understanding the social impact of its business activities, managing the possibility of having such an impact as well as controlling the impact itself. Based on such view, we identified the material aspects as of 2016 in consideration of the characteristics of G-TEKT's business, while seeking the opinions of stakeholders. We have organized and enhanced the method of managing material issues that have been identified, and integrated them into the policies for the third Medium-term Plan.



Four material issues that have been identified

Enhancement of corporate governance

We recognize that in particular, the enhancement of the Group's governance and the maintenance of a sound governance structure are extremely important issues for G-TEKT, a global corporation with affiliates all over the world. Given this, in addition to the periodical reviews of states of governance structures in our domestic and overseas subsidiaries by using a checklist, etc., we share issues and plan to implement improvement measures between the headquarters and those subsidiaries, with the goal of maintaining and enhancing the level of governance.



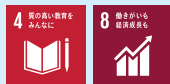
Development of environmentally-friendly products and technologies

Automobiles created from G-TEKT's business are one of the products that require utmost consideration for the environment. In particular, the fuel efficiency of an automobile is greatly influenced by its weight, so reduction of body weight is a major challenge. At G-TEKT, we manufacture products with a low environmental burden by reducing the body weight without compromising its performance by applying G-TEKT's proprietary design concepts and weight reduction technologies.



Talent development

We put a great deal of effort into company-led talent development at G-TEKT, where various talent development programs are available for all employees from new to experienced personnel. Under the idea that a company cannot grow without growing its people, in order to be a company that undergoes sustained growth and evolution, G-TEKT is committed to treating each and every employee as an individual.



Environmental management

In order to realize a sustainable society, the task of tackling climate change risks is a major corporate social responsibility. G-TEKT not only proactively engages in initiatives to reduce greenhouse gas (GHG) released through its businesses in a systematic manner, but also endeavors to reduce the environmental burden in the value chain.



Conducting Self-inspection of CSR

In order to raise the level of CSR activities of the G-TEKT Group as a whole, we conduct self-inspections. Once a year, we conduct self-inspections by distributing a check sheet of CSR initiatives to our domestic headquarters and overseas offices. In response to changes in the business environment in the previous fiscal year, we have revised check sheets with some additions and modifications, so that they can be compared company-wide. For this reason, we are unable to make a simple comparison with the fiscal year before last, but as a result of self-inspection, we could see there was a general improvement trend. Regarding the areas of weakness that have become apparent, we are following up by providing advices, etc., taking into account the conditions in each country.