

Social Initiatives

3 Employees

For the Kobe Steel Group, our greatest asset is our people. Our initiatives focus on diversity, work style reforms, health and safety management, and human resource development with the aim of creating work environments where all employees mutually respect the individuality of one another and work vibrantly to their fullest potential, in accordance with the Core Values of KOBELCO and the Six Pledges of KOBELCO Men and Women.

Diversity

The Diversity Development Section, which was created in October 2014, promotes initiatives to create a company where all employees respect diversity and thriving workplaces where employees can use their skills to their fullest, based on three approaches: employment continuation support, activity support, and workplace improvement.

To support women in the workplace, we have a variety of initiatives underway, such as setting numerical targets for hiring women and creating individual career advancement plans for young female career-track employees in order to speed up their career development prior to life events.

<p><b>Employment Continuation Support</b></p> <ul style="list-style-type: none"> <li>Extended leave for raising children (until they turn three years old)</li> <li>Expansion of flexible work hours for childcare (through elementary school age)</li> <li>Work-from-home system (four days/month, expanded for pregnant women/family nursing, care for children up to elementary school age)</li> <li>Extension of caregiving leave (up to three years)</li> <li>Paid child and family care leave</li> <li>Point award system for childcare items under welfare benefits program</li> <li>Reemployment system (reemployment within five years of quitting for reasons including a spouse's work relocation, childcare, or caregiving)</li> <li>Career sabbatical program (up to three years in the case of a spouse's work relocation)</li> </ul>	<p><b>Activity Support</b></p> <ul style="list-style-type: none"> <li>Numerical targets set for hiring new college graduates (30% career-track positions, 10% technical positions, 10% core technical positions)</li> <li>Networking events for female employees and foreign employees</li> <li>Mentor system for female employees and foreign employees</li> <li>Career advancement plans for young female employees in career-track positions (growth experiences)</li> <li>Management training for superiors of female employees and foreign employees</li> </ul>	<p><b>Workplace Improvements for Employees to Stay Motivated and Maximize Their Skills</b></p> <ul style="list-style-type: none"> <li>Support for men to help with childrearing</li> <li>Reduce long working hours, encourage employees to take paid vacation, and take other steps related to work style reforms</li> <li>Diversity training at all business sites to create pleasant work environments</li> </ul>
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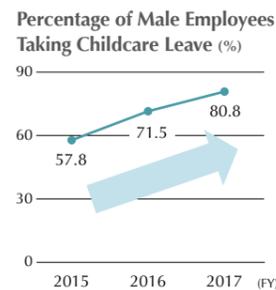
**Awarded the Kurumin Mark**

Kobe Steel has been recognized for its efforts to maintain work environments that are conducive to a healthy work-life balance, having twice received the government's "Kurumin Mark" certification (in 2012 and 2015), which recognizes companies that provide proactive support for childrearing.



**Achieved Target for Male Employees Taking Childcare Leave**

We achieved our target of 80% for the percentage of men who take days off to care for their newborn children, thanks to displaying posters calling for employees to take leaves, introducing employees who took advantage of the system on the company's intranet, and verbally reminding new fathers and their superiors about taking days off.



**Diversity Training for Creating Pleasant Work Environments**

Diversity training has been implemented at all of our business locations for the purpose of learning more about gender bias. A total of 60 training sessions have been held for approximately 1,400 management-level employees.



**Networking Event for Women in Career-Track Positions**

This networking event has been held every year since fiscal 2014. In fiscal 2017, male managers also participated in a group discussion about the importance of communication in workplaces that respect diverse individualities and values.

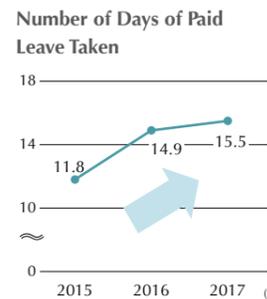
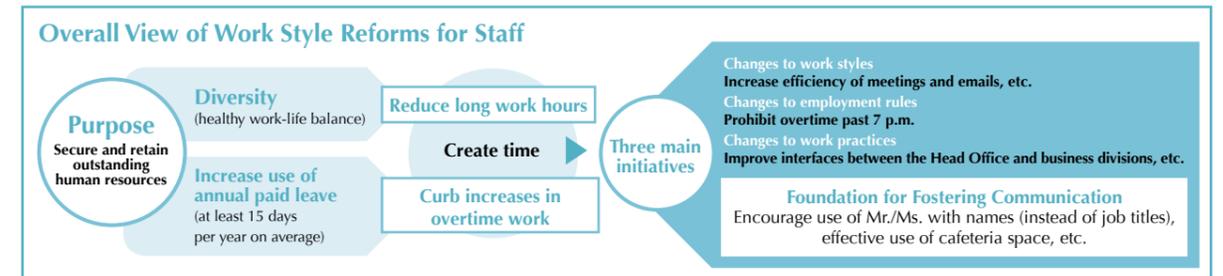


**Poster Calling for Employees to Take Childcare Leave**



Work Style Reforms

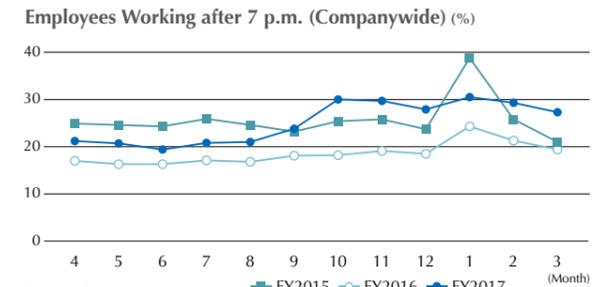
In order to secure and retain outstanding human resources, the Kobe Steel Group has been focusing on encouraging the use of paid leave among employees, the promotion of a healthy work-life balance, and other measures to improve the work environment. In fiscal 2016, we launched initiatives for work style reforms for staff, consisting of changes to work styles, changes to employment rules, and changes to work practices, with the aim of creating time for employees through more efficient work practices and improving the use of that time by all employees.



(Left graph) The number of days of paid leave taken increased to over 15 days per year (average).



(Middle graph) The number of hours spent in meetings was reduced sharply thanks to efforts to make meetings more efficient, such as creating rules for new meetings and eliminating meetings for meetings' sake.



Health and Safety Management

We believe that health and safety are fundamental to business management and take priority over all business activities. In keeping with this principle, we take various steps to create a lively workplace where employees can safely pursue their careers with peace of mind.

**Goals of Health and Safety Management Plans**

- Correctly understand relevant laws, regulations, and company rules, and build a consistently compliant organization and structure.
- Quickly respond to changes occurring in areas such as production, quality, personnel, company organization, and the environment.
- Create a corporate culture in which all employees work to protect not only their own health and safety, but also those of their fellow workers.

**Safety Management**

As a result of efforts to eliminate occupational accidents over the medium to long term, Kobe Steel has been able to reduce the number of accidents and maintain an overall low frequency of occurrences. Regrettably, two fatal accidents occurred in fiscal 2017.

**Frequency of Accidents Resulting in Absence from Work**



We recognize that protecting the lives and health of our employees is of the utmost priority in fulfilling our corporate social responsibilities. The Kobe Steel Group and its partner companies will make a unified effort, in terms of people, equipment, and supervision, to further raise the level of safety.

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Health Management

As a basic principle, Kobe Steel strives for zero cases of work-related illness and aims to reduce the number of work days lost due to illness. Kobe Steel has been selected for the Health and Productivity Stock Selection for three years running (the first time being in fiscal 2015) by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. Additionally, Kobe Steel

was chosen as a 2017 Certified Health and Productivity Management Organization by the Ministry of Economy, Trade and Industry.



Improving Mental Health

<b>Preventing mental health issues</b> Target: All employees	We have taken proactive steps to assign counselors at all business locations to provide counseling services for work reassignments, promotions/raises, and other work-related changes. These counseling services are also provided to employees through a dedicated phone line.
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Reducing High-Risk Obesity (Metabolic Syndrome)

<b>Blood testing</b> Target: Employees aged 20, 25, and 30 years old	Employees have their blood tested at certain ages during health checkups, which are mandatory under law after the age of 35, in order to detect and address early stages of high-risk obesity (metabolic syndrome).
<b>Health challenge activities</b> Target: People with health insurance (excluding family members under 18 years old)	Presents are given to people who achieve goals for exercising, quitting smoking, or reducing weight over a certain period.
<b>Helping people quit smoking</b> Target: People with health insurance (excluding family members)	We help people quit smoking by prohibiting smoking inside factories and other spaces, putting up posters about risk of disease in smoking areas, and recommending nicotine patches. In fiscal 2015, we kicked off a smoke-free campaign and gave presents to people who quit smoking for a certain period.

Improving Physical Health for Early Detection of Cancer and Other Diseases

<b>Kobelco Medical Check 50</b> Target: All employees aged 50 years old	We cover the entire cost of optional medical checkups (tumor markers, breast cancer screening, brain disease testing, etc.).
<b>Women's Health Check 50</b> Target: All employees over 50 years old and their dependents	We partially offset the cost of optional medical checkups (tumor markers, breast cancer screening, brain disease testing, etc.).
<b>Endoscopic stomach and colorectal cancer screening</b> Target: All employees aged 35 and older	Health insurance covers the entire cost.

Human Resource Development

Human resource development at Kobe Steel aims to instill in employees a sense of pride and satisfaction in their work. To achieve this, it is important that employees have concrete goals and experience daily growth, and we fully support opportunities that enable them to grow.

Vision for Human Resources

We want all employees to share a diverse sense of values and to feel pride and enthusiasm in their daily work. To this end, we have established the following "Vision for Human Resources at Kobe Steel."

**"As employees, we will continually strive to establish trust in KOBELCO on a global scale."**

- Sincerity**  
People who seriously accept reality and act in good faith
- Cooperation**  
People who express their own views while accepting the opinions of others and also working in partnership with others
- Innovation**  
People who are never satisfied, but constantly challenge and strive to innovate

Support for Career Development and Technical Skills Development

For human resource development, Kobe Steel supports the growth of its employees with training programs that complement on-the-job training, the basis of employee education, in the workplace. We have created tiered training systems for managers, career-track employees, technical workers, and administrative workers, and have revised the contents of those training modules annually. In fiscal 2018, in light of our misconduct, we revised the contents of training curriculums for each level and position in order to delve deeper into related issues.

We also support career development by providing opportunities each year from April through May for managers and their employees to discuss business objectives and future career plans.

Managers and Career-Track Employees

We focus efforts on leadership training at the management level, improving the problem-solving skills and expertise of mid-career employees, and providing young employees with a basic education on the expectation that they will become managers with advanced expertise and broad business experience.

As a framework for helping employees develop personally, we

have put in place a support system for covering the cost of online education courses for learning foreign languages. Our cafeteria plan (elective welfare benefit system) has a list of items for which the Company will reimburse employees, such as costs for acquiring qualifications, purchasing books, and taking classes at external educational institutions. We have also introduced a personnel job posting system that encourages employees to form careers on their own accord.

Training System for Managers and Career-Track Employees

		Managers	Mid-career employees	Young employees
<b>Leadership training</b>	Companywide common training	External training Business management school	Corporate administration and management training	
<b>Stratified group training</b>	Companywide common training	Kobe Steel Group general managers	Professional reports	3rd-year employees
		Managers	Pre-shusa level	New employees
		2nd-year managers		
		Newly appointed managers		
		On-the-job training (OJT) support		
		TPAC line managers	OJT leaders	Using TPAC
	Business units/ Group companies	Training in each business unit/Group company		
	Supervisory departments with specialized functions	Training for specialized skills by field		
<b>Selective/open training</b>	Companywide common training	Technical/technical skills training		
		Business training		
<b>Problem-based training</b>	Companywide common training	Training on compliance, environmental management, diversity, human rights, quality, etc.		
<b>Support for personal development</b>	Companywide common training	Foreign language training, etc.		

Technical Workers

We take a proactive role in training young technical workers. In addition to five years of required technical training after entering the company for the technical employees who operate our manufacturing facilities, we also offer support for trade skill tests and other qualifications, and dispatch employees to the College of Industrial Technology. Training for selecting employees to supervisor positions to raise the management skills of on-site supervisors is also held at our head offices and business locations. We also carry out training, not only in regard to quality and production, but also on the knowledge required for supervisors to fulfill their duties. This includes knowledge on safety, the environment, compliance, and human rights.

Qualification/position	Stratified training	College dispatch
<b>Head foreman</b>	Follow-up training for new head foremen Training for newly appointed head foremen	
<b>Foreman</b>	Follow-up training for new foremen Training for newly appointed foremen	
<b>Team leader</b>	Training for newly appointed team leaders Leader development training Training for technical workers	Dispatch to College of Industrial Technology
<b>Specialist</b>	Technical training based on job type (operation, maintenance, processing, assembly, welding, inspection, and analysis) General technical training	

Administrative Workers

In order to support the skill development of administrative workers, in addition to on-the-job training to improve work performance, we also carry out stratified training tailored to specific job roles. Additionally, to support the further growth of specialized skills, in fiscal 2017 we also began expanding our lineup of elective offline training for individual career development and job proficiency.

Job role	Stratified training	Elective training
<b>Shuji (Team leader)</b>	<ul style="list-style-type: none"> <li>Communication training to draw out collaboration</li> <li>Training for new team leaders</li> </ul>	<ul style="list-style-type: none"> <li>Business improvement training (manual creation training, etc.)</li> </ul>
<b>Fukushuji (Sub-team leader)</b>	<ul style="list-style-type: none"> <li>Management issues formulation training</li> <li>WBS basic training (work arrangements and visualization)</li> <li>Teaching and coaching training</li> <li>Self-esteem training</li> </ul>	<ul style="list-style-type: none"> <li>Time management training (planning capability development training, etc.)</li> </ul>
<b>Specialist</b>	<ul style="list-style-type: none"> <li>MACS (management cycle simulation)</li> <li>Problem-solving training (practical applications)</li> <li>Training for core workers</li> <li>Problem-solving training (basic)</li> <li>Business standards training</li> </ul>	<ul style="list-style-type: none"> <li>Logical writing training</li> <li>Assertive communication training</li> <li>Various computer skills training</li> </ul>