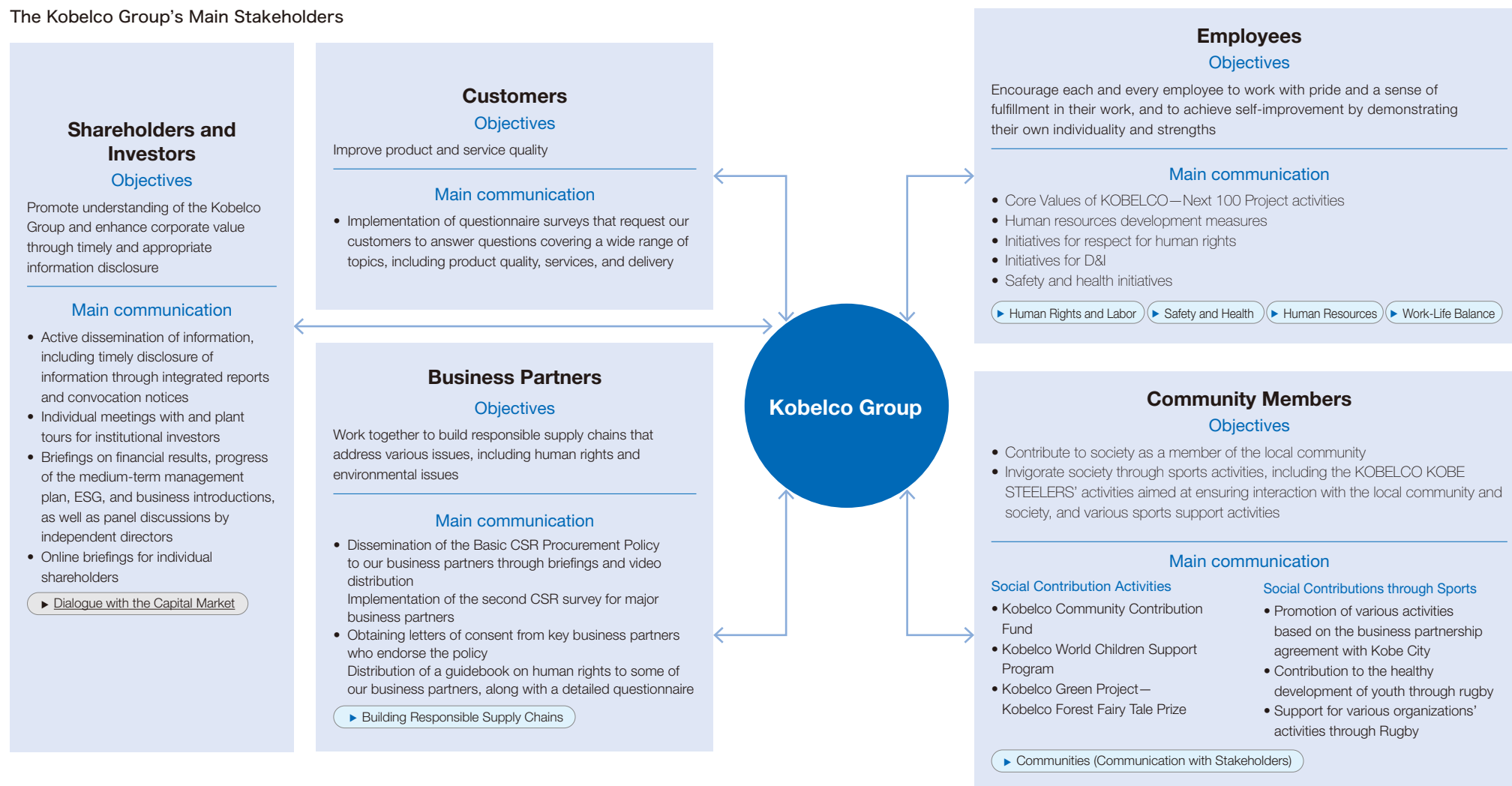


Communities (Communication with Stakeholders)

The Kobelco Group is committed to proactive communication with its stakeholders. Recognizing that improving management transparency is a top priority, we are promoting timely, appropriate, and extensive information disclosure.

We also carry out various activities to contribute to local communities, such as community interaction, regional development, environmental activities, and contribution to society through sports.

The Kobelco Group's Main Stakeholders



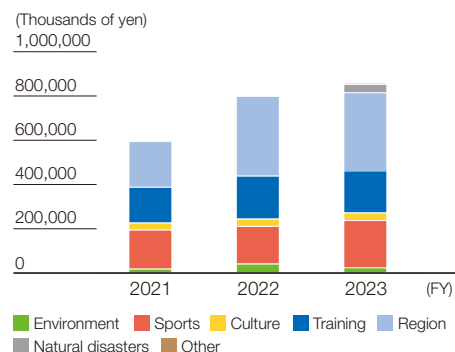
Communities (Communication with Stakeholders)

Social Contribution Activities

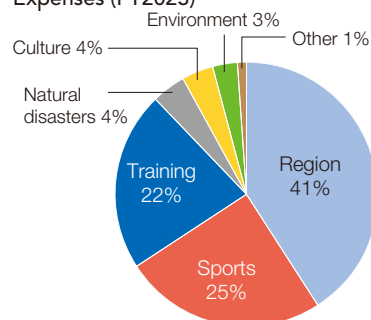
The Kobelco Group carries out various social contribution activities, including support for children through the Kobelco Community Contribution Fund and social contributions through sports. In fiscal 2023, we spent approximately 850 million yen for social contribution activities expenses, such as donations through UNICEF and donations to local governments in areas where our business sites are located.

Since fiscal 2019, expenses for social contribution activities had been declining due to the COVID-19 pandemic, but in fiscal 2023 they increased following the resumption of events and activities and for assistance provided following the Noto Peninsula Earthquake. We will continue to engage in social contribution activities while taking into account the future situation.

Kobelco Group's Social Contribution Spending



Breakdown of Social Contribution Activities Expenses (FY2023)



Social Contributions for Communities

● Nadahama Garden Baden

Nadahama Garden Baden is a bathing facility that utilizes the energy of the nearby Kobe Power Plant. Local residents use it as a place for health promotion and relaxation.

In addition, in the event of a disaster, the facility can use pool water for fire prevention, fire extinguishing, and daily use, giving consideration to local disaster prevention.



● Kobelco Community Contribution Fund

In fiscal 2006, the 100th anniversary of the Company's founding, we established the Kobelco Community Contribution Fund, which carries out support activities for children. In fiscal 2023, the Company and its Group companies donated approximately 5.6 million yen in total to various facilities and organizations. Please visit our corporate website for an overview of the fund's support results and initiatives.



Social Contributions through Sports

● Activities Rooted in the Comprehensive Partnership Agreement with Hyogo Prefecture

On November 9, 2023, we concluded a comprehensive partnership agreement with the KOBELCO KOBE STEELERS and Hyogo Prefecture mainly covering sports promotion and regional revitalization, including the following:

- 1) Promotion of sports through rugby;
- 2) Regional revitalization through collaboration between industry, government, and academia;
- 3) Remembering the lessons of major earthquakes; and
- 4) Disseminating the importance of food by athletes.

Since then, we have carried out activities such as inviting children to watch matches and regional revitalization initiatives in collaboration with universities in the prefecture.

- Rugby classes for beginners were held for fifth and sixth graders and junior high school students in Kakogawa City, Kobe City, and Itami City



● Activities Rooted in the Business Cooperation Agreement with Kobe City

The KOBELCO KOBE STEELERS, whose host town is Kobe City, signed a business collaboration agreement with the city on September 28, 2021, in order to further strengthen collaboration. The agreement aims to:

- 1) Promote sports through rugby and create a legacy for the Rugby World Cup;
- 2) Improve the health of citizens, promote the sound development of young people, and realize a prosperous society;
- 3) Promote regional revitalization; and
- 4) Disseminate the attractiveness of Kobe City both in Japan and overseas.

In fiscal 2023, we conducted projects in cooperation with related departments of the Kobe municipal government.

- Rugby classes for elementary schools in Kobe City [Board of Education]
- Collaboration on dissemination of SDGs message [Construction Bureau]
- Participation in the public viewing of Rugby World Cup 2023 in France [Culture and Sports Bureau]
- Participation in the Kobekko Welcome Project [Children and Family Bureau]

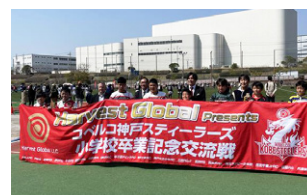


Communities (Communication with Stakeholders)

● Elementary School Graduation Exchange Match

On March 16, 2023, before the match against Saitama Panasonic Wild Knights in Round 10 of Japan Rugby League One 2023–24, the Harvest Global Presents KOBELCO KOBELCO STEELERS Elementary School Graduation Exchange Match was held at the Kobe Sports Park Universiade Memorial Stadium Auxiliary Field.

This year marks the third time the tournament has been held since 2022 based on the desire of Ambassador Daisuke Ohata to “make good final memories of elementary school among all his sixth grade teammates, regardless of whether they are a regular player or not, to wear the team’s uniform and take part in matches without worrying about winning or losing.”



● Community Child Watch Activities

Since 2019, we have watched over children walking to elementary schools near the Kobe Head Office.



● Support for the Activities of Various Groups through Rugby

(Support for Activities of the Hyogo Guide Dogs Association)

The KOBELCO KOBELCO STEELERS has been supporting the activities of the Hyogo Guide Dogs Association, a social welfare corporation whose mission is to train guide dogs and deepen understanding of the local community about accepting guide dogs, and, since 2020, have cooperated in raising funds to support guide dogs and selling charity goods at match venues. This year as well, many visitors came to the booth to participate in our activities.



(Support for Activities of the Kobe Kodomo Takushoku Project; Delivering Food for Children (BE KOBELCO PROJECT))

We conducted PR activities for a food drive at the match venue.



▶ KOBELCO KOBELCO STEELERS (in Japanese only)

● KOBELCO Cup for Spreading and Developing High School Rugby in Japan

In order to contribute to the spread of high school rugby, we hold the KOBELCO Cup with the aim of supporting high school rugby nationwide. The KOBELCO Cup, which celebrates its 20th anniversary this year, plays an extremely important role in strengthening Japanese rugby and developing players. The Kobelco Group is also a special sponsor of the National High School Rugby Tournament, which is held in Hanazono, Higashiosaka City, every year during the year-end and New Year holidays.



● Community Exchange Facility: Nadahama Sports Zone

The Nadahama Sports Zone has tennis courts and artificial turf fields that are open to the public.



Social Contributions for Education

● Nadahama Science Square

Nadahama Science Square connects the four themes of “steelmaking,” “power generation,” “energy,” and “the environment.” In the exhibition room, visitors can experience the fun and wonder of science and technology while playing, and on weekends, fun events such as experiments are held. In addition, the green space and the biotope in the facility are used by local residents as places to relax.



Social Contributions for People Affected by Disasters

● Supporting Areas Affected by Disasters

The Kobelco Group provides support to people following earthquakes and other natural disasters. After the Noto Peninsula Earthquake occurred in January 2024, we have donated 30 million yen through the Japanese Red Cross Society.

Communities (Communication with Stakeholders)

● Kobelco World Children Support Program

This program was established in fiscal 2021 to support children in need around the world due to natural disasters such as earthquakes and volcanic eruptions, as well as conflicts. In fiscal 2023, we donated 5 million yen to the Japan Committee for UNICEF's natural disaster emergency relief fund and for support of those affected by the Morocco Earthquake. Going forward, we will continue to make donations every year to support activities carried out by the United Nations and other international organizations.

Program Donations in Fiscal 2023
UNICEF (natural disasters): 4 million yen
Morocco Earthquake: 1 million yen

Social Contributions for Culture

● Kobelco Grand Hall (Supporting cultural activities)

We support cultural activities through a contract for the naming rights* of the grand hall at the Hyogo Performing Arts Center.

* Refers to the naming of public facilities by companies such as theaters and libraries that are part of a company's support for cultural promotion activities.



Contribution to Preservation of the Environment

● Kobelco Green Project

The Kobelco Group aims to coexist and cooperate with society from an environmental perspective as well. Since fiscal 2013, we have been promoting the Kobelco Green Project, an environmental contribution activity that fosters a desire to care for the environment, throughout the Group to conserve and maintain forests that are a sink for CO₂, along with the Kobelco Forest Fairy Tale Prize to foster children's feelings for nature, as well as forest development activities and environmental education outreach to children's centers led by Group employees.

● Kobelco Forest Fairy Tale Prize

For the Kobelco Forest Fairy Tale Prize, the Kobelco Group solicits stories about forests from elementary, junior high, and senior high school students across Japan with the aim of helping children, who will lead the next generation, develop a feeling of cherishing the forest that offers various blessings of nature.

The winning stories are transformed into picture books with illustrations by picture book authors, with approximately 2,000 sets having been donated to elementary schools, junior high schools, high schools, special needs schools, and public libraries run by the sponsoring municipality. In fiscal 2023, we received 569 entries, and Ano Kobayashi's "Forest Emissary Jura" won the Gold Prize in the elementary school category,



11th Gold Prize-winning picture books

and Kanna Hirashima's "Forest Perfume Shop" won the Gold Prize in the junior high and high school category. In addition, we donated picture books to the Hyogo Prefecture Library, the Kobe City Board of Education, and other facilities.

● Forest Development Activities

Since 2011, our employees have been engaged in forest development activities at two locations (approximately 5.6ha) in Kobe City and Miki City, both located in Hyogo Prefecture, in order to nurture biodiversity, other environmental functions, disaster prevention functions, and cultural functions in a sound manner.



● Environmental Education Outreach to Children's Centers

Kobe Children's Eco Challenge 21 Club, run by the City of Kobe, offers environmental education outreach to children's centers so that children can develop an interest in the environment and continue to practice environmentally friendly activities.

Since 2011, we have been providing programs to learn about the importance of the environment and electricity, and the convenience of iron under the theme of iron and electricity.



Launched Kobelco's Neo-Haru Action (Social Contribution Activity Website)

We launched a website called Kobelco's Neo-Haru Action to showcase our social contribution activities. This site mainly lists activities that are rooted in the community (*neo-haru*) and are carried out by Group employees.

▶ [Kobelco's Neo-Haru Action](#) (in Japanese only)



Participation in Sustainability Initiatives and External Evaluations

Participation in Sustainability Initiatives (Listed below are only major ones)

TCFD



SDGs



White Logistics Movement



#HereWeGo203030
(Challenge Initiatives for 30% of Executives to be Women by 2030)



United Nations Global Compact



Male Leaders Coalition for Empowerment of Women



Declaration of Partnership Building



GX League



External Evaluations (Listed below are only major ones as of August 2024)

FTSE4Good Index Series



FTSE4Good

FTSE Blossom Japan Index



FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index



FTSE Blossom Japan Sector Relative Index

S&P/JPX Carbon Efficient Index



MSCI Japan ESG Select Leaders

2024 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

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MSCI Japan Empowering
Women (WIN) Select Index

2024 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

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CDP



Received "A-" in the climate change category
four years running

Platinum Kurumin



PRIDE Index



Received Gold ranking three years running

2024 Health and Productivity
Management Organization (White 500)



5th time certified

2023 Award for Excellence in
Corporate Disclosure



Ranked first in the steel and
non-ferrous metal category

Independent Assurance Report

Independent Assurance Report

To the President, CEO and Representative Director of Kobe Steel, Ltd.

We were engaged by Kobe Steel, Ltd. (the “Company”) to undertake a limited assurance engagement of the environmental performance indicators marked with ★ (the “Indicators”) for the period from April 1, 2023 to March 31, 2024 included in its ESG Data Book 2024 (the “Data Book”) for the fiscal year ended March 31, 2024.

The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company's reporting criteria”), as described in the Data Book.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' and the 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements' issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Data Book, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company's responsible personnel to obtain an understanding of its policy for preparing the Data Book and reviewing the Company's reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and recalculating the Indicators.
- Visiting one of the Company's factories selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Data Book are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Data Book.

Our Independence and Quality Management

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Management 1, we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

/s/ Shinnosuke Kayumi
Shinnosuke Kayumi, Partner
KPMG AZSA Sustainability Co., Ltd.
Osaka, Japan
September 24, 2024