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

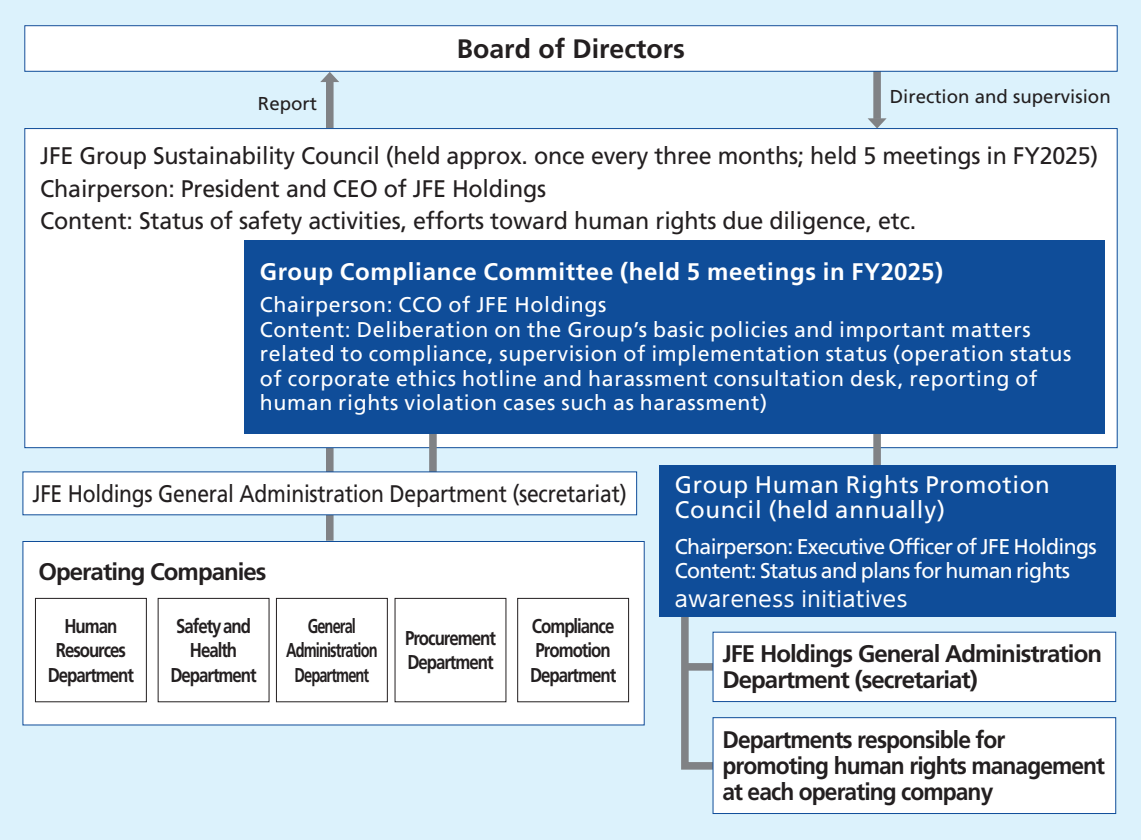
In order to steadfastly focus on human rights initiatives, we formulate Groupwide policies at the JFE Group Sustainability Council, chaired by the President and CEO of JFE Holdings, and report periodically to the Board of Directors for guidance and supervision.

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.

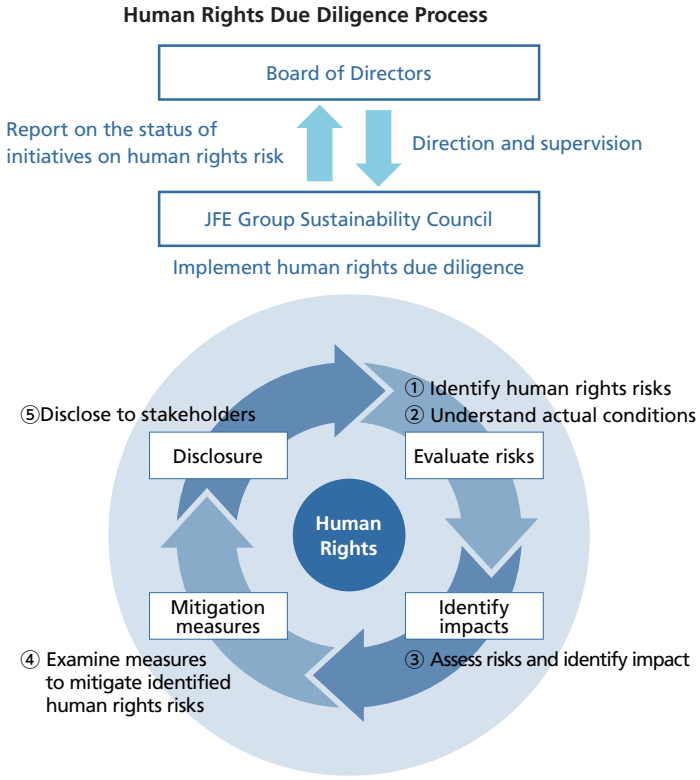
Group's Past Initiatives and Future Plans

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

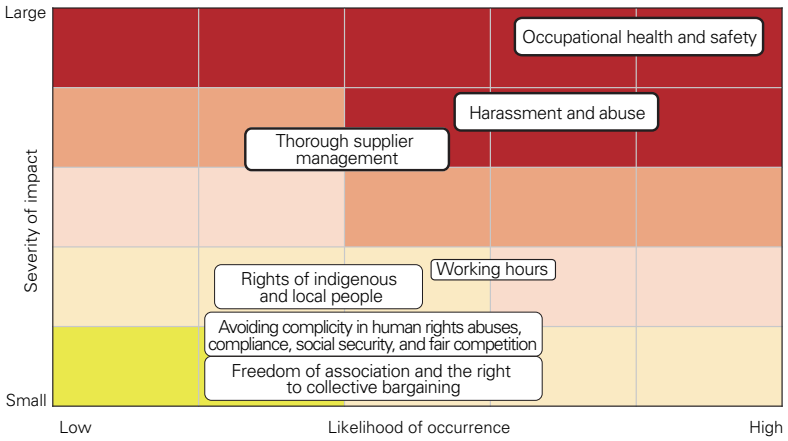
We assessed the risks of the identified human rights issues to be considered, based on the severity of impact and likelihood of occurrence, and determined the status of our initiatives on respecting human rights through written surveys and interviews in order to better identify that status in our future 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)