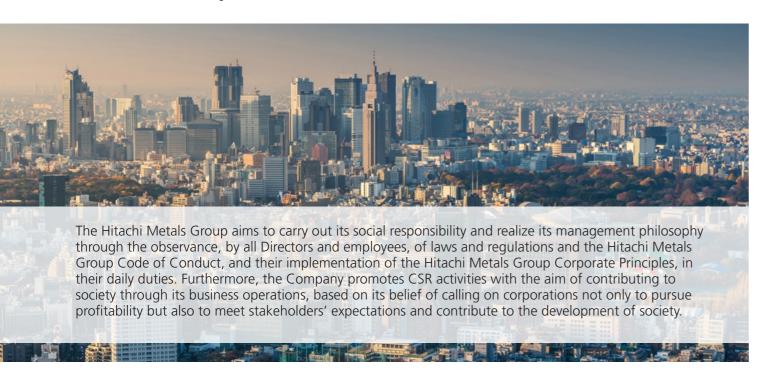
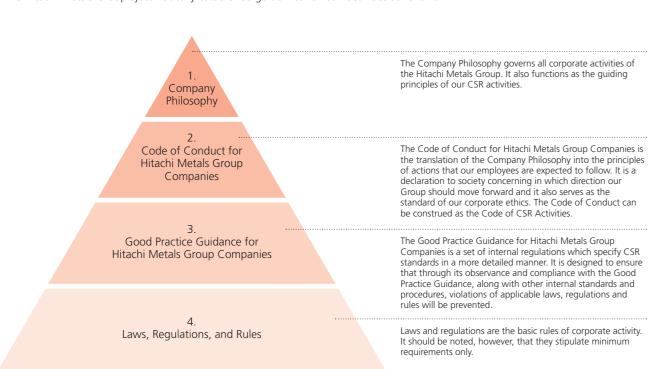
CSR Basic Policy



Guidelines for CSR Activities

The Hitachi Metals Group systematically established guidelines for CSR activities as follows:



Outside Assessment

Hitachi Metals has been added to the world's leading social responsibility investment indices

The FTSE4Good Index Series is calculated by the FTSE Group, which is owned by the London Stock Exchange. An important gauge providing criteria for investment choices, the FTSE4Good Index Series selects stocks according to five ESG (environmental, social, and governance) themes: environmental management, mitigating climate change, human rights and workers' rights, supply chain labor standards, and the prevention of bribery.

Hitachi Metals has also been included in all three FSG investment indices newly selected by the Government Pension Investment Fund (GPIF), namely, the MSCI Japan ESG Select Leaders Index, the MSCI Japan Empowering Women Index (WIN), and the FTSE Blossom Japan Index. Hitachi Metals has also been selected for the SNAM Sustainability Index, which invests in companies with high ESG evaluations.



Hitachi Metals Group Stakeholders

The business of the Hitachi Metals Group is materialized through engagement with stakeholders. The Hitachi Metals Group considers stakeholders strongly associated with its business activities as "customers," "shareholders and

investors," "suppliers," "employees," and "society and local communities," and develops its CSR activities by responding to requests and expectations from those stakeholders and contributing to society's sustainability.

Main Stakeholders and Responsibilities

The Hitachi Metals Group

Society and Local Communities

- Compliance with laws • Factory tours for people in the community
- Participation in local events
- Volunteer activities by employees
- Providing information to the media • Collaboration with NPOs, etc.

- Various labor-management
- Publication of company in-house journals Establish management by objective and self-certification
- Establish proposal for improvement • Guidance of various systems and health/
- welfare benefits via the Intranet Medium-term explanatory meetings, budget explanatory meetings, etc.

Customers

- Daily sales activities
- Inquiries to our website
- Various explanatory meetings for distributors, etc.
- Product exhibitions, etc.

Suppliers

- Daily procurement activities
- Guidance meetings for suppliers Quality and environmental auditing
- Supporting safety activities, etc.

hareholders & Investors

- General shareholders' meeting
- Financial results explanatory meetings, information meetings for investors
- Publication of securities reports, annual reports (financial statements in English) and
- correspondence for shareholders • Information disclosure on corporate website, etc

Framework for CSR Activities

The Hitachi Metals Group is continuously enhancing its management quality based on a framework in accordance with international standards.

Every year since fiscal 2015, the Hitachi Metals Group has evaluated its activity results, set targets and measures for the upcoming fiscal year, and integrated the evaluation results into

a road map in accordance with the Hitachi Group CSR Policy formulated and based on ISO 26000, the global standard for corporate social responsibility. By repeating this cycle of road map setting and implementation, the Group is continuously enhancing the quality of management.

CSR Management Framework for the Hitachi Group



Hitachi Metals Group Initiatives

Recognition of current status in accordance with ISO 26000 Consideration of material issues to address going improvements in line vith the PDCA cycle

The Hitachi Metals Group Report 2017 (Integrated Report)