

## **The Kobe Steel Group's Basic Policy on Human Rights**

Recognizing that respect for human rights is an important social responsibility for companies, the Kobe Steel Group respects the International Bill of Human Rights adopted by the U.N. as a corporate group that operates globally. It has formulated a Basic Policy on Human Rights to clearly show its stance on respect for human rights based on the U.N. Guiding Principles on Business and Human Rights and other international norms.

### **1. Basic Policy on Human Rights**

#### **(1) Respect for human rights**

We respect fundamental human rights through sound business activities in accordance with internationally recognized human rights principles.

#### **(2) Elimination of discrimination**

We respect individual diversity and do not discriminate against people in terms of race, faith, color, religion, nationality, language, ethnicity, sex, sexual orientation, sexual identity, marital status, age, physical characteristics, illness, disability, social status, property, place of origin, etc.

#### **(3) Prohibition of harassment**

We do not permit any behavior or language that violates human rights based on gender or position, or tolerate any other form of harassment. In the event that a human rights violation, including harassment, arises, we will take prompt and strict action.

#### **(4) Respect the right to work**

We observe the labor laws and practices of the countries and regions in which we operate, respect the right to freedom of association and collective bargaining, and establish sound labor-management relationships through sincere dialogue with employees or their representatives.

#### **(5) Prohibition of child labor and forced labor**

We do not engage in child labor or forced labor in all countries and regions in which we operate. In addition, based on UNICEF's Children's Rights and Business Principles, we respect the rights of children.

#### **(6) Providing a pleasant workplace environment for our employees**

We create a workplace in which all employees can work with vigor and enthusiasm in a safe

and healthy environment. Wage payments shall be made in compliance with the laws and regulations, including minimum wages and statutory benefits, of the countries and regions in which we operate. A portion of the profits generated in the course of our business activities shall be shared appropriately with employees so as to be sufficient as living wages, taking into account actual business conditions and business results. We also comply with laws and regulations concerning working hours and overtime.

#### **(7) Contribution to local society**

As a good corporate citizen, we build relationships of mutual trust with local communities and work together to resolve local issues. We also build a personnel system that takes into account local social circumstances, culture, customs, and other factors, and strive to contribute to employment in the local communities in which we operate.

## **2. Scope of Application**

This policy applies to the directors, executive officers and all employees of the Kobe Steel Group (including full-time employees, contract employees and temporary employees).

## **3. Responsibility for Respect for Human Rights**

We fulfill our responsibility for respect for human rights by taking appropriate action to address any negative impact that our business activities may have on human rights.

## **4. Education**

In order to comply with the basic policy of respect for human rights, we continue to raise awareness of respect for human rights in our training sessions for directors, executive officers and employees when they are initially hired and promoted, as well as in our training sessions for managers and supervisors. In order to prevent harassment, harassment is prohibited under the Conduct Guide for Employees and the Harassment Prevention Manual.

## **5. Implementation of Human Rights Due Diligence**

In order to prevent or mitigate the negative impact of our business activities on human rights in society, we have established a human rights due diligence system that conducts preventive investigations and evaluations and makes corrections through appropriate means. We continue to conduct such investigations and evaluations and disclose the progress and results we have achieved to the public.