

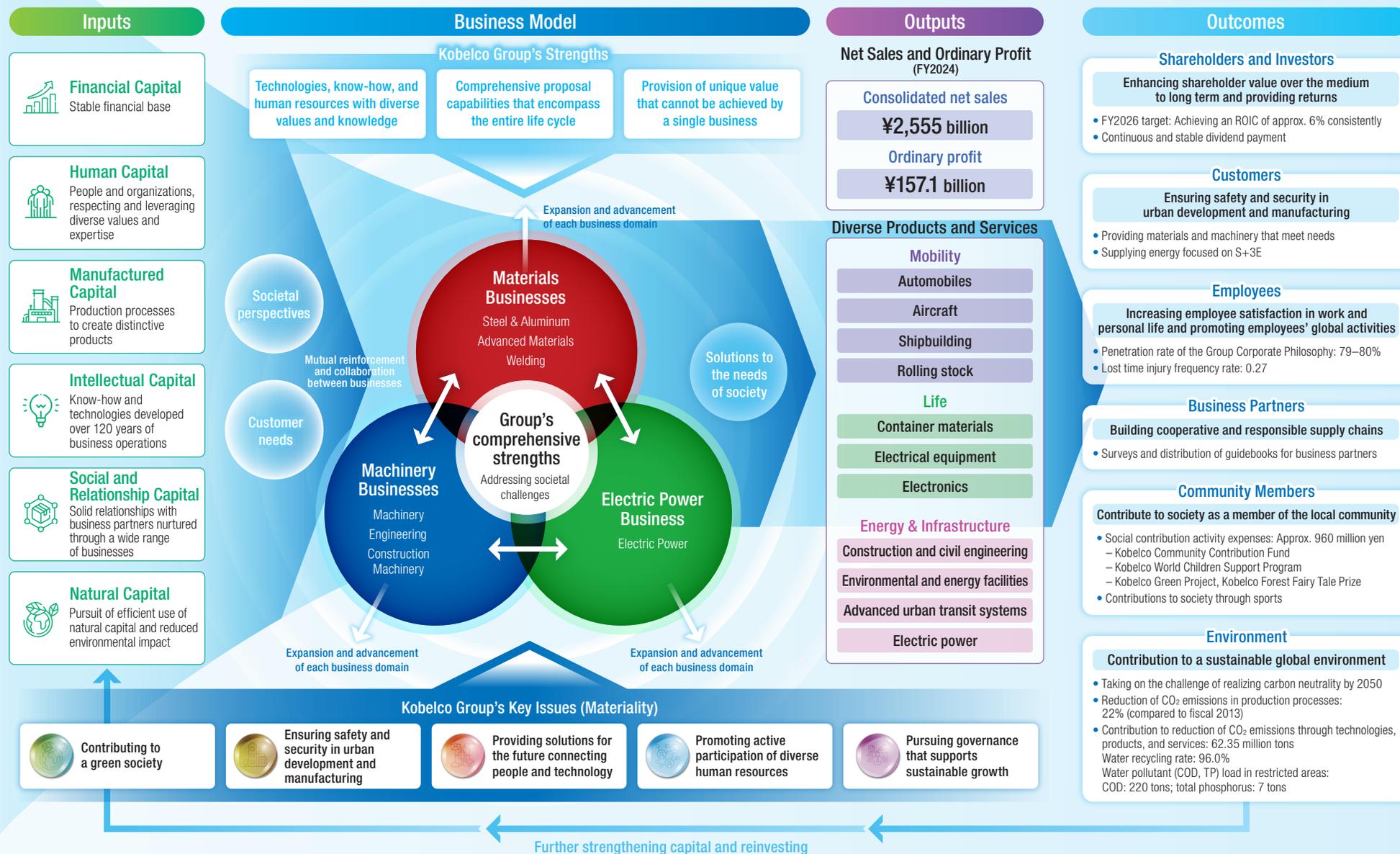


# 01

## Kobelco Group's Value Creation

# Value Creation Process

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.



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# History of the Kobelco Group

Kobe Steel's origin dates back to September 1, 1905, when the general partnership trading company Suzuki & Co. (Suzuki Shoten) acquired a steel business in Wakinohama, Kobe, called Kobayashi Steel Works (Kobayashi Seikoshō) and changed its name to Kobe Steel (Kobe Seikoshō). Over the 120 years since its founding, we have consistently strived to overcome numerous challenges while remaining committed to providing solutions to the diverse needs of society.

1905-

## Venturing into various business sectors to foster Japan's industrial independence

Suzuki Shoten, the predecessor of Kobe Steel, worked to establish domestic production of industrial products that Japan depended on importing, with the corporate philosophy of "enhancing national interests." Kobe Steel, with the mission of contributing to the independence of Japanese industry in the heavy industry sector, introduced many of Japan's first domestically produced products not only in steel—its founding business—but also in the machinery, non-ferrous metals, engineering, and construction machinery businesses, while expanding its business reach in these areas.

Kobe Steel faced significant challenges, including the threat of closure during its early days, the recession that followed World War I, and the bankruptcy of Suzuki Shoten. Despite these adversities, the Company persisted and continued to explore new business opportunities. During this period since its founding, the Company formed the foundations for its diverse business operations today.

### Groupwide

1905 Founded



Company building in the early days

### Materials Businesses

1905 Begins steel casting and forging business

1916 Begins steel products business

1917 Begins copper business

1937 Begins aluminum business

1940 Begins welding business  
Japan's first welding electrode production

1955 Begins titanium metal business  
Japan's first titanium industrial production

1959 Establishes integrated steel production



First blast furnace in Nadahama

1968 Establishes first overseas manufacturing base in Thailand (Manufacturing and sales base for covered welding electrodes)

1970 Establishes integrated steel production at Kakogawa Works

1979 Establishes KOBELCO as international unified trademark

1990 Establishes manufacturing and sales base for automotive hot-dip galvanized steel sheet in the U.S.

### Machinery Businesses

1914 Begins machinery business  
Japan's first development of high-pressure air compressor



High-pressure air compressor

1926 Begins engineering business  
Japan's first cement plant completed

1930 Begins construction machinery business  
Japan's first electric shovel completed



Electric shovel

1945-

## Post-war reconstruction and global expansion

Just three months after World War II ended, the Company resumed production of wire rods, contributing to Japan's early recovery.

During the post-war reconstruction period, we became the first company to initiate research and development of titanium in Japan in 1949, and we began industrial production in 1955. Along with this new venture business, the Company expanded its business footprint in both the materials and machinery businesses, establishing integrated steel production with the completion of its first blast furnace in Nadahama (the current Kobe Wire Rod & Bar Plant), completing Kakogawa Works, and starting the advanced urban transit system business. The Company also achieved significant milestones in its global expansion during this period. These include starting the plant export business, establishing its first overseas manufacturing base, and entering the DRI/new ironmaking plant business, following the acquisition of Midrex Technologies, Inc. in the United States.

1962 Begins overseas plant business  
Japan's then-largest plant export (East Pakistan)



Fertilizer plant in East Pakistan

1975 Starts advanced urban transit system business  
Begins operation of automated guideway transit (AGT) system "KRT" at the Okinawa Ocean Exposition

1983 Acquires U.S. company Midrex Technologies, Inc.  
Begins DRI/new ironmaking plant business

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1995-

## Post-earthquake reconstruction and entry into the electric power business

In the Great Hanshin-Awaji Earthquake of 1995, our Company suffered significant damage, particularly to the blast furnace at Kobe Works (the current Kobe Wire Rod & Bar Plant). Initially, the blast furnace was expected to take six months to repair; however, it was restored in just two and a half months, becoming a symbol of Kobe City's recovery from the disastrous earthquake.

The year after the earthquake, the Company began a new venture in the wholesale power supply business, utilizing its know-how gained from in-house power generation in the steel business. In 2002, the Company started commercial operations of the Kobe Power Plant No. 1 unit. The Kobe Power Plant continues to contribute to improving the electricity self-sufficiency rate of Kobe City and the Hanshin region. With the launch of the wholesale power supply business, the Company has established a framework that allows for providing solutions to a diverse range of customers through its three core businesses: materials, machinery and electric power.

In addition, the Company set up overseas manufacturing and sales bases for automotive applications in the United States and China, building a system to better address customer needs.

### Groupwide

1995 The Great Hanshin-Awaji Earthquake (incurred damages of approximately 100 billion yen)



After the earthquake

### Materials Businesses

2003 Establishes manufacturing and sales base in the U.S. for aluminum forged parts for automotive suspensions

2004 Establishes automotive special steel wire rod processing base in China

2014 Establishes manufacturing and sales base for aluminum automotive panel materials in China

2014 Establishes manufacturing and sales base for automotive cold-rolled, high-tensile strength steel in China

2016 Establishes manufacturing and sales base for aluminum extrusions and fabricated products in the U.S.

### Machinery Businesses

2006 Establishes manufacturing and sales base for non-standard compressors in the U.S.

### Electric Power Business

1996 Decides to enter wholesale power supply business

2002 Starts commercial operations of Kobe Power Plant No. 1 unit  
Starts wholesale power supply business

2004 Starts commercial operations of Kobe Power Plant No. 2 unit



Kobe Power Plant No. 1 and No. 2 units

2017-

## Enhancing sustainability management and transforming into an appealing company for the next 100 years

We caused a lot of problems for many people due to the quality-related misconduct that was made public in 2017. To prevent recurrence, the Company has implemented various measures and is currently carrying out Kobelco TQM activities aimed at achieving quality that satisfies our customers. As the sustainability movement expands worldwide, the Company has further enhanced its sustainability management with a focus on the next 100 years by formulating a new Group Corporate Philosophy, identifying materiality (medium- to long-term key issues), etc.

The Company also worked to develop an optimal business portfolio by taking proactive approaches targeting growth markets, including the acquisition of Quintus Technologies in the machinery businesses and the successful startup of all six power plants in the electric power business.

Leveraging the collective strength of its diverse businesses, technologies, and human resources developed over its 120-year history, all Group employees are working together as Team Kobelco to achieve the transformation into an appealing company, as set out in the Kobelco Group Medium-Term Management Plan (Fiscal 2024-2026).

2017 Launches Core Values of KOBELCO—Next 100 Project

2017 Announces quality-related misconduct  
→ Implementation of measures to prevent recurrence and Kobelco TQM activities

2020 Establishes Group Corporate Philosophy

2021 Identifies materiality

2017 Consolidates upstream processes at Kakogawa Works

2017 Acquires Quintus Technologies of Sweden (World's leading isostatic press manufacturer)



Quintus Technologies' isostatic pressing equipment

2021 Kobelco Eco-Solutions Co., Ltd. becomes wholly owned subsidiary

2022 Begins capital and business alliance with Miura Co., Ltd.

2019 Starts commercial operations of Moka Power Plant No. 1 unit

2020 Starts commercial operations of Moka Power Plant No. 2 unit



Moka Power Plant No. 1 and No. 2 units

2022 Starts commercial operations of Kobe Power Plant No. 3 unit

2023 Starts commercial operations of Kobe Power Plant No. 4 unit

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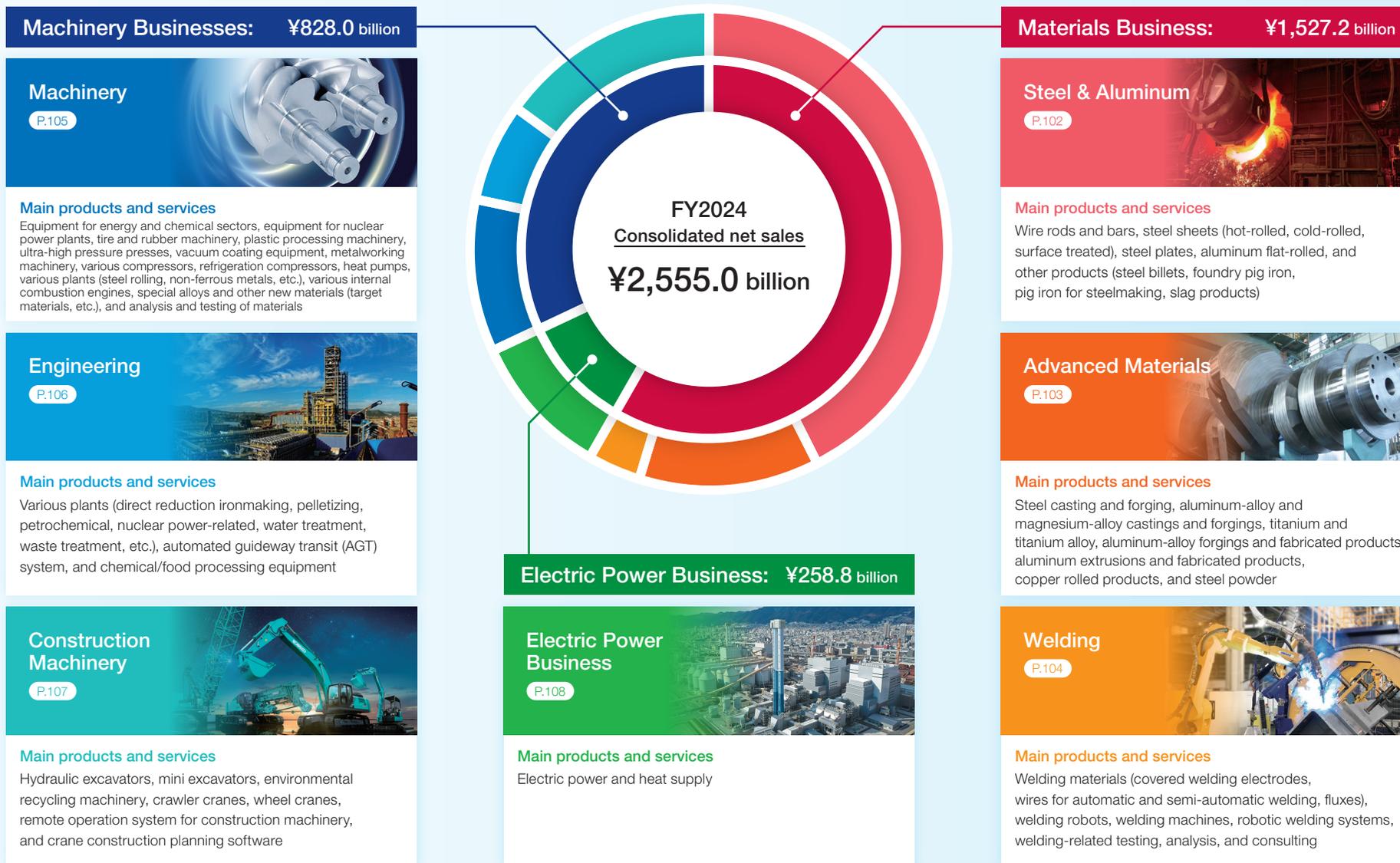
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# Overview of the Kobelco Group



Note: Consolidated sales for fiscal 2024 include 8.9 billion yen from other businesses.

# Overview of the Kobelco Group

## Finance

Capital (consolidated) <b>¥250.9 billion</b>	Consolidated net sales <b>¥2,555.0 billion</b>	Total assets <b>¥2,891.0 billion</b>
Capital investment (payment basis) <b>¥113.2 billion</b>	Property, plant and equipment <b>¥1,047.1 billion</b>	Social contribution activity expenses <b>Approx. ¥960 million</b>

Other regions  
27%

U.S.  
7%

Overseas  
34%

Net sales  
by region

Japan  
66%

## Human Resources

Diverse human resources with extensive knowledge and skills in a variety of industries play active roles in our Group.

Number of employees (consolidated) <b>39,294</b>	Global operations <b>23 countries</b>	Group companies <b>243</b>
Percentage of employees returning from childcare leave <b>100%</b>	Percentage of female managers <b>3.6%</b>	

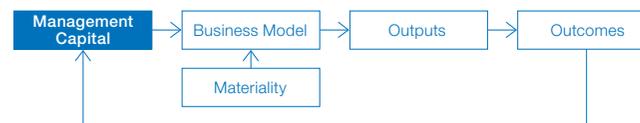


## R & D

New value is created by bringing together diverse knowledge and expertise through internal and external collaborations.

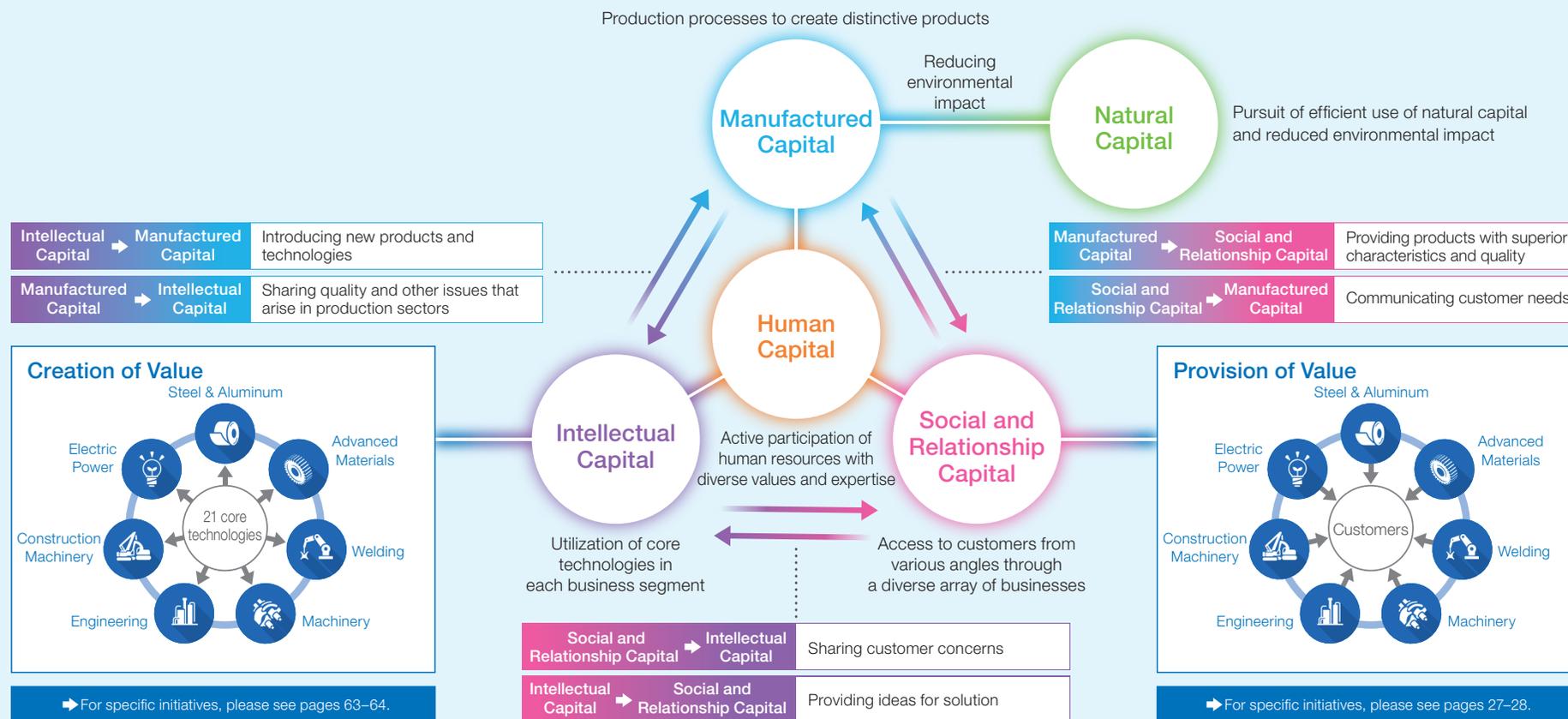
Research and development expenses <b>¥43.5 billion</b>	Number of intellectual property rights owned <b>7,191</b>	<b>21 core technologies</b>
Reduction of CO <sub>2</sub> emissions in production processes <b>22% reduction</b> <small>(compared to fiscal 2013)</small>	Contributing to reduction of CO <sub>2</sub> emissions through technologies, products, and services <b>62.35 million tons</b>	Water recycling rate <b>96.0%</b>

# Our Management Capital



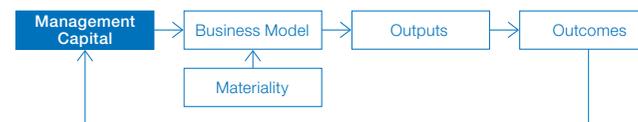
Kobelco Group's business foundation is reinforced by its human resources with diverse values and knowledge. We offer distinctive value that is unattainable by a single business by sharing the know-how and expertise acquired by individuals working in different areas of the Group's businesses, as well as the information obtained from market players and customers, and utilize them across the Group.

In recent years, we are required to offer comprehensive solutions that consider the entire life cycle of products to address climate change and other societal demands by making more effective use of our Group's management capital. In order to provide our customers with the value that only a company operating in a diverse range of businesses can offer through the creation of a conglomerate premium, we will continue efforts to strengthen our management capital.



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# Our Management Capital



	Inputs	Outputs	Capital enhancement and other measures
 <b>Financial Capital</b>	<ul style="list-style-type: none"> <li>Shareholders' equity: ¥1,001.7 billion</li> <li>Total assets: ¥2,891.0 billion</li> <li>Net asset ratio: 42.8%</li> <li>Interest-bearing debt: ¥886.3 billion (Including lease)</li> <li>D/E ratio: 0.76 times</li> </ul>	<ul style="list-style-type: none"> <li>Net sales: ¥2,555.0 billion</li> <li>Ordinary profit: ¥157.1 billion</li> <li>ROIC: 6.9%</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening of earnings structure</li> <li>Reduction of low profit assets</li> <li>Improvement of capital structure</li> </ul>
 <b>Human Capital</b>	<ul style="list-style-type: none"> <li>Number of employees (consolidated): 39,294</li> <li>Number of non-Japanese employees: 109</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of female managers: 3.6%</li> <li>Percentage of employees returning from childcare leave: 100.0%</li> <li>Lost time injury frequency rate: 0.27</li> <li>Average hours of training per employee: 44.2</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment of diverse human resources</li> <li>Development of D&amp;I</li> <li>Job assignment that inspires growth and ambition</li> <li>Compensation based on ability and role</li> <li>Human resources development</li> <li>Promotion of work style reform</li> <li>Raising awareness of human rights</li> <li>Development of safe and healthy workplaces</li> </ul>
 <b>Manufactured Capital</b>	<ul style="list-style-type: none"> <li>Capital investment (payment basis): ¥113.2 billion</li> <li>Property, plant and equipment: ¥1,034.4 billion</li> <li>Depreciation: ¥122.4 billion</li> </ul>	<ul style="list-style-type: none"> <li>Crude steel production: 5.96 million Mt (incl. Takasago Works)</li> <li>Percentage of business sites certified under the Quality Guidelines: 84%</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of global production system</li> <li>Transition to smart factories with introduction of digital technology</li> <li>White logistics movement</li> <li>Provision of low-CO<sub>2</sub> and other socially beneficial products</li> </ul>
 <b>Intellectual Capital</b>	<ul style="list-style-type: none"> <li>21 core technologies</li> <li>Research and development expenses: ¥43.5 billion</li> </ul> <p style="text-align: right; color: #0070C0;">▶ For details, please see page 63.</p>	<ul style="list-style-type: none"> <li>Intellectual property rights owned: 7,191</li> <li>Number of new business ideas created: 7</li> </ul>	<ul style="list-style-type: none"> <li>Creation of new value by combining core technologies</li> <li>Enhancement of intellectual property activities</li> <li>Early development and commercialization of carbon-neutral technologies and products</li> <li>Creation of innovation through industry-academia collaboration</li> </ul>
 <b>Social and Relationship Capital</b>	<ul style="list-style-type: none"> <li>Global operations: 23 countries</li> <li>Group companies: 243</li> </ul>	<ul style="list-style-type: none"> <li>Individual dialogue with domestic and international institutional investors and analysts: 187 companies</li> <li>Social contribution activity expenses: Approx. 960 million yen</li> </ul>	<ul style="list-style-type: none"> <li>Enhancement of dialogue with stakeholders</li> <li>Provision of new value to customers</li> <li>Building of responsible supply chains</li> <li>Contributions to local communities</li> </ul>
 <b>Natural Capital</b>	<ul style="list-style-type: none"> <li>Energy consumption: 180 PJ</li> <li>Water usage: 1,372 million m<sup>3</sup> (including domestic Group companies with significant water use)</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of CO<sub>2</sub> emissions in production processes: 22% reduction (compared to fiscal 2013)</li> <li>Contribution to reduction of CO<sub>2</sub> emissions through technologies, products, and services: 62.35 million tons</li> <li>Water recycling rate: 96.0%</li> <li>Total pollutant load in regulated area: COD: 220 tons, Total phosphorus (TP): 7 tons</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of CO<sub>2</sub> emissions in production processes</li> <li>Expanded use of low-CO<sub>2</sub> products</li> <li>Promoting resource recycling                             <ul style="list-style-type: none"> <li>Water recycling rate</li> <li>Reduction of total pollutant load (COD and TP) in regulated area</li> </ul> </li> </ul>

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Management Strategy for Value Creation

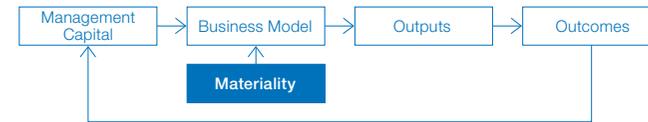
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# Priority Issues for Increasing Corporate Value (Identification of Materiality)



The Kobelco Group will strive to achieve sustainable growth by tackling the five items of materiality. For each item, we have set specific indicators and targets to achieve, and we are monitoring their progress. The Board of Directors and the Executive Council monitor the progress relative to the indicators and targets and discuss necessary measures, such as reviewing and bolstering activities.

Please see page 55 for specific indicators, targets, and progress regarding materiality.

## Process of Identifying Materiality



- 1. Frameworks, guidelines, etc., used as references**
- Ten Principles of the UN Global Compact
  - Sustainable Development Goals (SDGs)
  - OECD Guidelines for Multinational Enterprises
  - UN Guiding Principles on Business and Human Rights
  - GRI Standards
  - SASB Standards
  - ISO 26000

Societal challenges identified based on their importance to the Group, the magnitude of social needs, and their importance to our stakeholders

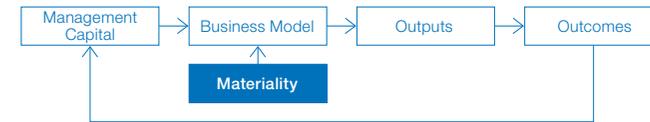
Value creation area	Business foundation area
1 Inadequate urban infrastructure	1 Response to climate change
2 Developing intelligent cities	2 Human rights
3 Urban flood control	3 Labor
4 Urban public health	4 Diversity
5 Response to climate change	5 Safety and health
6 Securing water resources	6 Compliance
7 Response to marine pollution	7 Quality
8 Advancement of robotics	8 Risk management <sup>2</sup>
9 Autonomous driving technology	
10 3D printing technology	
11 IoT, cloud, DX	

Identified materiality	Targets of relevant SDGs	Relevant management capital						Specific actions implemented under business strategy
		Financial capital	Human capital	Manufactured capital	Intellectual capital	Social and relationship capital	Natural capital	
<b>Contributing to a green society<sup>3</sup></b>	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 14 LIFE BELOW WATER	●		●	●	●	●	<ul style="list-style-type: none"> <li>• Response to climate change</li> <li>• Response to resource recycling</li> </ul>
<b>Ensuring safety and security in urban development and manufacturing</b>	7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES	●		●	●	●	●	<ul style="list-style-type: none"> <li>• Supplying energy focused on S+3E<sup>4</sup></li> <li>• Providing materials and machinery that meet needs</li> </ul>
<b>Providing solutions for the future connecting people and technology</b>	3 GOOD HEALTH AND WELL-BEING, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE			●	●	●		<ul style="list-style-type: none"> <li>• Manufacturing and operational transformation through digitalization (DX)</li> <li>• Integration and innovation of diverse intellectual assets</li> </ul>
<b>Promoting active participation of diverse human resources</b>	3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES		●					<ul style="list-style-type: none"> <li>• Enhancing organizational diversity</li> <li>• Creating a work environment where employees can play active roles</li> <li>• Encouraging the growth and initiative of every employee</li> </ul>
<b>Pursuing governance that supports sustainable growth</b>	8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 10 REDUCED INEQUALITIES, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	●					●	<ul style="list-style-type: none"> <li>• Compliance and risk management</li> <li>• Human rights</li> <li>• Safety and health</li> <li>• Quality assurance</li> <li>• Total Quality Management (TQM)</li> </ul>

2. Includes top risks related to environmental laws and regulations and disaster prevention  
 3. A green society is not limited to the narrow meaning of a society that merely uses natural energy, but is defined as a society that addresses climate change and resource recycling.  
 4. S+3E: Safety + Energy Security, Economic Efficiency, Environment

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# Assessment of Changes in the Business Environment

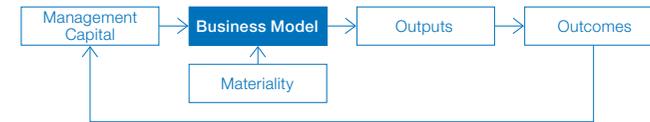


As part of the effort to address materiality issues, the Kobelco Group needs to accurately understand changes in the business environment and incorporate them into its management strategies. By grasping various changes and accurately identifying the risks and opportunities involved in the implementation of business activities, we steadily take necessary actions and work to address materiality. Our business strategies have been formulated considering the impact of changes in the business environment on our materiality issues, which have been identified under the Medium-Term Management Plan (Fiscal 2024–2026) as listed below.

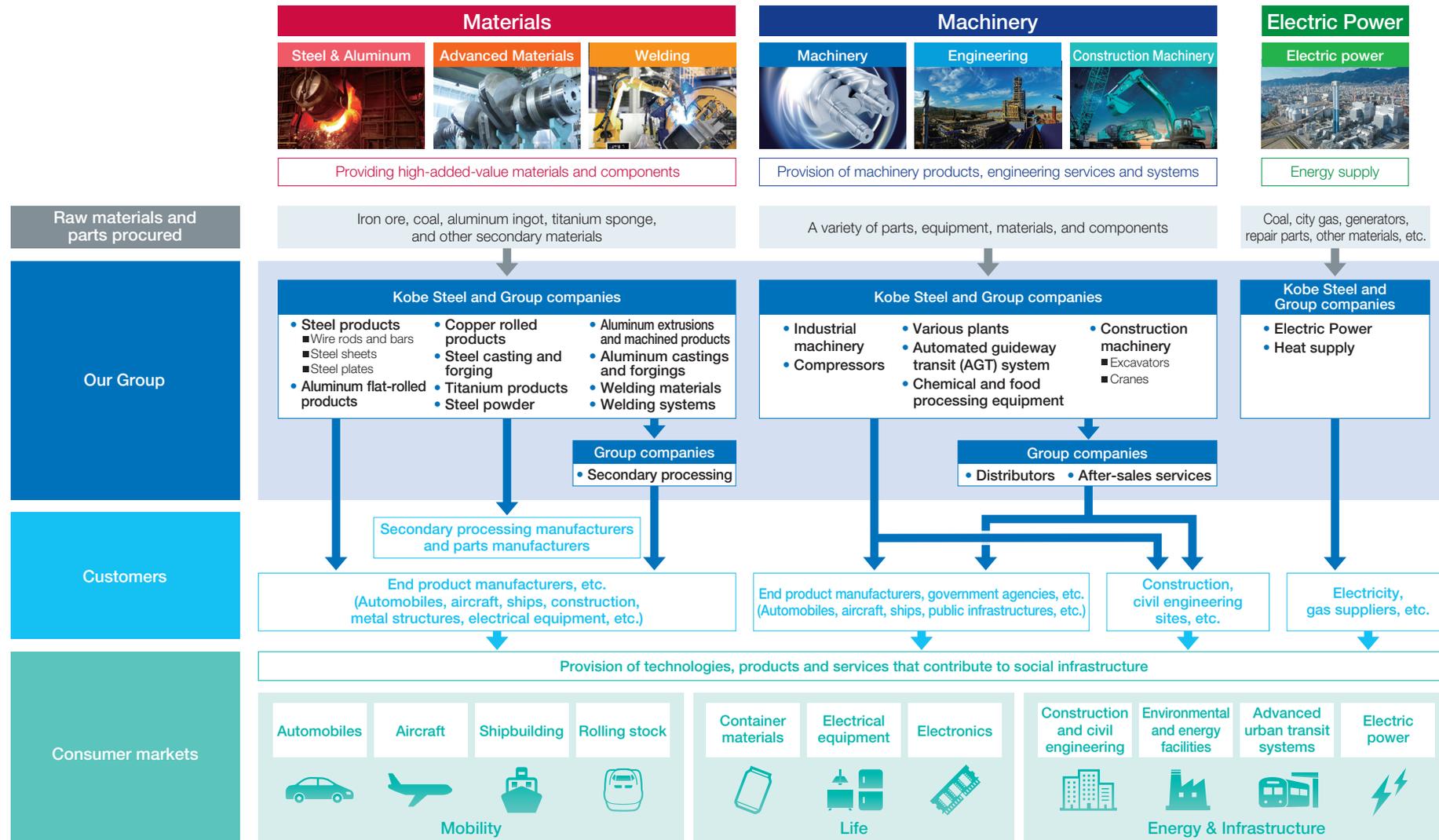
Changes in the business environment	Risks	Opportunities	Necessary actions
Domestic/worldwide demographic changes, Increasing urbanization	<ul style="list-style-type: none"> <li>Decline in domestic demand due to the declining population in Japan</li> </ul>	<ul style="list-style-type: none"> <li>Increasing demand due to population growth in emerging countries (infrastructure development driven by urbanization, and growing demand for automobiles and other consumer goods)</li> </ul>	<ul style="list-style-type: none"> <li><b>Responding to changes in demand in each region</b> Seizing business opportunities through automation and digitalization in response to labor shortages, while also promoting business operations that consider regional growth differences and demand trends in areas such as energy, infrastructure, and consumer goods.</li> </ul>
	<ul style="list-style-type: none"> <li>Difficulty maintaining continuous and stable operations due to labor shortages</li> </ul>		<ul style="list-style-type: none"> <li><b>Strengthening human capital management</b> Optimizing internal systems and work environments to stably secure human resources and promoting technological innovations such as automation and manpower-saving systems to address labor shortages.</li> </ul>
	<ul style="list-style-type: none"> <li>Prolonged slump in the materials businesses</li> </ul>		
Growing demand for a sustainable society	<ul style="list-style-type: none"> <li>Increased costs and unstable supply due to the transition to a circular economy ➔ Accelerating inflation increases risks</li> </ul>	<ul style="list-style-type: none"> <li>Emergence of growth opportunities driven by new industries, products and customer needs</li> </ul>	<ul style="list-style-type: none"> <li><b>Strengthening response to carbon neutrality</b> <ul style="list-style-type: none"> <li><b>CO<sub>2</sub> reduction in our own production processes</b> Reducing CO<sub>2</sub> emissions from our own ironmaking process and the electric power business, while monitoring trends in the energy sectors, such as power facilities, hydrogen and other energy supply, etc.</li> <li><b>Contribution to CO<sub>2</sub> reduction through technologies, products, and services</b> Strengthening existing businesses and creating new ones by leveraging business opportunities through technologies, products, and services that contribute to a circular economy and CO<sub>2</sub> reduction.</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>Increasing low-CO<sub>2</sub> demands and reputational risks</li> </ul>		
National security and geopolitical risks	<ul style="list-style-type: none"> <li>Greater volatility in energy prices due to geopolitical risks</li> </ul>	<ul style="list-style-type: none"> <li>Emergence of new demand opportunities due to changes in supply chains and energy demand</li> </ul>	<ul style="list-style-type: none"> <li><b>Providing technologies, products and services that respond to changes in energy demand</b> Expanding the use of technologies, products, and services for the energy industry where demand is increasing due to the energy transition.</li> </ul>
	<ul style="list-style-type: none"> <li>Supply chain disruptions and growing need for local production and consumption</li> </ul>		<ul style="list-style-type: none"> <li><b>Strengthening supply chain management</b> Strengthening risk management and coordination of our supply chains, taking into account national security and geopolitical risks.</li> </ul>
	<ul style="list-style-type: none"> <li>Response to protectionism</li> </ul>		
Advances in technologies	<ul style="list-style-type: none"> <li>Existing technologies becoming obsolete and losing their competitive edge due to the emergence of new technologies and intensifying competition in technological development</li> </ul>	<ul style="list-style-type: none"> <li>Business opportunities spurred by decarbonization and the advancement of digital technologies</li> </ul>	<ul style="list-style-type: none"> <li><b>Securing competitive advantages through DX</b> Gaining momentum of rapid technological advances and utilizing innovative technologies in both offensive and defensive business strategies.                             <ul style="list-style-type: none"> <li>Application for new technologies and products</li> <li>Application for decarbonization</li> <li>Application for strengthening human capital management</li> </ul> </li> </ul>
		<ul style="list-style-type: none"> <li>Competitive advantages gained through DX, achieving greater efficiency and manpower savings</li> </ul>	



# Business Model and Value Provided

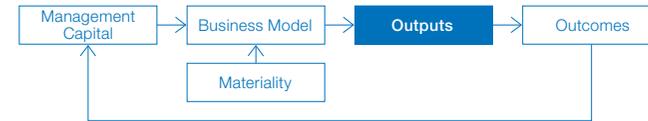


We create a variety of technologies, products, and services, leveraging the Group's comprehensive strengths to continue to provide solutions to the needs of society.



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# Creation of Social Value through Technologies, Products, and Services



Materials ■ Steel & Aluminum ■ Advanced Materials ■ Welding ■ Machinery ■ Machinery ■ Engineering ■ Construction Machinery ■ Electric Power ■ Electric Power

Mobility <sup>1</sup>	Life <sup>2</sup>	Energy & Infrastructure <sup>3</sup>
<p><b>Provision of high-value-added materials and components</b></p> <p>Steel products for automotive valve springs</p> <p>High-tensile strength steel sheets</p> <p>Aluminum sheets for automotive panels</p> <p>Aluminum forgings for suspensions</p> <p>Aluminum extrusions and machined products</p> <p>Steel powder</p> <p>Crankshafts</p> <p>Titanium for aircraft engine components</p> <p>Non-copper coated solid wires (SE wires)</p> <p>FAMILIARC™ MIX-1TR</p> <p>AXELARC™</p>	<p>Aluminum bottle can stock</p> <p>Aluminum disk materials</p> <p>Copper alloys for automotive terminals and connectors</p> <p>Semiconductor silicon wafer inspection systems</p>	<p>Eco-View steel plates for longer-lasting paint on bridges</p> <p>KOBEMAG®</p> <p>ARCMAN™ SENSARC™ series</p> <p>REGARC™</p> <p>Robotic Welding System for 9% Ni Steel</p> <p>Energy supply</p> <p>Kobe Power Plant No. 1 and No. 2 units</p> <p>Kobe Power Plant No. 3 and No. 4 units</p> <p>Moka Power Plant No. 1 and No. 2 units</p> <p>Polyethylene mixing and pelletizing systems</p> <p>LNG vaporizer (ORV)</p> <p>Screw-type non-standard compressors</p> <p>Screw-type standard compressor Emeraude</p> <p>Stainless Steel Digester</p> <p>MIDREX® Process</p> <p>Kobelco Pelletizing System</p> <p>Water treatment facilities</p> <p>Grate-Type Incineration</p> <p>Building demolition machines</p> <p>Advanced urban transit systems</p> <p>Crawler cranes</p> <p>Short radius excavators</p> <p>Scrap loaders equipped with eMag system</p>
<p><b>Provision of facilities, systems and engineering</b></p> <p>Isostatic pressing equipment</p> <p>Multi dismantling machines</p>		

1. Mobility: Automobiles, aircraft, shipbuilding, and rolling stock; 2. Life: Container materials, electrical equipment, and electronics; 3. Energy & Infrastructure: Construction and civil engineering, environmental and energy facilities, advanced urban transit systems, and electric power

Kobelco Group's Value Creation  
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# Our Value Creation

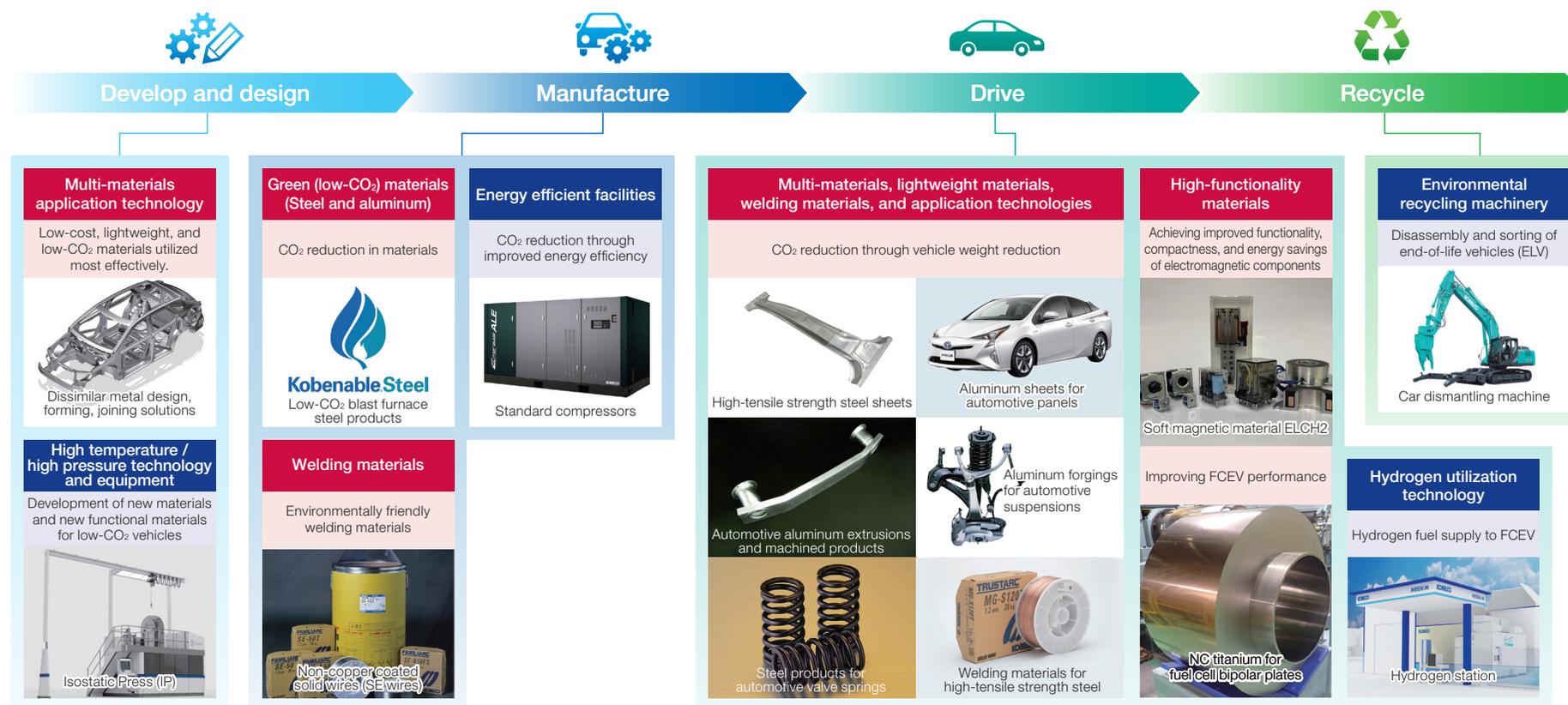
## Providing value throughout the entire product life cycle in the automotive industry

Taking advantage of operating a diverse array of businesses, the Kobelco Group provides various technologies, products, and services throughout the entire life cycle of customers' products.

We contribute to safe and secure urban development and manufacturing by not only selling our products in relevant business areas, but also by making optimal and comprehensive proposals that cover various phases of the product life cycle within the scope of our business.

The example below shows an example of our value creation in the automotive sector. We provide a variety of technologies, products and services at each stage of the automotive life cycle, from development and design to recycling.

### Kobelco Group's Contribution to CO<sub>2</sub> Reduction in the Automotive Life Cycle



■ Materials ■ Machinery

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# Our Value Creation

## Providing value to the semiconductor industry

The Kobelco Group also provides a wide range of technologies, products, and services for the semiconductor industry through its materials and machinery businesses. By integrating our diverse technologies developed over the years, we provide solutions and value for our customers in the semiconductor sector.



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