

SOCIAL ASPECTS

Walking Hand in Hand with Society

Corporations are expected to live up to a wide variety of social responsibilities to a diverse group of stakeholders, including such as obligations as compliance, product quality, disclosure of information, contribution to local communities, and labor safety.

Striving to be a company which earns the trust of society, the JFE Group promotes activities which allow us to reliably satisfy the needs of society as we grow together.

JFE Group Standards of Business Conduct

- All JFE Group executives and employees will faithfully adhere to the following Standards of Business Conduct in all facets of corporate activities. These standards were created to embody the Corporate Vision of the JFE Group and go hand-in-hand with the Corporate Values.
- Senior executives are to take the lead in communicating these standards to employees throughout the group and in creating effective systems and mechanisms to ensure adherence to corporate ethical standards.
- Senior executives shall be directly involved both in the resolution and implementation of measures to prevent the recurrence of any violations of these standards. They shall disclose information about violations in a timely and accurate manner both inside and outside the group, shall clarify the authority and accountability involved and shall deal rigorously with offenses.

1. Provide quality products and services

Earn the trust and regard of customers by endeavoring to provide quality products and services based on superior technology and by fully respecting and protecting the privacy of personal and customer information.

2. Be open to society at large

Endeavor to communicate with shareholders and the broader community, and actively disclose corporate information.

3. Coordinate and cooperate with the community

Actively contribute to the community as a good corporate citizen in a spirit of coordination and cooperation.

4. Globalize

Endeavor to achieve mutual understanding with people around the world, working from global perspectives and respecting local cultures and customs.

5. Exist in harmony with the global environment

Contribute to the achievement of better living standards and the creation of societies that exist in harmony with the global environment.

6. Maintain proper relations with government and political authorities

Endeavor to build and maintain sound and proper relationships with government and political authorities.

7. Stance towards antisocial forces

Refuse to associate with any and all elements or organizations that threaten social order and stability, and reject all illegal and improper demands.

8. Respect human rights

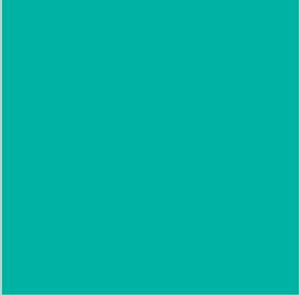
Respect all employees and members of the general public as individuals and refrain from any and all discrimination in corporate activities.

9. Provide challenging work environments

Provide employees with attractive, safe and challenging work environments.

10. Comply with laws and ordinances

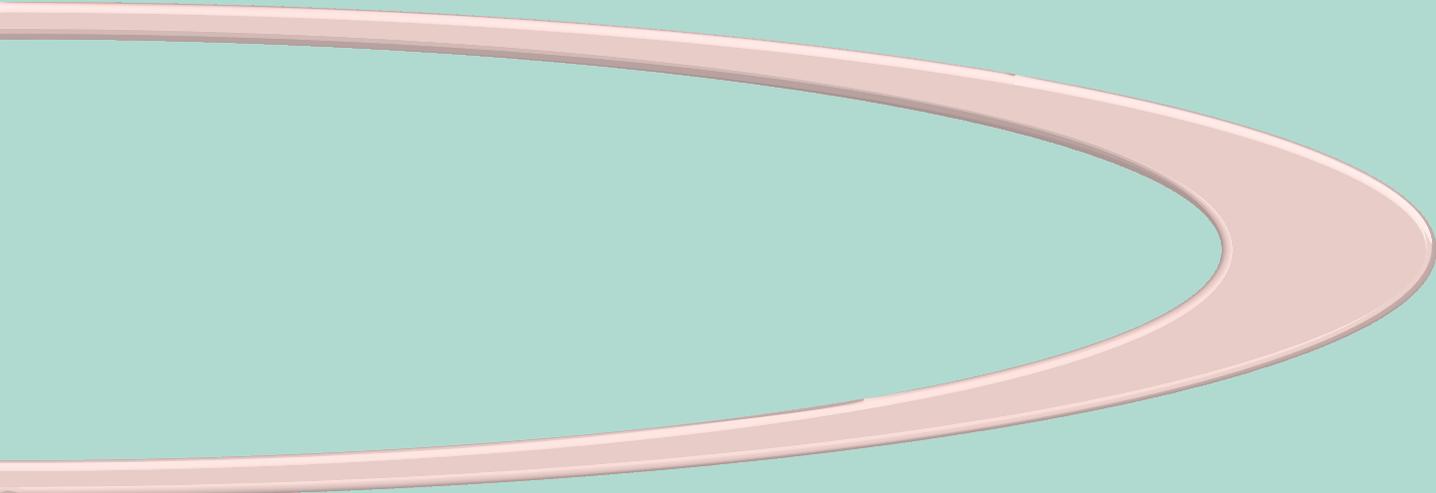
Comply with all applicable laws and ordinances, endeavor to compete fairly and freely, refrain from illegal business activities, promote sound business practices, and be faithful and sincere in all activities and dealings.



ENVIRONMENTAL ASPECTS

Preserving the Environment

The JFE Group philosophy towards the environment is, "We consider improvement of the environment to be among the most important challenges facing management; to ensure a sustainable, prosperous society, the Group promotes business operations." Based on this philosophy, we constantly better our efforts for environmental conservation and aim for the development of a corporation in harmony with the environment.



Environmental Philosophy

The JFE Group considers the improvement of the global environment to be of utmost importance for management, and promotes business operations in harmony with the environment to create a prosperous society.

Environmental Policy

1. To reduce environmental influence in all business operations

JFE endeavors to reduce present and future environmental loads and promotes the development of innovative technologies for reducing environmental loads.

2. To make contributions through technologies and products

JFE contributes to the creation of a better environment through the development and supply of advanced technology, equipment, and ecological products.

3. To make contributions through conservation of resources and energy

JFE contributes to the creation of a resource and energy savingsociety through recycling and energy supply businesses which give priority to preservation of the global environment.

4. To promote communication with society

As a member of regional society, JFE contributes to a better environment at the regional level in cooperation with local citizens, government and administrative authorities, and other businesses.

5. To promote international cooperation

JFE contributes to environmental protection activities at the global level through active involvement in international cooperation in the form of technology transfer, etc.

Message from Senior Management

The JFE Group aims to develop together with society

JFE Holdings, Inc.
Member of the Board
Senior Vice President

Eiji Hayashida



In order to actualize our corporate vision of "contributing to society with the world's most innovative technology," the JFE Group proposes Corporate Values, Corporate Standards of Business Conduct, an Environmental Philosophy, and an Environmental Policy, and aims for corporate management that develops together with society. Together, the promotion of CSR and establishment of corporate governance form one pillar of the basic policies stressed in the Second Medium-Term Business Plan for the year ended March 2007 onwards. We are thoroughly implementing compliance, actively tackling environmental issues, and striving for safety assurance.

Earning Trust from Customers and Business Partners

In order to earn an even higher level of trust from customers in our products and technology, we have worked towards obtaining various types of certifications and establishing management systems. We opened two special research facilities geared towards promoting areas such as product development in league with customers. In addition to striving to answer customer needs, we are contributing to a strengthening of the competitive power of the Japanese manufacturing industry.

A Corporation Visible to Shareholders and Investors

The JFE Group considers the supply of appropriate company information to all shareholders and investors very important. We began making quarterly earnings announcements in the year ended March 2008, and continue to strive towards the timely and accurate supply of company information through the internet and the media. Furthermore, with practices such as the

provision of guided tours of plants for shareholders, which began in the year ended March 2007, we maintain a high level of communication and strive to be a company which is highly transparent for shareholders and investors. In the return of profits to customers, too, we actively pursue shareholder returns, including acquiring of treasury shares, in line with the state of corporate profits.

Living Together with Local Communities

The JFE Group has large business bases in various locations. Our corporate activities subsist thanks to the understanding of local communities, and each business base is an important center supporting the local economy. We are highly aware of these bases, and we will continue giving support in such areas as university research, education, cultural activities, welfare activities, and disaster relief activities. Also, we plan to continue holding events in our places of business and furnishing facilities related to our places of business for local community members.

Sustained Development of the Company Together with Employees

In the process of conducting business activities, it is important to create an environment wherein diverse employees can work energetically. While implementing basic aspects such as providing an ideal work environment for female workers, employing people with disabilities, establishing and implementing a correct understanding and awareness of human rights issues, and providing a safe work environment, we continue to conduct various measures that promote the skill development of each employee through small group work activities and training in technological skills that have underpinned the Japanese manufacturing industry.

Efforts to Reduce Greenhouse Gases

JFE is fully aware that we are a high volume generator of greenhouse gas emissions. We thoroughly promote energy conservation, actively invest in the introduction of new technology, promote conversion away from chemical substances with a high global warming potential, reduce our greenhouse gas emissions, and fulfill the reduction targets of the Voluntary Action Program proposed by Nippon Keidanren (Japan Business Federation). Moreover, we promote appropriate responses to the various risks that bring about changes in climate. Also, we are contributing to reduction of greenhouse gas emissions worldwide through the provision of the JFE Group's cutting edge technology.

Reducing Environmental Burden in Our Business Activities

In addition to greenhouse gases, our business activities generate environmental burdens such as water discharge, exhaust gas, and chemical substances. The JFE Group strives to thoroughly reduce these burdens and protect the global environment.

Social Contributions via Environmental Technology

The JFE Group develops, owns, and provides a large quantity of environment-conscious products and technology. Innovative technological development is essential in resolving global environmental issues such as the problem of climate changing. JFE commands a research system that meets the highest global standards and is dedicated to playing its part to protect the global environment.