

## External ESG Evaluations

JFE Holdings is highly regarded by ESG evaluation organizations in Japan and overseas. Particularly notable, it is a constituent of all the Japanese equity ESG indexes selected by the Government Pension Investment Fund (GPIF), the world's largest pension fund.

### FTSE Blossom Japan Index (Invested in by the GPIF)

JFE Holdings has been selected as a constituent of the FTSE Blossom Japan Sector Relative Index, an investment index provided by FTSE Russell. The index selects companies that demonstrate strong environmental, social, and governance (ESG) practices and is used in the creation or assessment of sustainable investment funds and other financial products.



FTSE Blossom Japan

### FTSE Blossom Japan Sector Relative Index (Invested in by the GPIF)

JFE Holdings is a constituent of the FTSE Blossom Japan Sector Relative Index, an investment index provided by FTSE Russell. It refers to the ESG assessment made by FTSE Russell as a base and reflects management practices toward climate change risks and opportunities for some constituents that have high carbon intensity (GHG emissions per unit of revenue).



FTSE Blossom Japan Sector Relative Index

### MSCI Nihonkabu ESG Select Leaders Index (Invested in by the GPIF)

JFE Holdings has been selected for two consecutive years as a constituent of the MSCI Nihonkabu ESG Select Leaders Index, an investment index provided by MSCI Inc. The index is based on MSCI's ESG research, which is used by over 1,000 companies around the world. This comprehensive ESG index reflects ESG risks to the market portfolio and is comprised of constituents with relatively high ESG evaluation within the industry.

#### 2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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### MSCI Japan Empowering Women Index (WIN) (Invested in by the GPIF)

JFE Holdings has been selected as a constituent of the MSCI Japan Empowering Women Index (WIN), an investment index provided by MSCI Inc. The index is constructed by multidimensionally calculating a gender diversity score of a constituent of the MSCI Japan IMI top 700 index and selecting companies from each industry that achieved high scores.

#### 2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

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## S&P/JPX Carbon Efficient Index (Invested in by the GPIF)

JFE Holdings has been selected as a constituent of the S&P/JPX Carbon Efficient Index, jointly developed by S&P Dow Jones Indices and the Japan Exchange Group. The weighting of constituents in the index is determined by the status of corporate disclosure for environmental information and the level of carbon efficiency, or carbon emissions per unit of revenue.



## Morningstar Japan ex-REIT Gender Diversity Tilt Index (Invested in by the GPIF)

JFE Holdings is a constituent of the Morningstar Japan ex-REIT Gender Diversity Tilt Index provided by Morningstar, Inc. This index is based on the data and evaluation methods of Equileap and is designed to facilitate investment prioritizing companies that have established gender diversity policies embedded in their corporate culture and companies committed to providing equal opportunities for employees regardless of gender.

## FTSE4Good Index Series

JFE Holdings has been selected as a constituent of the FTSE4Good Index Series, an investment index provided by FTSE Russell. This comprehensive ESG index in general applies the same ESG assessment scheme as that used for the FTSE Blossom Japan Index. Constituents have high absolute ESG ratings and are screened from major stocks around the world.



## MSCI ESG Leaders Indexes

JFE Holdings has been selected as a constituent of the MSCI ESG Leaders Indexes, an investment index provided by MSCI Inc.. The index is formed of major stocks around the world with high ESG evaluations within their industry, selected based on MSCI's ESG research.



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## Evaluation Based on CDP 2023

Established in Britain in 2000, the Carbon Disclosure Project (CDP) is a nongovernmental organization that conducts ESG evaluations. It calls on companies to disclose ESG-related information by responding to CDP questionnaires to facilitate the ESG investment decisions of institutional investors. Currently, the CDP covers three environmental areas: climate change, water security, and forests, and companies are rated on an eight-point scale (from A to D-) for each area. The volume of information collected by the CDP has become one of the largest in the world, with currently over 1,985 companies in Japan responding to the questionnaires, which are widely used in various indexes by institutional investors and for socially responsible investment.

The JFE Group actively participates in CDP initiatives as a member of the CDP Reporter Service and responds to climate change and water security questionnaires every year. Our high rating reflects our complete disclosure of appropriate information for the CDP 2023 questionnaire.

CDP 2023 score: climate change: A-, water security: A-, supplier engagement: A-

## White 500 Organization under the 2024 Certified Health and Productivity Management Outstanding Organizations Recognition Program

JFE Holdings, JFE Steel, and JFE Engineering were each recognized as a White 500 organization, which constitutes the top 500 companies selected under the 2024 Certified Health and Productivity Management Outstanding Organizations Recognition Program. Sponsored by Japan's Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi, the program recognizes organizations that practice excellent health management, including large enterprises and small and medium-sized companies.



The JFE Group seeks to create safe, attractive environments where everyone can enjoy working and aggressively promotes the establishment of settings in which personnel with diverse backgrounds can demonstrate their full potential. To that end, we established the JFE Group Health Declaration and collaborate with our health insurance union and industrial health staff to maintain and strengthen employee health. For example, the Group implements effective, ongoing efforts to improve employee lifestyle habits, such as instilling exercise routines, alleviating sleep-deprivation risks, and reducing smoking rates, based on an analysis of employee health risks. These efforts have been highly regarded and led to this certification.

This is the third time in two years that JFE Holdings and JFE Steel have been recognized as White 500 companies. Meanwhile, JFE Engineering has been recognized as a White 500 company for four consecutive years, making it six times overall.

## SOMPO Sustainability Index

JFE Holdings has been selected for 13 consecutive years as a constituent of the SOMPO Sustainability Index (former: SNAM Sustainability Index), which was launched by Sompo Asset Management Co., Ltd. The index, which comprises companies with highly regarded ESG ratings, contributes to investor asset formation by evaluating corporate value from a long-term perspective.



## DBJ Employees' Health Management Rated Loan Program

The DBJ Employees' Health Management Rated Loan Program is the world's first financing menu that bases loan conditions on DBJ's proprietary system for rating health management for the purpose of selecting and evaluating companies based on their performance in this area.

JFE Holdings' efforts in pursuing employee health management has been highly regarded, and it is rated as a top-ranking company under the program.



## DBJ Environmentally Rated Loan Program

The Development Bank of Japan (DBJ) Environmentally Rated Loan Program uses a screening (rating) system developed by DBJ to evaluate environmental management and then assign a corresponding interest rate from three levels. This was the world's first loan program to incorporate environmental ratings in its financing menus. In March 2016, JFE Holdings was rated as a top-ranking company that pursues excellent and advanced environmental initiatives resulting in outstanding environmental-management performance, based on which the company secured a loan under the program.



## External Evaluations of Non-ESG Areas

### DX Stock 2024

JFE Holdings was selected as a DX Stock 2024 under the Digital Transformation Stock Selection (DX Stock) program, selected by Japan's Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency.

The JFE Group has accumulated through its businesses vast amounts of operational data, know-how, and technology over many years, representing valuable assets that are difficult for other companies to replicate. These assets drive value creation for the JFE Group, enabling it to support society with world-class technologies. In the latest selection, we have been recognized for our pursuit of advanced initiatives, including leveraging these assets for a solutions business, the scheduled migration of the entire core system of our steel mills to a cloud environment ahead of other manufacturers, and developing a plant operation support service in our engineering business that utilizes next-generation remote monitoring stations in Japan and overseas. Additionally, we are focused on nurturing DX personnel through organizational structure improvements and awareness-building initiatives.

The JFE Group positions DX as a key management strategy and will continue to provide new added value by taking on the challenges of innovating existing businesses and creating new ones, in addition to achieving groundbreaking improvements in productivity. At the same time, we will strive to realize sustainable growth and enhance corporate value over the medium to long term based on the Group's corporate vision of contributing to society with the world's most innovative technology.

