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.