

Company name	JFE Holdings, Inc.
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**Notice Regarding the Disposition of Treasury Shares by Third-party Allotment in Conjunction with  
Additional Contribution to Medium- to Long-term Performance-linked Remuneration Plan**

JFE Holdings, Inc. (“JFE Holdings” or the “Company”) announced today that it has formally decided to dispose of treasury shares (the “Disposition of Treasury Shares”) through a third-party allotment.

1. Outline of disposition

(1)	Disposal date	Wednesday, June 6, 2024
(2)	No. of shares to be disposed	390,000 shares of common stock
(3)	Disposal price	2,328 yen per share
(4)	Total value of disposal	907,920,000 yen
(5)	Recipient of the shares	Custody Bank of Japan, Ltd. (trust account E)
(6)	Other	The Disposition of Treasury Shares is subject to the securities registration statement coming into effect pursuant to the Financial Instruments and Exchange Act.

2. Purpose of and reason for disposal

Based on a resolution passed at the 16<sup>th</sup> Ordinary General Meeting of Shareholders on June 21, 2018, JFE Holdings introduced a medium- to long-term performance-linked remuneration plan (the “Plan”), called the Board Benefit Trust (BBT) (the “Trust;” established in relation to the Scheme based on a trust agreement entered into with Mizuho Trust & Banking Co., Ltd.), and received approval for a partial revision of the Plan passed at the 19<sup>th</sup> Ordinary General Meeting of Shareholders on June 25, 2021 (see the Notice of Introduction of Medium- to Long-term Performance-linked Remuneration for Directors, etc. published on April 26, 2018, and the Notice of Partial Revision of Medium-/Long-term Performance-linked Remuneration for Directors, etc., published on May 7, 2021).

To facilitate the continuity of the Plan, JFE Holdings has decided to make an additional monetary contribution to the Trust (the “Additional Trust Contribution”) in order for the Trust to acquire the shareholdings expected to be necessary to meet future benefits, and to dispose of treasury shares through a third-party allotment (the “Disposition of Treasury Shares”) to trust account E, established at Custody Bank of Japan, Ltd. (sub-trustee entrusted by Mizuho Trust & Banking Co., Ltd., the trustee) to hold and dispose of the Company’s shares in relation to the operation of the Plan.

The amount of shares to be dispose” shall be equivalent to the number of shares expected to be paid during the trust’s duration in accordance with the Stock Grant Regulations for Officers to Directors (excluding Outside Directors) and Corporate Officers not concurrently serving as Directors (excluding non-residents of Japan) of the Company and of its operating companies JFE Steel Corporation, JFE Engineering Corporation, and JFE Shoji Corporation (for the two-year period from the fiscal year ended March 31, 2024 to the fiscal year ending March 31, 2025), which is equivalent to 0.06% of the 639,438,399 shares on issue as of March 31, 2024 (0.06% of the 6,328,149 voting rights as of March 31, 2024 [rounded to the second decimal place in both cases]).

Overview of the Additional Trust Contribution

Date of Additional Trust Contribution: June 6, 2024

Amount of Additional Trust Contribution: 907,920,000 yen

Class of shares to be acquired: Shares of the Company’s common stock

Number of shares to be acquired: 390,000

Date of share acquisition: June 6, 2024

Share acquisition method: Acquired through receipt of treasury shares disposed of by the Company (the Disposition of Treasury Shares)

### 3. Basis for calculating the disposal price and details of calculation

The disposal price is 2,328 yen (rounded down to the nearest full yen), being the simple average of the closing price of JFE Holdings' common stock on the Tokyo Stock Exchange over the one-month period (April 22 to May 20, 2024) leading up to the trading day immediately before the date of the board of directors' resolution on the Disposition of Treasury Shares.

JFE Holdings chose to use the simple average of prices over the month leading up to the trading day immediately before the date of the board of directors' resolution, rather than the price at a specific point in time, because averaging over a period of time smooths out extraordinary factors such as the impact of temporary fluctuations in share price. The Company believes this provides a reasonable and highly objective basis for calculating the price. The Company chose to use the average for the most recent month, as opposed to the most recent three months or six months, because it believes it is rational to use the period that is closest to the most recent market price of the stock.

The disposal price of 2,328 yen is equivalent to the closing price of 2,334 yen for JFE Holdings' common stock on the Tokyo Stock Exchange on May 20, 2024, the trading day immediately before the date of the board of directors' resolution multiplied by 99.74%; the simple average of the closing price over the most recent three months before the date of the board of directors' resolution of 2,435 yen (rounded down to the nearest full yen) multiplied by 95.61%; and the simple average of the closing price over the most recent six months of 2,333 yen (rounded down to the nearest full yen) multiplied by 99.79%. Considering the above, JFE Holdings believes that the disposal price for the Disposition of Treasury Shares is reasonable and does not represent a particularly advantageous level.

### 4. Matters related to procedures under the Tokyo Stock Exchange's Code of Corporate Conduct

The Disposition of Treasury Shares does not require the Company to obtain an opinion from an independent third party or to confirm the intent of shareholders under Rule 432 of the Tokyo Stock Exchange's Securities Listing Regulations because (1) the dilution rate is under 25% and (2) it does not involve a change of controlling shareholder.