Appendix

Reference Documents for the General Meeting of Shareholders

Proposals and References

Item 1 Election of nine (9) directors

The terms of office of all ten (10) directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. The Company proposes to newly elect nine (9) directors.

The candidates for the office of director are shown below.

No.	Name	Present roles and responsibilities in the Company / Significant concurrent positions	Attendance frequency at Board of Directors
1	Re-election Takafumi Morichi	President and CEO	15/15 (100%)
2	Re-election Takashi Goto	Director, Senior Executive Officer, General Manager of the Ferrous Raw Materials Division	19/19 (100%)
3	Re-election Hiroshi Kato	Director, Senior Executive Officer, General manager of the Nonferrous Metals Division	15/15 (100%)
4	Re-election Hiroshi Watanabe	Director / Executive officer / Responsible for the Corporate Planning Department, Personnel Department, Kyushu Branch Office, and the Chugoku Branch Office	15/15 (100%)
5	Re-election Kenji Onishi	Director, Executive Officer, General Manager of the Welding Division	15/15 (100%)
6	Re-election Tsukasa Komiyama Outside director Independent officer	Director (Kyobashi & Co.) Representative Partner (GMA TAX Corporation Komiyama Office) President (KT Group Co., Ltd) Auditor	19/19 (100%)
7	Re-election Kiyoshi Sakamoto Outside director Independent officer	Director (The Asahi Shinkin Bank) Non-standing Auditor (ZEN-NOH BUSINESS SUPPORT CO., LTD.) Auditor (Kyodo Housing Loan Co., Ltd.) Auditor	19/19 (100%)
8	New election Akio Matsuda	Senior Executive Officer, Deputy General Manager of the Machinery & Electronics Division	
9	New election Kyoya Mukai	Officer, Deputy General Manager of the Iron & Steel Division	

Note: The attendance figures for Takafumi Morichi (No. 1), Hiroshi Kato (No. 3), Hiroshi Watanabe (No. 4), and Kenji Onishi (No. 5) indicate their attendance after they were appointed at the 99th Annual General Meeting of Shareholders.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company,
and significant positions in other organizations</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">1</td><td rowspan="2">Takafumi Morichi
(October 15, 1958)</td><td>April 1981
April 2011
April 2013
April 2015
June 2017</td><td>Joined Kobe Steel, Ltd.
(Kobe Steel, Ltd.) Executive Officer
Managing Executive Officer
Senior Managing Executive Officer
(The Company) President and CEO (incumbent)</td><td rowspan="2">2,800 shares</td></tr>
<tr><td colspan="3">(Reasons for nomination)
Takafumi Morichi has served Kobe Steel, Ltd. in a number of roles; he became an executive officer in April 2011, a managing executive officer in April 2013, a senior managing executive officer in April 2015, and since June 2017, he has served as President and CEO of the Company. His many years of work in iron and steel has given him abundant experience and formidable insight in this area. Moreover, he has wide-ranging managerial experience and has been closely involved in corporate management. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</td></tr>
<tr><td rowspan="2">2</td><td rowspan="2">Takashi Goto
(January 11, 1957)</td><td>April 1980
April 2011
April 2013
June 2016</td><td>Joined Kobe Steel, Ltd.
(Kobe Steel, Ltd.) Executive Officer
Managing Executive Officer
(The Company) Director, Senior Executive Officer, General Manager of the Ferrous Raw Materials Division (incumbent)</td><td rowspan="2">3,000 shares</td></tr>
<tr><td colspan="3">(Reasons for nomination)
Takashi Goto has served Kobe Steel, Ltd. in a number of roles; he became an executive officer in April 2011 and a managing executive officer in April 2013, and since June 2016, he has served as a director and senior executive officer as well as general manager of the Ferrous Raw Materials Division of the Company. His many years of work in ferrous raw materials has given him abundant experience and formidable insight in this area. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</td></tr>
<tr><td rowspan="2">3</td><td rowspan="2">Hiroshi Kato
(August 30, 1957)</td><td>April 1980
June 2009
June 2012
April 2013
June 2017</td><td>Joined Kobe Steel, Ltd.
(The Company) Officer, Deputy General Manager of the Non-ferrous Metals Division
Executive officer, Deputy general Manager of the Non-ferrous Metals Division
(Kobe Steel, Ltd.) Managing Executive Officer
(The Company) Director, Senior Executive Officer, General manager of the Non-ferrous Metals Division (incumbent)</td><td rowspan="2">2,000 shares</td></tr>
<tr><td colspan="3">(Reasons for nomination)
After joining Kobe Steel, Ltd., Hiroshi Kato joined the Company in January 2009 and served as an officer in June 2009 and an executive officer in June 2012. In April 2013, he became a managing executive officer of Kobe Steel, Ltd., and since June 2017, he has served the Company as a director and senior executive officer as well as general manager of the Non-ferrous Metals Division. His many years of work in nonferrous metals has given him abundant experience and formidable insight in this area. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company,
and significant positions in other organizations</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">4</td><td rowspan="2">Hiroshi Watanabe
(July 22, 1957)</td><td>April 1981</td><td>Joined the Company</td><td rowspan="2">5,300 shares</td></tr>
<tr><td>June 2010</td><td>Officer, Deputy General Manager of the Ferrous Raw Materials Division</td></tr>
<tr><td></td><td colspan="4">June 2012 Director, Officer, General Manager of the Ferrous Raw Materials Division
June 2013 Director, Executive Officer, General Manager of the Ferrous Raw Materials Division
June 2016 Executive Officer / Responsible for the Corporate Planning Department, Personnel Department, Kyushu Branch Office, and the Chugoku Branch
June 2017 Director / Executive officer / Responsible for the Corporate Planning Department, Personnel Department, Kyushu Branch Office, and the Chugoku Branch (incumbent)</td></tr>
<tr><td></td><td colspan="4">(Reasons for nomination)
After joining the Company, Hiroshi Watanabe became an officer in June 2010. In June 2012, he became a director and officer as well as general manager of the Ferrous Raw Materials Division, and in June 2013, he became a director and executive officer as well as general manager of the Ferrous Raw Materials Division. In these capacities, he has promoted the globalization of the Company’s ferrous raw materials business. More recently, he became an executive officer in June 2016 and a director and executive officer in June 2017. In these capacities, he has managed a wide range of sectors of administrative headquarter, particularly corporate planning and personnel. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</td></tr>
<tr><td rowspan="2">5</td><td rowspan="2">Kenji Onishi
(March 11, 1958)</td><td>April 1981</td><td>Joined the Company</td><td rowspan="2">3,500 shares</td></tr>
<tr><td>June 2013</td><td>Officer, Deputy General Manager of the Welding Division</td></tr>
<tr><td></td><td colspan="4">June 2017 Director, Executive Officer, General Manager of the Welding Division (incumbent)</td></tr>
<tr><td></td><td colspan="4">(Reasons for nomination)
After joining the Company, Kenji Onishi became an officer in June 2013, and since June 2017, he has served as a director and executive officer as well as general manager of the Welding Division. His many years of work in the welding business has given him abundant experience and formidable insight in this area. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, position and responsibilities in the Company,
and significant positions in other organizations</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">6</td><td>Tsukasa Komiyama
(February 12, 1962)</td><td>August 1989 Registered as a certified public accountant
September 1990 Joined Kyobashi & Co.
February 1991 Registered as a tax accountant
Established Komiyama Tsukasa Tax Accountant Office (now GMA TAX Corporation Komiyama Office; incumbent)
July 2005 (Kyobashi & Co.) Representative Partner (incumbent)
June 2014 (The Company) Director (incumbent)
June 2016 (KT Group Co., Ltd) Auditor (incumbent)
[Significant concurrent positions]
Kyobashi & Co.: Representative Partner
GMA TAX Corporation Komiyama Office: President
KT Group Co., Ltd.: Auditor</td><td>2,200 shares</td></tr>
<tr><td colspan="3">(Reasons for nomination)
As a certified public accountant, Tsukasa Komiyama has abundant experience and wide-ranging knowledge about finance and accounting. He has accrued many years of work at an auditing firm and has been closely involved in corporate management as a tax accountant. For these reasons, the Company believes that he will use his professional knowledge and experience to benefit the management of the Company; therefore, it proposes his reelection as an outside director.
Tsukasa Komiyama was appointed as an outside director of the Company in June 2014. He will have served as an outside director for four years at the conclusion of this Ordinary General Meeting of Shareholders.</td></tr>
<tr><td rowspan="2">7</td><td>Kiyoshi Sakamoto
(March 17, 1949)</td><td>April 1974 Completed Judicial Training Courses, registered as an attorney-at-law (Daiichi Tokyo Bar Association; incumbent)
June 2002 (The Asahi Shinkin Bank) Non-standing Auditor (incumbent)
June 2008 (ZEN-NOH BUSINESS SUPPORT CO., LTD.) Auditor (incumbent)
June 2014 (Kyodo Housing Loan Co., Ltd.) Auditor (incumbent)
June 2016 (The Company) Director (incumbent)
[Significant concurrent positions]
The Asahi Shinkin Bank: Non-standing Auditor
ZEN-NOH BUSINESS SUPPORT CO., LTD.: Auditor
Kyodo Housing Loan Co., Ltd.: Auditor</td><td>1,200 shares</td></tr>
<tr><td colspan="3">(Reasons for nomination)
As an attorney-at-law, Kiyoshi Sakamoto has abundant experience and insight, and is well-suited to the task of objectively supervising management while considering the broader corporate and social contexts, including laws and regulations. For these reasons, the Company believes that he can help enhance the transparency of the Board of Directors and strengthen its supervisory function; therefore, it proposes his reelection as an outside director.
While Kiyoshi Sakamoto has never been involved in corporate management other than in the capacity of an outside director and outside auditor, the Company nevertheless believes that he will continue to duly perform his duties as an outside director for the above reasons. Kiyoshi Sakamoto was appointed as an outside director of the Company in June 2016. He will have served as an outside director for two years at the conclusion of this Ordinary General Meeting of Shareholders.</td></tr>
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<tr><th>No.</th><th>Name
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and significant positions in other organizations</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">8</td><td rowspan="2">Akio Matsuda
(July 29, 1956)</td><td>April 1980
April 2003

April 2012

April 2014

April 2015
June 2015</td><td>Joined Kobe Steel, Ltd.
(Kobe Steel, Ltd.) General Manager of the Rotating Machinery Sales Department, Compressor Center, Machinery Company and Manager, UPS Section of the Rotating Machinery Sales Department, Compressor Center, Machinery Company
Executive officer /
General Manager of the Industrial Machinery Division and General Manager of the Energy & Nuclear Equipment Business Unit, Machinery Business
Managing Executive Officer
General Manager of the Industrial Machinery Division, Machinery Business
(The Company) Adviser
Senior Executive Officer
Deputy General Manager of the Machinery & Electronics Division
(incumbent)</td><td>4,600 shares</td></tr>
<tr><td colspan="4">(Reasons for nomination)
Akio Matsuda has served Kobe Steel, Ltd. in a number of roles; after managing the Rotating Machinery Sales Department and the Energy & Nuclear Equipment Business Unit, the Machinery Business Division, he became an executive officer in April 2012 and a managing executive officer in April 2014. Since June 2015, he has served as a senior executive officer and deputy general manager of the Machinery & Electronics Division of the Company. His many years of work in the machinery business has given him abundant experience and formidable insight in this area, particularly in relation to compressors. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his election as a director.</td></tr>
<tr><td rowspan="2">9</td><td rowspan="2">Kyoya Mukai
(July 29, 1958)</td><td>April 1981
April 2007

July 2007

June 2009

June 2013
June 2015

June 2017</td><td>Joined the Company
Head of the Wire Rod & Wire Department, Iron & Steel Division
Head of the Osaka Wire Rod & Wire Department, Iron & Steel Division
Head of the Wire Rod & Wire Department, Iron & Steel Division
President and CEO of Shinsho American Corp.
Officer / Responsible for North America and Europe region, Deputy General Manager of the Iron & Steel Division, President and CEO of Shinsho American Corp.
Officer, Deputy General Manager of the Iron & Steel Division
(incumbent)</td><td>2,500 shares</td></tr>
<tr><td colspan="4">(Reasons for nomination)
After joining the Company, Kyoya Mukai became head of Wire Rod & Wire Department of the Iron & Steel Division in April 2007, and in June 2013, he became president and CEO of Shinsho American Corp., in which capacity he contributed to the Company’s global business development. Since June 2015, he has served as an officer and the deputy general manager of the Iron & Steel Division. His many years of work in iron and steel business has given him abundant experience and formidable insight in this area. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his election as a director.</td></tr>
</table>

(Notes) 1. The Company does not have any special relationship with the candidates.

2. Tsukasa Komiyama and Kiyoshi Sakamoto are candidates for the position of outside director as provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company has designated them as independent officers pursuant to Article 436, Paragraph 2 of the TSE Securities Listing Regulations.

3. (Liability limitation agreements with outside directors)
If Tsukasa Komiyama and Kiyoshi Sakamoto's nominations are approved, the Company will, pursuant to Article 28, Paragraph 2 of the Articles of Incorporation, enter into agreements with them limiting their liability under Article 423, Paragraph 1 of the Companies Act to the total amount prescribed by Article 425, Paragraph 1 of the said Act, provided that they acted in good faith and without gross negligence.

Item 2 Election of one (1) substitute Audit & Supervisory Board member

Yoichi Kageki was elected as substitute Audit & Supervisory Board member at the 99th Ordinary General Meeting of Shareholders held on June 28, 2017. However, the effectiveness of his election is due to expire. Accordingly, the Company proposes to reelect one (1) substitute Audit & Supervisory Board member.

The Audit & Supervisory Board has already consented to the submission of this agenda item.

The candidate for the position of substitute Audit & Supervisory Board member is shown below.

Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant positions in other organizations		Number of the Company's shares owned
Yoichi Kageki (January 6, 1971)	April 1993	Joined Kobe Steel, Ltd.	0 shares
	January 2009	(Kobe Steel, Ltd.) Manager of Rotating Machinery Sales Department of Compressor Division in the Machinery & Engineering Company	
	April 2010	Manager of Rotating Machinery Sales Department of Compressor Division in the Machinery Business	
	April 2012	Manager of the Corporate Planning Department	
	April 2016	Senior manager of the Corporate Planning Department (incumbent)	
(Reasons for nomination) Yoichi Kageki has many years of experience in Kobe Steel, Ltd., and currently manages the firm's Corporate Planning Department. The Company believes that he will use this experience to duly audit all aspects of the Company's management; therefore, it proposes his election as a substitute outside Audit & Supervisory Board member.			

(Notes) 1. The Company does not have any special relationship with the candidate.

2. Yoichi Kageki is a candidate for the position of substitute outside Audit & Supervisory Board member. He satisfies the criteria for a "candidate for outside company auditor" prescribed in Article 2, Paragraph 3, item 8 of the Ordinance for the Enforcement of the Companies Act.

3. (Relationship between the candidate for [substitute] outside Audit & Supervisory Board member and a specified related business operator)
Yoichi Kageki serves as senior manager of the Corporate Planning Department for Kobe Steel, Ltd., which is a specified related business operator of the Company. He is also engaged in the execution of Kobe Steel's business.

4. (Liability limitation agreement with an outside Audit & Supervisory Board member)
If Yoichi Kageki's nomination is approved, the Company will, pursuant to Article 36, Paragraph 2 of the Articles of Incorporation, enter into an agreement with him limiting his liability under Article 423, Paragraph 1 of the Companies Act to the total amount prescribed by Article 425, Paragraph 1 of the said Act, provided that he acted in good faith and without gross negligence.

(Reference)

1. Process for Appointing Directors and Audit & Supervisory Board Members

All candidates for the office of director are nominated with one-year terms of office by resolution of the Board of Directors, and then appointed by resolution the Ordinary General Meeting of Shareholders. Candidates for the position of Audit & Supervisory Board member or supplementary Audit & Supervisory Board member are nominated by the Board of Directors upon the approval of the Audit & Supervisory Board, and then appointed by resolution of the Ordinary General Meeting of Shareholders. To ensure that the Board of Directors' decision-making process for nominations is transparent and fair, the Board of Directors first seeks the opinion of the Advisory Committee on Appointments, in which Outside Officers (persons who hold the position of outside director or outside Audit & Supervisory Board Member) make up the majority.

2. Independence Standards for Outside Officers

The Company will deem an Outside Officer to be independent if they do not fall under any of the following items.

	Item	Standards	Requirements concerning past years Requirements concerning relatives
1	A major business partner of the Group or an executor of business thereof	A business partner whose amount of transactions accounted for more than 2% of the Group's consolidated net sales in the immediately previous fiscal year	• A person to whom any of the items on the left applied **in the past three (3) years** • A relative within **second degree of kinship** of a person to whom any of the items on the left apply
2	A person whose major business partner is the Group or an executor of business thereof	A person whose amount of transactions to the Group accounted for more than 2% of the person's consolidated net sales or total revenue in the previous fiscal year	
3	A principal shareholder of the Company or an executor of business thereof in the case that such shareholder is a corporation	A person who, directly or indirectly, owns 10% or more of all the voting rights of the Company	
4	A consultant, accounting professional such as a certified public accountant or legal professional such as an attorney-at-law who receives money or other financial benefit from the Group excluding remuneration for director/audit & supervisory board member. (If a corporation or an association, etc. receives such financial benefit, a person who is affiliated with such organization)	A person who received financial benefit amounting to more than 10 million yen from the Group, excluding remuneration for director/audit & supervisory board member in the previous fiscal year	
5	A person who receives a large amount of donations from the Group or an executor of business thereof	A person who received financial benefit amounting to more than 10 million yen from the Group in the previous fiscal year	
6	An executor of business of a company of which the Group is a principal shareholder	A person of which 10% or more of all the voting rights is owned by the Group	

	Item	Standards	Requirements concerning past years Requirements concerning relatives
7	A financial institution that is a principal lender to the Group or an executor of business of the parent or a subsidiary of such financial institution	A financial institution from which borrowings at the end of the previous fiscal year accounted for more than 2% of the Company's consolidated total assets	
8	Other	A person with special reasons that prevent him/her from fulfilling duties as an Independent Outside Officer, such as those that cause conflict of interests with the Company	―