



Director, Executive Officer
Yoshihiko Katsukawa



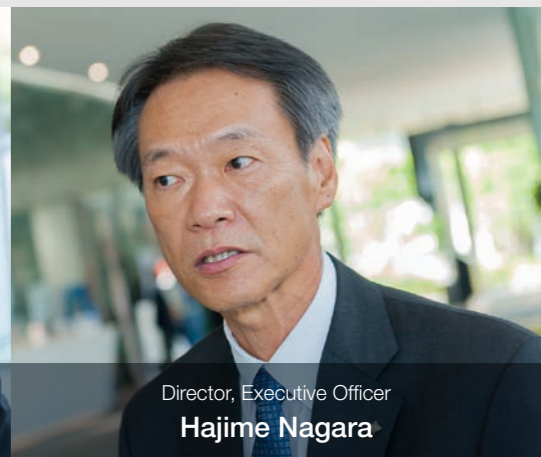
Executive Vice President and Representative Director
Fusaki Koshiishi



President, CEO and Representative Director
Mitsugu Yamaguchi



Executive Vice President and Representative Director
Koichiro Shibata



Director, Executive Officer
Hajime Nagara



Independent Director
Yumiko Ito

To Continue to be Indispensable to Customers and Society



Independent Director
Takao Kitabata



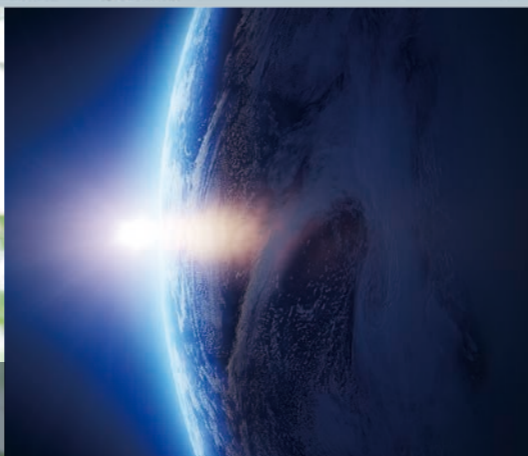
Independent Director
Hiroyuki Bamba



Director (Audit & Supervisory Committee Member)
Hiroshi Ishikawa



Independent Director (Audit & Supervisory Committee Member)
Masaaki Kono



Independent Director (Audit & Supervisory Committee Member)
Yoshiiku Miyata



Director (Audit & Supervisory Committee Member)
Yasushi Tsushima



Independent Director (Audit & Supervisory Committee Member)
Kunio Miura

Dedicating Our Heart and Soul

Sustainability Management

The KOBELCO Group's wish is to contribute to a world in which people, now and in the future, can fulfill their hopes and dreams while enjoying safe, secure, and prosperous lives. We will pour our heart and soul to accelerate our efforts for sustainability management based on the distinctive technologies we have cultivated over the 100-year history of the KOBELCO Group.



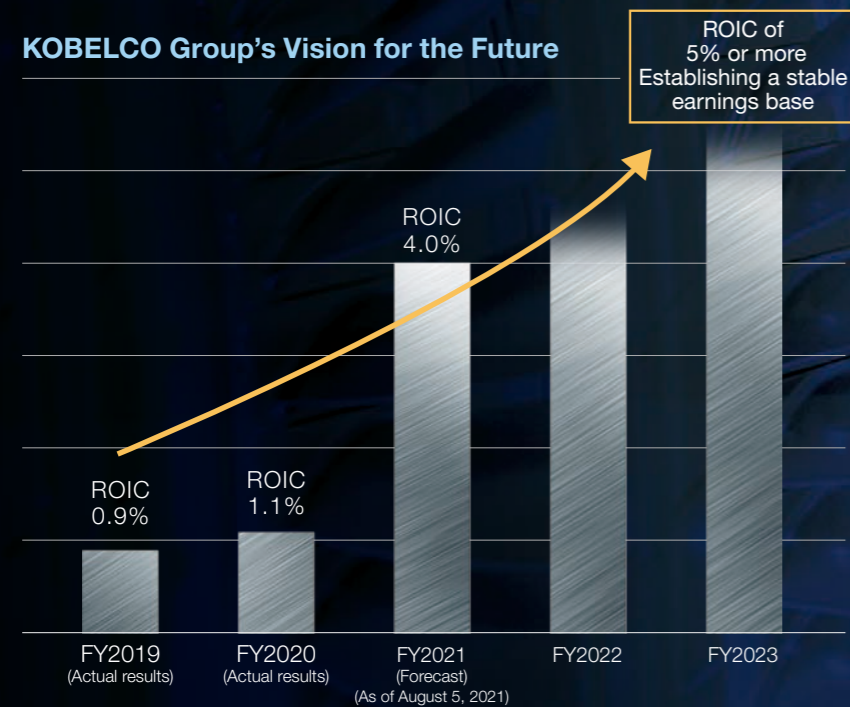
KOBELCO Group's Corporate Philosophy	
KOBELCO's View of the Future	<p>Our view of a society and future to be attained as we carry out KOBELCO's Mission</p> <p>We envision a world in which people, now and in the future, can fulfill their hopes and dreams while enjoying safe, secure, and prosperous lives.</p>
KOBELCO's Mission	<p>Our mission and the social significance of the KOBELCO Group that we must fulfill</p> <p>Our mission is to provide solutions to the needs of society, by making the best use of the talents of our employees and our technologies.</p>
Core Values of KOBELCO	<p>The commitments of the KOBELCO Group to society and the values shared by the entire KOBELCO Group</p> <ol style="list-style-type: none"> 1. We provide technologies, products and services that win the trust and confidence of our customers we serve and the society in which we live. 2. We value, and support the growth of, each employee on an individual basis, while creating a cooperative and harmonious environment. 3. Through continuous and innovative changes, we create new values for the society of which we are a member.
Six Pledges of KOBELCO	<p>Code of Conduct for all Group employees to follow to fulfill the Core Values of KOBELCO and the Quality charter</p> <ol style="list-style-type: none"> 1. Uphold the Highest Sense of Ethics and Professionalism 2. Contribute to the Society by Providing Superior Products and Services Quality Charter 3. Establish a Comfortable but Challenging Work Environment 4. Live in Harmony with the Local Community 5. Contribute to a Sustainable Environment 6. Respect Each Stakeholder

Regaining Our Foothold

Establishing a Stable Earnings Base

Aiming to regain the ability to generate earnings that is not affected by the external environment, we will make determined efforts to establish a stable earnings base and return to a growth trajectory leading to the sustainable growth of the KOBELCO Group.

KOBELCO Group's Vision for the Future



Transforming KOBELCO into a corporate group that achieves sustainable growth and maintaining a **ROIC of 8% or more** on a stable basis

Solving social issues and creating economic value through business activities

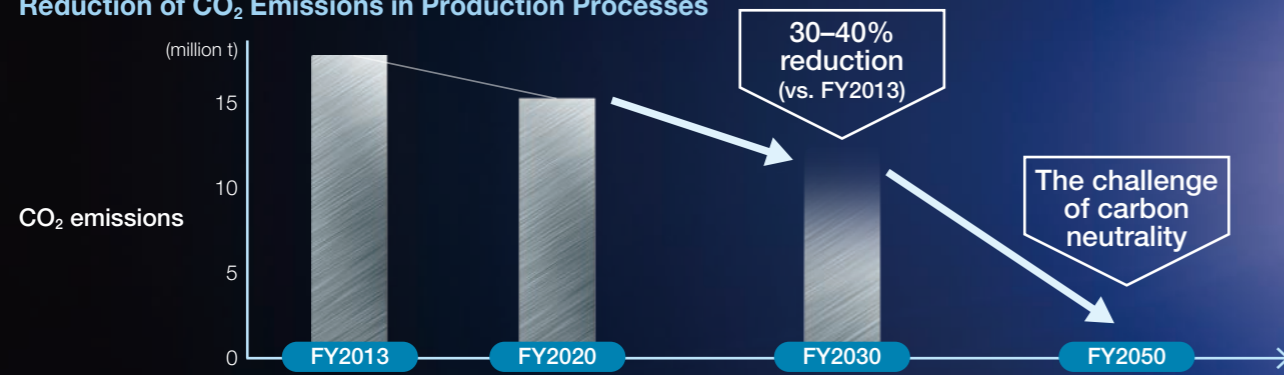
Taking Bold Steps Toward the Future

Taking on the Challenge of Realizing Carbon Neutrality

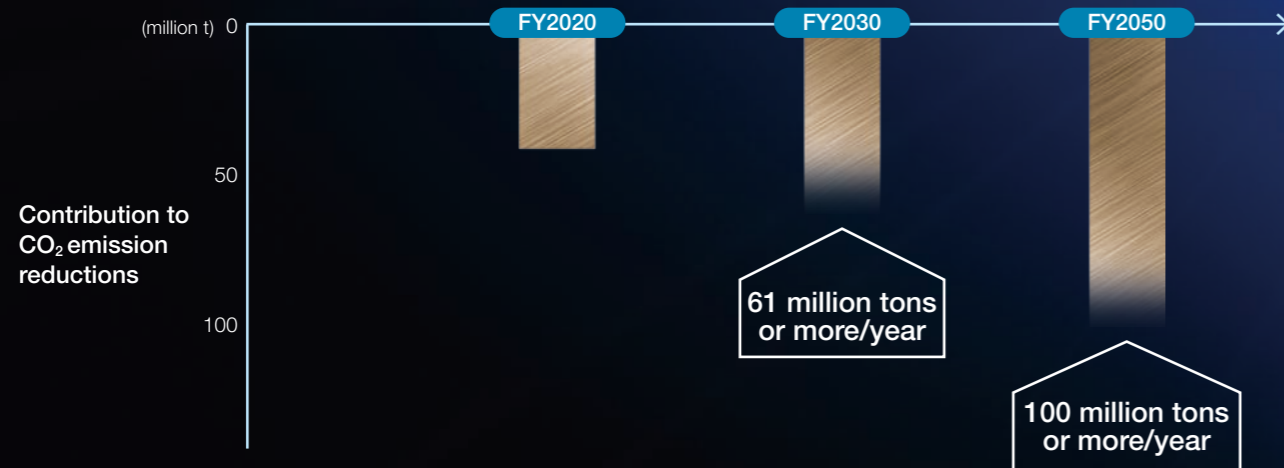
Achieving carbon neutrality is a challenge for the KOBELCO Group, but at the same time it presents us an enormous business opportunity.

We will contribute to the realization of a carbon-neutral society by reducing CO₂ emissions from our production processes by integrating our Group's technologies, as well as through our unique technologies, products, and services.

Reduction of CO₂ Emissions in Production Processes



Contribution to Reduction of CO₂ Emissions through Technologies, Products, and Services



Transforming KOBELCO



Dedicating utmost efforts to transform the KOBELCO Group toward the goals of the new Medium-Term Management Plan

Three years have passed since I took office as president in 2018. With the firm resolve to transform the KOBELCO Group, I have been making serious efforts to prevent the recurrence of the quality misconduct that prompted me to assume the presidency of the Company. We needed to prove that the Company has really changed to society. It was not only about resolving the quality misconduct, but also changing the corporate culture—the root cause of the incident. Our corporate culture was based on siloed business operations. The business was segmented and separately carried out by respective business divisions that handle materials, machinery, and electric power. At that time, we had no clear perspectives in terms of what the KOBELCO Group aims to achieve.

In order to remove the barriers between business divisions, we launched a project to create our corporate philosophy. In its formulation process, we emphasized a bottom-up approach so that employees could pour their hearts and souls into what they create. Through this process the corporate philosophy was completed, and it has now gained recognition and empathy among employees through the companywide initiative to promote dialogues and has started to take root as our new corporate culture. As a benefit of this, the Company is becoming a more open organization where discussions and cooperation are taking place across business divisions.

The KOBELCO Group possesses diverse technologies and human resources. Opportunities for new value creation are being produced from the cross-sectoral sharing and integration of various technologies and expertise. Recently, we identified issues of materiality to achieve our mission and vision expressed in the Group Corporate Philosophy. The Materiality presents a list of priority issues, including “contributing to a green society.” I believe addressing these issues will lead to the KOBELCO Group’s great leaps forward.

On the other hand, we are facing a harsh reality that we need to restore our unstable earnings base—a remaining issue from the previous Medium-Term Management Plan (FY2016–2020). To shore up medium- to long-term value creation, we first must achieve the establishment of a stable earnings base under the new Medium-Term Management Plan (FY2021–2023) and ensure that earnings are strong enough to generate ROIC of at least 5% by fiscal 2023.

We recognize that accomplishing the two priority themes of establishing a stable earnings base and taking on the challenge of realizing carbon neutrality, announced in the new Medium-Term Management Plan, is the minimum requirements for the KOBELCO Group to survive and develop as a corporation in the market. I believe it is my mission to make utmost efforts to achieve these goals.

A handwritten signature in black ink that reads "M. Yamaguchi".

Mitsugu Yamaguchi
President, CEO and
Representative Director