

Governance Data

Corporate Governance

■ Corporate Governance System

As of July 1, 2021

| Items | Overview of the system |
|---|---|
| Organizational design type | Company with an Audit & Supervisory Board |
| Number of Directors (members) | 8 |
| The number of Independent Outside Directors (members) | 3 |
| The number of female Directors (member) | 1 |
| Number of Audit & Supervisory Board Members (members) | 5 |
| The number of Independent Outside Audit & Supervisory Board Members (members) | 3 |
| The number of femal Audit & Supervisory Board Members (members) | 1 |
| Term for Directors (years) | 1 |
| Term for Outside Directors (years) | 1 |
| Corporate Officer System | Adopted |
| Voluntary advisory committees of the Board of Directors | Nomination Committee and Remuneration Committee |

■ Directors and Audit & Supervisory Board members

As of July 1, 2021

| Position | | Name | Significant concurrent post | Independent executive | Number of meetings of the Board of Directors attended in FY2020 | Number of meetings of the Audit & Supervisory Board attended in FY2020 |
|----------|--------|------------------|---|-----------------------|---|--|
| Director | Inside | Koji Kakigi | Chairman of the Board of Directors of JFE 21st Century Foundation (Public Interest Incorporated Foundation) | — | 15/15 (100%) | — |
| | | Yoshihisa Kitano | Representative Director, President and CEO of JFE Steel Corporation | — | 15/15 (100%) | — |
| | | Masashi Terahata | Director of JFE Steel Corporation, Representative Director of JFE 21st Century Foundation (Public Interest Incorporated Foundation) | — | 15/15 (100%) | — |

| Position | | Name | Significant concurrent post | Independent executive | Number of meetings of the Board of Directors attended in FY2020 | Number of meetings of the Audit & Supervisory Board attended in FY2020 |
|----------------------------------|---------|---------------------|--|-----------------------|---|--|
| Director | Inside | Hajime Oshita | Representative Director, President and CEO of JFE Engineering Corporation | — | 15/15 (100%) | — |
| | | Toshinori Kobayashi | Representative Director, President and CEO of JFE Shoji Corporation | — | — | — |
| | Outside | Masami Yamamoto | Director and Senior Advisor of Fujitsu Limited, Outside Director of Mizuho Financial Group, Inc. | ○ | 15/15 (100%) | — |
| | | Nobumasa Kemori | Honorary Advisor of umitomo Metal Mining Co., Ltd., Outside Director of NAGASE & CO., LTD., Outside Director of Sumitomo Realty & Development Co., Ltd. | ○ | 15/15 (100%) | — |
| | | Yoshiko Ando | Audit & Supervisory Board Member of Kirin Holding Company, Limited, Outside Director of Sansei Technologies, Inc. | ○ | 12/12 (100%) | — |
| Audit & Supervisory Board Member | Inside | Nobuya Hara | Audit & Supervisory Board Member of JFE Steel Corporation | — | 15/15 (100%) | 18/18 (100%) |
| | | Kumiko Baba | Audit & Supervisory Board Member of JFE Engineering Corporation, Audit & Supervisory Board Member of JFE Shoji Corporation | — | 15/15 (100%) | 18/18 (100%) |
| | Outside | Shigeo Oyhagi | Advisor of Teijin Limited, Outside Director of KDDI CORPORATION, Outside Director of MUFG Bank, Ltd, Outside Director of Tokyo Electric Power Company Holdings, Inc. | ○ | 15/15 (100%) | 18/18 (100%) |
| | | Isao Saiki | Partner Lawyer of Abe, Ikubo & Katayama Law Firm | ○ | 15/15 (100%) | 18/18 (100%) |
| | | Tsuyoshi Numagami | Professor, Graduate school of Business Administration, Department of Business Administration of HITOTSUBASHI UNIVERSITY | ○ | 15/15 (100%) | 18/18 (100%) |

Note: The number of meetings of the Board of Directors held during FY2020 differs for Ms. Yoshiko Ando, as she was newly elected as a director at the previous year's Ordinary General Meeting of Shareholders (held on June 19, 2020).

■ Nomination Committee and Remuneration Committee

As of July 1, 2021

| Items | Members | Chairperson | Number of meetings held during FY2020 |
|--|---------|---------------------------------------|---------------------------------------|
| Nomination Committee | 6 | Masami Yamamoto (Outside Director) | 4 |
| Inside Director | 2 | | |
| Outside Director | 2 | | |
| Outside Audit & Supervisory Board Member | 2 | | |
| Remuneration Committee | 6 | Nobumasa Kemori (Outside Director) | 5 |
| Inside Director | 2 | | |
| Outside Director | 2 | | |
| Outside Audit & Supervisory Board Member | 2 | | |

■ Operating System

| Committee | Company | Chairperson | Attendees |
|-------------------------------------|------------------------|-------------|---|
| Group Management Strategy Committee | JFE Holdings | President | Inside Directors (including 3 operating company Presidents), Corporate Officers and full-time Audit & Supervisory Board Members |
| Management Committee | JFE Holdings | President | Inside Directors (excluding 3 operating company Presidents), Corporate Officers and full-time Audit & Supervisory Board Members |
| | Each operating company | President | Directors, major Corporate Officers and Audit & Supervisory Board Members |

Executive Remuneration

FY2020

| Executive remuneration | | | | | | |
|---|---|--|-------|-----------------------|--------------------------|--------------------------------|
| Position Type | Total remuneration, etc. (thousand yen) | Total amount by remuneration type (thousand yen) | | | | Number of Executives (members) |
| | | Basic remuneration | Bonus | Stock remuneration | | |
| | | | | Linked to performance | Linked to service length | |
| Directors (excluding Outside Directors) | 199,166 | 185,502 | 0 | 0 | 13,664 | 5 |
| Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members) | 78,335 | 78,335 | — | — | — | 2 |
| Outside Directors/ Audit & Supervisory Board Members | 91,847 | 91,847 | — | — | — | 7 |

| Officers whose consolidated remuneration exceeded 100 million yen | | | | |
|---|----------|--------------|----------------------------|----------------------|
| Name | Position | Company | Per company (thousand yen) | Total (thousand yen) |
| Koji Kakigi | Director | JFE Holdings | 106,847 | 106,847 |
| Yoshihisa Kitano | Director | JFE Holdings | 12,000 | 106,847 |
| | Director | JFE Steel | 94,847 | |

| Ratio of remuneration for each | | |
|--------------------------------|--|--|
| Basic remuneration: fixed (%) | Annual bonus: linked to short-term performance (%) | Stock remuneration: linked to medium- to long-term performance (%) |
| 60 | 20 | 20 |

Note: The ratios above are applicable only when the company's president has attained the performance target goals.

■ Internal Control System

As of April 1, 2021

| Internal control system | | | |
|--|---|--------------------------------------|-------------------------------------|
| Items | | Number of companies (companies) | Number of people assigned (members) |
| Internal audit | Internal audit organization | — | 174 |
| Audit & Supervisory Board | Full-time Audit & Supervisory Board Members | 29 | 34 |
| | Dispatched Audit & Supervisory Board Members (part-time Audit & Supervisory Board member) | 29 | 11 |
| Cooperation of Audit & Supervisory Board members | | | |
| Items | | Number of meeting held during FY2020 | |
| Accounting auditor | | 7 | |
| Internal Audit Department | | 6 | |

Compliance (including Anti-corruption)

■ Whistleblowing

| Items | Scope | Unit | FY2018 | FY2019 | FY2020 |
|---|--------------------------------------|-------|--------|--------|--------|
| Cases handled by the Corporate Ethics Hotline | JFE Holdings and operating companies | Cases | 80 | 101 | 87 |