Social: Executive Summary

The mission of the JFE Group is to establish its position as an indispensable company supporting people's daily lives, driving sustainable development and ensuring safe, comfortable lives for all. Through our efforts to address social issues, such as investing in human capital, and by respecting human rights across the supply chain, we intend to achieve the sustainable growth of the Group and become an entity that continues to develop and provide safe, high-quality products and services based on our leading technologies.

The human resources strategy of our Eighth Medium-term Business Plan stands on two pillars: establishing a talent portfolio for achieving management strategies, and maximizing human resource talent. Efforts to realize these pillars include diversifying recruitment sources to respond to business expansion and intensified hiring competition, strategically developing talent aligned with management strategies, encouraging the active participation of diverse human resources, and enhancing employee engagement.

With the belief that respect for human rights is foundational for business as well as a corporate social responsibility, we have been taking action to realize a society in which human rights are respected and protected. We have also been conducting human rights due diligence since FY2021 in accordance with the United Nations Guiding Principles on Business and Human Rights. In 2023, we revised the JFE Group Human Rights Basic Policy in light of recent changes in awareness and issues related to human rights. We will continue to promote Groupwide efforts as well as seeking cooperation from all stakeholders including our supply chain to respect and protect human rights.

It is important to cooperate and collaborate with society as we carry out our corporate activities globally. By actively contributing to those communities, we hope to achieve sustainable growth for both our businesses and society at large.

Targets and Results for Material Issues of Corporate Management Concerning Society (Materiality)

› **FY2025 KPI Results and FY2026 KPIs** (P. 19)

Key Initiatives

- Promote a **human resources strategy** (P. 186) linked to management strategy.
- **Promote talent acquisition and development** (P. 188) aligned with management strategies such as overseas expansion and DX promotion and establish a talent portfolio.
- Proactively **promote DEI** (P. 190), including encouraging the active participation of diverse human resources, especially female employees, and fostering a culture that embraces diversity. We are also working to **improve work engagement** (P. 195) by deeply instilling our purpose, expanding investments in workstyle reforms, and improving workplace environments.
- As the foundation supporting these initiatives, we are promoting **occupational health and safety (prevention of occupational accidents)** (P. 202) and **health and productivity management** (P. 205), focusing on creating workplaces where everyone can work safely and in good health.
- As part of our **human rights due diligence** (P. 212), in FY2025 we extended new surveys to more overseas Group companies and conducted a second round of surveys for high-priority suppliers. We also established a grievance mechanism using an external reporting channel. In FY2026, we will conduct a second round of surveys on human rights risks at JFE Holdings and its operating companies.
- **Actively promote DX** (P. 228), including the active introduction of IoT, AI, and data science, and the application of data assets.

Human Capital

Basic Policy

In this rapidly changing business environment, the power of each employee is essential for continuously enhancing corporate value into the future. The JFE Group believes that people are the driving force of corporate growth and is promoting its human resources strategy linked to its management strategies. Under the JFE Group's Basic Policy on Human Resource Management and the JFE Group Health Declaration, the Group seeks to achieve its management strategies by maximizing employee abilities and vitality by actively investing in human capital.

The human resources strategy of the Eighth Medium-term Business Plan stands on two pillars:

① Establishing a talent portfolio to realize management strategies
- Promote talent acquisition and development aligned with each operating company's management strategies and establish a talent portfolio.
- Particularly focus on developing employees capable of supporting overseas business and DX as a common, Groupwide priority.

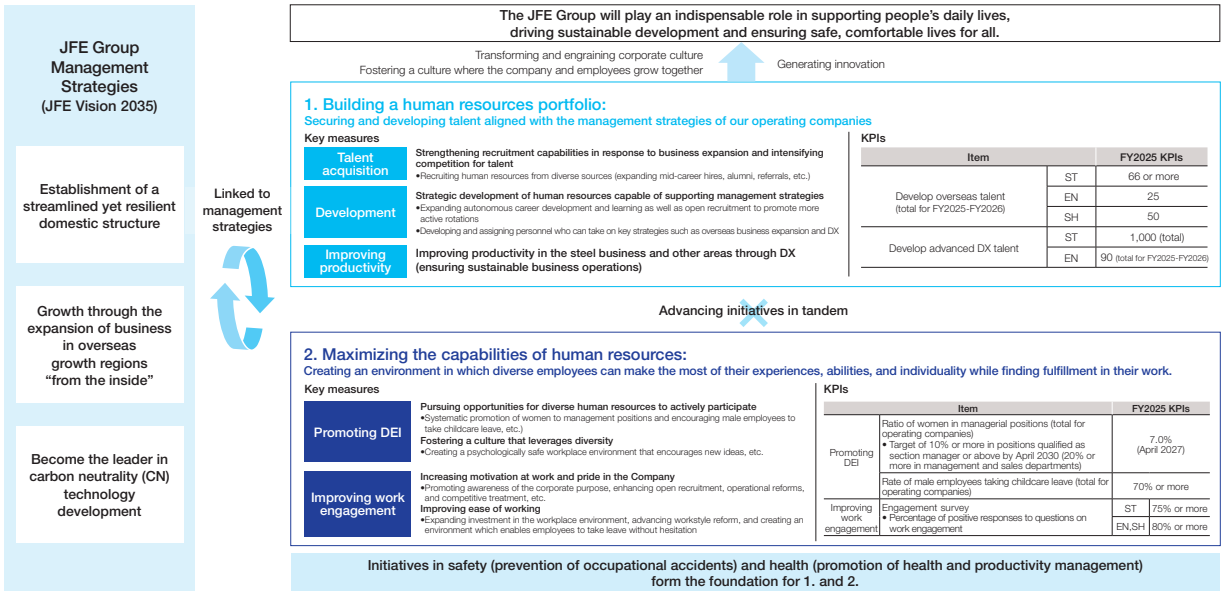
② Maximizing human resource talent
- Realize conditions where every individual in the human resource portfolio can thrive through improved work engagement.
- Realize conditions where every individual in the talent portfolio can thrive through DEI promotion.

By advancing our efforts under these two pillars, we will strive to maximize the power of our people, foster a corporate culture in which the Company and its employees grow together, and execute transformation for growth while realizing our management strategies.

These efforts are underpinned by occupational health and safety. Ensuring employee health and safety is a basic requirement for manufacturers and a foundation for continued corporate existence. Guided by its safety-first philosophy, the JFE Group aims to establish a safe working environment to achieve zero accidents. By promoting intrinsic safety through DX and effectively operating an occupational health and safety management system, it is creating workplaces where everyone at Group companies and partner companies (including contractors) can work safely and in good health. Furthermore, the Group collaborates with its health insurance union and industrial health staff to maintain and improve employee health.

We plan to invest approximately 80 billion yen (total for operating companies) in human resources during the period of the Eighth Medium-term Business Plan.

Overall Framework of the Human Resource Strategy



JFE Group's Basic Policy on Human Resource Management

❶ Respect Human Rights and Facilitate Fair Management of Human Resources

The Group manages human resources fairly by respecting the human rights of all employees and nurturing employees who embrace the Group's corporate values and standards of business conduct.

❷ Foster a Corporate Culture that Nurtures People and Promotes Satisfying Workplaces

The Group facilitates interactive communication among employees to cultivate a corporate culture that nurtures human resources and creates safe, attractive environments where everyone can enjoy working.

❸ Diversify Human Resources

The Group ensures that diverse all people, including women, non-Japanese, the elderly and the disabled, can demonstrate their full potential.

❹ Recruit and Steadily Nurture Excellent Human Resources

To survive in an increasingly complicated and diversified business environment, the Group steadily recruits diverse, high-quality skilled human resources, ensures that they receive the skills and knowledge necessary to continue strengthening the Group's technological capabilities, and nurtures their global capabilities.



Poster displayed at each workplace

JFE Group Health Declaration

❶ JFE, recognizing that health and safety are fundamental for fulfilling its mission, creates workplaces in which every employee can work with vigor.

❷ JFE and its health insurance union work together to advance initiatives for maintaining and upgrading the physical and mental health of employees and their families.

❸ JFE gives top priority to health and safety and to creating a health culture in which each employee takes personal responsibility.

Targets and Results

Having identified the promotion of talent acquisition and development, the promotion of DEI, the improvement of work engagement, the prevention of workplace accidents, and the promotion of health and productivity management as material issues related to human capital, the JFE Group has set KPIs to manage progress and promote relevant initiatives.

For KPI performance results, please refer to:
› FY2025 KPI Results and FY2026 KPIs (P. 19)

Promoting Talent Acquisition and Development

Initiatives

We are acquiring and developing talent to execute the business strategies of operating companies and building a portfolio aligned with those strategies. Amid intensifying competition for talent, we are pursuing automation and labor-saving measures through DX and establishing optimal production systems in the steel business, and building a lean, robust production system in Japan. At the same time, we are strengthening our recruitment capabilities by combining diverse sources such as career hires, alumni hires, referral hiring, and the use of scouts and agencies. Additionally, we are enhancing corporate recognition through advertising and offering competitive compensation.

From the perspective of human resource development, we are cultivating an awareness of autonomous career development by providing broad work experience through active job rotation, developing learning environments tailored to employee motivation, and expanding voluntary (self-nominated) training programs. Specialized human resource development will depend on continuously securing and developing global and DX talent to implement the Group's management strategies, such as expanding locally based overseas operations and building a lean, resilient organizational structure. We are particularly emphasizing these initiatives.

Along with strengthening recruitment, we are implementing initiatives to prevent early turnover, such as a mentor system, meetings with supervisors to discuss mid- to long-term career goals, and assigning experienced employees to guide new hires and more easily address their concerns.

For more on training results, please refer to:
› Social Data (P. 286)

ST Strengthening the Foundation of the Domestic Steel Business and Developing Human Resources for Growth and Priority Fields

JFE Steel will maintain its domestic steel business as the foundation of its operations while continuously enhancing the capabilities of its human resources. The company is building and implementing a framework to assign personnel to growth and priority fields by leveraging the depth of its workforce talents. In addition, it is reviewing the overall framework and content of its management training to ensure management practices are aligned with its established purpose, vision, and values.

ST Domestic Steel Business

JFE Steel is enhancing the quality of its human resources by encouraging and supporting autonomous career development. This includes providing diverse work experience through active job rotation, developing learning environments tailored to employee motivation, and expanding voluntary (self-nominated) training programs.

Strengthening the skills of younger employees has become increasingly important for operational staff as the generational transition progresses. In response, the company is leveraging the human resource development system at its manufacturing sites to assess and analyze individual skill levels quantitatively and apply these insights to training. Furthermore, it has set up a system for extracting and applying the tacit knowledge of veteran employees to train young staff.

ST Growth and Key Areas

JFE Steel is promoting the transition of personnel from the domestic steel business by equipping them with the skills and experience required in growth and priority areas such as overseas operations and DX. For its overseas business, it is building a pool of human resources capable of managing global operations by actively rotating mainly younger employees into overseas assignments to provide hands-on experience, as well as actively encouraging overseas study. The company introduced a new open-application overseas study program in FY2025 to further accelerate human resource development.

To promote DX, JFE Steel has reviewed the skills and knowledge required at each stage of DX personnel development while systematizing and enriching the content of training. It has redefined highly skilled DX personnel as Business Innovators, who drive business process reforms, Data Scientists, who achieve results by leveraging advanced data applications, including AI and machine learning, and Digital Designers, who leverage low-code tools to enhance efficiency and sophistication, and has certified over 800 highly skilled DX personnel to date. The company will also accelerate the development of personnel who can use the latest technology by adding the citizen development of generative AI apps to the certification requirements for Digital Designers.

EN Promoting Training Programs to Support Independent Learning and Developing DX Personnel

To enhance the knowledge of underlying technologies that represent a technological foundation for an engineering enterprise, the company's leading expert lectures over 30 different courses on basic technology for younger employees and mid-career hires. Also, a web-based learning curriculum offers employees opportunities to acquire business skills that cater to each job responsibility, including accounting and marketing.

Through these training programs, JFE Engineering provides younger employees with opportunities to grow through independent and continuous learning and strengthens the leadership capabilities of managers to transform corporate management.

Regarding the development of human resources as the foundation for promoting DX, we are providing digital literacy training to all employees and holding companywide events as well as training specialists in areas like data analysis, AI, and system development. Starting in FY2025, we have introduced training programs like rank-based DX training and DX Planner (DX Business Planner) Training to strengthen the development of personnel who plan and drive DX initiatives.

SH Training and Measures to Maximize Employee Potential

To expand the trading business in Japan and overseas, JFE Shoji has established training programs that enable personnel with diverse backgrounds to achieve growth in their respective environments. These programs include business strategy execution support workshops for developing the basic skills required of trading company personnel, such as financial strategy, strategic investment, marketing, and management, as well as practical trade training for acquiring hands-on knowledge and onboarding programs for newly hired mid-career employees, thereby further strengthening the company's competitiveness. Furthermore, employees in rank-based training are provided opportunities to learn the roles and skills required to obtain new qualifications before promotion, with the aim of enabling employees to contribute at an early stage. Other programs include the Overseas Trainee Program, which dispatches young employees to overseas Group companies early in their careers, and the national staff training program, through which talented locally hired overseas employees are invited to the head office to further boost their abilities and motivation. These programs for a wide range of employees are intended to raise the performance of the entire Group.

Programs for Developing Personnel for Overseas Operations

In addition to hiring and developing non-Japanese for career-track positions in Japan and local personnel overseas, the JFE Group is enhancing programs for Japanese employees to gain overseas study and training. The Company is also developing younger employees through practical experience by dispatching them on overseas assignments.

Global Personnel Development Programs

	JFE Steel	JFE Engineering	JFE Shoji
Study abroad	○	○	○
Short-term overseas language training	○	—	○
Overseas assignments for younger employees	○	○	○
Dispatching engineers to international conferences	○	—	—
Training for local personnel at overseas sites	○	○	○
Practical training in Japan for non-Japanese personnel at overseas sites	—	○	○
Internship for international students	○	—	—

Promoting Diversity, Equity, and Inclusion (DEI)

Initiatives

In today's rapidly changing business environment, the JFE Group believes that bringing together diverse values and perspectives generates new ideas and solutions, leading to sustained growth in corporate value. The Group has accordingly positioned the promotion of diversity, equity, and inclusion (DEI) as a key management priority. It has established a DEI promotion department in each of its operating companies to create an environment that makes the most of employees' diverse experiences, abilities, and individuality. In addition, structures such as a DEI promotion committee chaired by the president enable management and the DEI promotion departments to work together to formulate and implement Companywide policies. In particular, the Group is strategically promoting women's participation and advancement. These efforts include recruitment measures to expand the pool of potential female managers by recruiting new graduates and mid-career employees. They also include retention measures, such as expanding opportunities for internal and external networking and highlighting role models, as well as placement and development efforts such as preparing individual development plans for female employees.

ST Accelerating and Strengthening DEI

JFE Steel fosters a workplace culture in which diverse human resources can play an active role across a variety of fields, through such initiatives as training for executives and managers and activities for raising awareness through setting DEI months, including lectures and concentrated information sharing. Furthermore, directors and general managers set DEI targets every year and work on addressing issues within their own departments. Starting in FY2025, the company has been providing opportunities for directors to discuss DEI challenges and ways to address them with one another to build a shared understanding at the management level and improve the effectiveness of their initiatives.

Beyond recruiting a diverse workforce, the company systematically provides internal and external training opportunities to support each employee's growth and ability to perform from the perspective of equity. It also actively sends female employees to external training programs to support their professional growth. In response to employee feedback, the company has launched educational programs to raise awareness among potential female managers, and it has strengthened networking activities such as career exchange meetings and health seminars.

For female employees engaged in shift work, health seminars by occupational health nurses are provided to facilitate adaptation to shift work, and the human resources department periodically conducts follow-up interviews. For employees experiencing life events such as pregnancy or childbirth, interviews on work-life balance are offered, during which employees can discuss the future of their careers with their supervisor as well as the human resources department. A detailed support system has been established for employees to continue to play an active long-term role.

Looking ahead, the company will further strengthen its efforts to create a working environment where employees at various life stages can thrive while feeling a sense of fulfillment in their work.

EN Awareness-Raising Initiatives at the Company

JFE Engineering engages in activities for reforming its corporate mindset, including lectures for executives, DEI seminars for managers, e-learning programs for all employees, and the annual DEI Month.

For female employees, the company supports career development by providing opportunities for external training and networking events. To help employees balance work with childcare and nursing care, workshops are held for those returning from childcare leave, and training sessions are conducted for supervisors on childcare and nursing care. Through these initiatives, we are striving to create a workplace where employees facing life events can also thrive.

The company accepts 60 locally hired employees of overseas Group companies to provide on-the-job training. We also strive to create an environment where workers can spend their time in Japan with a sense of security, by operating a consultation desk, offering information through a portal site, and providing Japanese language classes. Every year in Japan, the company actively hires around 100 mid-career recruits possessing diverse characteristics and values, such as those with experience in other industries.

SH Initiatives to Raise Awareness within the Company

JFE Shoji is encouraging employees to understand and become more aware of promoting DEI by periodically conducting diversity seminars for the management team, diversity management seminars targeting managers including those at Group companies, and e-learning for all employees, as well as Diversity Month (every November). In addition, the Diversity Promotion Committee, comprising the management team, was established to share overall policies and develop and implement departmental plans. It also supports the career development of female employees by building networks through roundtable discussions with senior employees and actively dispatching them to external training programs and activities.

The company organizes information exchange meetings for employees on childcare leave and follow-up seminars after they return to work to ensure that employees can continue to thrive while balancing life events such as childbirth, childcare, and nursing care. As part of efforts to encourage male employees to participate in childcare, in addition to explaining the system during rank-based training, explanations are provided to eligible employees and their supervisors.

Promoting Women's Professional Development

The JFE Group is implementing a broad range of initiatives to promote women's advancement, including active recruitment, planned development and appointment of women to management positions, enhanced childcare-support programs that significantly exceed statutory requirements, and development of training and awareness-raising activities. The initiatives and issues faced by each company are shared among operating companies. They are also discussed at the Board of Directors' and other meetings in an ongoing effort to promote the initiatives. In recognition of its efforts to encourage the empowerment of women, JFE Holdings has been selected three times as a Nadeshiko Brand* since FY2013.

*A joint project of the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. Companies are selected from among those listed on the First Section of the Tokyo Stock Exchange and announced as a company that is actively promoting the careers of female employees, including improvements to environments where women can continue to work.

Action Plan for Promoting Women's Professional Development

The Act on Promotion of Women's Participation and Advancement in the Workplace went into effect on April 1, 2016. The JFE Group has designated the promotion of workforce diversity as a key management strategy for maximizing the potential of every employee and has been actively hiring and supporting the advancement of female employees.

We formulated the following action plan in accordance with the act to establish a working environment that encourages female employees to demonstrate their abilities and create satisfying workplaces for all employees.

- Action Plan Period

Period of five years starting on April 1, 2026 and ending on March 31, 2031

- Target of the Action Plan

We have set a common goal for the JFE Group to increase the ratio of women in managerial positions at or above the section manager level to at least 10% by 2030 (at least 20% in administration and sales divisions). Under this goal, we will actively promote the appointment of women to managerial positions. As of April 2026, the ratio of women in managerial positions is 5.5% (8.8% in administration and sales divisions) for the operating companies combined.

- Action Plan for Each Operating Company

› **JFE Steel (Japanese only)** (https://www.jfe-holdings.co.jp/common/pdf/sustainability/female_plan_st.pdf)
› **JFE Engineering (Japanese only)** (https://www.jfe-holdings.co.jp/common/pdf/sustainability/female_plan_eng.pdf)
› **JFE Shoji (Japanese only)** (https://www.jfe-holdings.co.jp/common/pdf/sustainability/female_plan_shoji.pdf)

Company Policy Explained by the President

The president of JFE Holdings has endorsed the Declaration on Action that was introduced by a group of leaders in Japan who intend to create "A Society in which Women Shine" with the support of the government's Gender Equality Bureau Cabinet Office. He also announced additional measures to support the professional development of female personnel, thereby communicating both inside and outside the company that women can play active roles at JFE.

For more information, please refer to:

> **Declaration on Action by a Group of Male Leaders Who Will Create a Society in Which Women Shine**
(https://www.gender.go.jp/policy/sokushin/male_leaders/pdf/declaration_body_en.pdf)

Promotion of Childcare Leave for Male Employees

We believe that creating an environment where male employees can more easily take childcare leave will make it possible for both male and female employees to balance work and childcare, enabling diverse employees to fully demonstrate their vitality and strengths. Each operating company is promoting childcare leave for male employees through such efforts as holding seminars on childcare leave, encouraging supervisors to recommend taking the leave, and internally sharing best practices.

Employment of People with Disabilities

The JFE Group has three special subsidiaries, JFE Apple East Corporation, JFE Apple West Corporation, and Mie Data Craft Co., Ltd., to employ people with disabilities and create enjoyable workplace environments for them.

For more on the employment of people with disabilities, please refer to:

> **Social Data: Employment of People with Disabilities** (P. 288)

Programs for Employees Over 60 Years Old

To ensure that the skills and experience of veteran employees are handed down, JFE Group companies have either raised the mandatory retirement age to 65 or introduced a system that enables all employees to work until the age of 65.

As of the end of March 2026, 1,012 veteran employees (about 5% of the total) are working at JFE Steel, JFE Engineering, and JFE Shoji.

ST Passing on Techniques and Skills and Promoting Human Resource Development

JFE Steel raised its mandatory retirement age to 65 in April 2021 to increase the motivation of veteran employees in their work, pass on their techniques and skills, and steadily promote human resource development. While we used to rehire anyone who wished to continue working after reaching the age of 60, we recently established a personnel and wage system to cover all employees up to the age of 65.

EN Maintaining and Strengthening Competitiveness and Passing on Skills

JFE Engineering regards veteran employees as highly specialized experts in business and technical fields and expects them to play roles in maintaining and strengthening competitiveness while passing on their skills to the next generation of workers. To encourage their further success, we raised the retirement age to 65 in FY2023.

SH Realizing Flexible Workstyles

JFE Shoji is mindful of creating an environment that allows veteran employees over 60 to continue working with high motivation, while also seeking to realize flexible workstyles and develop a healthy working environment. Employees may choose from a variety of working arrangements, including full-time employment, shortened workweeks, and shortened daily work hours in accordance with their lifestyles.

Respect for Sexual Minorities (LGBTQ)

The JFE Group is creating a workplace that does not discriminate on the basis of gender, sexual orientation, or gender identity by conducting internal human rights seminars and position-specific training programs. LGBTQ concerns have also been incorporated into the Group's compliance guidebook, which is distributed to all employees and used as a common reference during the annual Compliance Month of October toward nurturing greater understanding. JFE Steel has revised its benefit program to extend coverage to same-sex or de facto partners from FY2022 and holds program briefings and educational training sessions. At JFE Engineering, e-learning programs are offered to all employees, and seminars are held mainly for personnel in human resources and managers. Seminars are conducted at JFE Shoji for management, including executives, and e-learning programs are offered to all employees to promote understanding.

Securing Diverse Human Resources

Recruitment Results for University Graduates (FY2026) and Mid-Career Hires (FY2025)
986 employees (total of three operating companies)

- Women in career-track positions: 18.5% (105 out of 568)
  Women in administrative career-track positions: 39.9% (75 out of 188)

- Mid-career and year-round hires: 31.2% (308 out of 986)
  Career-track employees hired through mid-career or year-round recruitment: 34.2% (194 out of 568)
  Operational employees hired through mid-career or year-round recruitment: 27.3% (114 out of 418)

To ensure sustainable growth, the JFE Group is diversifying its recruitment sources to reliably secure talent and is actively hiring diverse personnel, including women, foreign nationals, and mid-career recruits.

In addition, it has a broad overseas presence and hires employees locally, thereby contributing to communities with employment opportunities.

Recruitment Results (Three Operating Companies) for University Graduates (FY2026) and Mid-Career Recruits (FY2025)

Category	Career-Track Positions			Operational Positions	Total
	Administrative	Technical	Total		
Total	188	380	568	418	986
Male	113	350	463	397	860
Female	75	30	105	21	126
Ratio of women (%)	39.9	7.9	18.5	5.0	12.8

For more on employees, please refer to:
› **Social Data** (P. 286)

Improving Work Engagement

Initiatives

The successful execution of our business strategies depends upon every individual in the talent portfolio fully demonstrating their abilities and thriving. To this end, we are developing an environment where every employee experiences a strong sense of work engagement. Companies across the Group are actively implementing initiatives to enhance a supportive working environment, such as promoting flexible workstyles that make it easier to take leave, as well as initiatives to increase work engagement through business process reforms and revised HR systems.

To improve job satisfaction, we are focusing on broadly instilling our corporate purpose. Across the JFE Group, employees participated in discussions to determine the role each operating company should play in society and how to leverage its strengths to contribute, thereby giving form to the company's purpose. In these uncertain times, we believe that instilling this purpose helps connect each employee's work with social value, encouraging them to approach their jobs with a sense of direction and optimism for the future. We are also working on deepening awareness and understanding of, and empathy for, this purpose while encouraging employees to put it into action.

Enhancing a Supportive Work Environment and Work Engagement

JFE Holdings and each operating company conduct an annual engagement survey to quantitatively grasp employee engagement and use the results to identify issues and plan improvement measures related to work engagement. The survey includes common questions about job satisfaction, and the results are managed as KPIs to create working environments that motivate employees. In addition, we refer to the results of periodic corporate ethics awareness surveys to foster more comfortable working conditions.

The JFE Group complies with laws and regulations related to salary payments and sets wages above the minimum levels specified by country, region, and industry sector to meet living wage requirements. It also provides a challenging and fulfilling work environment by offering industry-leading employment conditions and performance-based bonuses linked to Company profits while complying with regulations such as on overtime work.

Furthermore, the Group offers generous welfare benefits, including dormitories and Company housing, to create a stable environment for employees and encourage them to remain with us for many years.

Positive Response Rate to Questions in the Engagement Survey

	FY2023	FY2024	FY2025
JFE Steel	72%	70%	69%
JFE Engineering	81%	81%	81%
JFE Shoji	80%	77%	79%

ST Initiatives to Improve Work Engagement

JFE Steel established the Human Resources Strategy Division to promote multifaceted measures, including corporate culture reforms, as a companywide initiative to boost employee job satisfaction and achieve sustainable growth. In FY2024, it launched the ReFuture PROJECT*, with the president as the project owner, as a corporate reform for enhancing employee job satisfaction so that both the company and its employees grow together. The company also provides a variety of support and initiatives to enhance employee job satisfaction, and employees in turn contribute by maximizing their abilities. Through this cycle of the company and its employees meeting each other's expectations, JFE Steel aims to build a culture that strengthens mutual trust and continuously enhances corporate value. The Culture Transformation Section, established within the Human Resources Strategy Division, leads the entire project and implements the measures on an ongoing basis in cooperation with related departments.

In the FY2025 engagement survey, the result for the common question on job satisfaction used as a KPI was 69% (total employees) against the target of 75%. By employee category, career-track employees scored 78.4%, while operational employees scored 64.3%. Both groups share the common issue of improving work efficiency. To promptly address this issue, we set up the Management Transformation Team in FY2026, an organization that drives companywide transformation and business process renewal. We recognize that securing days off and improving workstyle flexibility are key challenges for operational employees, whose scores are relatively low. We have added a 4-team, 2-shift system to the existing 4-team, 3-shift system, starting in July 2026, offering more options for shift workers in factories so they can create a way of working that increases their number of days off while maintaining productivity.

Moreover, the environment surrounding the company is changing drastically, including carbon neutrality, a declining population, and falling domestic demand. Under these circumstances, we believe it is important to clearly communicate what we want to be in the future, the reason for our existence in society, and our long-term direction, so that employees can work with their own dreams and expectations for the future. With this in mind, we formulated our corporate purpose, vision, and values, and initiatives are underway through the ReFuture PROJECT to deepen employee awareness and understanding of these statements so that they resonate with employees and inspire action.

Furthermore, in October 2024, we revised our personnel and wage systems to enhance work engagement, including a reorganization of employee classifications, an introduction of a framework for employees to choose a range of work locations to which they could be transferred, greater transparency in evaluations, and enhanced feedback.

JFE Steel is also working to promote its new workstyle to improve operational efficiency and productivity. In concrete terms, the company is promoting teleworking by expanding its work-at-home systems; introducing a coreless flexible working hour program; adopting a shared-desk policy, mainly at the head office; introducing chat and web conferencing tools and robotic process automation (RPA), a software program that facilitates the automation of work done on terminal devices; promoting paperless offices by introducing electronic contracts and workflows; and eliminating the use of seals. The company will continue to adopt workstyles that add more value through these initiatives.

In terms of employee benefits, JFE Steel introduced a cafeteria plan as an employee benefit in FY2022 to meet the diversifying needs of employees following a rise in the number of mid-career hires and other changes. The company seeks to enhance the work-life balance by encouraging employees to take paid leave by designating annual planned leave days and enhancing a work-life-balance vacation program to support employees in taking vacations for childcare, nursing care, infertility treatment, self-development, or participation in volunteer activities. Furthermore, it has increased the number of days off for general employees by 2 days per year to 121 days per year, starting in FY2024, to establish a more secure working environment for them and their families while balancing health and work.

*The name "ReFuture PROJECT" embodies the company's desire to create a new future that the world needs, by focusing on what the company wants to be in the future, especially now that the organization, founded in 2003 with the vision of becoming Japan's leading future-oriented corporate group, is in a period of dramatic change.

Key Initiatives for the ReFuture PROJECT in FY2026

Item	Outline
① Formulating our vision	Embedding our corporate purpose, vision, and values
② Operational reforms	Companywide business process reforms by the management transformation team, such as reviewing business processes, promoting digitalization, and improving operations by putting our values into practice, etc.
③ Improving the workplace environment	Realizing more comfortable working environments through focused investment in offices and other facilities, mainly at manufacturing sites
④ Reviewing personnel and compensation systems	Embedding management practices aligned with the intent of revisions, and diversifying workstyles and leave-taking among on-site employees, etc. Expanding workstyle options by adding a 4-team, 2-shift system
⑤ Transforming communication	Promoting corporate culture transformation through two-way dialogue (e.g., management ↔ employees, general managers ↔ subordinates)
⑥ Improving management/ strengthening leadership	Promoting management aligned with the corporate purpose, vision, and values through the restructuring of management training and other measures
⑦ Supporting growth and career autonomy	Expanding voluntary (self-nominated) training programs and internal transfers through open recruitment
⑧ Enhancing psychological safety and organizational climate reform	Promoting soft initiatives that lead to changes in awareness and behavior to enhance psychological safety and transform organizational culture

Purpose, Vision, and Values of JFE Steel

Purpose	**Dream for your Future, Steel takes you Further.**
Vision	● Leading the steel industry as the top runner in carbon neutrality. ● Building on a solid domestic business foundation and pursuing fresh growth through bold inroads into overseas markets, and new fields. (Profit target) FY2035 segment profits: ¥500 billion
Values	**Future-Oriented** ● Embrace Challenges, Foster Growth, and Pioneer the Future. ● Act Decisively and Shape the Future. ● Focus on the Essential and Sharpen the Core. ● Be Flexible and Think Beyond the Conventional. ● Be Open-minded with a Broad Perspective. ● Value Hands-on Experience and Grow Together.

EN Initiatives to Enhance Productivity and Improve Work Engagement through New Workstyles

JFE Engineering is working to improve work engagement from two perspectives: improving ease of working and enhancing job satisfaction.

● Improving Ease of Working

JFE Engineering is promoting vacation-style reform across the company. Employees are encouraged to take Fridays off during the summer and consecutive days of paid leave following the completion of construction work. Out of 22 days of paid leave granted, 19.1 paid leave days on average (over 86.8% of the total) were taken by employees in FY2025. The company intends to raise the average to at least 20 in FY2026.

As part of its workstyle reform, JFE Engineering has established an environment in which employees in office divisions can choose where and when to work, through the introduction of remote work and flextime programs with no core hours, to support diverse workstyles. One of these measures is teleworking, which was adopted as a permanent option in FY2021, enabling employees to work from home or any of the roughly 1,000 shared offices nationwide. To curb long working hours and safeguard employee health, the company has established a guideline recommending an 11-hour rest interval between workdays.

In the area of construction, JFE Engineering has set the reduction of working hours as a major issue and has been steadfastly working on this. Since FY2023, it has been monitoring the progress of reduction efforts and the status of overtime work, site by site, within the countermeasure working group established across the company. Annual plans for overtime work are formulated, and the head office manager works with site staff to address any discrepancies between actual monthly results and the annual plan. The working group promotes measures such as reducing internal documentation, utilizing the head office's back-office for creating documents, and introducing IT tools to maintain timely communication with the head office and small and medium-sized entrusted business operators. In addition, the company has increased the number of times employees can return home to three times a month to make it easier to spend time with their families during long-term assignments at construction sites and other locations.

● Improving Work Engagement

The company has been conducting an engagement survey annually since FY2022. The results for FY2025 showed an engagement rate of 81%, exceeding the KPI target of 80% and achieving our goal. Furthermore, our performance compares favorably with other companies.

Based on our analysis of the survey results, we have identified three key areas for improving engagement: an environment for growth, feedback/evaluation, and corporate culture. We are focusing on these areas as priority initiatives.

1.Creating an Environment for Growth

In addition to developing training programs that support employees' self-driven and continued growth, we provide long-term career development support through interviews that identify their aspirations for three and ten years into the future. We have also launched a new rotation program for employees to experience multiple fields during their first five years at the company, fostering "ϖ-shaped talent" with diverse expertise. To expand our overseas operations, we are developing overseas project managers and administrative personnel, primarily focusing on younger employees and those without prior overseas experience. We have also begun implementing a talent management system to promote the strategic placement and development of diverse personnel by centrally managing work histories and skill information.

2.Enhancing Feedback and Evaluation

We have introduced feedback (FB) and one-on-one meetings that include evaluation of daily work, promoting greater acceptance of evaluation results. We provide managers with FB and one-on-one training to enhance their skills.

3.Cultural Reforms

Since FY2023, we have been implementing cultural reforms under the motto, "Let's communicate. Let's listen carefully. Let's create together." We have been strengthening information dissemination from management and continuing dialogue with employees through roundtable discussions to convey expectations, hear about employees' work, and listen to their perspectives. In addition, we have been conducting multifaceted feedback and training for department heads and section chiefs to improve their communication and listening skills.

From a personnel and wage system perspective, given the changing composition of its workforce, such as an increase in mid-career hires, the company has revamped its personnel system to improve the acceptability of evaluations and support employee growth. In FY2026, it achieved the full requested base pay increase (16,000 yen, a 6.4% increase) and raised starting salaries, among other measures, as part of its efforts to enhance job satisfaction by providing competitive compensation.

SH Initiatives to Realize a Work-Life Balance (Ease of Working) and Improve Employee Engagement (Job Satisfaction)

As a measure to realize a work-life balance, initiatives have been implemented to reduce work hours and improve work-life balance, such as designating Wednesdays as the day to encourage everyone to leave on time, prohibiting all work after 10 pm, and also designating annual days off. To support more diverse workstyles, JFE Shoji has introduced work-at-home, flexible working hour systems, and a reduced working hour system. It abolished core hours for remote work in April 2026 to maximize work efficiency and results while also supporting work-life balance. To create an environment where employees can work with peace of mind while raising children, in August 2026 it extended the eligibility period for reduced working hours through the child's completion of the sixth grade of elementary school. JFE Shoji will continue to improve the working environment through such initiatives.

The company has also been conducting an annual engagement survey since FY2021, and the results for FY2025 showed an improvement to 79% against the KPI target of 80%, up from 77% in the previous year. To further improve the score through both structural approaches and communication initiatives, it has been reviewing systems such as introducing an internal job posting system to encourage self-directed challenges and revising the personnel system, as well as increasing new communication opportunities such as one-on-one career interviews between supervisors and subordinates and encouraging dialogue between directors and employees. Each department also publishes the engagement scores for the teams to which its employees belong, and the company as a whole is working to improve work engagement (job satisfaction) by, for example, developing individualized action plans based on the results for each department.

In its revised personnel system, the company has reaffirmed the importance of the relationship between supervisors and subordinates throughout the year, from goal setting to feedback on evaluation results, to ensure that individual growth leads to corporate growth. The system encourages supervisors and subordinates to discuss how to develop the employees' careers and plan their work with the future in mind, making their work more rewarding.

Furthermore, in January 2025, it established a Business Process Renewal Team to visualize companywide business processes and process-related issues. Starting in FY2026, the company has been working to improve operational efficiency by fundamentally reviewing its operations under the keywords "decluttering," "review," and "systematization," as the starting point for addressing these issues.

Operational Reforms

ST Promoting Operational Reforms that Leverage the Latest ICT

JFE Steel is advancing business process improvements using low-code development tools to streamline employee tasks and to free up more time for creative work. By FY2025, these improvements had freed up a total of 300,000 hours annually that can be allocated to other productive work. By expanding training on these tools, the company increased the number of citizen developers able to independently develop applications to 1,500.

Furthermore, the company is developing a platform for leveraging generative AI to promote operational efficiency and enhance management decision-making. The number of registered Copilot user licenses reached 3,600 at the end of FY2025 and is projected to expand to 5,600 by the end of FY2026, indicating the widespread use by individuals. Development of AI agents is also gaining momentum, with development and implementation currently underway for more than 50 cases, including capital expenditure decisions and product inquiry reviews by the sales department.

EN Promoting Operational Reforms Using Generative AI

In September 2023, with the goal of innovating business operations through the use of generative AI, JFE Engineering released Pla'cello xChat, the company's AI text generator that helps minimize the risk of information leaks through unique security measures, for internal use. We are striving through training sessions and hands-on workshops to promote the wider use of generative AI, and more than 2,800 employees are already leveraging Pla'cello xChat to boost work efficiency in creating documents, organizing information, and for other tasks.

The company uses generative AI for both general office operations and tasks unique to the construction industry. It has developed technologies such as chatbots, document search, and AI-OCR and is rolling out dedicated applications. By automating simple, labor-intensive processes like transcribing and converting data within documents, it is reducing workloads and improving efficiency.

By introducing various programs, measures and tools to boost efficiency, we aim to achieve both work-life-balance and improved productivity while maximizing overall output.

SH J-MUSCLE Activities

JFE Shoji is working as a group to implement operational improvement (J-MUSCLE) activities aimed at increasing work efficiency and performance.

The company is pursuing activities to review and transform the very way it conducts its daily work, such as streamlining information gathering, market analysis, and document creation through the use of generative AI; visualizing data; and digitizing and standardizing operations. Through these efforts, it aims to review business processes, identify necessary tasks, eliminate waste, and use the time saved to create new added value. In addition to addressing the challenges of each activity team, the company is also tackling companywide issues across organizational functions, thereby expanding the scope of its efforts.

At the 2025 J-MUSCLE presentation, 22 teams from JFE Shoji and domestic and overseas group companies presented their J-MUSCLE activities online, attracting a cumulative audience of 3,450 across the Group. By sharing these activity results, the company is promoting best practices Groupwide to drive further operational reforms.

JFE Shoji will continue to foster a corporate culture that can flexibly adapt to the changing times and constantly seek challenge and change free of preconceived notions.

Invigorating Workplaces through Small Group Activities

ST J1 Activities

At JFE Steel, approximately 1,100 small groups carry out J1 Activities* that have yielded various results in the key areas of quality and work improvement. In addition, the JFE Family Result Reporting Conference, which includes participation from Group companies, is held twice a year, and groups that excelled in the competition are dispatched to QC Conventions and affiliated companies in Japan and overseas to strengthen the J1 Activities.

*Designed to turn JFE into an excellent company and propel it to the number one position in its industry (called JE1 Activities at JFE Engineering and J1 Activities at JFE Steel and JFE Shoji).

EN Initiatives of JE1 Activities

JFE Engineering has about 260 teams and 2,000 employees, including those of group companies worldwide, involved in JE1 Activities. The results of these activities are showcased at a companywide competition held at the end of the fiscal year. Activities focused on topics such as quality, efficiency, safety, and costs contribute significantly to workplace vitality and corporate performance.

SH Further Revitalizing J1 Activities

JFE Shoji has been conducting J1 Activities in production divisions of its group companies in Japan as a means of improving their problem-solving skills in areas such as safety, quality, cost, operations, and delivery target. The company holds annual competitions in which about 20 teams report their activity results, and awards are given to the best-performing teams in safety, quality, and operations. By holding the presentation meeting via Teams, more than 100 people were able to participate. The company will continue to promote J1 Activities to improve workplace vitality and enhance problem-solving skills.

Toward Sound Labor-Management Relations

The JFE Group engages in active discussions with the labor union regarding working conditions and various programs in order to foster a vibrant workplace. We take the union's opinions as representing the true perspectives of our frontline employees, and we also identify issues and explore measures to create motivating work environments.

ST Sincere Labor-Management Consultations

Recognizing that labor-management cooperation is essential for the company to fully tackle its business challenges, JFE Steel has established a strong relationship with its labor union based on understanding and trust. The company convenes its Labor-Management Business Discussion Committee four times a year to bring the president and other executives together with labor representatives for the purpose of exchanging ideas on business challenges. In addition, labor and management are holding joint committees on work-life balance and improving work engagement. The two sides also exchange views on working conditions, workplace environments, and other related matters, and hold joint consultations whenever the labor system is amended.

EN Working toward Sound Labor-Management Relations

JFE Engineering strives to ensure sound labor-management relations. Central Labor-management Committees are regularly convened for the company's president and other executives to share views with representatives of its labor union. With regard to working conditions, they exchange views through the labor-management committee. The company has established a system for both labor and management to share challenges and perspectives while conducting appropriate discussions.

SH Maintaining Sound Labor-Management Relations

JFE Shoji management and labor have jointly declared they will achieve continuous growth for the company, enhancing the lives of employees and realizing an affluent society based on mutual trust and understanding. The company maintains a sound relationship between management and labor. Semiannual Management Committee meetings are held as opportunities for the company president and other executives to regularly exchange opinions and share management information with representatives of the labor union.

Occupational Health and Safety

Initiatives

To ensure safety at its operating companies, safety initiatives by each operating company are discussed in their respective meetings and the overall status of groupwide initiatives and activity policies are discussed at the Group Sustainability Council (chaired by the President of JFE Holdings). The JFE Group regularly reports to the Board of Directors, which provides direction and supervision. Each operating company also holds discussions on health and safety with the labor unions through the Occupational Health and Safety Committee.

Under the Eighth Medium-term Business Plan, we are working to establish workplace conditions in which everyone at Group and partner companies (including contractors) can work safely. In addition to instilling a strong personal and organizational awareness of safety, the operating companies will continue investing in safety at the same scale as the Seventh Medium-term Business Plan (approximately 10 billion yen per year), advancing the complete separation of moving equipment and personnel through facility modifications, and further promoting multifaceted health and safety management, such as monitoring and detection, using DX.

The JFE Group organizes training programs for newly appointed managers and supervisors to provide information on the Industrial Safety and Health Act and risk assessment methods and on formulating work plans and policies for health and safety management. In the construction department, we offer programs for local superintendents in charge of construction work (Overall Safety and Health Controller) centered on the Industrial Safety and Health Act as well as related SME Transactions Act and the Construction Business Act (471 participants in 2025). We also conduct new employee training and position-specific training on mental health (1,627 participants in 2025).

› **Sustainability Management** (P. 10)

For data related to lost-work injuries at each company, please refer to:
› **Social Data: Lost-Work Injuries and Accidents** (P. 288)

ST Occupational Health and Safety Initiatives Based on the Health and Safety Activity Policy

JFE Steel is implementing initiatives in line with its health and safety activity policy for 2026. On the safety front, we are promoting independent, self-directed safety activities to ensure compliance with rules and create accident-free workplaces. On the health front, we are promoting activities based on the Health Declaration to increase the number of employees who can work in good physical and mental health over the long term. In accordance with our goal of achieving zero fatal and serious accidents companywide and zero accidents at each workplace, we are implementing the following activities.

For safety, we are striving to develop safety-conscious employees and workplaces by promoting compliance with rules, conducting activities to prevent recurrence of similar accidents, and engaging in open dialogue with frontline workers to identify and address risks. To create accident-free workplaces, we use risk assessments to evaluate and reduce accident risks. By using risk assessment in advance to evaluate risks during the planning stage of new equipment installation and during regular and irregular equipment maintenance, we are preventing accidents and mitigating risks. We are also striving to ensure the intrinsic safety of equipment and operations by proactively budgeting to improve workplace issues (safety investments), introducing machinery safety standards, and applying DX technologies, thereby reducing the level of worker risks.

For health, we are pursuing health initiatives based on the Steel Health and Productivity Management Strategy Tree, developed in response to the JFE Group's Health Declaration.

In order to more independently and systematically promote occupational health and safety management throughout the organization, we established an occupational health and safety management system in accordance with the ISO 45001 international standard and obtained ISO 45001 certification (JIS Q 45001) for all our construction and operating sites. We will continue making workplaces safer and healthier through an ongoing and effective operation of the occupational health and safety management system.

Certified Sites

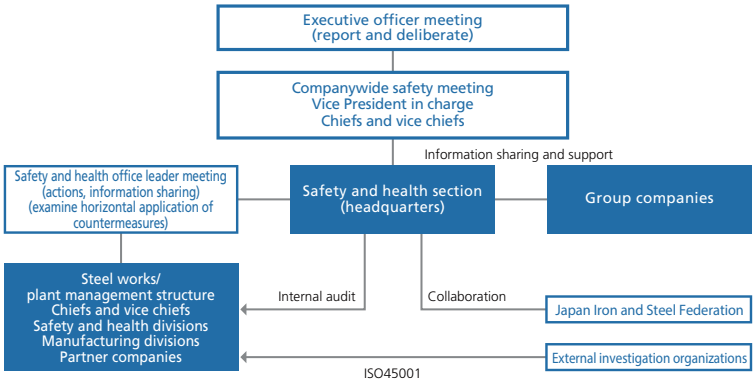
- Chita Works (certified on September 9, 2021 ➡ renewed on September 9, 2024)
- Fukuyama Area (certified on December 16, 2021 ➡ renewed on December 16, 2024)
- Kurashiki Area (certified on May 26, 2022 ➡ renewed on May 26, 2025)
- Chiba Area (certified on May 26, 2022 ➡ renewed on May 26, 2025)
- Sendai Works (certified on December 15, 2022 ➡ renewed on December 15, 2025)
- Keihin Area (certified on January 19, 2023 ➡ renewed on January 19, 2026)

› **Social Data: Occupational Health and Safety (Percentage of Sites Certified under ISO 45001)** (P. 290)

In the event of an industrial accident, the department in which the incident occurred investigates the cause and formulates and implements actions to prevent recurrence. At the same time, we inform the relevant departments and labor union through the Occupational Safety and Health Committee. We will also set up a disaster investigation committee as necessary and forward recommendations to the department where the accident occurred as well as related departments so that they can develop appropriate measures to prevent recurrence. In the event of fatal and serious accidents, a response is deployed across the company, and a standard progress report is submitted to Corporate Officer Council until countermeasures have been completed. In the event of other incidents and near-misses, the health and safety departments discuss and determine the need to deploy a companywide response and follow up on progress until the companywide deployment is completed. This practice has been standardized across the entire company.

We immediately report industrial accidents to the Japan Iron and Steel Federation (JISF) under the required guidelines. We file an update once we have determined the cause and decide on countermeasures. In the event of fatal accidents, we promptly submit a report on safety, disaster prevention, and environmental issues to the Ministry of Economy, Trade and Industry and the JISF.

Management Structure for Health and Safety

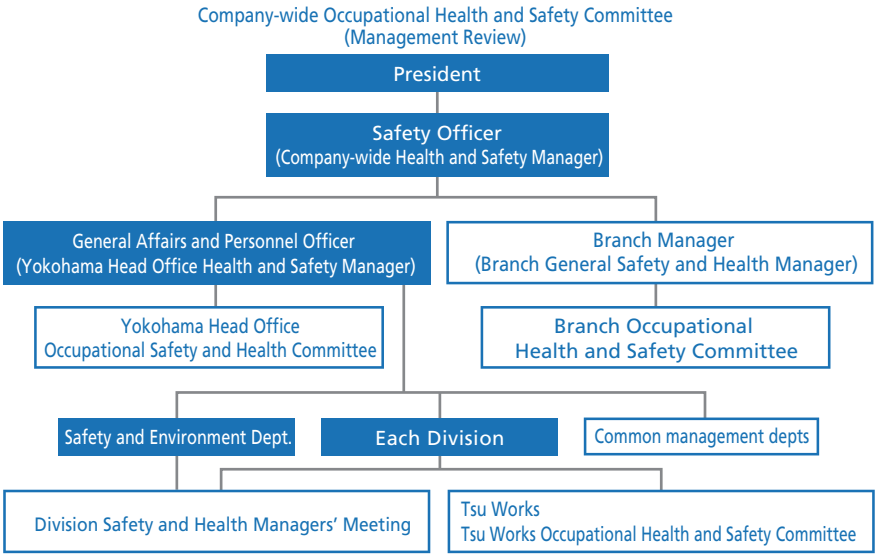


EN Ensuring Employee Health and Improving Occupational Health Level

In addition to setting up governance organizations for health and safety at each operating site to comply with the Industrial Safety and Health Act and in line with the type of work and number of employees, JFE Engineering has established a governance structure for health and safety at each operational headquarters to facilitate and effectively implement companywide management at its construction and operating sites and manufacturing plants. JFE Engineering strives to eliminate disasters at all suppliers and group companies by establishing priority items to be shared across the company and to which all employees and all staff at suppliers adhere. It also endeavors to identify sources of danger as well as safety measures through risk assessments aligned with the particular characteristics of each individual operational headquarters. Meanwhile, it promotes physical and mental health and the creation of comfortable working environments as a means of ensuring the health of employees and bringing occupational health to an overall higher level.

In the event that an industrial accident occurs, occupational health and safety managers will meet to determine the cause and consider countermeasures that will be deployed across the company. The company has been operating an occupational health and safety management system (ISO 45001 certified at each location and department) for its construction activities in Japan and overseas as well as its manufacturing operations at works. As a new initiative, JFE Engineering applies IT solutions promoting occupational health and safety, including monitoring and detection using multiple approaches.

Management Structure for Health and Safety



SH Enhanced Health and Safety Activities and Establishing a Safe and Secure Working Environment

JFE Shoji is implementing the following measures to eliminate unsafe operations that could lead to fatal or serious accidents, with the aim of achieving zero such accidents at its coil centers and other processing sites.

1. Risk assessment by supervisors patrolling the site and identifying unsafe operations using the recording functions of safety cameras, or by ensuring that each worker is engaged in hazard prediction
2. Comparative study of similar disaster cases and hazard experience training for improving the ability to recognize and avoid unsafe operations
3. Facility improvement for reducing risks, including installation of safety sensors
4. Operation training (slinging for cranes and other skills) and review of operational standards

Furthermore, for each of its group companies, JFE Shoji assigns a safety manager to spearhead these efforts to raise the level of health and safety activities. To ensure that all JFE Shoji Group companies operate under the same values, safety managers meet every other month to share knowledge and information on occupational health and safety.

Annual safety awards are also presented to encourage employees to actively engage in health and safety activities. Through these initiatives, the company will raise the level of safety management within the JFE Shoji Group and continue to maintain safe working environments.

Intrinsic Safety through DX

ST Designing Lines that Protect Workers Even When They Enter Accidentally

As part of our safety objectives in 2026 to create accident-free workplaces, we are promoting the use of DX technologies to ensure safety even when someone mistakenly enters a hazardous area. For example, we have introduced person-detection systems where it is impractical to install physical barriers separating internal production line operations from external areas, creating a risk of inadvertently venturing into danger zones. These systems detect someone entering into a hazardous area and can prevent accidents by either immediately interrupting equipment operation or preventing idle equipment from starting. Another example is the introduction of a safety monitoring system that links smartphones with portable gas monitors to detect concentrations of oxygen, carbon monoxide, combustible gases, and hydrogen sulfide, and determine the safety and suitability of working under those conditions. We also use smartphone GPS functions to detect the positions of heavy machinery and other equipment to further safeguard worksite safety. This information is immediately communicated to workers, and recorded location data is used in facility improvements.

Going forward, we will continue introducing DX technologies.

EN Intrinsic Safety at Construction Sites through DX

JFE Engineering is implementing innovative efforts that leverage digital technologies to fundamentally enhance construction site safety.

Three-dimensional simulation technology is used during construction planning to visualize the movements of cranes and structures in advance in order to identify and prevent potential interference risks with high-voltage power lines and surrounding structures before work begins. The technology also optimizes the placement of heavy machinery and material storage areas, as well as worker traffic flow, allowing everyone involved in the project to share a clear overview of the construction process and significantly reducing unnecessary work and errors.

The introduction of inspection robots and drones equipped with 3D measurement technology allows inspections of elevated structures such as viaducts and dimensional surveys of silos that previously required working at height to be performed safely from the ground or other secure locations.

When installing equipment in confined spaces, such as inside buildings, equipment was traditionally lifted and pulled horizontally using suspension hooks and winches. However, we have adopted an installation method using construction robots that minimizes human involvement in hazardous tasks.

This strategic use of digital technologies not only enhances worksite safety but also leads directly to greater efficiency and reduced costs, thereby contributing to sustainable growth in corporate value.

Health and Productivity Management

Companywide Targets for Each Operating Company

We collaborate with the health insurance association and occupational health staff to maintain and improve employee health. Under the Eighth Medium-term Business Plan, we have set a top-level goal of increasing the number of employees who are physically and mentally healthy and able to perform at a high level, thereby reducing presenteeism. To this end, we are systematically implementing improvement initiatives, such as support for early detection and continued medical treatment as well as smoking cessation and sleep improvement programs.

Presenteeism Performance Results

	Category	FY2025 Target	FY2025 Results	FY2026 Target
JFE Steel	Percentage of employees who are physically and mentally healthy and working at 80% or higher performance (percentage of employees with presenteeism of 20% or less*) *Measurement method: SPQ University of Tokyo 1-item version	67% or above	68.0%	67% or above
JFE Engineering		67% or above	64.6%	67% or above
JFE Shoji		67% or above	72.2%	67% or above

Specific Operating Company Targets and Results

	Category	Item	FY2025 Target	FY2025 Results	FY2026 Target
JFE Steel	Support for early detection and continued treatment	Regular health checkup attendance rate	100%	96.9%	100%
		Dependent health checkup attendance rate	60% or higher	57.1%*	60% or higher
	Support for maintaining appropriate body weight	Obesity rate (BMI 25 or higher)	30% or lower	32.5%	30% or lower
	Promotion of smoking cessation support	Smoking rate	Annual reduction of 1.5%	23.1%	Annual reduction of 1.5%
	Stress check	Stress check implementation rate	98.0% or higher	97.0%	98.0% or higher
JFE Engineering	Sleep measures	Sleep risk (based on responses in health checkup questionnaire)	35%	43.1%	42% or lower
	Measures to prevent secondhand smoke exposure	Smoking rate	20.9%	21.3%	Annual reduction of 0.5%
	Obesity remediation	Obesity rate (BMI 25 or higher, or waist circumference ≥85 cm for men, ≥90 cm for women)	38.3%	41.1%	Annual reduction of 1.0%
JFE Shoji	Support for early detection and continued treatment	Regular health checkup attendance rate	100%	100%	100%
		Re-examination attendance rate	65%	69.4%	70%
	Sleep measures	Sleep risk (based on responses in health checkup questionnaire)	35%	39%	35%
	Stress check	Stress check implementation rate	97.6%	98%	98% or higher

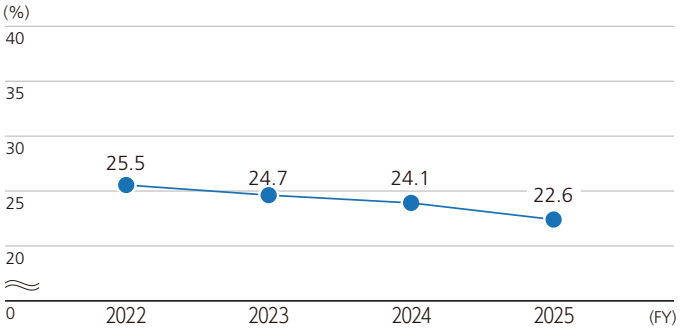
*Preliminary figure

Note: At JFE Steel, the attendance rate for regular health checkups and the obesity and smoking rates are managed on a calendar-year basis.

Physical Health Initiatives

- Ensure the implementation of regular physical examinations and strengthen cancer screenings.
- Prevent aggravation of lifestyle diseases by conducting metabolic syndrome checkups and offering health guidance.
- Utilize the health insurance union's health promotion app, PepUp, to educate employees on physical exercise and other healthy habits.
- Promote non-smoking areas and maintain separate areas for smokers and non-smokers in buildings. Provide guidance to help employees quit smoking through industrial physicians and public health nurses.

Changes in Smoking Rates (All Operating Companies)



Mental Healthcare

The JFE Group conducts four basic initiatives to maintain the mental health of employees: self-care for workers who strive to remain aware of stress and take preventive measures; care by management supervisors who provide advice to subordinates; care by industrial health staff who support employees, managers and supervisors; and care by human resources outside workplaces, including specialist clinics and individuals.

JFE's health insurance union also provides mental health counseling and a 24-hour hotline for employees and their families (spouse and dependents).

Initiatives on Health Issues

We operate a health management system for continuously and effectively managing the health of all employees, including those on overseas assignments and business trips and those studying abroad.

We particularly seek to ensure that employees working abroad, under healthcare systems that differ from those in Japan, can maintain a healthy lifestyle, along with their accompanying family members, by conducting health checkups and vaccinations before they move overseas, in accordance with Companywide regulations. In a proactive effort to prevent infections, we also provide information on global health issues such as COVID-19, HIV, tuberculosis, and malaria during assignment briefings. We will continue to monitor and appropriately respond to global health issues.

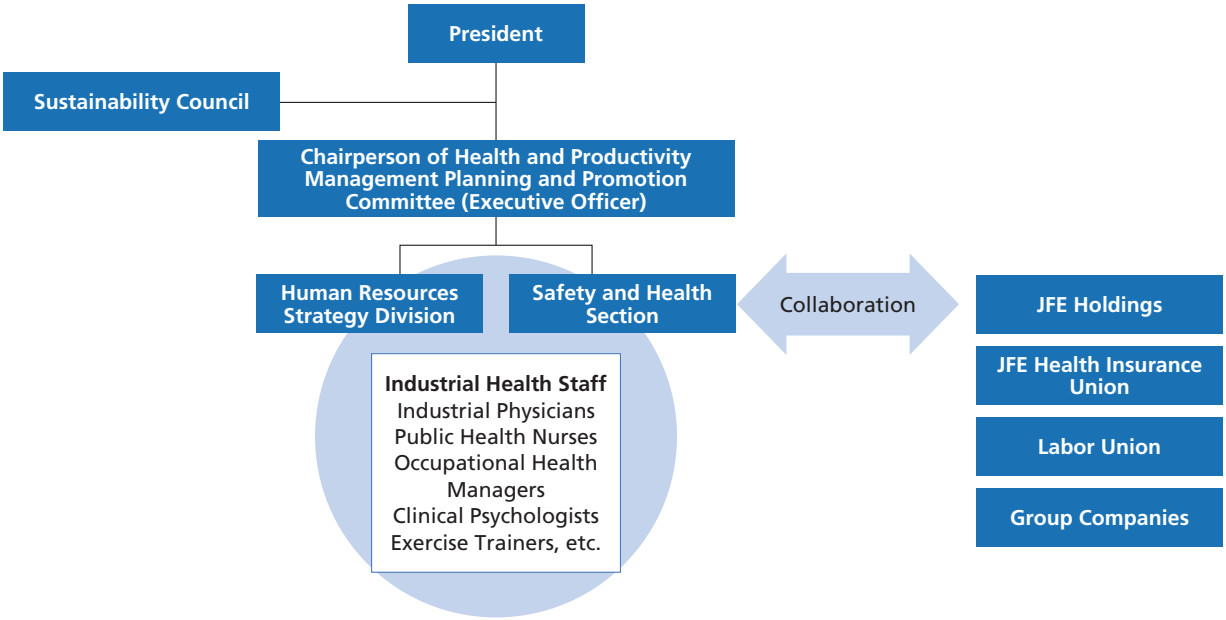
ST Promoting Health and Productivity Management to Maintain and Improve Health

To maintain and improve the health of employees and their families, the JFE Group established the Group Health Declaration in 2016. In line with the declaration, JFE Steel launched the Health and Productivity Management Promotion WG and has been setting medium- to long-term companywide goals. We hope these activities will enable all employees to work healthily and vigorously, and we plan to establish a health culture in which every employee practices activities on their own initiative to maintain and improve their health.

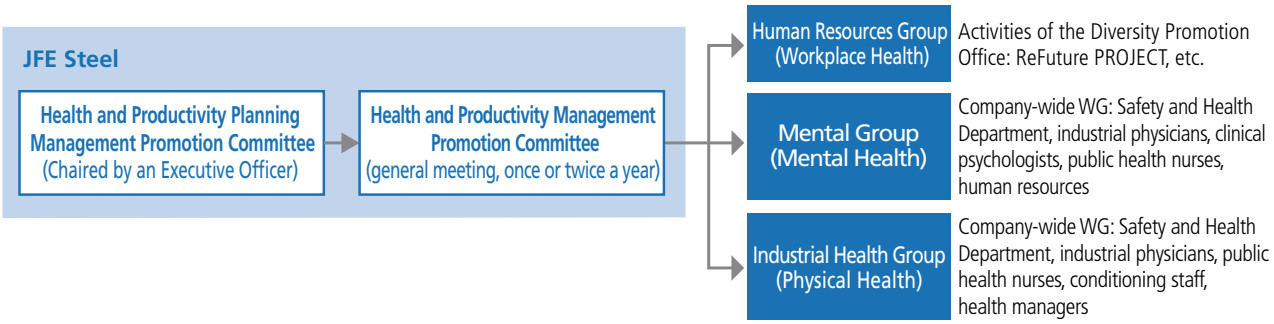
In 2016, JFE Steel first focused on physical health and established key initiatives regarding: (1) thorough implementation and reinforcement of physical examinations, (2) preventive health measures, (3) establishment of sound exercise and health habits, and (4) non-smoking and segregated smoking activities. In 2024, the company expanded the scope to include mental health, and it has been promoting health and productivity management at all of its operating sites.

In 2025, it set a top-level goal of increasing the number of employees who can work in good physical and mental health over the long term. To this end, we created a Health and Productivity Management Strategy Tree that organizes specific actions for attaining this goal. Since 2025, we have been promoting health management across all of our operating sites.

Health and Productivity Management Promotion System



Structure of Health and Productivity Management Promotion WG



Objective of the Health and Productivity Management Promotion WG

Realization of the JFE Group Health Declaration
To enable all employees to work in good health and vigor
To establish a health culture in which each and every employee practices activities at their own initiative to maintain and improve their health

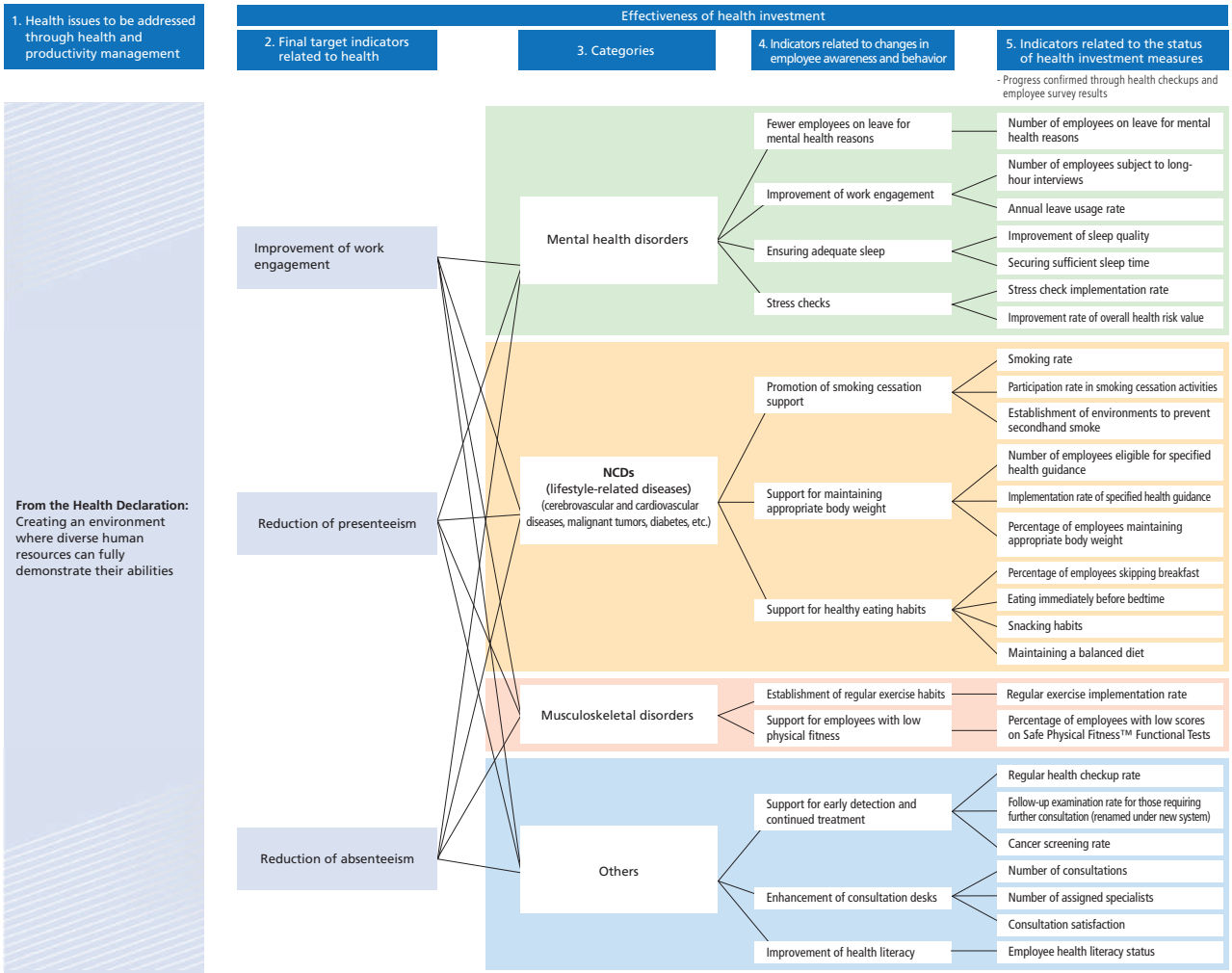
Work Environment Health
- Workstyle reform
- Promotion of women's participation and advancement in the workplace
- Promote diversity

Mental Health
- Stress check WG
- Expand mental health counseling services
- Expand steel mill compliance training

Physical Health
- Health and Productivity Management Promotion WG

Main Themes:
1. Thorough implementation and reinforcement of physical examinations
2. Preventive health measures
3. Establishment of exercise and health promotion habits
4. Promotion of non-smoking and segregated smoking activities

Health and Productivity Management Strategy Tree



ST Health Management through Safe Physical Fitness™ and Promotion of Smoking Cessation

JFE Steel defined the physical fitness necessary to work safely, for a long time, and with vitality as Safe Physical Fitness™ in 2004, and it has been offering the Active Exercise™ program, designed by West Japan Works, and Safe Physical Fitness™ Functional Tests, throughout the entire company, to help people prevent a decline in physical strength and injuries from falling. The program's effectiveness in preventing occupational accidents and improving health has even attracted attention outside the company, and through participation in the Ministry of Health, Labor and Welfare's SAFE Consortium, initiatives such as Active Exercise™ and Safe Physical Fitness™ Functional Tests are being promoted not only among on-site partner companies but also among businesses in other industries. In addition, the Safe Physical Fitness™ initiative was recognized and received the FY2025 Chairperson's Award of the National Conference on Physical Fitness from the Japan Sports Agency.

The Extinguishing Smoking Cessation Program, an initiative designed to help employees take their first step to quit smoking, received the top prize in the QC Circle Headquarters Director's Awards at the 3rd Administrative, Sales, and Service Divisions QC Circle Grand Championship, Small Group Improvement Activities.

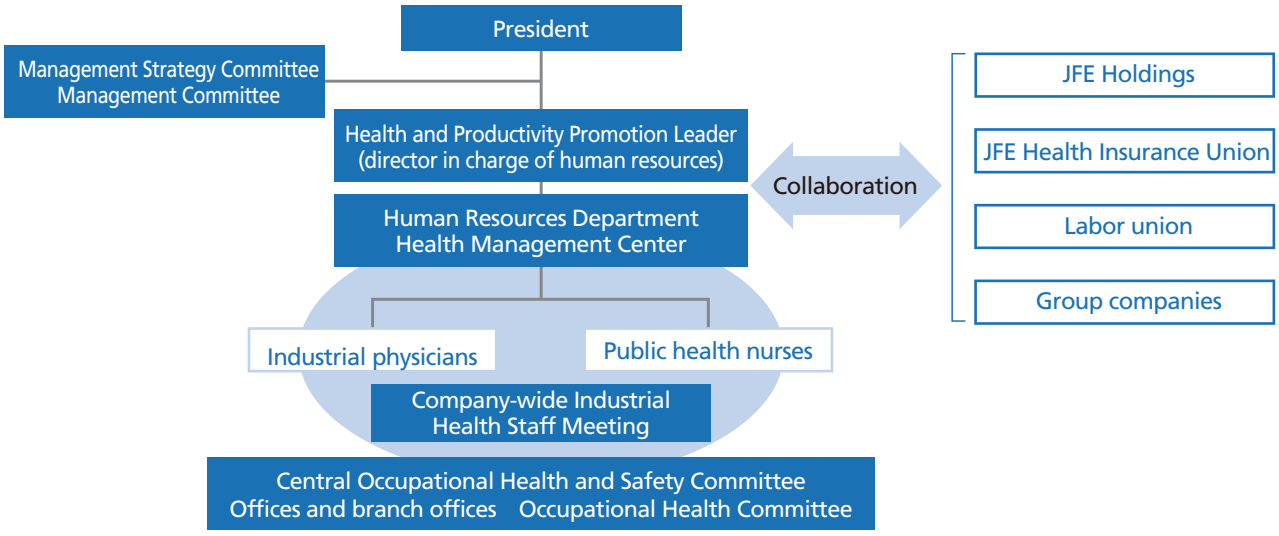
EN Engineering Activities for Boosting Health Based on Health Checkup Data

JFE Engineering maintains a system centered on the Health Management Center of the Human Resources Department, under which industrial health staff at each office and branch office cooperate to promote activities. The company is pursuing initiatives for improving health focused on five domains, including sleep, smoking, and obesity issues extracted from past health checkup data, along with cancer and mental health. Every year, the Health Management Center compiles basic health checkup data and prepares the Data Book, which shows changes over time at a glance for the entire Company and major business sites. The center follows the PDCA cycle while reviewing the results of its initiatives.

In FY2024, JFE Engineering established the JFE Wellness Action 5, a set of five clear and practical health behavior guidelines designed to be easily understood and implemented by employees.

To provide opportunities for employees and their families to think about their health, the company has designated the last week of every May as Health Management Week, during which it holds occupational health seminars and other events while offering healthy menus in the employee cafeteria.

Health and Productivity Management Promotion System



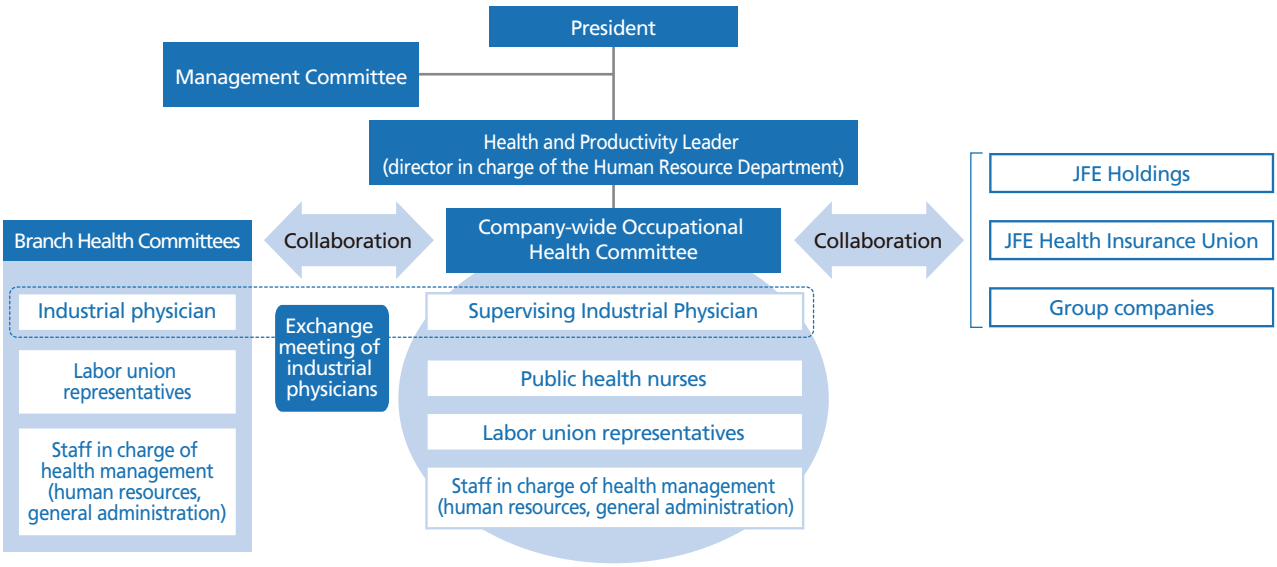
Initiatives Based on Past Health Checkup Data

Fiscal Year Launched	Purpose	Initiatives
2018	Preventing cancer	Stomach endoscopy during regular health checkups
2019	Improving sleep habits	Companywide self-care seminars to practice napping and breathing exercises
2020	Addressing obesity	Labor and management co-sponsored RIZAP seminars and workplace exercises at home
2021	Ending exposure to passive smoking	Complete ban on indoor smoking
	Improving sleep habits	Companywide rollout of Self-care Seminar II focused on sleep-wake rhythms
2022	Providing more personalized guidance	Provision of more individualized guidance on sleep, obesity, smoking, etc.
2023	Preventing cancer	Colonoscopy subsidy system introduced, charity walk held
2024	Improving sleep habits	Conducted SAS screening, held charity walk, established JFE Wellness Action 5
2025	Obesity remediation	Held headquarters-versus-headquarters walking competition and InBody measurement events

SH Detecting Illnesses at an Early Stage, Maintaining and Promoting Health for Employees and Their Families

JFE Shoji believes that the health of employees and their families holds the key to the further development of the company. It is therefore working to maintain and improve their health and create workplace environments in which employees can work with vigor. For example, the company has held a Health Month since FY2025 to raise awareness of health. During that time, it analyzes trends in the company's health checkup results and shares the findings with all employees. It also holds sleep seminars and releases videos on women's health to encourage self-care.

Health and Productivity Management Promotion System



Past Initiatives

Fiscal Year Launched	Purpose	Initiatives
2018	Prevent cancer	Helicobacter pylori tests conducted during regular health checkups
		New program for subsidizing examination fees for breast cancer and uterine cancer
	Raise employee health awareness	e-learning program based on the importance of regular health checkups, and reducing heart and brain disease
2019	Prevent lung cancer and stroke	Measures related to passive smoke (reduction in smoking rate)
	New program for subsidizing smoking cessation clinic fees	
2020	Encouraging employees to exercise as a habit	Encourage participation in the Powering Up Health Care program
2022	Providing more individualized guidance	Encourage individual consultation to those eligible for specific health guidance
2023	Early detection of stomach cancer	Gastrointestinal endoscopy tests conducted during regular health checkups
2024	Strengthening the implementation of specific health guidance	Enhanced collaboration with health insurance associations and medical institutions to thoroughly encourage participation
	Raising health awareness	Held women's health seminars
2025	Health Month	Held sleep seminars Shared women's health videos Published health checkup analysis results

Human Rights

Basic Policy

The JFE Group views respect for human rights as both a corporate social responsibility and a foundation of its business. Our determination to prevent discrimination in our business operations is clearly expressed in our Standards of Business Conduct, which we have consistently upheld. The JFE Group Human Rights Basic Policy, established as a standard with which Group companies and their officers and employees must comply, was revised in April 2023, and each operating company has reviewed and revised its procurement guidelines and related materials in line with this policy. Under the policy, we also seek cooperation from all stakeholders, including our supply chain, to respect and protect human rights.

We have been conducting human rights due diligence since FY2021 in accordance with the United Nations Guiding Principles on Business and Human Rights, while organizing seminars by external experts on human rights.

We will continue to promote initiatives for realizing a society in which human rights are respected and protected.

JFE Group Basic Policy on Human Rights

JFE hereby establishes the JFE Group's Basic Policy on Human Rights based on the United Nations Guiding Principles on Business and Human Rights in order to promote Group-wide efforts to respect human rights and to fulfill its responsibilities to all stakeholders that it influences in the course of its business activities.

1. Basic approach to respect for human rights

We, the JFE Group, support and respect the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights and the International Covenants on Human Rights, as well as the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

We believe that respect for human rights is a corporate social responsibility and a foundational aspect of our operations. In addition to clearly stating and implementing our policy for respecting all members of the company and the general public and refraining from any form of discrimination in our corporate activities, we implement initiatives to ensure that we are not complicit in human rights abuses.

This policy represents our commitment to respect human rights based on the JFE Group Standards of Conduct.

2. Scope of application

This policy applies to all officers and employees of the JFE group. We also encourage all stakeholders, including members of our supply chain, to understand and support this policy.

3. Compliance with applicable laws

We comply with the laws and regulations of Japan and all other countries and regions where we operate, but if there is any conflict with internationally recognized human rights and regulations, we seek ways to respect internationally recognized human rights as much as possible.

4. Human rights due diligence

We identify negative impacts on human rights and utilize our internal mechanisms for human rights due diligence to prevent or mitigate such impacts.

5. Corrections and remedies

We maintain reporting contact points for receiving reports from both internal and external sources regarding negative impacts on human rights caused by any of our business activities. If we are made aware that we have caused or been involved in a negative impact on human rights, we will follow the necessary procedures to correct and remedy the problem.

6. Education

We provide education on respecting human rights to ensure that all of our officers and employees understand and implement the company's basic policy.

7. Oversight

The JFE Group Sustainability Council, chaired by the President of JFE Holdings, Inc., oversees compliance with this policy and the implementation status of initiatives referred to herein.

8. Dialogue and consultations with stakeholders

Among the initiatives taken under this policy, we utilize outside experts as well as engage in discussion and consultation with internal and external stakeholders.

9. Information disclosure

We appropriately disclose all relevant information about our initiatives concerning respect for human rights and the progress of such initiatives via JFE group websites and other means.

10. Business-related human rights issues

(1) Non-discrimination and equality under the law

We respect every individual connected with our corporate and business activities and do not discriminate on the basis of race, nationality, ethnicity, creed, religion, social status, lineage, age, gender, sexual orientation, gender identity, disability, or any other such factor.

(2) Engaging with business partners

We seek the cooperation of all of our business partners in initiatives to respect and protect human rights in order to contribute toward creating a society in which the rights of all humans are respected and protected.

(3) Harassment

We do not engage in any kind of harassment based on gender, status, or any other factors, including through language or behavior that offends or violates the dignity of others.

(4) Forced labor and child labor

We never use forced labor or child labor in any country or region. We also do not tolerate or sanction any form of modern slavery, including bonded labor and human trafficking.

(5) Occupational health & safety and appropriate working environments

In accordance with the fundamental idea that safety is our top priority above all else, we pursue health and safety in all of our activities and strive to create safe, healthy workplaces where all employees feel assured that their physical and mental health is protected.

(6) Working hours and livable wages

We comply with all laws and regulations concerning working hours and wages applicable in the countries and regions where we operate. We work to ensure wages that allow employees to enjoy an adequate standard of living.

(7) Right to freedom of association and collective bargaining

We respect employee rights to freely associate and collectively bargain in accordance with the laws and collective bargaining agreements in each country. In addition to taking into account each country's laws and labor practices, we work to build sound labor-management relations and resolve problems by engaging in sincere and constructive dialogue with employees in accordance with international norms.

(8) Rights of local and indigenous peoples

We respect and give due consideration to local people's land rights, access to water, safety and health as well as the rights of indigenous peoples in regions where we operate.

Established: April 2018
Revised: April 2023
JFE Holdings, Inc.

This policy revision was formulated with the assistance of human rights experts and approved at the JFE Group Sustainability Council chaired by the President of JFE Holdings, Inc. Amendments to the policy have also been reported to the Board of Directors.

Structure

Promoting Human Rights

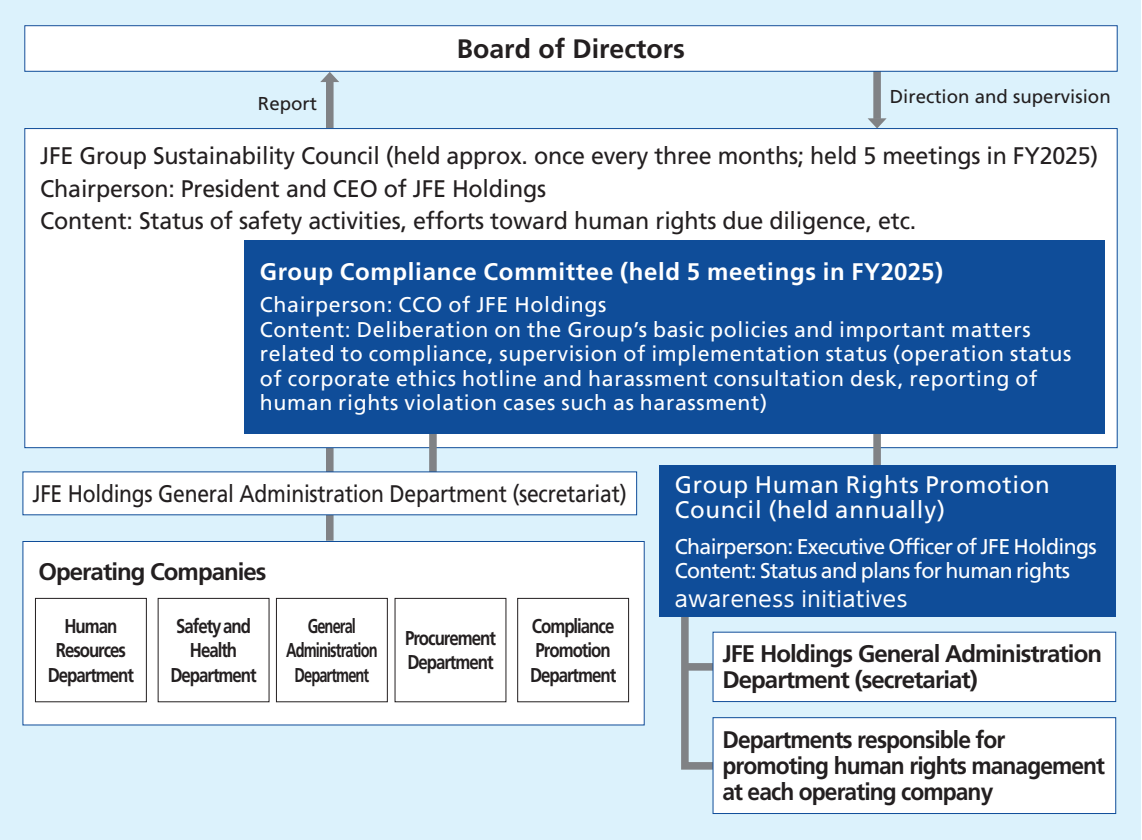
In order to steadfastly focus on human rights initiatives, we formulate Groupwide policies at the JFE Group Sustainability Council, chaired by the President and CEO of JFE Holdings, and report periodically to the Board of Directors for guidance and supervision.

The human rights risks identified as particularly high and requiring action (occupational health and safety, harassment and abuse, and thorough supplier management (establishment of a human rights risk management system for the entire supply chain)) are discussed annually at the Sustainability Council and reported to the Board of Directors, which oversees our efforts to respect human rights and prevent and mitigate human rights risks.

The Human Resources Department and Safety and Health Department of each operating company allocate resources to address human rights risks related to each company's own employees on a daily basis, while the General Administration Department and Procurement Department direct resources to address human rights risks related to suppliers.

In addition, we established the JFE Group Human Rights Promotion Council, chaired by a corporate officer of JFE Holdings, under the Group Compliance Committee, which is chaired by the CCO of JFE Holdings. The council exchanges information annually with the departments responsible for promoting human rights awareness at each operating company.

Governance Structure for Human Rights Awareness Promotion



Grievance Mechanisms

We have been a full member of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) since April 2025. The Company accepts reports, complaints, and consultations on human rights issues from stakeholders across the supply chain, 24 hours a day, 365 days a year, in multiple languages and through JaCER's non-judicial Engagement and Remedy Platform, which complies with the UN Guiding Principles on Business and Human Rights. Using this third-party contact point ensures fairness and transparency while addressing essential human rights issues and also safeguarding anonymity and confidentiality. Three reports were filed with JaCER in FY2025, one of which was deemed unrelated to human rights. Cases received are reported to management and the Sustainability Council, promptly and properly investigated, and followed up through dialogue with rights holders based on the specific circumstances of each case.

In addressing all human rights risks, we emphasize communicating with stakeholders through such initiatives as setting up a Corporate Ethics Hotline at each operating company and an independent law firm as an external contact point, as well as dedicated consultation desks on harassment issues at major offices, all of which accept anonymous reporting and consultation on human rights and related issues. In FY2025, a total of 305 cases were handled through the Corporate Ethics Hotline and harassment consultation desks. Out of these, 81 cases were confirmed as harassment, and corrective or other appropriate actions were taken in all of them. These figures cover contact points at JFE Holdings, operating companies, and Group companies.

The operational status of these help desks and reports of harassment, as well as other human rights violations, are regularly reported to the JFE Group Sustainability Council, including progress of investigations, findings, corrective measures, and recurrence prevention initiatives. Reports are also annually submitted to the Board of Directors for guidance and supervision.

› **JaCER Grievance Form** (https://jacer-bhr.org/en/application/form.html)
› **Development of the Whistleblowing System** (P. 265)
› **Governance Data: Corporate Ethics Hotline and Harassment Consultation Desks** (P. 296)

Targets and Results

Recognizing that contributing to the realization of a society in which the human rights of each and every individual are respected and protected is not only a corporate social responsibility but also a foundational principle of management, the JFE Group upholds respect for the human rights of everyone involved in the business as a key management issue and promotes its efforts by setting KPIs.

› **FY2025 KPI Results and FY2026 KPIs** (P. 19)

Human Rights Due Diligence

The JFE Group has been committed to human rights due diligence based on the United Nations Guiding Principles on Business and Human Rights since FY2021.

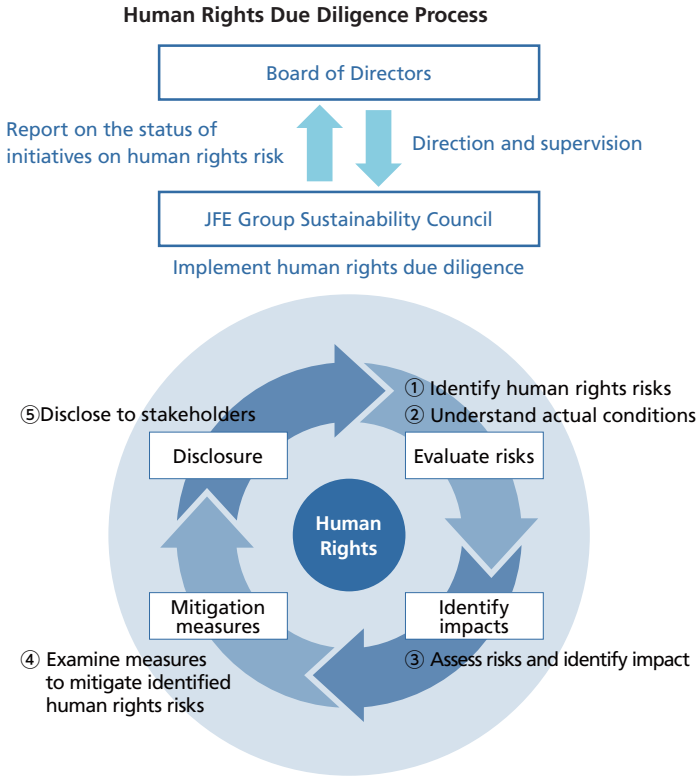
Group's Past Initiatives and Future Plans

A first-round survey　A second-round survey

		FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
JFE Holdings and Operating Companies	**Formulating policies, etc.**						
	JFE Holdings and Operating Companies	Started identifying human rights risks and examining corrective measures to be taken at the JFE Group	Discussed the method, priorities, and scope for conducting a survey throughout the supply chain	Revised the JFE Group Human Rights Basic Policy and reviewed the procurement guidelines of operating companies		Joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) as a full member	
	Human rights risk surveys of own operations						
	JFE Holdings and Operating Companies						
	Human rights risk surveys of suppliers						
	JFE Steel Number of business partners: about 2,200 companies			Conducted a survey of 232 material and raw material suppliers	Followed up on 39 surveyed companies with high vulnerabilities	Conducted a survey of 218 material and raw material suppliers	Follow up with surveyed companies that are high in vulnerability and risk Conduct a survey of raw material suppliers (10–20 suppliers) Start a survey of new business partners
	JFE Engineering Number of business partners: about 3,700 companies			Conducted a survey of 107 major suppliers	Followed up on 42 companies with high vulnerabilities among surveyed companies	Conducted a survey of 76 major suppliers Started a survey of new business partners Start a survey of new business partners	Follow up on 36 surveyed companies with high vulnerabilities
	JFE Shoji Number of business partners: about 2,800 companies			Conducted a survey of 65 suppliers of steel raw materials, environmental resources, and equipment and materials	Followed up with all the surveyed companies		
					Conducted a survey of 88 suppliers of steel raw materials, environmental resources, and equipment and materials	Followed up with all the surveyed companies	
						Conducted a survey of 14 steel suppliers	Follow up with all the surveyed companies
Group Companies	**Human rights risk surveys of major domestic Group companies' own operations**						
	JFE Steel (all 28 companies)	3 companies	2 companies	23 companies			
	JFE Engineering (all 41 companies)	3 companies	2 companies	26 companies	10 companies		
	JFE Shoji (all 40 companies)	2 companies	2 companies	36 companies			
	Human rights risk surveys of major overseas Group companies' own operations						
	JFE Steel (all 6 companies)				3 companies	3 companies	
	JFE Engineering (all 11 companies)	1 companies			3 companies	3 companies	3 companies
	JFE Shoji (all 45 companies)				45 companies		
	Risk survey of suppliers of Group companies						
	JFE Steel Group Companies						Conduct supplier risk surveys at three domestic Group companies
	JFE Engineering Group Companies						Conduct supplier risk surveys at two domestic Group companies
	JFE Shoji Group Companies						Conduct supplier risk surveys at two domestic Group companies

	Overview
FY2021	• Identified human rights risks and examined corrective measures to be taken at JFE Holdings and other Group companies, including operating companies
FY2022	**Expanding Human Rights Due Diligence to Group Companies** • To ensure that Group companies properly identify, assess, mitigate, and prevent human rights risks, the following initiatives were implemented. (1) Held briefings on human rights (2) Conducted surveys of major domestic Group companies that are a high priority for the surveys
	Establishing a Human Rights Risk Management System for Suppliers • Discussed the method, scope, and priorities for conducting a survey on human rights risks throughout the supply chain • Selected suppliers that are a high priority for a survey, such as those based in countries with high human rights risks
FY2023	**Revised the JFE Group Human Rights Basic Policy (established in 2018)** • Each operating company inspected and revised its procurement guidelines in line with the revised policy
	Expanding Human Rights Due Diligence to Group Companies • Further expanded the survey from the previous year and completed surveys of all major domestic Group companies (about 100 companies in total)
	Establishing a Human Rights Risk Management System for Suppliers • Conducted a survey on human rights risks for about 400 high-priority suppliers
FY2024	**Expanding Human Rights Due Diligence to Group Companies** • ST EN SH Conducted a survey on human rights risks for about 50 high-priority overseas Group companies and provided feedback on the results • SH Methods and schedule for rolling out supplier surveys by Group companies were considered for major domestic Group companies
	Establishing a Human Rights Risk Management System for Suppliers • ST EN SH Provided feedback on survey results to suppliers surveyed in FY2023, and supported improvements for those requiring follow-up • SH Conducted a survey on human rights risks with 88 newly covered suppliers of steel raw materials, environmental resources, and equipment and materials
FY2025	**Expanding Human Rights Due Diligence to Group Companies** • ST EN Conducted a human rights risk survey with six overseas Group companies • SH Provided feedback on the results to the overseas Group companies surveyed in FY2024
	Establishing a Human Rights Risk Management System for Suppliers • ST EN Conducted a second-round survey of approximately 300 high-priority suppliers • SH Conducted a new survey on human rights risks with approximately 14 steel suppliers • EN Started a survey on human rights risks with new suppliers
FY2026 (plan)	**Conducting Human Rights Risk Surveys of Own Operations** • ST EN SH Conduct second-round human rights risk surveys of own operations
	Expanding Human Rights Due Diligence to Group Companies • EN Conduct a human rights risk survey with three overseas Group companies • ST EN SH Start supplier surveys at seven domestic Group companies
	Establishing a Human Rights Risk Management System for Suppliers • ST EN SH Provide support for improvement to suppliers surveyed in FY2025 who were identified as requiring follow-up • ST Conduct a second-round survey on human rights risks with approximately 10 to 20 raw material suppliers • ST EN Conduct a human rights risk survey of new suppliers

Human Rights Due Diligence Process



❶ Identify human rights risks

We created a long list of human rights risks by referring to international norms and guidelines. Then, taking into account human rights risks specific to the industry, regional characteristics, and other relevant factors, we identified human rights risks related to the Group and its supply chain by stakeholder such as employees, suppliers, and local residents.

International norms and guidelines referenced:

United Nations Guiding Principles on Business and Human Rights, International Bill of Human Rights, ILO's Core Labor Standards, OECD Guidelines for Multinational Enterprises, Ten Principles of the UN Global Compact, GRI Standards, FLA Workplace Code of Conduct, and CHRB Key Industry Risks.

15 human rights issues to consider:

Compliance with standards and guidelines for respect for human rights demanded by international norms	Avoiding complicity in human rights abuses, compliance, social security, and fair competition	Prohibition of discrimination and equality before the law
Access to remedy	Thorough supplier management	Harassment and abuse
Women's rights	Child labor	Forced labor
Occupational health and safety	Working hours	Appropriate working environment
Wages that guarantee a decent standard of living	Freedom of association and the right to collective bargaining	Rights of indigenous and local people

❷ Investigate current status

We ascertained the current status of the risk management system and activities by examining our disclosure of policies on child labor, forced labor and various other human rights risks, such as the JFE Group Human Rights Basic Policy and the Basic Procurement Policy of each company, our whistleblowing system for ensuring access to remedy,, our initiatives on compliance including prevention of corruption, and other initiatives, systems and rules concerning internal and external human rights issues.

❸ Assess risks and determine impacts

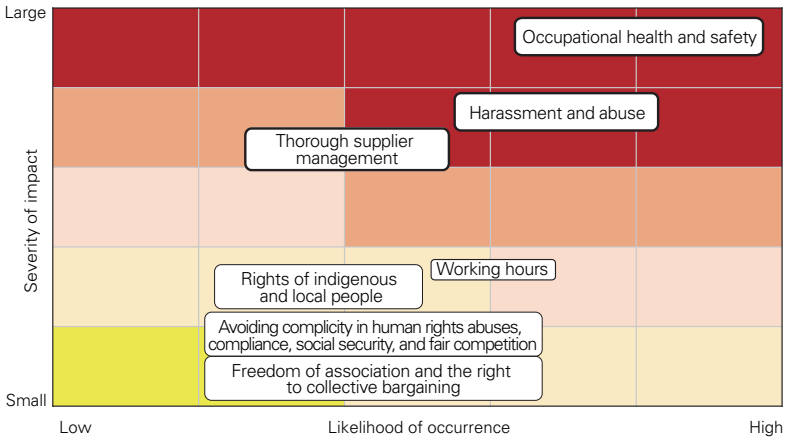
We assessed the risks of the identified human rights issues to be considered, based on the severity of impact and likelihood of occurrence, and determined the status of our initiatives on respecting human rights through written surveys and interviews in order to better identify that status in our future endeavors. During the risk assessment, we also determined the adverse impacts of human rights risks on the JFE Group and its stakeholders.

› **Stakeholder Engagement** (P. 37)

Human rights risks identified as particularly high risk and requiring action:

- Occupational health and safety
- Harassment and abuse
- Thorough supplier management (establishment of a human rights risk management system for the entire supply chain)

ST EN SH Map of Key Human Rights Risks



❹ Consider mitigation measures for identified human rights risks

We implement mitigation measures for the identified human rights risks, including response as well as preventive and corrective measures and promotion systems. For occupational health and safety and harassment, we continue to strengthen our efforts to eliminate accidents and harassment using KPIs.

To create a sustainable and resilient supply chain, we are establishing a human rights risk management system encompassing the entire supply chain. We will also conduct surveys on the human rights risks of suppliers by determining the priority of the surveys based on the severity of the impact of such risks and the likelihood of their occurrence.

› **FY2025 KPI Results and FY2026 KPIs** (P. 19)
› **Occupational Health and Safety** (P. 202)
› **Social Data: Lost-Work Injuries and Accidents** (P. 288)
› **Governance Data: Whistleblowing** (P. 296)

❺ Information disclosure to stakeholders

We disclose the JFE Group Human Rights Basic Policy, guidelines for procurement at each operating company, and other related information on our website to communicate our initiatives to respect human rights, including human rights due diligence, and their status to our stakeholders.

FY2025 Initiatives

Establishing a Human Rights Risk Management System for Suppliers

ST EN SH FY2025 Supplier Survey

The details of the supplier selection method, survey method, and other aspects of the FY2025 survey are summarized below.

ST

Scope of Survey

In FY2025, JFE Steel conducted a second-round survey targeting suppliers that met the following criteria.

- Raw materials: Selected primary suppliers whose headquarters or production sites are in countries with high human rights risks*1 as well as secondary suppliers through JFE Shoji or JFE Mineral
  ➡ About 67 of approx. 700 suppliers were surveyed
- Materials: Selected manufacturers of critical materials*2 and their trading companies
  ➡ 151 of approx. 1,500 suppliers were surveyed

Survey Method

To conduct supplier surveys, we used the CSR/Sustainable Procurement Self-assessment Tool Set*3, developed by the Global Compact Network Japan, and starting in FY2025 we have also used our own SAQ to check whether human rights violations have occurred. We set "high risk questions"*4 in the tool questionnaire as items requiring particular focus, and we will follow up with suppliers that scored poorly on those items.

EN (1) Second-Round Survey of Suppliers

Survey Scope

In FY2025, JFE Engineering conducted a second-round survey targeting suppliers with capital of at least 50 million yen, with which the company continues to do business and which meet the following criteria.

① Suppliers that scored poorly on "high risk questions"*4 in the FY2023 survey and with which the company continues to do business
② Suppliers whose headquarters or production sites are located in countries with high human rights risks*1
③ Suppliers that provide high-risk products and materials*5
④ Key suppliers on which the company is highly dependent, such as business partners or sole-source suppliers for technical reasons
⑤ Suppliers with a relatively large business scale and high order value*6
➡ 76 of approx. 3,700 suppliers were surveyed

Survey Method

We conducted supplier surveys using the CSR/Sustainable Procurement Self-assessment Tool Set*3 of the Global Compact Network Japan. In conducting the surveys, we set "high risk questions"*4 as items requiring particular focus, and we will follow up with suppliers that scored poorly on those items.

(2) Surveys of New Suppliers, etc.

Scope of Surveys

JFE Engineering started conducting a simple risk survey in July 2025 to assess the presence of human rights risks. This survey is conducted at the start of doing business with a new supplier and when updating registration information every three years for existing suppliers. We only start or continue transactions once we have confirmed there are no risks. In FY2025, one supplier was found to present risks during the simple risk survey, and we obtained a commitment from them to correct the identified risks before doing business with them.

Survey Items

Twelve items, including whether the business involves forced or child labor and whether any entertainment or gifts have been given to public officials in violation of laws or regulations

SH

Scope of Surveys

Steel suppliers that meet any of the following criteria were selected and surveyed by JFE Shoji.

① Suppliers whose headquarters or production sites are located in countries with high human rights risks*1

② Suppliers that provide high-risk product categories*7

③ Suppliers that fall within the top 75% in procurement value based on purchase amount

➡ About 14 of approx. 400 suppliers were surveyed

Survey Method

We conducted supplier surveys using the CSR/Sustainable Procurement Self-assessment Tool Set*3 of the Global Compact Network Japan. In conducting the surveys, we set "high risk questions"*4 as items requiring particular focus, and we will follow up with suppliers that scored poorly on those items.

*1 Selected based on published indexes (such as the Human Rights Index compiled by Our World in Data) and advice from an advisory body
*2 Materials affecting operations and the quality of steel products, selected by the relevant departments (e.g., refractories, rolls, chemicals)
*3 An assessment tool issued and published by the Supply Chain Subcommittee and consisting of 114 questions covering human rights, labor, fair business practices (prevention of violations of competition law, prevention of corruption, prohibition of conflicts of interest, etc.), and other areas
*4 Items set as "high risk questions," including payment of fair wages; fair management of working hours, leave, and paid holidays; prohibition of forced labor; prohibition of child labor; and conflict minerals
*5 Selected based on advice from an external advisory body. Solar panels, batteries, PKS, etc.
*6 At least ¥1 billion or at least 100 transactions per year
*7 Materials selected from lists published by Japan's Ministry of Economy, Trade and Industry (METI) and by the U.S. Department of Labor and Department of State (e.g., iron ore, coal)

Expanding Human Rights Due Diligence to Group Companies

① ST EN SH Human Rights Risk Surveys of Overseas Group Companies' Own Operations

ST At JFE Steel, we conducted assessments and interviews at three high-priority overseas Group companies in the Philippines, United States, and Singapore, taking into account such factors as equity stake and company size. Reviewing the results, we found deficiencies in management systems and preventive and remedial frameworks for certain human rights issues, such as thorough management of business partners, harassment, and abuse. Accordingly, JFE Steel provided feedback on the results and shared examples of remediation measures. Each company is now working on such actions as strengthening systems and revising regulations.

EN At JFE Engineering, we conducted human rights risk assessments and interviews at three high-priority overseas Group companies in Malaysia, Indonesia, and Germany. These companies were selected based on factors such as the presence of sites in countries with high human rights risks. The assessments, focused on the occurrence of human rights risks and the effectiveness of management systems, identified no major human rights risks at any of the companies and no high-priority issues requiring action. However, given the presence of risks such as child labor and forced labor in each of the countries where the sites are located, the assessment confirmed that further efforts would be desirable. These include clarifying the departments responsible for addressing high-risk human rights issues in each country and strengthening initiatives to prevent occupational accidents. We accordingly provide feedback on the assessment results and work to mitigate human rights risks by sharing examples of initiatives at JFE Engineering and good practices from other companies.

SH At JFE Shoji, we provided feedback on the results to 45 overseas group companies surveyed in FY2024. We introduced priority-based actions, giving top priority to high-risk items that were particularly emphasized in the survey, as well as specific examples of measures taken.

② ST EN SH Surveys of Group Companies' Suppliers

Human rights due diligence on our major Group companies confirmed that thorough supplier management is an issue. We therefore considered which Group companies to prioritize, the survey methods, and other aspects in order for major domestic Group companies to start supplier surveys.

Future Initiatives

We will promote initiatives to correct and mitigate identified human rights risks and take the following actions to expand our human rights due diligence. To steadily advance our initiatives, we will conduct appropriate evaluations and make improvements under the supervision of the JFE Group Sustainability Council and Board of Directors, thereby enhancing effectiveness.

ST EN SH Conducting Human Rights Risk Surveys of Own Operations

In the second half of FY2026, we will once again identify and assess human rights issues and the impacts of human rights risks. We will also consider measures to mitigate human rights risks in the future, based on increasing public demand, expanding business activities and changes in our business environment, and the activities carried out to date to reduce human rights risks.

Expanding Human Rights Due Diligence to Group Companies

① EN **Human Rights Risk Surveys of Overseas Group Companies' Own Operations**

JFE Engineering will conduct human rights risk surveys at three major overseas Group companies in Vietnam, China, and the United States.

② ST EN SH **Surveys of Group Companies' Suppliers**

Supplier surveys will be conducted at seven domestic Group companies in FY2026, taking into account factors such as company size and supply chain characteristics.

ST Within the JFE Steel Group, supplier surveys are scheduled to be conducted at three domestic Group companies.

Target Suppliers

Suppliers are selected based on the following criteria.

① Suppliers with ongoing business relationships
② Suppliers providing products sourced from countries with high human rights risks
③ Suppliers operating in countries with high human rights risks
④ Suppliers providing products of high importance to the company

Survey Content

Same content as the survey conducted by JFE Steel in FY2025

EN The JFE Engineering Group plans to conduct supplier surveys at two domestic Group companies.

Target Suppliers

Selected based on JFE Engineering's selection criteria while taking into account the nature of each company's business operations

Survey Content

Same content as the survey conducted by JFE Engineering in FY2025

SH Within the JFE Shoji Group, supplier surveys are scheduled to be conducted at two domestic Group companies.

Target Suppliers

Selected based on JFE Shoji's selection criteria while taking into account the nature of each company's business operations

Survey Content

Survey conducted using the CSR/Sustainable Procurement Self-assessment Tool Set of the Global Compact Network Japan and a proprietary SAQ to check human rights violations

Establishing a Human Rights Risk Management System for Suppliers

In FY2026, each operating company plans to implement the following initiatives.

ST In FY2026, JFE Steel will provide feedback on the survey results to suppliers surveyed in the previous fiscal year. For approximately 151 suppliers identified as requiring follow-up, the company will send a follow-up tool and provide support for improvement, including verifying the status of improvements by the target companies based on priority levels. It also plans to conduct a second-round survey of 10 to 20 raw material suppliers with high survey priority. Furthermore, when starting business with new suppliers that meet the same selection criteria used for existing partners (raw material suppliers: Tier 1 suppliers headquartered in or sourcing from countries with high human rights risks, and Tier 2 suppliers via JFE Shoji or JFE Mineral; and material suppliers: manufacturers of critical materials and their trading companies), JFE Steel will verify the status of systems for respecting human rights, request corrective action for any deficiencies, and subsequently monitor progress in implementing improvements.

EN In FY2026, JFE Engineering will provide feedback on the survey results to suppliers surveyed in FY2025. For the 36 business partners identified as requiring follow-up, the company will send a follow-up tool to support improvement efforts. In addition, when starting business with new suppliers, the company will continue to use questionnaires to check whether any risk incidents have occurred in the supply chain and assess the status of corrective actions. This information will be used to guide transaction decisions and follow-up on corrective actions.

SH In FY2026, JFE Shoji will provide feedback on the results of the FY2025 supplier survey. It will also offer support for improvement to the approximately five business partners identified as requiring follow-up, including by sending them a follow-up tool.

Human Rights Promoting Activities

To steadily advance our activities to respect human rights and raise employee awareness, we conduct human rights training courses, offer guaranteed equal employment opportunities, promote fair human-resource management, and actively prevent workplace harassment. Our training courses encourage employees to develop a thorough understanding of the JFE Group Human Rights Basic Policy and the respect for human rights expected of companies in the international community. To this end, we use the percentage of scheduled participants who attend training as a KPI and continuously measure and follow up on this rate (attendance rate in FY2025: 100%). In addition, employees in the procurement department receive training and information on the overall sustainability situation surrounding the company, as well as the JFE Group's stance and initiatives.

We seek to prevent sexual harassment, power harassment, and other forms of harassment by addressing these issues in company regulations, displaying posters in workplaces, and regularly conducting harassment prevention training for all employees as well as by position (including management), individual offices, and executives. These programs include sessions that raise awareness and provide practical training using case studies to address everyday communication, the use of reporting and consultation channels if harassment occurs, and appropriate responses.

In addition, we invited an outside attorney to conduct a seminar for corporate ethics hotline and harassment consultation desk staff (those who receive reports, including management) within the JFE Group. Every other year, we organize these training sessions for hotline and consultation desk personnel, including content on confidentiality obligations when receiving reports and case studies (participants: approx. 200 in FY2020, approx. 300 in FY2022, and approx. 300 in FY2024).

Furthermore, we actively support and take part in initiatives undertaken by public organizations and groups promoting human rights as well as groups in which private enterprises participate, such as the Industrial Federation for Human Rights, Tokyo and the Corporate Federation for Dowa and Human Rights Issue, Osaka. By attending seminars and workshops sponsored or supported by such organizations and groups, we have become increasingly aware of human rights trends and challenges as well as issues specific to Japanese business. We then apply this knowledge in JFE human-rights awareness training programs and related initiatives.

Respecting the Rights of Workers

The JFE Group adheres to the laws and regulations of various countries as well as collective agreements. It also respects the rights to freedom of association as well as their right to collective bargaining.

Upper management, including the president and the representative of the union, meets regularly to discuss matters such as management issues, work-life-balance, working environments, and working conditions. By conducting earnest labor-management consultations, we strive to create a vigorous workplace while working to maintain healthy and sound labor-management relations.

The JFE Group complies with laws and regulations related to salary payments and sets salaries above the minimum wage designated by country, region, and industry sector. In addition to meeting legal requirements concerning the upper limits for overtime and other mandates, the JFE Group strives to improve employees' work engagement by providing them with one of the top levels of employment conditions in the industry as well as performance-based bonuses linked to company profits.

We regularly review the wage situation in each region and business sector and engage in honest discussions with the labor union to ensure a fair return to our employees while also paying due consideration to management and business performance.

Respect for Freedom of Expression

The JFE Group upholds basic human rights in its Human Rights Basic Policy and is committed to respecting and protecting the human rights of each individual throughout its corporate activities. We pay due care to prevent violations of the freedom of expression, as recognized by the International Covenant on Human Rights and other international conventions, and to fully protect the right to privacy.

Respect for Children's Rights

The JFE Group supports the Convention on the Rights of the Child and Children's Rights and Business Principles and will seek to eliminate child labor and respect every child's right to survival, right to development, right to protection, and right to participation, the four pillars of the Convention on the Rights of the Child.

The JFE Group Human Rights Basic Policy upholds recognizing the diverse values held by each individual in all aspects of corporate activity as well as respecting and protecting the human rights of each person in compliance with international conventions. It also explicitly prohibits child labor and forced labor. To promote concrete initiatives, the JFE Group has focused on nurturing the next generation as a key area of its public service and is engaged in activities that support the sound development of younger generations.

In 2025, there were no consultations or reports regarding child labor on JaCER's Engagement and Remedy Platform or the Group's Corporate Ethics Hotline.

Endorsing and Participating in External Initiatives

We are a member of the Global Compact Network Japan, an organization that promotes Global Compact activities in Japan, in support of the Ten Principles of the United Nations Global Compact, related to the protection of human rights, the elimination of unfair labor practices, environmental protection, and the prevention of corruption. We also participate in subcommittee activities of the Global Compact Network Japan and promote our own initiatives based on exchanging information with participating companies and organizations.

Respecting Human Rights across the Supply Chain

ST Compliance with the JFE Steel Procurement Guidelines and Responsible Procurement of Raw Materials

In accordance with the JFE Group Human Rights Basic Policy, JFE Steel established the JFE Steel Procurement Guidelines in 2023, which incorporate more extensive and specific information on sustainability in general, in addition to respect for human rights. To promote sustainability initiatives throughout the supply chain, we disclose the guidelines on our website, inform all primary business partners of the guidelines, and request compliance from them.

In terms of raw material procurement in particular, there is concern that tin, tantalum, tungsten, gold, and cobalt provide a funding source for militias causing human rights violations and environmental destruction. Therefore, JFE Steel purchases them only after confirming that they have not been mined in conflict-affected or high-risk areas, in accordance with Japanese and overseas regulations governing the responsible procurement of minerals as well as international rules.

In January 2026, we held a briefing session attended by about 100 suppliers to explain the sustainability-related circumstances facing companies, the JFE Group's stance and initiatives, and its requests to suppliers.

For JFE Steel Procurement Guidelines, please refer to:

> **JFE Steel Procurement Guidelines** (https://www.jfe-steel.co.jp/en/company/purchase_policy.html#to-our-business-partners)

EN Promoting Initiatives to Respect Human Rights in Cooperation with Suppliers

In line with the JFE Group Human Rights Basic Policy, JFE Engineering has established its Purchasing and Procurement Policies and is promoting sustainable procurement in cooperation with suppliers to advance initiatives related to respect for human rights. It has also established procurement guidelines asking suppliers to comply with laws, regulations, and social norms in their business activities, respect basic human rights, eliminate all forms of discrimination, and strive to create a safe and comfortable working environment. The company ensures that the guidelines are clearly communicated throughout the supply chain by publicizing them on its website. It also requires business partners to comply with the guidelines as a prerequisite for starting business transactions, and sends them an email with a link to the guidelines.

For JFE Engineering's Procurement Policy and Procurement Guidelines, please refer to:

> **Procurement Policy** (https://www.jfe-eng.co.jp/en/information/procurement_policy.html)

> **Procurement Guidelines** (https://www.jfe-eng.co.jp/en/information/procurement_policy.html)

SH Promotion of Respect for Human Rights in the Supply Chain

In line with the JFE Group Human Rights Basic Policy, the JFE Shoji Group has established the Basic Policy on Sustainability in the Supply Chain to promote joint efforts with suppliers in respecting human rights and advancing sustainability as a whole.

The policy is disclosed on the company's website and sent to all of its business partners, requesting their compliance with the policy.

For JFE Shoji's Basic Policy on Sustainability in the Supply Chain, please refer to:

> **Basic Policy on Sustainability in the Supply Chain** (https://en.jfe-shoji.co.jp/corporate/principle/#section03)

Providing Quality Products and Enhancing Customer Satisfaction

Basic Policy

Under its corporate philosophy of contributing to society with the world's most innovative technology, the JFE Group will continue to be a company that provides world-class products and services for a prosperous global future.

JFE Group Standards of Business Conduct

❶ Provide quality products and services
Earn the trust and acclaim of customers by endeavoring to provide safe, high-quality products and services based on superior technologies, and by fully respecting and protecting the privacy of personal and customer information. Also, leverage our superior technologies for the sustainable growth of our Group and society.

Targets and Results

Under its Standards of Business Conduct to provide quality products and services, the JFE Group has identified three key management concerns: sustainable manufacturing through improving sales and production capabilities, promoting proper quality assurance, and enhancing product and service competitiveness through DX. The Group has established KPIs to monitor progress and promote relevant initiatives.

› **FY2025 KPI Results and FY2026 KPIs** (P. 19)

Initiatives

JFE Group's Quality Initiatives

The JFE Group manages quality by ensuring compliance with quality standards set by each operating company. Each operating company involved in manufacturing and services has obtained ISO 9001 certification for its quality management system and has established and operates a management system to continuously and reliably provide high-quality products and services.

Strengthening Quality Assurance System

ST Initiatives to Improve Product Quality

To serve customers by meeting their quality requirements and delivering products that boast the world's highest quality, JFE Steel has established a quality assurance system with advanced sensors for process monitoring, in addition to its ongoing efforts to develop new products and advanced manufacturing technologies.

We are conducting activities across the company in line with the Guidelines for Enhancing Quality Assurance Systems formulated by the Japan Iron and Steel Federation (JISF) to strengthen our quality assurance system. In addition to conducting product tests using high-precision testing and inspection equipment, we are striving to thoroughly prevent errors in identification tasks and data tampering by promoting automation in every process, from issuing test instructions and collating specimens to reporting results.

Moreover, the company intends to provide customers with innovative value by operating its quality management system based on ISO 9001 and by advancing the acquisition of various domestic and international assurance certifications required for steel products, including the JIS mark and approvals from ship classification bodies. We are also actively promoting the formation and standardization of international rules in conjunction with future DX promotion and the social implementation of technologies obtained through research and development.

EN Promoting Quality Activities Based on the Companywide Quality Policy

JFE Engineering has established a companywide quality policy stating that products and services that JFE Engineering designs, procures, manufactures, or constructs must comply with all required rules, regulations, and standards, and quality must satisfy the needs of our customers and that we will continually undertake improvements. Under this corporate policy, the company continually strives to improve the quality of its products and services.

Specifically, our certified inspectors conduct on-site inspections at each phase of a plant construction project, including procurement, manufacturing, construction, and pilot operations. We also conduct witness inspections by customers during critical processes and at the time of equipment delivery to ensure quality.

In addition, JFE Engineering has published quality-assurance manuals based on the specific characteristics of each product and obtained ISO 9001 certification for each product category.

To further strengthen its quality assurance system, JFE Engineering uses an electronic document processing system throughout the entire process, from purchases to installation and operation, to prevent omissions in inspection and operation data and data tampering, and all inspection data is electronically stored to further ensure traceability.

SH Maintaining and Improving Quality Assurance Level Based on Quality Philosophy

Guided by its quality philosophy of continuing to provide products that satisfy the required quality to ensure that we are always trusted by our customers, JFE Shoji is constantly striving to enhance the level of its quality assurance for customer confidence and satisfaction. Its processing centers in Japan and abroad are systematizing and automating operations to eliminate human errors. Raising employee awareness is essential for preventing human error at every stage, from receiving orders to processing, inspecting, and shipping. The company provides quality education for employees by introducing case studies of nonconformance at other companies as well as at Group companies in Japan and abroad. Moreover, we conduct periodic quality audits at all relevant Group companies in and outside of Japan to identify quality assurance risks, and we provide follow-up toward improvement. When follow-up is necessary, individual responses are carried out to maintain and enhance the level of quality assurance.

Stable Supply of Products

ST Initiatives to Supply High-Quality Products

JFE Steel is strengthening its manufacturing base by introducing a cyber-physical system (CPS) for all manufacturing processes and has already introduced CPS to over 80% of these processes. It is also accelerating the deployment of CPS with J-DNexus™, a platform that integrates production data from all steelworks. In addition, the company is improving quality and yield by fully implementing J-astquad™, a quality prediction technology that uses integrated data covering the entire process, from steelmaking to the final stage. The company is improving reliability by automating product inspections. It completed the migration to open systems for its steelworks' core systems at the end of FY2025. And it will also develop a platform for consolidating and using operational data and know-how, further improving production efficiency and quality.

EN Securing Managing Engineers

JFE Engineering has been designated as a special construction business operator under the Construction Business Act to undertake mechanical, civil engineering, and building construction work, and it assigns dedicated managing engineers at construction sites to oversee the technical aspects of construction work. The smooth implementation of plant construction projects depends on licensed specialists. The company is always striving to secure the necessary human resources by encouraging employees to acquire qualifications by granting allowances and through mid-career hiring of licensed personnel.

Proper Export Procedures

Each JFE operating company promotes international peace and security by working against the spread of weapons of mass destruction and excess accumulation of conventional weapons. Specifically, the company carries out internal inspections to confirm the final destinations, customers, and applications of its exported products and then ensures that export procedures are carried out properly. In addition, the Legal Affairs Department conducts internal briefings to disseminate knowledge of export-related laws and regulations, such as the Foreign Exchange and Foreign Trade Act. Also, education on export security controls and related measures is implemented for the employees of Group companies involved in trading.

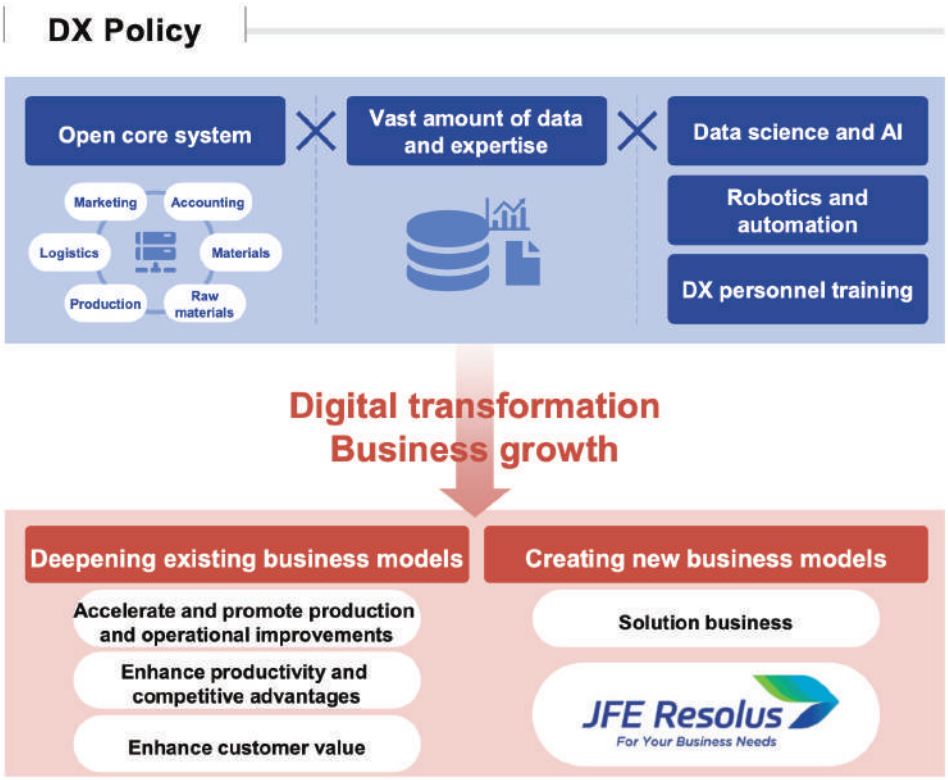
Improving Customer Satisfaction

ST Aggressive Advancement of DX

JFE Steel's digital transformation (DX) strategy revolves around technological innovation based on the active introduction of advanced technologies such as IoT, AI, and data science (DS) and the application of data assets.

These technological and data assets will not only transform production and business processes but also lead to the expansion of the company's solutions business, contributing to addressing challenges across the entire manufacturing industry. This will enable the company to establish a competitive advantage and achieve sustainable growth in corporate value.

Advancement of Digital Transformation (DX)



For more information on our DX, please refer to:

› **DX REPORT** (https://www.jfe-holdings.co.jp/en/investor/library/dxreport/index.html)

ST Testing and Research Centers for Collaboration with Customers on Product Development

JFE Steel collaborates with customers in research and development. The Customers' Solutions Lab (CSL) for auto industry customers and the JFE Welding Institute-Center for Integrity against Fatigue and Fracture (JWI-CIF2) are located in eastern Japan, while the Customer Center Fukuyama (CCF), which develops materials and conducts applied technology research, is in western Japan. Using these facilities to strengthen early vendor involvement (EVI)* enables the company to quickly identify customer needs and develop products based on cutting-edge evaluation techniques and innovative production processes.

*Participation in customers' new product development from an early stage to propose and develop steel applications, component processing methods, and performance evaluations suited to the new product concept.



Customers' Solutions Lab

ST Enhancing Our Response to Customer Needs

In an effort to strengthen the company's total capabilities for better responding to customer needs, its sales department emphasizes enhanced sales education for sales personnel by position at the headquarters and branch offices. Specifically, we develop abilities in areas such as engaging in technical conversations, picking up clues from customer relations and using them in product development, offering suggestions to improve logistics and distribution, and analyzing financial indicators and costs. We also constantly strive to improve our systems so that customer product specifications are accurately reflected in manufacturing, and we will continue to work on improvements.

ST Unified Customer Care

JFE Steel regularly conducts customer questionnaires and interviews to draft strategies for greater customer satisfaction. Business strategies are shared among the sales divisions, the business planning functions, and steelworks to facilitate unified customer care and proposals that leverage the collective strengths of the JFE Group.

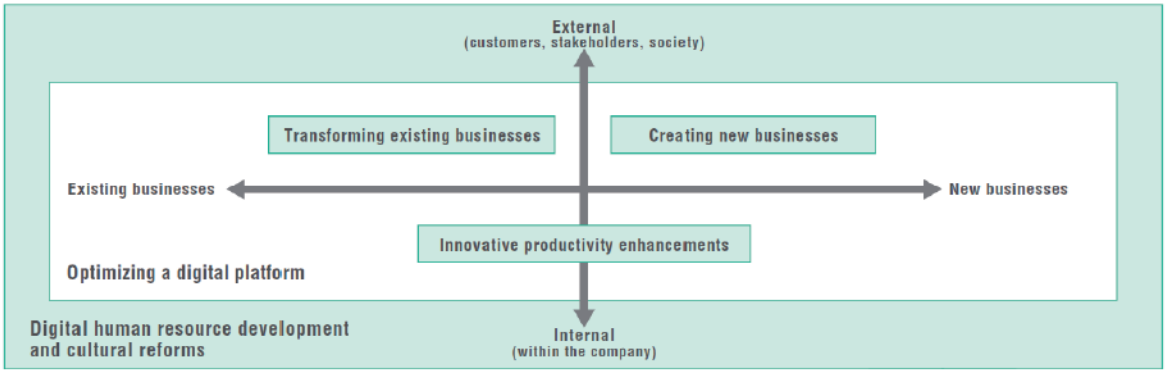
EN Create and Continue to Care for the Foundation of Life by Maximizing DX

JFE Engineering plans, designs, builds, and operates the infrastructure that supports people's lives and industry.

Digital transformation (DX) is a crucial growth engine for transforming and accelerating these businesses.

The company aims to improve overall business productivity and profitability by leveraging data accumulated over many years of infrastructure construction and operation to enhance decision-making and by automating and improving operations through DX after optimizing business processes. By digitizing a wide range of operations and creating new strengths and added value, DX will powerfully drive JFE Engineering's evolution as a company that creates and continues to care for infrastructure, contributing to global efforts to achieve carbon neutrality and promote a circular economy.

JFE Engineering's DX Strategy



For more information on our DX, please refer to:

> **DX REPORT** (https://www.jfe-holdings.co.jp/en/investor/library/dxreport/index.html)

EN Company Assessments Based on Customer Evaluations

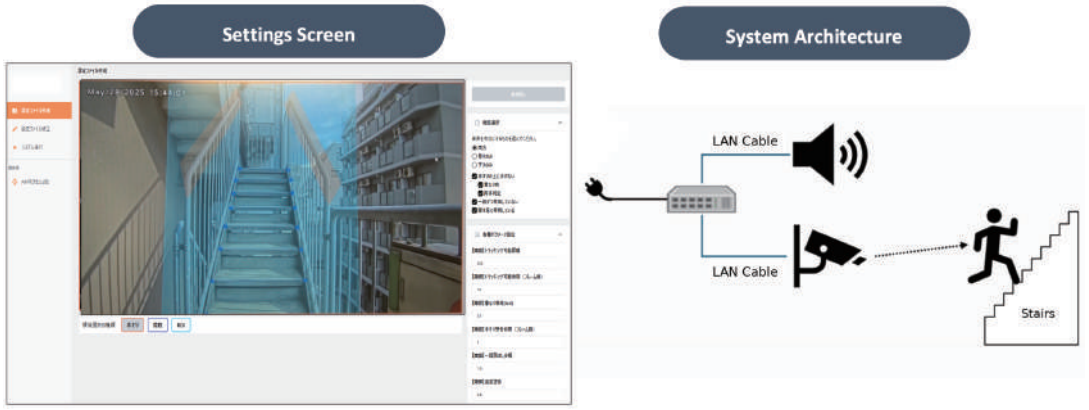
JFE Engineering uses customer surveys, interviews, and contractor performance evaluation forms to collect and assess data on the company's construction management, quality, advanced technologies, and innovation. Each division analyzes and applies the data for quality improvement, new product development, and the overall strengthening of aftersales service to ultimately enhance customer satisfaction.

SH Establishing a System to Meet Customer Needs

To respond to diversifying markets and increasingly advanced customer requirements, JFE Shoji is exploring the introduction of DX solutions that take advantage of the strengths of the JFE Shoji Group. Placing safety as a central theme, JFE Shoji Electronics Corporation, a JFE Shoji subsidiary, has begun offering a Safety AI System that detects entry into hazardous areas, detects people throughout the roll area, and monitors workers' behavior at manufacturing sites. As unsafe behavior is a major cause of workplace accidents, JFE Shoji Electronics has also begun offering an AI camera for stair safety. The system monitors whether workers hold handrails, their speed, and how they ascend and descend stairs, automatically detecting unsafe behavior in real time and issuing immediate warnings to help prevent accidents.

Stair Safety AI Camera

- After the handrails, stairs, and detection range have been configured, the camera and speaker automatically detect unsafe behavior and issue warnings. Video footage can also be reviewed later using CSV data.
- Introducing the camera is expected to reduce workplace accidents, raise safety awareness, and lower management costs.



For more information on our DX, please refer to:

> **DX REPORT** (https://www.jfe-holdings.co.jp/en/investor/library/dxreport/index.html)

Promotion of Research and Development

ST Promoting Technological Development to Meet the Needs of Customers and Society at Large

JFE Steel is advancing research and development of innovative technologies in the steelmaking process to contribute to achieving carbon neutrality by 2050. These include CO_2 reduction technology, carbon-recycling blast furnaces with CCU, and hydrogen-based ironmaking. The company is also actively applying data science and robotics to drive technological development that meets the evolving needs of customers and society at large.

In addition, JFE Steel is accelerating the introduction of new products and solutions for each field, with automobiles, including EVs, and new energy as key areas of R&D.

EN Promoting Research and Development Based on the Long-Term Vision

JFE Engineering conducts R&D to achieve its FY2035 target of contributing to a reduction of 30 million tonnes in CO_2 emissions. Key initiatives include developing manufacturing technologies for monopile foundations for offshore wind power generation, technology for detecting abnormalities in wind turbine blades, CO_2 separation and capture technology, waste-to-chemical technologies that convert waste into chemical raw materials, and a new catalyst for producing sustainable aviation fuel (SAF) from a mixture of carbon monoxide (CO) and hydrogen (H_2).

Internal Awards

The following technical and product developments were awarded in FY2025.

Internal Awards (FY2025)

	Prize/Award	Project	Recipient
JFE Steel	Award of Excellence, JFE Steel President's Awards	Establishing a scheme for the continued adoption of JGreeX™ in ocean-going bulk carriers	Logistics Planning Department
		Establishing an optimal production system for steel sheets for cans by consolidating and stabilizing manufacturing bases	Thin Plate Sector Department
		Achieving quality improvement and operational stability by developing the world's most advanced pickling line surface inspection equipment	Steel Research Institute Cyber-Physical Systems Research and Development Department
		Rebuilding the utility supply system in the Keihin area	Planning Department, East Japan Works
		Realizing stable blast furnace operation by developing highly efficient and high-production technology for granular iron	Equipment Department, East Japan Works
		Reducing the companywide hot metal charging ratio through the development of technology to lower hot metal charging ratios	Steelmaking Department, West Japan Works (Fukuyama District)
JFE Engineering	Award of Excellence, JFE Engineering President's Awards for Technology Development	Japan's first large-scale ammonia co-firing engine developed and commercialized, achieving a co-firing rate of over 50% to promote decarbonization in shipping and power generation	Industrial Machinery Division, Social Infrastructure Headquarters

For more on the external awards, please refer to:
› **External Awards** (P. 302)

Supply Chain Management

Basic Policy

Through the adoption of the Sustainable Development Goals (SDGs) and the Paris Agreement, the international community has called on companies to actively engage in actions to resolve global issues toward realizing a sustainable society. Existing harmoniously with the global environment, respecting human rights, and providing challenging work environments are some of the JFE Group's commitments in the JFE Standards of Business Conduct and the Group promotes initiatives under these standards. In order to realize a sustainable society, we believe it is important to address these challenges within the Group itself as well as across the entire supply chain. We will continue to push forward with our initiatives supported by the understanding of our suppliers and other business partners.

For risks and opportunities as well as Grievance mechanisms across the JFE Group's value chain, please refer to:
› **JFE Value Chain** (P. 28)
› **Grievance Mechanisms** (P. 215)

Promoting Green Procurement

The JFE Group's procurement policies help to conserve resources and protect the environment by ensuring adherence not only to all laws and regulations but also to procurement principles stated in the Charter of Corporate Behavior developed by the Japan Business Federation. Going forward, the JFE Group expects to accelerate such efforts in its supply chains.

Procurement Policy and Initiatives by Each Business

ST JFE Steel Procurement Guidelines and Requests to Suppliers to Promote Sustainability

In pursuit of a sustainable society, JFE Steel established the JFE Steel Procurement Guidelines in accordance with the JFE Group Standards of Conduct and the JFE Group Basic Policy on Human Rights. Under these guidelines, the company procures raw materials and equipment with due consideration for human rights, including the prohibition of child labor and forced labor, compliance with applicable laws, and environmental protection. In addition, we purchase raw materials such as tin, tantalum, tungsten, gold, and cobalt only after confirming that they have not been mined in conflict-affected or high-risk areas. We share these guidelines with our business partners and promote sustainability initiatives throughout our supply chain.

For the JFE Steel Procurement Guidelines, please refer to:
› **JFE Steel Procurement Guidelines** (https://www.jfe-steel.co.jp/en/company/pdf/procurement-guidelines.pdf)

EN Basic Procurement Policy, and Requests to Suppliers to Promote CSR

Viewing its suppliers as key partners in achieving mutual growth, JFE Engineering strives to nurture mutual trust and reinforce partnership relationships.

The company established the Basic Procurement Policy to implement fair and transparent procurement activities. Under our Procurement Guidelines, we also make specific requests to business partners and request their compliance. To ascertain the status of suppliers' efforts based on the request for compliance, we conduct a questionnaire survey. After reviewing the results, we follow up with suppliers that particularly require improvement, provide support materials to assist their improvement programs, and request corrective action.

Through these efforts, the company is developing CSR activities with its suppliers to promote sustainable procurement.

For JFE Engineering's Procurement Policy and Procurement Guidelines, please refer to:

› **Basic Procurement Policy** (https://www.jfe-eng.co.jp/en/information/procurement_policy.html)

› **Procurement Guidelines** (https://www.jfe-eng.co.jp/en/information/procurement_policy.html)

SH Ensuring a Sustainable Supply Chain

The JFE Shoji Group strives to be a prominent company that sustainably grows and develops alongside its customers, the JFE Group, and all other stakeholders. Recognizing that the key for achieving this goal is to ensure sustainability across the supply chain, JFE Shoji established the Basic Policy on Sustainability in the Supply Chain to guide its efforts on such issues as human rights, labor issues, and the global environment.

We seek the understanding and cooperation of our suppliers and other business partners in complying with the policy and will work with them to establish a more sustainable supply chain.

For JFE Shoji's Basic Policy on Sustainability in the Supply Chain, please refer to:

› **Basic Policy on Sustainability in the Supply Chain** (https://en.jfe-shoji.co.jp/corporate/principle/#section03)

Community

Basic Policy

We are engaged in corporate activities across the globe. Continuing to do business requires that we forge relationships of trust with local communities and realize sustainable growth together by contributing to the development of each region in which we operate as well as by pursuing development at manufacturing sites where our steelworks are located. To this end, the JFE Group is committed to working with communities as stated in the JFE Standards of Business Conduct and is promoting activities that contribute to local communities.

JFE Group Standards of Business Conduct and Priority Areas of Social Contribution Activities

❸ Work with communities
Actively contribute to host communities as a good corporate citizen by emphasizing harmony and cooperation.

These are the areas of social contribution on which the JFE Group is particularly focused in order to contribute to the development of local communities and society and how they relate to its businesses.

Areas of Focus	Connection to Business
Coexistence with local communities and society	We aim to deepen the understanding of our Group's business among the people in the regions where we conduct business, build trusting relationships with the local communities, and jointly promote regional development.
Environmental conservation	JFE Group's business has a significant impact on the environment, including greenhouse gas emissions. We are therefore committed to environmental conservation activities and strive to achieve sustainable growth.
Nurturing the next generation	The JFE Group contributes to the healthy upbringing of children and their growth by providing them with experiences in the regions where we operate. It also strives to nurture people who will contribute to the development of science, technology, and manufacturing.

The following are operating company policies regarding their social contribution activities.

ST Establishment of a System for Social Contribution Activities

In May 2026, JFE Steel established a new social contribution activity policy as part of its efforts to realize a sustainable society, designating three priority areas for social contribution: coexistence with local communities, environmental conservation and nature positive, and nurturing the next generation. It also established a slogan and logo for its social contribution activities.

JFE Steel's Social Contribution Activity Policy

With its corporate purpose, "Dream for your Future, Steel takes you Further" and the JFE Group Standards of Business Conduct, "3. Work with communities: Actively contribute to host communities as a good corporate citizen by emphasizing harmony and cooperation," JFE Steel will contribute to the realization of the "desired future" of stakeholders and the realization of a sustainable society by promoting social contribution activities, primarily in the regions where it conducts business, in addition to providing products, technologies, and services that meet society's needs.

Priority Fields

We have designated three areas that are highly compatible with our business strategy as priorities for social contribution activities.

1. Coexistence with Local Communities

We will build trusting relationships with the regions where we conduct business, including the areas surrounding our steelworks and manufacturing plants, and advance initiatives that meet the needs of each region, such as revitalizing local communities and supporting sports and culture, so that we can achieve sustainable growth together.

2. Environmental Conservation and Nature Positive

Through our business, we depend on and influence the blessings of nature. To pass on to future generations a natural environment that supports rich and fulfilling lives, we are committed to environmental conservation and activities that contribute to achieving nature-positive outcomes.

3. Nurturing the Next Generation

We contribute to the development of the next generation, who are essential for realizing a sustainable society. In particular, we take pride in our contribution to society through steelmaking that leverages our high level of technical expertise, and we provide support for nurturing those who will contribute to the development of science, technology, and manufacturing.

Logo and Slogan for Social Contribution Activities

未来に応(こた)えエール活動

JFE Steel's steelmaking is supported by the understanding and encouragement of local communities and society as a whole. Guided by our corporate purpose, "Dream for your Future, Steel takes you Further," we want to respond to people's wishes not just in steelmaking but in all aspects of our work. This includes coexisting with and revitalizing local communities, preserving and restoring the natural environment, and providing learning opportunities for the next generation, who will shape the future.
We also offer our support and encouragement to you.

For more information, please refer to:

› **JFE Steel's Social Contribution Activities (Japanese only)** (https://www.jfe-steel.co.jp/company/csr.html)

EN Establishment of a System for Promoting Social Coexistence Activities

In FY2022, JFE Engineering established the Social Co-existence Committee, chaired by the president, to strengthen its social initiatives and increase its contribution to realizing a sustainable society in accordance with the JFE Group Standards of Business Conduct. Under the policies set by JFE Engineering, the committee's activities encompass initiatives implemented through its businesses as well as efforts to address social issues that cannot be resolved through business operations alone. It identifies four priority themes: the environment, disaster prevention, local communities, and nurturing the next generation.

Four Priority Areas of Social Coexistence Activities



The environment and disaster prevention are closely related to the company's business domains.
Collaboration with local communities is essential for JFE Engineering, which does business in various locations.
Nurturing the next generation is in line with JFE Engineering's stated purpose of strongly supporting daily life and passing community strengths on to future generations.

In FY2025, the organizational structure was reorganized, and activities have continued under the Corporate Culture Enhancement Committee. Under the system, leaders have been assigned in each organization to promote activities across the company. Also, the company laid out guidelines for its system in order to create an environment conducive to its activities. In addition, it designed an original logo and selected a catchphrase from entries submitted by employees to spread awareness and promote employee participation.

みんなと創る
みんなで生きる

For more information, please refer to:
› **JFE Engineering's Social Contribution Activities** (https://www.jfe-eng.co.jp/information/en/social_coexistence/)

SH Establishment of a System for Social Contribution Activities

JFE Shoji has formalized its long-standing approach to engaging with society and its way of thinking about social contribution activities, and in March 2026, it established the Basic Policy on Social Contribution Activities.

JFE Shoji's Basic Policy for Social Contribution Activities

As a good corporate citizen, the JFE Shoji Group will work to address social issues, focusing on priority areas, in order to enrich the lives of people around the world, thereby contributing to building and developing a sustainable society.

Priority Areas

Environmental Conservation: We will work to improve environmental sustainability, including through action on climate change and biodiversity conservation.
Symbiotic Society: We will contribute to creating a society where everyone can live and thrive in their own way.
Next Generation Education: We will support the healthy development of children who will shape the future.

Initiatives

Our Group engages in social contribution activities, primarily in areas on which the JFE Group is particularly focused, in order to contribute to the development of society and local communities.

Furthermore, we provide paid leave programs to support employees' participation in volunteer activities.

> **Stakeholder Engagement** (P. 37)

ST EN Opening Manufacturing Sites to the Public

Coexistence with Local Communities and Society

Every year, the JFE Group opens its manufacturing facilities, inviting residents in local host communities to participate in demonstrations, tours, and other events.

On-Site Events in FY2025

	Location	Event	Date	Attendance
JFE Steel	East Japan Works, Keihin	Keihin Community Festival	May 25	21,000
	East Japan Works, Chiba	JFE Cherry Blossom Festival	April 5	6,000
		JFE Chiba Festival	October 26	10,000
	West Japan Works, Fukuyama	JFE West Japan Festival in Fukuyama	May 11	70,000
	West Japan Works, Kurashiki	JFE West Japan Festival in Kurashiki	November 3	20,000
	Chita Works	Handa Community Industrial Festival	November 8	11,000
	Sendai Works	JFE Steel Sendai Festival	October 4	3,000
JFE Engineering	Tsu Works	Autumn Festival	October 18	4,000



JFE West Japan Festival in Fukuyama

In addition, JFE Steel's recreational facilities are made available for community sports such as soccer, baseball, volleyball, and basketball, as well as other events. In FY2025, 22 tournaments were held with approximately 9,100 participants. Also, coaching sessions are offered by company baseball and track teams, which compete in Japan's top-level corporate leagues. In FY2025, 18 sessions were held with 1,100 participants, contributing to the promotion and development of sports in each region.

EN Contribution to Local Communities through the Engineering Business

Coexistence with Local Communities and Society

We contribute to realizing a circular economy in local communities by providing utility services, such as electricity, gas, and water, as well as combining our businesses in plastics and food recycling, renewable energy power generation, and waste-to-energy power generation.

- Establishment of a recycling value chain including collaboration with related companies and local governments
- Initiatives to promote plastic recycling (Sendai City, Kawasaki City)
- Horizontal recycling of PET bottles
- Food recycling (Sapporo City)
- Development of chemical recycling technology for waste materials, funded by the GI Fund
- Local power generation and supply (Iwata City, Tokorozawa City, etc.)
- Operation of waste-to-energy plants overseas

› **Initiatives for Transitioning to a Circular Economy** (P. 126)

EN Cleaning Activities at the Yokohama Head Office

Coexistence with Local Communities and Society

JFE Engineering emphasizes employee participation in its activities. In FY2025, it hosted a SpoGOMI event under the slogan "Picking up litter is a sport!" at its Yokohama Head Office as an activity that turns a community cleanup into a fun competition. About 60 employees took part, collecting roughly 100 kilograms of litter and contributing to the beautification of the surrounding area.

ST Tour of Steelworks

Coexistence with Local Communities and Society | Nurturing the Next Generation

Every year, JFE Steel invites approximately 90,000 guests, mostly elementary and junior high school students, from host communities to tour steel production sites at each steelworks, in conjunction with festivals and other events.

ST Education at Elementary Schools

Coexistence with Local Communities and Society | Nurturing the Next Generation

JFE Steel conducts plant tours for students at nearby elementary and junior high schools. In addition, company employees visit schools to give lectures on iron and steelmaking processes, the features of steelworks, environmental initiatives, and other topics to deepen understanding of the steel industry and career opportunities. In FY2025, these lectures were given to 1,010 students in 34 classes, bringing the total to about 369 classes since these began in FY2012.

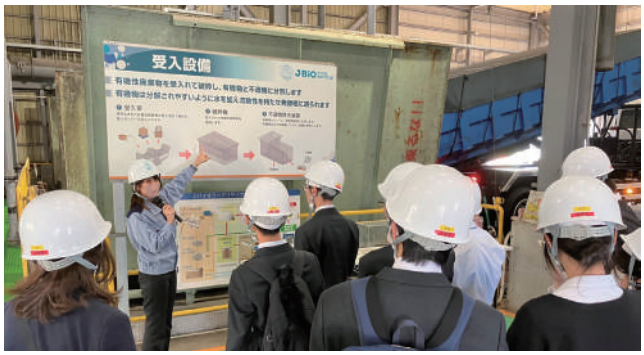


Kawasaki Middle School in Kawasaki City, Kanagawa Prefecture

EN Facility Tours and School Lectures

Coexistence with Local Communities and Society | Nurturing the Next Generation

JFE Engineering accepts visitors, mainly children from neighboring communities, and gives them tours of the works, construction sites, and incineration plants it manages under contract. The company also dispatches its employees to schools to provide lectures on the environment and other topics. For example, a lecture on the environment and recycling was given to around 80 second-year students at the Junior High School Attached to Yokohama Science Frontier High School near JFE Engineering's Yokohama Head Office, followed by a visit to the head office. Students learn through both classroom lectures and on-site experience by touring a food recycling plant operated by a Group company and the Global Remote Center, which remotely monitors over 80 incineration plants and other facilities in Japan and overseas. This initiative has been implemented for eight consecutive years since its launch in 2018.



Food recycling plant tour

EN Exhibiting at YOXO FESTIVAL 2026

Coexistence with Local Communities and Society | Nurturing the Next Generation

At the YOXO FESTIVAL 2026, organized by the Yokohama Future Organization (YOXO), volunteer employees collaborated to design and present "Experience the Job of Building Bridges," with the aim of making JFE Engineering's business more accessible.

EN Environmental Protection Activities in the Kumozu River Basin in Mie Prefecture

Coexistence with Local Communities and Society | Environmental Conservation

JFE Engineering is the founding member of a committee set up in 2008 for protecting the environment in the Kumozu River basin in Mie Prefecture, including Tsu City, where the company's Tsu Works is located. Together with the local forestry and fisheries cooperatives, which are also members, and with support from Tsu City, the committee conducts river cleanups and tree planting activities in the river basin, as well as beach cleanups at the mouth of the river and public environmental education, in which employees and their families participate.

EN Forest Management in the JFE Forest

Coexistence with Local Communities and Society | Environmental Conservation

JFE Engineering has concluded a forest maintenance agreement with the town of Yuni in Hokkaido, under the Hokkaido Government's Corporate Forest Development in Hokkaido program, and has been managing approximately 7 hectares of town-owned forest there. The purpose of this initiative is to conserve forests and revitalize the community through the proper maintenance and management of local forests. We named the forest where we carry out this initiative the JFE Forest, and in FY2025, we cut down 50-year-old trees that no longer effectively absorbed CO_2 and also planted clean larch seedlings, a tree species with high CO_2 absorption efficiency. In addition, an expert gave a lecture and a hands-on session to employees who participated in the tree-planting activities, providing them with an opportunity to deepen their understanding of forests. We will continue to carry out proper maintenance and management of forests.

ST EN SH Career Education for Students

Nurturing the Next Generation

JFE Steel and JFE Engineering provide plant tours for female junior high school, high school, and university students to encourage them to pursue careers in science and technology.

Since 2006, JFE Steel has participated in the Keizai Koho Center's Business Training for Japanese School Teachers. Teachers from primary, junior high, and high schools learn about business operations, human resource development, safety, and environment-protection-related initiatives, among other topics, with the intention of sharing that knowledge with their students and leveraging it for better school management. In addition, some facilities invite local junior high students and host work-experience sessions.

Kawasho Foods Corporation, a member of the JFE Shoji Group, collaborated with the NPO "Lion Heart" in October 2025 to hold a children's cafeteria event as a social contribution activity. Through this initiative, the company was able to convey to children the joy of food and working. The NPO works to eliminate disparities in opportunity for children through experiential activities such as company tours. In August 2026, with the cooperation of a partner warehouse company, the company conducted a warehouse and yard tour for children. We will continue to collaborate with the NPO to undertake initiatives in the future.



Business training for schoolteachers



Interaction activities at the Nukunuku children's cafeteria

ST EN SH FY2025 Internships

Nurturing the Next Generation

The JFE Group annually hosts many students, including trainees from overseas, to help them gain practical experience at plants as well as design and construction sites. They also participate in group work.

Number of Interns Accepted by Each Operating Company (FY2025)

JFE Steel	JFE Engineering	JFE Shoji
770 (administrative: 396, technical: 374)	754 (administrative: 165, technical: 589)	379

ST High School Science and Engineering Contest

Nurturing the Next Generation

The Japan Science & Engineering Challenge is a national science-paper contest for high school and technical college students. Under the sponsorship of the Asahi Shimbun Company and TV Asahi Corporation, the contest has been supported by JFE Steel since 2006 to nurture future scientists and engineers.



JFE Steel Award presented to students from Oita Uenogaoka High School in Oita Prefecture

SH Support for Elementary Schools in Ghana and Nigeria

Nurturing the Next Generation

The JFE Shoji Group has been conducting annual donation campaigns in Ghana and Nigeria since 2011. The donations take into account requests from the local ministries of education and schools, and the donated items are mainly selected to contribute to the economic activities of the two countries. In this 15th donation campaign, the JFE Shoji Group donated 12,500 cans of GEISHA brand canned mackerel with tomato sauce, 320 sets of desks and chairs, and 17,000 notebooks to a total of 15 schools in the two countries. School officials and local government agencies expressed many words of gratitude for the donations.

The JFE Shoji Group will continue to provide support for food and education into the future as a project that symbolizes the Group's commitment based on the JFE Shoji Group's basic policy for social contribution activities.



Presentation ceremony in Ghana



Presentation ceremony in Nigeria

SH Providing Workplace Training Opportunities for Students from Special-Needs Schools

Nurturing the Next Generation

The JFE Shoji Group has been hosting students from special-needs schools for off-campus training since FY2017. Training mainly consists of accepting interns to experience working in such jobs as cleaning, maintaining the tea dispenser, and sorting forms. In addition, bread sales training sessions led by students have been held 23 times since FY2021.

As a company that values open relationships with society, the JFE Shoji Group will continue to work with special-needs schools to help create a society where diverse people can thrive.

Support for External Organizations

Contributing to the realization of a sustainable society is a key management concern for the JFE Group, which actively seeks to address issues in collaboration with external groups and NGOs in pursuing solutions for the 17 SDGs.

Fund to Support Children's Future

Nurturing the Next Generation

The JFE Group endorses the Japanese government's national campaign for creating a society in which every child can grow with dreams and hopes. The Group supports the Fund to Support Children's Future, which provides assistance to NPOs and other groups engaged in activities to eliminate poverty throughout Japan.

For more information, please refer to:

> **National Movement to Support Children's Future (Japanese only)** (https://kodomonomiraiouen.cfa.go.jp/support/network)

UN World Food Programme

The JFE Group seeks to resolve the global hunger issue by supporting the cause and activities of the Japan Association for the World Food Programme*.

*An NPO-accredited supporter of the UN World Food Programme (WFP), which works to eliminate hunger and poverty

Japanese Foundation for Cancer Research

Since its establishment in 1908, the Japanese Foundation for Cancer Research has upheld its basic philosophy of aiming to improve the well-being of people everywhere by achieving better cancer control. The JFE Group supports this foundation, which has played a leading role in research and treatment as well as human resource development in Japan.

Supporting Training for Foreign Medical Professionals

The JFE Group supports the Japanese Council for Medical Training, spearheaded by the Toranomon Hospital in Tokyo. The council offers a training program in which doctors from developing countries, primarily in Southeast Asia, are invited to study in Japan. The program aims to make an international contribution by training participants in Japan's advanced medical practices so trainees can apply their results to raise the medical standards of their home countries and to foster stronger relationships between those nations and Japan. The program also contributes to resolving health issues in local communities by enhancing the medical standards of those countries.

For more information, please refer to:

> **JCMT** (https://www.jcmt.jp/english/)

JFE 21st Century Foundation

The JFE 21st Century Foundation was founded in 1990 through a donation from the JFE Group (the former Kawasaki Steel) to operate as a public-service corporation that contributes to society. It engages in various public services, such as supporting research at universities and cultural development.

- Issued technical research grants (steel-related technology, global environment, global warming mitigation technology)
- Issued grants for Asian historical research

- Published and donated textbooks for universities and publications related to steel
- Sponsored cultural activities in communities hosting steel facilities
- Sponsored a writing contest for overseas students and donated anthologies

For more on the JFE 21st Century Foundation, please refer to:

› **JFE 21st Century Foundation** (http://www.jfe-21st-cf.or.jp/eng/)

› **Social Data: JFE 21st Century Foundation** (P. 291)

Support for Technology Research

The foundation has been highly acclaimed by many universities for its support of technology research since FY1991.

In FY2025, it fielded 144 grant requests and provided a total of 56 million yen in the form of grants valued at 2 million yen each for 8 projects involving iron and steel technologies and 20 projects related to environmental technologies, including global warming mitigation technologies.

Support for Asian History Studies

The foundation began awarding grants in support of Asian history studies at Japanese universities in FY2005. In FY2025, 96 applications were received and 12 grants worth 1.5 million yen each were awarded, bringing the total to 18 million yen.

Support Activities in Communities Hosting Steel Facilities

The foundation financially sponsors community cultural activities including music, art, traditional events, community revitalization, community activities, and the conservation of cultural property.

In FY2025, it sponsored 16 events in regions across Japan where the Group operates its steel business, including Chiba, Kawasaki, Kurashiki, Fukuyama, Handa, and Sendai cities.

Supporting the Japan Overseas Educational Services Writing Contest and Anthology Donation

The Japan Overseas Educational Services organizes contests in the areas of essays, poems, tanka and haiku for Japanese students attending elementary and middle schools overseas. The JFE Group has been cosponsoring the contest by offering JFE 21st Century Foundation prizes since FY1991. The foundation also donated 2,000 copies of Chikyu ni Manabu (Learn from the Earth), a collection of the winning entries, again in FY2025, to approximately 700 organizations, including elementary and middle schools and public libraries located in the regions where the Group operates its steel business.

List of Social-Contribution Activities

Coexistence with Local Communities and Society

› **Kurashiki—Plant tours**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc01-01)

› **Keihin and Kurashiki—Donated disaster relief supplies to food banks and social welfare councils**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc01-03)

› **Sendai, Kurashiki, and Fukuyama—Joined local cleanup activities**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc01-05)

› **Safety and Health Department—Implemented and promoted Active Exercise™ and Safe Physical Fitness™ Functional Test (Japanese only)**
(https://www.jfe-steel.co.jp/company/csr.html#anc01-07)

› **Held festivals and events**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc01-02)

› **Lectured at elementary and junior high schools**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc01-04)

› **Chiba, Nishinomiya, Keihin, Kurashiki, Fukuyama, and Chita—Collaboration with local governments (Japanese only)**
(https://www.jfe-steel.co.jp/company/csr.html#anc01-06)

› **Launched on-site daycare centers for local residents (Japanese only)**
(https://www.jfe-steel.co.jp/company/csr.html#anc01-08)

> **Held local sporting events**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc02-01)

> **Chita—Held a manufacturing class for children**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc01-11)

> **Sponsored the Cho Chikun Go Cup**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc02-03)

> **Kurashiki—Organized on-premises blood donation campaigns (Japanese only)**
(https://www.jfe-steel.co.jp/company/csr.html#anc01-10)

> **Fukuyama—Donation for Fukuyama Castle 400th Anniversary Project**
(https://www.jfe-steel.co.jp/en/company/csr.html)

> **Keihin Symphonic Band gave performances**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc02-05)

- Supported local festivals
- Opened "Dragonfly Street" and Station Square to the public
- Joined the Where Do Dragonflies Fly Forum
- Supported the Tsurumi Line stamp rally
- Volunteered for the Kasumigaura Marathon
- Volunteered for disaster reconstruction
- Organized in-house fairs for supporting post-disaster reconstruction in Fukushima (providing meals at a cafeteria using local ingredients)
- Participated in tree-planting to invigorate a rainforest in the Philippines
- Organized environmental events at a contracted incineration plant
- Keihin—Hosted plant tours, the Fureai Festival, and the Rikochallenge Summer of 2025 (in collaboration with JFE Engineering)
- Comprehensive collaboration agreement between Chiba City and East Japan Works (Chiba District)

> **Initiatives for Transitioning to a Circular Economy** (P. 126)

Nurturing the Next Generation

> **Supporting technician education at universities in Vietnam**
(https://www.jfe-steel.co.jp/en/company/csr.html)

> **Supported the Japan Science & Engineering Challenge for high school and technical college students**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc03-03)

> **Accepted teachers for private-sector training**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc03-06)

> **Baseball and track clubs held instructional classes**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc02-02)

> **Organized internships**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc03-02)

> **Supported career education**
(https://www.jfe-steel.co.jp/en/company/csr.html#anc03-05)

> **Held Rikochallenge workplace tours (Japanese only)**
(https://www.jfe-steel.co.jp/company/csr.html#anc03-06)

- Supported the Welfare and Medical Service Agency's Children's Future Support Fund
- Certified as a company supporting child rearing (Kanagawa Prefecture and Nagoya City)
- Accepted foreign technical interns (welding training)
- Support for elementary schools in Ghana and Nigeria
- Supported off-campus training by a special-needs school
- Supported a robotics competition for high schools in Mie Prefecture
- Provided welding training for technical high school teachers
- Support for the Hilltop Children's Cafeteria in Komaoka

Environmental Protection

- **Constructed a biotope at the Chita Works site (Japanese only)**
  (https://www.jfe-steel.co.jp/company/csr.html#anc04-01)
- **Biotope Chita certified as a Nature Coexistence Site**
  (https://www.jfe-steel.co.jp/company/csr.html#anc02-03)
- **Keihin—Exhibited at the Kawasaki International Eco-Tech Fair**
  (https://www.kawasaki-eco-tech.jp/en/)
- **Forest maintenance in the JFE Forest (Japanese only)**
  (https://www.jfe-eng.co.jp/information/social_coexistence/topics_forest/)
- **Chita Works certified as an Aichi Biodiversity Certified Company (Japanese only)**
  (https://www.jfe-steel.co.jp/company/csr.html#anc02-02)
- **Exhibited at environmental exhibitions and events (Japanese only)**
  (https://www.jfe-steel.co.jp/company/csr.html#anc02-04)
- **Use of steel slag (Japanese only)**
  (https://www.jfe-steel.co.jp/company/csr.html#anc02-05)

- Donated PET bottle caps
- Cooperated with nonprofit Green Bird in volunteer garbage collection

Others

- Supported the Japan Association for the World Food Programme
- Supported Japanese Foundation for Cancer Research
- Supported the Japanese Council for Medical Training