

External ESG Evaluations

Constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index

In July 2020, JFE Holdings was chosen as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, investment indexes developed by FTSE Russell, a subsidiary of the London Stock Exchange Group. The FTSE4Good Index Series selects companies that demonstrate strong environmental, social, and governance (ESG) practices. It is widely used in the creation or assessment of sustainable investment funds or other financial products. The FTSE Blossom Japan Index is an index designed to reflect the performance of Japanese companies that demonstrate strong ESG practices. It is an ESG investment index adopted by the GPIF.



Evaluation by CDP 2019

Established in Britain in 2000, the Carbon Disclosure Project (CDP) is a nongovernmental organization that conducts ESG evaluations. It calls on companies to disclose ESG-related information by responding to CDP questionnaires to facilitate the ESG investment decisions of institutional investors. Currently, the CDP covers three environmental areas: climate change, water security, and forests, and companies are rated on an eight-point scale for each area. The volume of information collected by the CDP has become one of the largest in the world, with currently over 300 companies responding to the questionnaires, which are widely used in various indexes by institutional investors and for socially responsible investment.

The JFE Group responds to climate change and water security questionnaires every year. We made sure to disclose appropriate information for the CDP 2019 questionnaire, and as a result we received a high rating.

CDP 2019 score: climate change: B, water security: A-, supplier engagement: A-

DBJ Environmentally Rated Loan Program

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



JFE was rated by DBJ as a company pursuing excellent and advanced environmental initiatives in March 2016

SOMPO Sustainability Index

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



DBJ Employees' Health Management Rated Loan Program

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

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



Caterpillar Quality Assurance Certification

In 2020, JFE Steel West Japan Work (Kurashiki District) and JFE Shoji were named for four consecutive years as Gold Level SQEP suppliers for the Supplier Quality Excellence Process, a quality certification of the U.S.-based construction equipment manufacturer Caterpillar Inc. The program ranks suppliers for compliance with ISO 9001 standards and Caterpillar's own specifications and certifies the top firms as Platinum, Gold, Silver, or Bronze. Only a few companies in Japan have received Gold Level certification, and JFE Steel is the world's first blast furnace company to be certified.



Receiving the Gold certification plaque

Non-ESG External Evaluation

Digital Transformation Stocks 2020

JFE Holdings was selected as one of the Digital Transformation Stocks (DX Stocks) 2020 by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) in recognition of its active promotion of digital transformation. For each of the previous five years, METI and TSE had selected the company as a Competitive IT Strategy Company Stock because of its strategic IT investments to increase medium- to long-term corporate value and bolster competitiveness. With this stock selection renamed to DX Stocks to reflect its current focus on digital transformation for new corporate growth, the company has essentially been recognized for its efforts in this area for six consecutive years.



DX銘柄2020
Digital Transformation