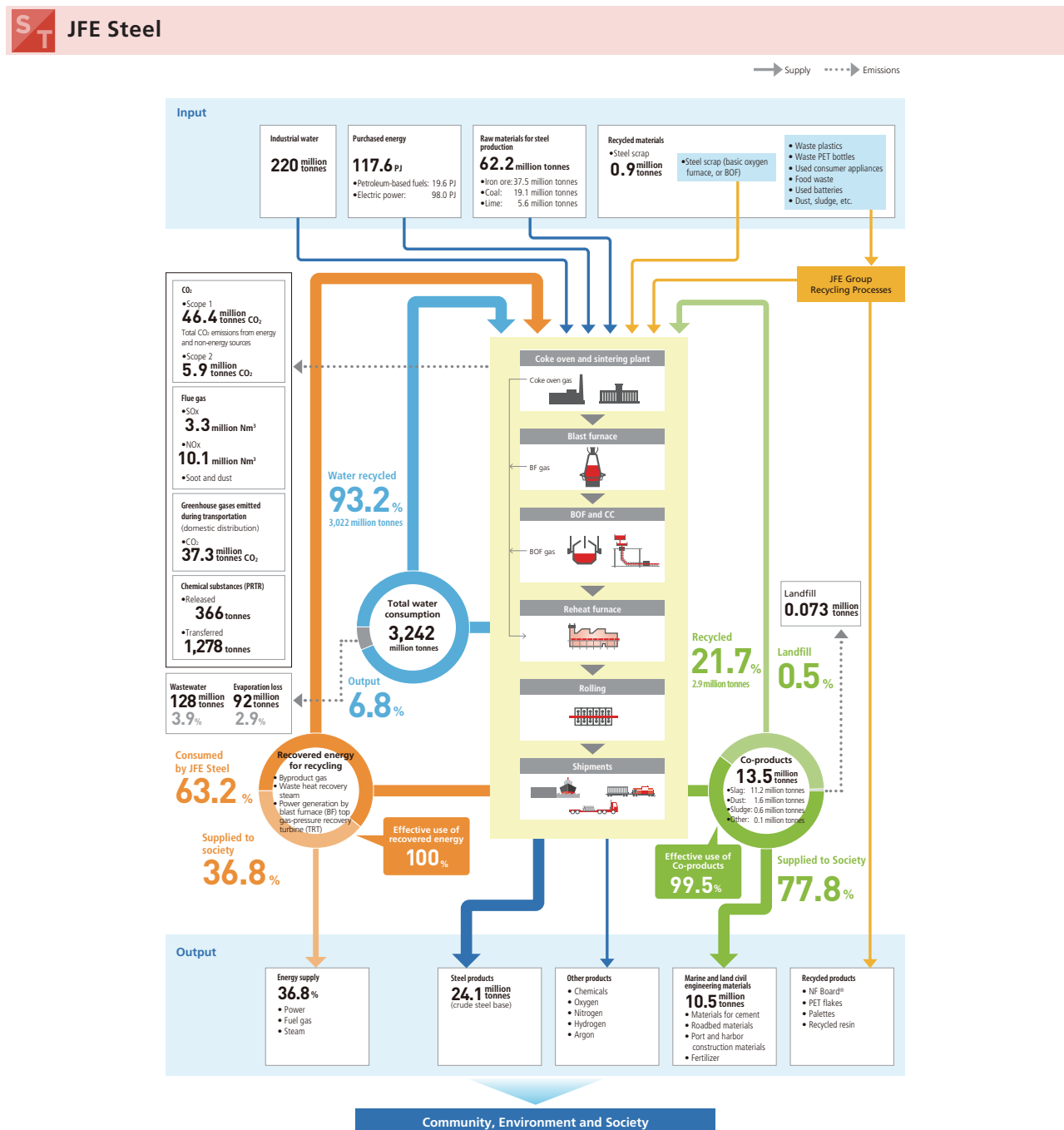


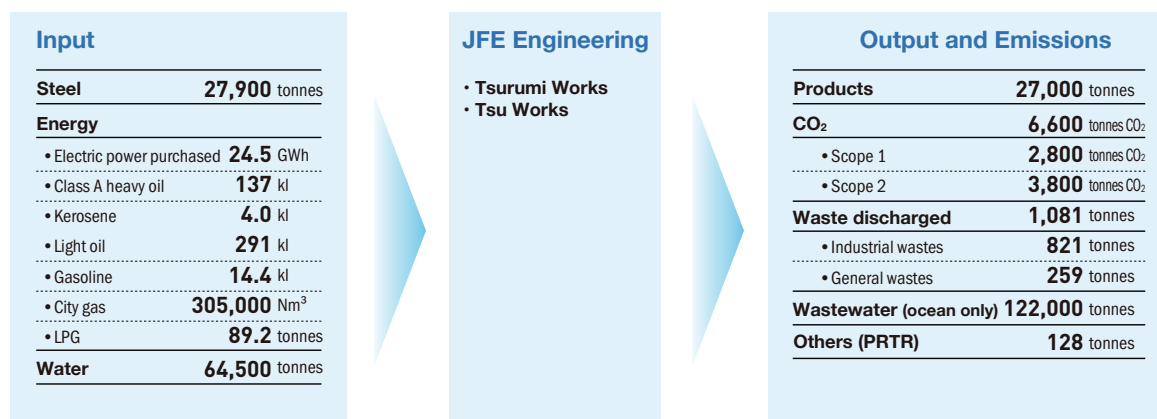
Environmental Data

Material Flow

JFE Steel works to reduce the environmental impact of its iron and steelmaking processes, including through the effective use of resources. The company recycles 93.2% of the water it uses for production and uses 99.5% of its co-products, such as iron and steelmaking slag. In addition, 100% of co-product gas generated during production is reused as fuel for reheating slabs, generating power for internal use and supplying power to the public.



JFE Engineering (Head Office and Works)



Abbreviations indicated under "scope" represent the following group or company:
 JFE Group [All]; JFE Steel Group [ST Gr]; JFE Steel [ST]; JFE Engineering Group [EN Gr];
 JFE Engineering [EN]; JFE Shoji Group [SH Gr]; JFE Shoji [SH]

Environmental Management

■ Data Regarding Environmental Management

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
% covered by ISO 14001 certification	Base	All	%	54	58	58	54	52
		ST Gr	%	20	21	21	18	44
		EN Gr	%	5	9	9	8	44
		SH Gr	%	29	28	28	27	64
	Employee	All	%	72	74	70	68	67
		ST Gr	%	72	75	74	72	70
		EN Gr	%	60	60	51	50	50
		SH Gr	%	88	92	89	83	81
Environmental audit (number of sites)	ST Gr	sites	31	32	24	29	28	
	EN Gr	sites	50	48	28	52	50	
Environmental education conducted (total participants)	EN Gr	people	1,059	1,063	731	1,131	889	

■ Environmental Accounting Data (1)

Breakdown of environmental protection cost		FY2021		FY2022	
		Investment (billion yen)	Cost (billion yen)	Investment (billion yen)	Cost (billion yen)
Management	Impact monitoring and measurement, and EMS expenses and education	14	25	14	27
Global warming countermeasures	Saving and efficiently using energy	189	270	55	359
	Recycling industrial water	66	174	32	216
Conservation of natural resources	Recycling and waste management of internally generated materials, etc.	12.0	59	14	62
Environmental protection	Air pollution countermeasures	124	314	159	312
	Water pollution countermeasures	72	96	43	107
	Prevention of soil contamination, noise, vibration, and subsidence	0	5	0	5
Other	Charges, etc.	—	14	—	14
R&D	Technologies for protecting the environment, saving energy, and preventing global warming	8	93	10	105
Societal activities	Support for nature preservation and forestation, information disclosure, exhibitions, and public relations	—	6	—	7
Total		485	1,056	327	1,215

Note: Data cover all investment activities of JFE Steel Corporation and R&D activities of JFE Engineering Corporation.

■ Environmental Accounting Data (2)

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Energy-saving investment (accumulated)	All	billion yen	505.4	532.1	546.5	565.4	570.8
Environmental protection investment (accumulated)	All	billion yen	708.5	727.6	742.1	770.9	797.1

Climate Change

■ CO₂ Emissions by Scope

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Scopes 1 and 2 total*1*2	All	million t-CO ₂	59.9	60.4	53.1	59.0	56.1
	ST Gr	million t-CO ₂	59.7	60.0	52.6	58.6	55.7
	ST	million t-CO ₂	55.4	56.0	49.1	54.7	52.3
	ST subsidiaries	million t-CO ₂	4.3	3.9	3.5	3.9	3.4
	EN Gr	million t-CO ₂	0.212	0.403	0.484	0.387	0.422
	EN	million t-CO ₂	0.0175	0.0168	0.0141	0.0103	0.0081
	EN subsidiaries	million t-CO ₂	0.195	0.386	0.470	0.377	0.414
	SH Gr	million t-CO ₂	0.0362	0.0353	0.0296	0.0319	0.0316
	SH	million t-CO ₂	0.0005	0.0005	0.0004	0.0004	0.0004
	SH subsidiaries	million t-CO ₂	0.0358	0.0348	0.0292	0.0315	0.0311
Scope1*3*4	All	million t-CO ₂	52.3	52.9	46.6	51.9	49.0
	ST Gr	million t-CO ₂	52.1	52.5	46.2	51.5	48.6
	ST	million t-CO ₂	49.2	49.8	43.8	48.8	46.4
	ST subsidiaries	million t-CO ₂	3.0	2.7	2.4	2.7	2.2
	EN Gr	million t-CO ₂	0.171	0.361	0.442	0.345	0.395
	EN	million t-CO ₂	0.0078	0.0038	0.0024	0.0024	0.0029
	EN subsidiaries	million t-CO ₂	0.163	0.357	0.439	0.343	0.393

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Scope2*5	All	million t-CO ₂	7.6	7.6	6.4	7.1	7.1
	ST Gr	million t-CO ₂	7.5	7.5	6.4	7.0	7.0
	ST	million t-CO ₂	6.2	6.3	5.3	5.8	5.9
	ST subsidiaries	million t-CO ₂	1.3	1.2	1.1	1.2	1.1
	EN Gr	million t-CO ₂	0.0416	0.0422	0.0424	0.0418	0.0263
	EN	million t-CO ₂	0.0097	0.0129	0.0116	0.0079	0.0052
	EN subsidiaries	million t-CO ₂	0.0319	0.0293	0.0308	0.0339	0.0211
	SH Gr	million t-CO ₂	0.0362	0.0353	0.0296	0.0319	0.0316
	SH	million t-CO ₂	0.0005	0.0005	0.0004	0.0004	0.0004
	SH subsidiaries	million t-CO ₂	0.0358	0.0348	0.0292	0.0315	0.0311
Unit CO ₂ emissions (numerator: Scopes 1 and 2 total; denominator: sales)	All	t-CO ₂ /billion yen	1,546	1,619	1,644	1,352	1,057
Scope3*6*7	All	thousand t-CO _{2e}	16,751	16,382	14,369	20,778	23,184
Category 1 Purchased goods and services	All	thousand t-CO _{2e}	13,371	12,557	11,026	17,244	19,750
Category 2 Capital goods	All	thousand t-CO _{2e}	1,180	1,401	1,226	1,221	1,166
Category 3 Fuel and energy related activities not included in Scopes 1 or 2	All	thousand t-CO _{2e}	370	728	671	717	736
Category 4 Upstream transportation and delivery	All	thousand t-CO _{2e}	491	489	419	454	450
Category 5 Waste generated in operations	All	thousand t-CO _{2e}	100	57	45	58	62
Category 6 Business travel	All	thousand t-CO _{2e}	4	4	4	5	4
Category 7 Employee commuting	All	thousand t-CO _{2e}	49	49	51	59	49
Category 15 Investments	All	thousand t-CO _{2e}	1,186	1,097	927	1,022	967

*1 Data cover 76 companies

- JFE Steel and 26 major domestic and overseas subsidiaries
- JFE Engineering and 12 major domestic and overseas subsidiaries
- JFE Shoji and 35 major domestic and overseas subsidiaries.

*2 Starting with FY2021, figure includes data for an expanded list of JFE Steel, JFE Engineering, and JFE Shoji subsidiaries.

*3 Data for JFE Steel include CO₂ emissions from non-energy sources.

*4 Data for 1 JFE Steel major domestic subsidiary and a JFE Engineering major domestic subsidiary include CO₂ emissions from non-energy sources.

*5 CO₂ Emission Factor for Purchased Electricity in FY2022:

- JFE Steel uses the emission factor of the Commitment to a Low Carbon Society of the Japan Iron and Steel Federation for energy purchased in FY2021.
- JFE Steel's domestic consolidated subsidiaries, the JFE Engineering Group, and the JFE Shoji Group apply the adjusted emission factors of each electric power company for each fiscal year.
- Over seas: the latest IEA emission factors

*6 Coverage:

- (Categories 1, 2, 3, 4, 5) JFE Steel, 21 JFE Steel major domestic subsidiaries, JFE Engineering, 1 JFE Engineering major domestic subsidiary, and JFE Shoji
- (Category 6, 7) JFE Steel, 21 JFE Steel major domestic subsidiaries, JFE Engineering, 15 JFE Engineering major domestic and overseas subsidiaries, and JFE Shoji
- (Category 15) Japan Marine United, and 10 JFE Steel equity-method affiliates (7 domestic and 3 overseas)

*7 Sources: Green Value Chain Platform (Ministry of the Environment) and others

Other Greenhouse Gas

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
CO ₂ emissions from energy sources	CO ₂ emissions (Scopes 1 and 2 total)	ST Gr	million t-CO ₂	57.0	57.4	50.2	55.8	53.1
		ST	million t-CO ₂	53.5	54.2	47.3	52.6	50.4
		ST subsidiaries	million t-CO ₂	3.5	3.2	2.9	3.2	2.7
		EN Gr*1*2	thousand t-CO ₂	66.7	67.5	62.5	61.4	45.2
	Scope1	ST	million t-CO ₂	47.3	47.9	41.9	46.8	44.5
	Unit: CO ₂ emissions (denominator: crude steel production)	ST	t-CO ₂ /t-steel	2.03	2.03	2.08	2.03	2.09
CO ₂ emissions from non-energy sources	ST Gr*3	million t-CO ₂	2.61	2.65	2.40	2.74	2.59	
	ST	million t-CO ₂	1.87	1.89	1.82	2.05	1.93	
	ST subsidiaries	million t-CO ₂	0.74	0.76	0.58	0.69	0.66	
	EN subsidiaries*4	million t-CO ₂	0.15	0.34	0.42	0.33	0.38	

Items	Scope	Unit	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
GHG emissions other than CO ₂	All	thousand t-CO ₂ e	88.7	103.3	96.1	103.0	55.2	
	Methane (CH ₄)	ST Gr	thousand t-CO ₂ e	72.2	72.9	68.3	74.6	35.4
		ST	thousand t-CO ₂ e	72.2	72.9	68.3	74.6	35.4
		ST subsidiaries	thousand t-CO ₂ e	—	—	—	0.005	0.005
	N ₂ O	All	thousand t-CO ₂ e	16.5	30.4	27.9	28.5	19.8
		ST Gr	thousand t-CO ₂ e	16.5	20.0	15.5	17.7	7.8
		ST	thousand t-CO ₂ e	16.5	20.0	15.5	17.7	7.8
		ST subsidiaries	thousand t-CO ₂ e	—	—	—	0.004	0.004
		EN subsidiaries* ⁴	thousand t-CO ₂ e	—	10.4	12.4	10.8	12.0
	GHG emitted during transportation* ⁵	ST Gr	million t-CO ₂	66	65	57	63	61
ST		million t-CO ₂	40	40	34	38	37	
ST subsidiaries		million t-CO ₂	26	25	23	25	24	
Contribution to CO ₂ emission reductions* ⁶	EN Gr	million t-CO ₂ /year	412	413	965	1,057	1,114	
	Biomass power generation	million t-CO ₂ /year	212	212	274	286	294	
	Waste power generation	million t-CO ₂ /year	153	153	337	340	372	
	Others* ⁷	million t-CO ₂ /year	47	48	354	357	359	
	Recycling (Includes fluorocarbon recovery and energy creation)	million t-CO ₂ /year	—	—	—	74	89	

*1 Data cover JFE Engineering and 12 major domestic and overseas subsidiaries.

*2 Starting with FY2021, expanded coverage of major subsidiaries for JFE Engineering.

*3 Data cover JFE Steel and a major domestic subsidiary.

*4 J&T Recycling Co. is a domestic subsidiary of JFE Engineering.

*5 Data cover JFE Steel and 9 major domestic subsidiaries, which are specified consigners designated under the Japanese Energy Saving Act.

*6 Coverage:

- Up to FY2019, only JFE Engineering's domestic business is covered

- FY2020 data cover JFE Engineering's domestic and overseas businesses and its German subsidiary Standardkessel Baumgarte GmbH (SBG)

- From FY2021, JFE Engineering's domestic and overseas businesses, J&T Recycling Corporation, JFE Urban Recycle Corporation, and German subsidiary Standardkessel Baumgarte GmbH (SBG) are covered

*7 Others (digestion gas, geothermal, solar power, wind, waste heat recovery, fuel conversion, sludge incineration, PPA, energy services)

■ Energy

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Energy consumption and unit energy consumption	Energy consumption	All	PJ	—	670	592	654	627
		ST Gr	PJ	—	669	591	652	625
		ST	PJ	613	620	545	602	581
		ST subsidiaries	PJ	—	48.8	45.2	49.6	43.9
		EN Gr	PJ	—	1.3	1.2	1.3	1.2
		SH Gr	PJ	—	0.6	0.6	0.7	0.7
	Unit energy consumption (crude steel production)	ST	GJ/t-steel	23.3	23.2	24.0	23.3	24.1
Energy consumption (Crude petroleum equivalent)	EN	kl	10,886	8,788	8,000	7,636	7,772	
YOY ratio of unit energy consumption	EN	%	95.4	80.7	91.0	95.5	107.9	
Recovered energy for recycling	Supplied to society	ST	%	39	39	38	38	37
	Consumed internally	ST	%	61	61	62	62	63

■ Modal Shift Rate

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
All transportation	Ship and rail	ST	%	60.2	59.6	58.4	58.3	59.0
	Truck	ST	%	39.8	40.4	41.6	41.7	41.0
Transportation of a distance of 500 km or more	Ship and rail	ST	%	91.6	90.9	91.6	90.0	92.1
	Truck	ST	%	8.4	9.1	8.4	10.0	7.9

Scope of calculation: All products and half-finished products transported in Japan

Climate Change (Supplementary Data)

■ CO₂ Emissions and Energy Consumption of JFE Steel Group Subsidiaries (FY2022)

Company name	CO ₂ emissions (unit: thousand t-CO ₂)	Energy consumption (unit: PJ)
JFE Mineral & Alloy Company, Ltd.*	1,389.6	10.71
JFE Bars & Shapes Corporation	504.2	10.19
JFE Chemical Corp.	214.1	4.42
JFE LOGISTICS CORPORATION	161.1	2.32
JFE Galvanizing & Coating Co., Ltd.	56.0	1.20
JFE Plastic Resource Corporation	20.9	0.40
MIZUSHIMA RIVERMENT CORP.	9.2	0.14
JFE Container Co., Ltd.	10.2	0.21
J-Logitec Co., Ltd.	7.5	0.11
Galvatex Corporation	3.9	0.08
JFE Metal Products & Engineering Inc.	7.4	0.18
JFE Welded Pipe Manufacturing Co., Ltd.	9.4	0.16
JFE Techno-wire Corporation	4.4	0.09
JFE PRECISION CORPORATION	3.8	0.07
K-PLASHEET CORPORATION	4.5	0.08
JFE LIFE CORPORATION	3.9	0.11
CHIBA RIVERMENT AND CEMENT CORP.	6.7	0.13
JFE Steel Pipe Co., Ltd.	2.9	0.06
GECOSS CORPORATION	3.7	0.06
JFE Kozai Corporation	3.8	0.07
JFE Ferrite Corporation	3.6	0.07
5 overseas companies	933.9	13.06
Total	3,364.8	43.92

* Data for Mineral & Alloy Company, Ltd. since FY2021 has included CO₂ emissions from Mizushima Ferroalloy Co., Ltd. and JFE Material Co., Ltd., which merged into JFE Mineral & Alloy Company in April 2022.

■ CO₂ Emissions from Energy Sources and Energy Consumption of JFE Engineering Group Subsidiaries (FY2022)

Company name	CO ₂ emissions (unit: thousand t-CO ₂)	Energy consumption (unit: PJ)
J&T Recycling Corporation	29.2	0.8
J Farm Corporation	2.1	0.040
Fujikako, Inc.	1.3	0.034
NORTHERN JAPAN MACHINERY Corporation	1.1	0.018
TOHOKU DOCK TEKKO CO., LTD.	0.9	0.017
JFE Environmental Service Corporation	0.6	0.011
Asuka Soken Co., Ltd.	0.8	0.013
JFE Pipeline Engineering Corporation	0.4	0.006
JFE Technos Corporation	0.1	0.003
JFE Aqua Machine and Service Corporation	0.0	0.001
JFE Project One Co., Ltd.	0.1	0.001
J&M Steel Solutions Company Limited	0.5	0.011
Total	37.2	0.921

Prevention of Pollution

■ Air Emissions

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
SOx emissions* ¹	ST Gr	million Nm ³	4.1	4.3	3.3	3.5	3.3
	ST	million Nm ³	4.1	4.3	3.3	3.5	3.3
	ST subsidiaries	million Nm ³	0.04	0.04	0.03	0.03	0.04
NOx emissions* ²	ST Gr	million Nm ³	10.7	11.3	10.4	11.4	10.2
	ST	million Nm ³	10.5	11.1	10.3	11.2	10.1
	ST subsidiaries	million Nm ³	0.19	0.17	0.14	0.18	0.15

*1 10 JFE Steel consolidated subsidiaries in Japan.

*2 11 JFE Steel consolidated subsidiaries in Japan.

■ Release to Waterways

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
COD (chemical oxygen demand)	All* ¹	t/day	3.5	3.4	3.1	3.1	3.1
	ST	t/day	3.3	3.2	2.9	2.9	2.8
	ST subsidiaries	t/day	0.17	0.15	0.17	0.23	0.25
	EN* ²	kg/day	6.8	8.4	8.7	8.4	6.6

*1 Coverage:

- JFE Steel and 10 consolidated subsidiaries in Japan.

- JFE Engineering

*2 This report uses the maximum value of each year.

■ Chemical Substances Management

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022	
PRTR-registered substances* ¹ * ²	Amount released	All* ³	t	1,019	918	754	827	750
		ST Gr	t	814	766	596	672	609
		ST	t	545	481	341	380	366
		ST subsidiaries	t	269	285	255	292	243
		EN Gr	t	205	152	158	155	141
		EN	t	147	107	121	116	103
		EN subsidiaries	t	58.4	45.4	36.7	39.3	37.8
	Amount transferred	All* ³	t	9,210	7,866	5,949	9,845	12,809
		ST Gr	t	9,176	7,832	5,910	9,811	12,779
		ST	t	2,533	1,865	1,694	1,378	1,278
		ST subsidiaries	t	6,643	5,967	4,216	8,433	11,501
		EN Gr	t	34	34	39	34	30
		EN	t	28	29	26	30	26
		EN subsidiaries	t	5.7	5.4	12.5	4.4	4.4

*1 Coverage:

- JFE Steel and 15 consolidated subsidiaries in Japan.

- JFE Engineering and 4 consolidated subsidiaries in Japan.

*2 Excluding dioxins

*3 JFE Shoji is not included in the scope of the report as the company is not subject to PRTR registration.

Prevention of Pollution (Supplementary Data)

■ SOx and NOx Emissions of JFE Steel Group Subsidiaries (FY2022)

Company name	SOx emissions(unit: Nm ³)	NOx emissions(unit: Nm ³)
JFE Mineral & Alloy Company, Ltd.	17,206	75,518
CHIBA RIVERMENT AND CEMENT CORP.	56	741
MIZUSHIMA RIVERMENT CORP.	0	879
JFE PRECISION CORPORATION	1,751	547
JFE Plastic Resource Corporation	125	62
JFE Bars & Shapes Corporation	4,129	10,056
JFE Metal Products & Engineering Inc.	32	1,442
JFE KENZAI FENCE CO., LTD.	0	0
JFE Galvanizing & Coating Co., Ltd.	1,425	13,226
JFE Container Co., Ltd.	88	0
JFE Welded Pipe Manufacturing Co., Ltd.	0	0
JFE Steel Pipe Co., Ltd.	0	0
Galvatex Corporation	0	877
JFE Techno-wire Corporation	0	0
JFE Kozai Corporation	0	0
GECOSS CORPORATION	0	0
JFE LOGISTICS CORPORATION	0	0
J-Logitec Co., Ltd.	0	0
JFE Chemical Corp.	10,051	41,900
K-PLASHEET CORPORATION	149	0
JFE LIFE CORPORATION	0	0
Total	35,012	145,248

Efficient Use of Natural Resources

■ Natural Resources

	Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Input	Raw materials for steel production	ST	million t	66.0	67.0	58.7	59.3	62.2
	Iron ore	ST	million t	40.1	41.4	35.4	40.2*	37.5
	Coal	ST	million t	20.6	20.3	18.1	19.9	19.1
	Lime	ST	million t	5.3	5.3	5.2	5.9	5.6
	Recycled materials (steel scrap)	ST	million t	1.3	1.1	0.8	1.2	0.9
Products supplied	Raw materials	EN	thousand t	47.3	39.4	36.9	38.6	27.9
	Steel products	ST	million t	26.3	26.7	22.8	25.9	24.1
Products supplied	Engineering products	EN	thousand t	44.5	36.6	34.7	37.4	27.0

* Revised the prior year data to increase accuracy.

■ Co-products and Wastes

	Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Co-products	Amount generated* ¹	ST Gr	million t	16.1	15.6	13.9	14.4	14.1
		ST* ²	million t	15.3	15.1	13.4	13.9	13.5
		ST subsidiaries	million t	0.8	0.5	0.5	0.5	0.6
	Amount recycled internally	ST	million t	6.0	5.0	3.3	3.3	2.9
	Internal recycle rate	ST	%	39.3	32.9	24.9	24.0	21.7
	Emissions* ¹	ST Gr	million t	9.4	10.3	10.2	10.8	10.8
		ST	million t	9.3	10.2	10.1	10.6	10.6
		ST subsidiaries	million t	0.1	0.1	0.1	0.2	0.2
	Used by local communities	ST	million t	9.2	10.1	10.0	10.5	10.5
	Rate of local communities use	ST	%	60.4	66.8	74.8	75.7	77.8
	Landfill amount* ¹	ST Gr	million t	0.081	0.074	0.060	0.094	0.167
		ST	million t	0.052	0.043	0.037	0.042	0.073
		ST subsidiaries	million t	0.029	0.031	0.023	0.052	0.094
Recycling rate	ST	%	99.7	99.7	99.7	99.7	99.5	

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Wastes	Emissions*3*4	EN Gr	thousand t	131.7	211.0	159.1	249.2	223.7
	Offices	EN	t	386.4	367.1	329.2	235.3	259.4
		Yokohama HO	t	299.9	299.0	256.9	156.7	195.0
		Tsu works	t	86.5	68.2	72.3	78.6	64.4
	Productions	EN	t	1,039.3	1,340.5	1,072.3	803.0	821.4
		Tsurumi works	t	506.6	653.8	519.8	364.7	461.6
		Tsu works	t	532.7	686.7	552.5	438.3	359.8
	Constructions	EN	t	109,045.2	145,397.7	97,387.9	190,242.3	162,747.2
	Subsidiaries	EN subsidiaries	t	22,634.4	63,876.7	60,296.7	57,960.3	59,841.4
	Recycling rate (offices)	EN	%	96.7	97.3	96.8	96.1	96.4
		Yokohama HO	%	98.5	98.8	99.1	98.5	98.4
		Tsuworks	%	85.2	85.2	87.2	88.4	85.7
	Recycling rate (production)	EN	%	46.8	68.0	48.8	46.8	54.0
		Tsurumi works	%	68.7	79.4	72.0	68.3	75.9
		Tsuworks	%	32.1	60.9	33.8	28.0	25.0
	Recycling rate (construction)	EN	%	98.4	97.1	98.3	98.6	99.3
	Landfill	EN	t	2,125.1	4,489.3	2,011.6	3,035.6	1,456.7
	Offices	EN	t	10.7	8.5	9.1	7.4	7.7
		Yokohama HO	t	4.1	3.3	2.1	2.2	2.9
		Tsuworks	t	6.6	5.2	7.0	5.2	4.8
Productions	EN	t	353.3	312.6	351.2	322.6	287.7	
	Tsurumi works	t	83.2	77.3	75.2	89.4	85.9	
	Tsuworks	t	270.1	235.3	276.0	233.2	201.8	
Constructions	EN	t	1,761.1	4,168.2	1,651.3	2,705.6	1,161.3	
Recycling rate	EN	%	97.0	95.8	95.9	96.5	97.4	

*1 Data cover JFE Steel and 22 consolidated subsidiaries in Japan.

*2 Byproducts generated by JFE Steel are mostly reused as offshore, land, or construction materials.

*3 Data cover JFE Engineering and 10 consolidated subsidiaries in Japan.

*4 Data from FY2019 includes wastes generated at offices and productions of JFE Engineering.

■ Wastes at JFE Engineering Construction Sites

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Rubble	Amount generated	EN	t	78,410	113,637	78,100	159,309	141,888
	Recycle rate	EN	%	99.6	98.6	99.4	99.4	99.9
	Landfill amount	EN	t	297	1,533	484	940	173
Sludge	Amount generated	EN	t	16,142	17,225	12,399	24,350	14,806
	Recycle rate	EN	%	98.8	98.8	98.9	96.9	99.0
	Landfill amount	EN	t	199	205	135	683	130
Industrial waste excluding rubble and sludge	Amount generated	EN	t	14,494	13,788	6,678	6,583	6,054
	Recycle rate	EN	%	91.0	85.0	85.4	81.6	84.4
	Landfill amount	EN	t	1,265	1,923	868	1,083	858

■ Paper Consumption at JFE Shoji

Items		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Consumption of copier papers	SH*		boxes	4,832	4,675	3,021	3,033	2,860
	Tokyo		boxes	2,661	2,516	1,333	1,471	1,376
	Osaka		boxes	372	399	310	337	351
	Nagoya*		boxes	217	293	157	154	177
	Branch*		boxes	1,582	1,467	1,221	1,071	956

* Revised the prior year data to increase accuracy.

Water Security

Water

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Amount of water accepted* ¹	All	million t	240	242	237	246	240
	ST Gr	million t	238	241	236	245	239
	ST	million t	218	221	215	226	220
	ST subsidiaries	million t	20.5	19.8	20.9	18.7	18.2
	EN Gr	million t	0.918	1.410	1.296	1.141	1.35
	EN	million t	0.102	0.106	0.072	0.063	0.064
	EN subsidiaries	million t	0.816	1.304	1.223	1.078	1.28
	SH Gr	million t	0.165	0.149	0.160	0.154	0.154
	SH	million t	—	—	—	—	—
	SH subsidiaries	million t	0.165	0.149	0.160	0.154	0.154
Amount of water released* ²	ST Gr	million t	144	143	141	144	143
	ST	million t	126	126	123	128	128
	ST subsidiaries	million t	18.0	17.0	18.3	15.6	15.4
	EN	million t	0.146	0.126	0.157	0.132	0.122
Amount of water consumption* ²	ST Gr	million t	3,665	3,616	3,331	3,442	3,475
	ST	million t	3,376	3,323	3,066	3,207	3,242
	ST subsidiaries	million t	289	293	265	235	233
Amount evaporated	ST	million t	92	95	92	98	92
Ratio of amount released and evaporated	ST	%	6.5	6.6	7.0	7.0	6.8
Amount recycled* ²	ST Gr	million t	3,427	3,375	3,096	3,197* ⁴	3,237
	ST	million t	3,158	3,102	2,851	2,981* ⁴	3,242
	ST subsidiaries	million t	269	273	245	216	215
Recycling rate* ^{2*3}	ST	%	93.5	93.4	93.0	93.0	93.2
	ST subsidiaries	%	93	93	92	92	92

*1 Coverage:

- JFE Steel and 22 consolidated subsidiaries in Japan.
- JFE Engineering and 7 consolidated subsidiaries in Japan.
- 33 JFE Shoji domestic and overseas consolidated subsidiaries.

*2 Data cover JFE Steel and 22 JFE Steel consolidated subsidiaries in Japan.

*3 Industrial water circulated (%) = (Total amount – industrial water accepted)/total amount used × 100

*4 Revised the prior year data to increase accuracy.

Water Related Data by Water Intake Source and Discharge Source

Items	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Total amount accepted	All*	million t	218.4	221.0	214.8	226.1	220.4
River/lake		million t	0	0	0	0	0
Groundwater		million t	0	0	0	0	0
Industrial water/ waterworks		million t	218.4	221.0	214.8	226.1	220.4
Ocean		million t	0	0	0	0	0
Rainwater		million t	0	0	0	0	0
Other intake source		million t	0	0	0	0	0
Total amount released		All*	million t	126.1	126.8	123.6	128.8
Ocean	million t		125.7	126.3	123.1	128.3	128.1
Surface water	million t		0	0	0	0	0
Underground/well	million t		0	0	0	0	0
Off-site water processing	million t		0.4431	0.4502	0.4796	0.4709	0.4300
Beneficial use/other use	million t		0	0	0	0	0
Other discharge source	million t		0	0	0	0	0

* Data cover JFE Steel and JFE Engineering.

Water Security (Supplementary Data)

Amount of Water Accepted and Released at JFE Steel Group Subsidiaries (FY2022)

Company name	Amount accepted (unit: thousand tonnes)	Amount released (unit: thousand tonnes)
JFE Mineral & Alloy Company, Ltd.	6,353	5,946
CHIBA RIVERMENT AND CEMENT CORP.	10	10
MIZUSHIMA RIVERMENT CORP.	14	14
JFE PRECISION CORPORATION	148	148
JFE Plastic Resource Corporation	18	18
JFE Bars & Shapes Corporation	4,796	2,707
JFE Metal Products & Engineering Inc.	120	138
JFE KENZAI FENCE CO., LTD.	51	51
JFE Galvanizing & Coating Co., Ltd.	548	605
JFE Container Co., Ltd.	251	251
JFE Welded Pipe Manufacturing Co., Ltd.	29	29
JFE Steel Pipe Co., Ltd.	2	2
Galvatex Corporation	651	651
JFE Techno-wire Corporation	93	93

Company name	Amount accepted (unit: thousand tonnes)	Amount released (unit: thousand tonnes)
JFE Kozai Corporation	14	14
GECOSS CORPORATION	67	68
JFE LOGISTICS CORPORATION	104	104
J-Logitec Co., Ltd.	3	3
JFE Chemical Corp.	4,369	4,002
K-PLASHEET CORPORATION	30	26
JFE LIFE CORPORATION	504	493
Total	18,176	15,373

■ Amount of Water Accepted at JFE Engineering Group Subsidiaries (FY2022)

Company name	Amount accepted (unit: thousand tonnes)
J&T Recycling Corporation	1,231
JFE Environmental Service Corporation	30.5
NORTHERN JAPAN MACHINERY Corporation	0.002
TOHOKU DOCK TEKKO CO., LTD.	0.03
JFE Aqua Machine and Service Corporation	0.002
Fujikako, Inc.	0.02
J Farm Corporation	22.2
Total	1,283

Social Data

Responsibility to Customers

Customer Training (FY2022)

Name of training	Scope	Unit	Participants
Technical presentation by overseas Group companies (number of participating companies*)	JFE Shoji	People (companies)	78 (15)

* Participants from nine countries

Human Capital

Lost-work Injuries and Accidents

Items		Scope* ¹	Unit	2018	2019	2020	2021	2022
Lost-work Injuries and Severity (Rates)	Lost-work injuries* ²	JFE Steel	—	0.17	0.28	0.23	0.10	0.18
	Severity* ³		—	0.15	0.30	0.08	0.08	0.08
	Lost-work injuries* ²	JFE Engineering	—	0.82	0.45	0.35	0.56	0.26
	Severity* ³		—	0.02	0.62	0.01	0.40	0.01
	Lost-work injuries* ²	JFE Shoji Group	—	0.60	1.00	0.76	0.60	0.25
	Severity* ³		—	0.04	0.02	0.04	0.05	0.02
	Lost-work injuries* ²	Manufacturing industry average	—	1.20	1.20	1.21	1.31	1.25
	Severity* ³		—	0.10	0.10	0.07	0.06	0.08
Number of lost-work injuries	Lost-work injuries	JFE Group	Cases	41	49	36	26	25
	Fatal injuries		Cases	2	6	1	2	1
	Lost-work injuries	JFE Steel	Cases	18	30	23	10	18
	Fatal injuries		Cases	2	4	1	1	1
	Lost-work injuries	JFE Engineering	Cases	18	11	7	11	5
	Fatal injuries		Cases	0	2	0	1	0
	Lost-work injuries	JFE Shoji Group	Cases	5	8	6	5	2
	Fatal injuries		Cases	0	0	0	0	0

Items		Scope* ¹	Unit	2018	2019	2020	2021	2022
Lost-work Injuries Involving Employees	Lost-work injuries	JFE Group	Cases	13	18	15	10	13
	Fatal injuries		Cases	1	1	0	0	1
	Lost-work injuries	JFE Steel	Cases	7	10	9	5	11
	Fatal injuries		Cases	1	1	0	0	1
	Lost-work injuries	JFE Engineering	Cases	1	2	2	1	0
	Fatal injuries		Cases	0	0	0	0	0
	Lost-work injuries	JFE Shoji Group	Cases	5	6	4	4	2
	Fatal injuries		Cases	0	0	0	0	0
Lost-work injuries involving employees of contractors	Lost-work injuries	JFE Group	Cases	28	31	21	16	12
	Fatal injuries		Cases	1	5	1	2	0
	Lost-work injuries	JFE Steel	Cases	11	20	14	5	7
	Fatal injuries		Cases	1	3	1	1	0
	Lost-work injuries	JFE Engineering	Cases	17	9	5	10	5
	Fatal injuries		Cases	0	2	0	1	0
	Lost-work injuries	JFE Shoji Group	Cases	0	2	2	1	0
	Fatal injuries		Cases	0	0	0	0	0

*1 Scope of data:

- JFE Steel and JFE Engineering: parent company, business associates and contractors in Japan
- JFE Shoji : parent and consolidated subsidiaries, business associates and contractors in Japan

*2 Lost-work injuries (rate) = number of employees with lost-work injuries/total working hours × 1,000,000

*3 Severity = number of lost working days/total working hours × 1,000

■ Health and Safety Training (FY2022)

Items	Unit	Participants*
Training for managers and supervisors	People	409
Mental healthcare education for new hires and at rank-based training	People	751

* Total of 3 operating companies.

■ Health Data

Items	Scope	Unit	2018	2019	2020	2021	2022
Provision rate of health guidance* ¹	JFE Steel	%	56.9	64.2	53.0	72.2	—
	JFE Engineering	%	22.1	39.6	39.1	30.6	—
	JFE Shoji	%	45.2	36.0	41.6	32.1	—
Smoking rates	JFE Steel* ²	%	32.4	31.8	29.0	27.3	26.6
	JFE Engineering	%	26.7	26.4	23.3	22.9	22.3
	JFE Shoji* ³	%	24.8	24.9	24.9	21.5	21.9
Metabolic syndrome rates	Insured by the JFE Group's health insurance union (age 40 and above)	%	36.0	35.6	36.5	36.3* ⁴	36.0
Rate of health examination for dependents	Age 40 and above	%	48.2	51.5	46.3	51.3	51.5

*1 Figures for FY2022 will be added once they are finalized.

*2 Smoking rate for JFE Steel is managed based on calendar year.

*3 Smoking rates for JFE Shoji for FY2018 represent results for those age 40 and above.

*4 Revised the prior year data to increase accuracy.

■ Employee Data (FY2022*¹)

Category	Consolidated/ non-consolidated	Unit	JFE Steel	JFE Engineering	JFE Shoji	
Employees	Consolidated* ²	people	44,469	11,086	8,631	
Male		people	38,682	9,592	6,201	
Female		people	5,787	1,494	2,430	
Management positions* ³		people	11,690	3,768	1,746	
Male		people	10,858	3,542	1,497	
Female		people	832	226	249	
Ratio of women in management positions		%	7.1	6.0	14.3	
Employees		Non-consolidated* ²	people	15,185	3,846	1,035
Male			people	13,909	3,294	613
Female	people		1,276	552	422	
Management positions (manager or higher)* ³	people		1,641	1,617	614	
Male	people		1,613	1,566	567	
Female	people		28	51	47	
Ratio of women in management positions	%		1.7	3.2	7.7	
Recruits	people		320	152	80	
Male	people		293	120	53	
Female	people		27	32	27	
New graduates	people		240	86	59	
Mid-career professionals	people		80	66	21	
Years of continuous employment (average)	year		16.7	15.4	12.3	
Male	year		16.4	15.4	12.5	
Female	year		19.8	15.3	11.9	
Job turnover rate* ⁴ (total 2.7%)	%		2.8	2.3	3.4	
Elderly employees* ⁵	people		687	42	22	
Ratio of elderly employees* ⁵	%		4.5	1.1	2.1	
Average annual leave taken	day/year		16.7	19.1	14.5	
Average overtime	hours/ month		25.1	26.7	28.7	
Employees working shorter hours for childcare (aggregated)	people		82	56	65	
Ratio of male employees taking childcare leave* ⁶	%	92	94	113		
Wage gap between men and women* ⁷ (all workers)	%	78.3	62.9	64.9		
Full-time employees	%	78.8	62.6	64.7		
Part-time workers and fixed-term employees	%	72.1	58.6	64.2		
Temporary staffs	people	157	656	34		

*1 As of April 1, 2023. Other figures are as of FY2022.

*2 Scope of data: Consolidated subsidiaries JFE Steel: 149, JFE Engineering: 80 JFE Shoji: 127

*3 Management positions at JFE Shoji include employees on loan.

*4 Percentage of employees who voluntarily choose to resign from the organization.

*5 Figures for JFE Steel include active employees who are age 60 and above (the company's mandatory retirement age has been raised to 65).

*6 Rate of male employees taking childcare leave or time off related to child rearing = (Number of male employees who took childcare leave + Number of male employees who used the childcare leave program for pre-elementary school children) / Number of male employees whose spouses have given birth.

*7 Calculated in accordance with the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life.

■ Recruiting for New Graduates (FY2023) and Mid-career Professionals (FY2022) (Three Operating Companies, Excluding their Subsidiaries)

Items	Unit	Career-track Positions			On-site and Clerical Positions	Total
		White-collar	Technical	Total		
Male	people	115	181	296	170	466
Female	people	53	24	77	9	86
Total	people	168	205	373	179	552
Ratio of women	%	31.5	11.7	20.6	5.0	15.6

■ Employment of People with Disabilities (as of June 1 of each year)

Items	Scope	Unit	2018	2019	2020	2021	2022
Employment of People with Disabilities	JFE Steel	%	2.41	2.48	2.51	2.51	2.57
	JFE Engineering	%	2.39	2.23	2.37	2.53	2.58
	JFE Shoji	%	2.62	2.50	2.39	2.39	2.66

Community

■ Social Contributions (FY2022)

Activities	Scope	Unit	Achievements
Internships	JFE Group	People	1,431
	JFE Steel	People	455
	JFE Engineering	People	631
	JFE Shoji	People	345
Supporting elementary schools in Ghana and Nigeria	Desks and chairs	Sets	475
	Notebooks	Books	17,000
	Canned foods	Cans	12,500

■ JFE 21st Century Foundation (FY2022)

Grants		Projects	Value (million yen)
Technology research (accumulated)		710	142,780
Technology research for FY2022	Iron and steel technology research	13	2,600
	Global environment and global warming prevention technology research	15	3,000
Asian history studies (accumulated)		162	24,300
Asian history studies for FY2022		12	1,800
Activities		Sets donated	
Supporting the Japan Overseas Educational Services Writing Contest and anthology donation (to elementary and middle schools and also public libraries in the regions related to steel*)		2,300	

* Donated to 654 elementary schools and middle schools, 31 libraries, etc.

Shareholders and Investors

■ Major IR Activities (FY2022)

Activities	Frequency per Year	Scale, etc.
Ordinary general meeting of shareholders	1	Approx. 220,000 shareholders
Individual meetings primarily targeting institutional investors and securities analysts	In Japan: 51 companies (162 meetings) Overseas: 65 companies (130 meetings)	
Meetings with shareholders, primarily ESG managers or those with voting rights at institutional investors	In Japan: 23 companies (48 meetings) Overseas: 17 companies (17 meetings)	
Investor meetings and ESG Briefings for analysts and persons responsible for ESG	5	Approx. 1,100 persons in total
Web-based briefings for individual investors	1,000 real-time participants Over 10,000 views	
Business site and plant tours for individual shareholders	11	Approx. 1,500 persons
Newsletters (JFE Dayori)	2 (mid-year and annual)	Approx. 280,000 copies/issue
Various reports, including integrated reports and sustainability reports*	1	Approx. 23,000 copies
Information via websites, etc., for shareholders and investors	As needed	

* Number of issues published is for the integrated report. The sustainability report is disclosed only via the website.

Governance Data

Corporate Governance

■ Corporate Governance System

As of July 1, 2023

Items	Overview of the system
Organizational design type	Company with an Audit and Supervisory Board
Number of Directors (members)	8
The number of Independent Outside Directors (members)	3
The number of female Directors (member)	1
Number of Audit & Supervisory Board Members (members)	5
The number of Independent Outside Audit & Supervisory Board Members (members)	3
The number of femal Audit & Supervisory Board Members (members)	1
Term for Directors (years)	1
Term for Outside Directors (years)	1
Corporate Officer System	Adopted
Voluntary advisory committees of the Board of Directors	Nomination Committee and Remuneration Committee

■ Directors and Audit & Supervisory Board members

As of July 1, 2023

Position		Name	Significant concurrent post	Independent executive	Number of meetings of the Board of Directors attended in FY2022	Number of meetings of the Audit & Supervisory Board attended in FY2022
Director	Inside	Koji Kakigi	Chairman of the Board of Directors of JFE 21st Century Foundation (Public Interest Incorporated Foundation)	—	15/15 (100%)	—
		Yoshihisa Kitano	Representative Director, President and CEO of JFE Steel Corporation	—	15/15 (100%)	—
		Masashi Terahata	Director of JFE Steel Corporation, Representative Director of JFE 21st Century Foundation (Public Interest Incorporated Foundation)	—	15/15 (100%)	—
	Inside	Hajime Oshita	Representative Director, President and CEO of JFE Engineering Corporation	—	15/15 (100%)	—
		Toshinori Kobayashi	Representative Director, President and CEO of JFE Shoji Corporation	—	15/15 (100%)	—
	Outside	Masami Yamamoto	Director and Senior Advisor of Fujitsu Limited, Outside Director of Mizuho Financial Group, Inc.	○	15/15 (100%)	—
		Nobumasa Kemori	Honorary Advisor of Sumitomo Metal Mining Co., Ltd., Outside Director of Sumitomo Realty & Development Co., Ltd.	○	15/15 (100%)	—
		Yoshiko Ando	Audit & Supervisory Board Member of Kirin Holding Company, Limited, Outside Director of Sansei Technologies, Inc.	○	15/15 (100%)	—
	Audit & Supervisory Board Member	Inside	Nobuya Hara	Audit & Supervisory Board Member of JFE Steel Corporation	—	15/15 (100%)
Nakaba Akimoto			Audit & Supervisory Board Member of JFE Engineering Corporation, Audit & Supervisory Board Member of JFE Shoji Corporation	—	12/12 (100%)	13/13 (100%)
Outside		Isao Saiki	Partner Lawyer of Abe, Ikubo & Katayama Law Firm	○	15/15 (100%)	19/19 (100%)
		Tsuyoshi Numagami	Professor, Institute for Business and Finance, Waseda University External Director of Tokyo Century Corporation Independent Director of EBARA CORPORATION	○	15/15 (100%)	19/19 (100%)
		Takuya Shimamura	Director and Chairman of AGC Inc. Independent Director of EBARA CORPORATION	○	12/12 (100%)	13/13 (100%)

* The number of meetings of the Board of Directors and Audit & Supervisory Board Members held during FY2022 differs for Ms. Nakaba Akimoto and Mr. Takuya Shimamura, as They were elected for the first time as Audit & Supervisory Board Members at the previous year's Ordinary General Meeting of Shareholders (held on June 24, 2022).

■ Nomination Committee and Remuneration Committee

As of July 1, 2023

Items	Members	Chairperson	Number of meetings held during FY2022
Nomination Committee	6	Masami Yamamoto (Outside Director)	3
Inside Director	2		
Outside Director	2		
Outside Audit & Supervisory Board Member	2		
Remuneration Committee	6	Nobumasa Kemori (Outside Director)	6
Inside Director	2		
Outside Director	2		
Outside Audit & Supervisory Board Member	2		

■ Operating System

Committee	Company	Chairperson	Attendees
Group Management Strategy Committee	JFE Holdings	President	Inside Directors (including 3 operating company Presidents), Corporate Officers and full-time Audit & Supervisory Board Members
Management Committee	JFE Holdings	President	Inside Directors (excluding 3 operating company Presidents), Corporate Officers and full-time Audit & Supervisory Board Members
	Each operating company	President	Directors, major Corporate Officers and Audit & Supervisory Board Members

Executive Remuneration

FY2022

Executive remuneration						
Position Type	Total remuneration, etc. (million yen)	Total amount by remuneration type (million yen)* ²				Number of Executives (members)
		Basic remuneration	Bonus	Stock remuneration* ³		
				Linked to performance	Linked to service length	
Directors (excluding Outside Directors)	303,881	217,415	48,890	23,912	13,664	5
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)* ¹	78,335	78,335	—	—	—	3
Outside Directors/ Audit & Supervisory Board Members	91,847	91,847	—	—	—	7

*1 The number of audit & supervisory board members (excluding outside audit & supervisory board members) includes one audit & supervisory board member who retired during the current fiscal year.

*2 Directors' (excluding outside directors) performance-linked remuneration is composed of bonus and stock remuneration. Total amount of performance-linked remuneration for the current fiscal year is 72.802 million yen.

*3 Only directors (excluding outside directors) are included in the scope of the above-mentioned stock remuneration, and the entire amount is non-monetary remuneration. Total amount of stock remuneration expensed for the current fiscal year as non-monetary remuneration is 37.576 million yen.

Officers whose consolidated remuneration exceeded 100 million yen								
Name	Position	Company	Total (consolidated basis) (million yen)	Per company (consolidated basis) (million yen)	Total amount by remuneration type (million yen)			
					Basic remuneration	Bonus	Stock remuneration	
							Linked to performance	Linked to service length
Koji Kakigi	Director	JFE Holdings	177,827	177,827	120,047	30,940	17,080	9,760
Yoshihisa Kitano	Director	JFE Holdings	172,303	12,000	12,000	—	—	—
	Director	JFE Steel		160,303	107,043	26,420	17,080	9,760
Toshinori Kobayashi	Director	JFE Holdings	113,050	8,400	8,400	—	—	—
	Director	JFE Shoji		104,650	55,800	35,430	8,540	4,880

Ratio of remuneration for each		
Basic remuneration: fixed (%)	Annual bonus: linked to short-term performance (%)	Stock remuneration: linked to medium- to long-term performance (%)
60	20	20

Note: The ratios above are applicable only when the company's president has attained the performance target goals.

Internal Control System

As of April 1, 2023

Internal control system			
Items		Number of companies (companies)	Number of people assigned (members)
Internal audit	Internal audit organization	60	172
Audit & Supervisory Board	Full-time Audit & Supervisory Board Members	29	34
	Dispatched Audit & Supervisory Board Members (part-time Audit & Supervisory Board member)	24	7
Cooperation of Audit & Supervisory Board members			
Items		Number of meeting held during FY2022	
Accounting auditor		9	
Internal Audit Department		8	

Compliance (including Anti-corruption)

Whistleblowing

Items	Scope	Unit	FY2020	FY2021	FY2022
Cases handled by the Corporate Ethics Hotline	JFE Holdings and operating companies	Cases	87	133	127

Independent Assurance Statement



Independent Assurance Statement

October 26, 2023

Mr. Koji Kakigi
Representative Director, President and CEO of JFE Holdings, Inc.

1. Purpose

We, Sustainability Accounting Co., Ltd., have been engaged by JFE Holdings, Inc., ("the Company") to provide limited assurance on Company's following data during the fiscal year 2022, that were 49.0 million t-CO₂ of CO₂ emissions for Scope1, 7.1 million t-CO₂ of CO₂ emissions for Scope2 and 23.2 million t-CO₂e of CO₂ emissions for Scope3 (categories 1, 2, 3, 4, 5, 6, 7, 15), 627 PJ of energy consumption, 240 million tonnes of water accepted, 10.8 million tonnes of co-products emissions of JFE Steel Group, and 0.22 million tonnes of wastes emissions of JFE Engineering Corporation (collectively, "the Environmental performance indicators"). The purpose of this process is to express our conclusion on whether the Environmental performance indicators were calculated in accordance with the Company's standards. The Company's management is responsible for calculating the Environmental performance indicators. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

2. Procedures Performed

We conducted our assurance engagement in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000) and International Standard on Assurance Engagement 3410 (ISAE 3410). The key procedures we carried out included:

- Interviewing the Company's responsible personnel to understand the Company's standards and reviewing the Company's standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the environmental performance indicators were calculated in accordance with the Company's standards

3. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the environmental performance indicators have not been calculated in all material respects in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.

A handwritten signature in black ink, appearing to be "Takashi Fukushima", is written over a horizontal line.

Takashi Fukushima
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