

Corporate Governance Report

(English Translation of the Japanese original)

This translation has been prepared for reference only. The Japanese language version will prevail if any discrepancy arises.

CORPORATE GOVERNANCE

JFE Holdings, Inc.

Last Update: June 24, 2026

JFE Holdings, Inc.

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The corporate governance of JFE Holdings, Inc. (hereinafter the “Company”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

With the aim of promoting sustainable growth of the Company and the JFE Group (or the “Group”) and medium to long-term corporate value, and achieving and hence further enhancing the best corporate governance to embody the Corporate Vision, the Company has established the “Basic Policy on Corporate Governance,” which is published on the Company’s website. The Company has revised the “Basic Policy on Corporate Governance” pursuant to its transition to a company with an Audit & Supervisory Committee, as approved at the Ordinary General Meeting of Shareholders held in June 2025.

JFE Holdings, Inc. Basic Policy on Corporate Governance

<https://www.jfe-holdings.co.jp/en/common/pdf/company/info/basic-policy.pdf>

- (1) The Company continuously aims at achieving the best corporate governance and its further enhancement.
- (2) From the viewpoint of enhancing sustainable growth and medium to long-term corporate value of the JFE Group, the Company makes effort to pursue thoroughly fair, objective and transparent corporate governance based on the following basic concept.
 - 1) The Company respects the rights of shareholders and makes effort to ensure an environment which allows shareholders to execute their rights appropriately, as well as to secure effective equal treatment of shareholders.
 - 2) In addition to shareholders, the Company gives consideration to the interests of various stakeholders including employees, customers, business partners, creditors, local communities and cooperates with them appropriately.
 - 3) The Company discloses its information appropriately and ensures the transparency of the Company.
 - 4) The Company endeavors to ensure the effectiveness of the supervisory function of the Board of Directors on business execution as a core holding company of the JFE Group.
 - 5) The Company engages in constructive dialogue with shareholders to contribute to the enhancement of sustainable growth and medium to long-term corporate value.
- (3) The Company establishes and discloses the JFE Group’s “Corporate Vision,” “Corporate Values” and “JFE Group Standards of Conduct” which form the framework of basic business principles which are applicable to all business activities shared by all executives and employees of the JFE Group.

“Corporate Vision”

Contributing to society with the world’s most innovative technology

“Corporate Values”

Challenging Spirit. Flexibility. Sincerity.

“JFE Group Standards of Conduct”

All JFE Group personnel are required to faithfully adhere to the following Standards of Conduct in all corporate activities. These standards embody the JFE Group's Corporate Vision and go hand-in-hand with its Corporate Values. Senior managers are responsible for communicating these standards to employees of Group companies and their supply chain partners, and in creating effective systems and mechanisms to ensure adherence to ethical standards. Senior managers are also responsible for measures to prevent the recurrence of any violation of these standards. Additionally, they must report violations promptly and accurately to internal and external stakeholders, determine the persons of relevant authority and accountability, and resolve matters rigorously.

1. Provide quality products and services

Earn the trust and acclaim of customers by endeavoring to provide safe, high-quality products and services based on superior technologies, and by fully respecting and protecting the privacy of personal and customer information. Also, leverage our superior technologies for the sustainable growth of our Group and society.

2. Be open to society

Disclose corporate information actively and engage in constructive dialogues with diverse stakeholders to enhance our corporate value.

3. Work with communities

Actively contribute to host communities as a good corporate citizen by emphasizing harmony and cooperation.

4. Globalize

Endeavor to achieve understanding with people around the world, working from a global perspective and with respect to international norms, and also local cultures and customs.

5. Exist harmoniously with the global environment

Actively work to exist harmoniously with the global environment, as well as to raise living standards and advance societies.

6. Maintain proper relations with governments and political authorities

Endeavor to build and maintain sound and proper relationships with governments and political authorities.

7. Maintain crisis readiness

Firmly resist all elements and organizations that threaten social order and stability, and refuse all illegal or improper demands. Also, contribute to order and safety in society by thoroughly and methodically preparing for crises such as terrorism, cyber-attacks, natural disasters and others, including by ensuring the stable availability of products and services.

8. Respect human rights

Respect all employees and members of the general public as individuals and refrain from any discrimination in corporate activities.

9. Provide rewarding work environments

Provide employees with attractive, safe, healthy and rewarding work environments.

10. Comply with laws and ordinances

Comply with all applicable laws and ordinances, endeavor to compete fairly and freely, refrain from illegal business activities, promote sound business practices, and be faithful and sincere in all activities and dealings.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company complies with and practices all the Principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

[Principle 1.4 Strategic-Shareholdings]

(1) Policy on strategic holdings of listed stocks

1) The Company's operating companies, namely JFE Steel Corporation, JFE Engineering Corporation and JFE Shoji Corporation (hereinafter the "Operating Companies"), do not hold listed stocks as strategic holdings, in principle, provided, however, that stocks of a company deemed necessary for maintaining and growing the Group's businesses are exceptionally held as strategic shareholdings.

2) The Board of Directors meetings regularly confirm the significance of the strategic shareholdings and whether the benefits and risks of such holdings are commensurate with their capital cost, and sell strategic shareholdings if there is no significance of such shareholdings or there is a risk of damage to shareholders' interest.

In FY2025, the Company sold all or part of 5 stocks for 2.4 billion yen (on a market value basis). Furthermore, the Board of Directors, at a meeting held in August 2025, examined the significance of its strategic holdings and the return on investment from the above perspective.

Please refer to the "Shareholdings" section in the Annual Securities Report for the status of shareholdings as of the end of FY2025.

Securities Reports

https://www.jfe-holdings.co.jp/investor/library/annual_securities_report/

(2) Standards on the exercise of voting rights of strategic holdings

The exercise of voting rights of strategic shareholdings is decided upon reviews by Operating Companies on content of the proposal and is appropriately implemented in consideration of shareholder interest. To be specific, the content of the proposal is to be checked by the investment application department and the investment control department, and approval will be given to proposals which are considered to pose no threat to the maximization of interest of these Operating Companies as shareholders.

[Principle 1.7 Related Party Transactions]

(1) Competing transactions and conflict of interest transactions between the Company and Directors or Corporate Officers are to be specified as approval matters in the Board of Directors meeting in accordance with the Rules of the Board of Directors. If such transactions are to be initiated, the transactions have to be discussed and approved in the Board of Directors meeting with regard to the rationality, validity, etc. to ensure that the transactions shall not damage the interest of the Company and its shareholders. Moreover, conflict of interest transactions between the Company and Directors (excluding Directors who are Audit & Supervisory Committee Members) must be approved by the Audit & Supervisory Committee, in addition to the Board of Directors.

(2) The Company discloses material facts concerning the transactions stated in the preceding paragraph in an appropriate manner in accordance with laws and regulations.

(3) In order to prevent related parties of the Company from carrying out any insider trading, the Company stipulates regulations concerning the handling of undisclosed material facts and applies them strictly.

[Supplementary Principle 2.4.1 Ensuring Diversity in the Appointment of Core Human Resources]

< Promote diversity, equity and inclusion (DEI) >

In this rapidly changing business environment, we believe that the mixing of various values and views will give rise to unprecedented ideas and solutions, which will lead to the sustainable enhancement of corporate value. To promote the steady creation of an environment in which the diverse experiences, abilities and personalities of each individual are fully utilized, we have established Diversity, Equity & Inclusion Promotion Section within each Operating Company. Additionally, we have set up a DEI promotion committee chaired by the Representative Director President and CEO to ensure that management and the promotion organization collaborate to formulate and implement company-wide policies. With regard to the active participation of women in particular, we strategically promote

various measures from the perspectives of “recruitment” of new graduates and experienced professionals to increase the number of female candidates for managerial positions, “establishment” such as enhancing internal and external networking and presenting role models, and “placement and training” such as creating individual training programs for female employees. Additionally, we encourage male employees to take parental leave to promote a work environment where everyone can balance work and childcare successfully.

In addition, regarding the KPI for appointing women managers, which sets a target of 10% or more of employees qualified as section managers and above by April 2030 (of which, at least 20% should be in the administrative and sales divisions) and 5.7% by April 2026, the percentage of women among employees qualified as section managers and above in the Company and its Operating Companies is 5.5% as of April 1, 2026. The Company will continue to actively promote the appointment of female employees in managerial positions.

The Company appointed two female Directors in June 2025.

The Company proactively hires diverse human resources for its mid-career hires, including those with experience in other industries. The Company engages in fair evaluation regardless of the hiring period. The number of mid-career hires who are qualified as section managers and above at the Company and its Operating Companies is 366 as of April 1, 2026. Going forward, the Company will strive to promote them to managerial positions with the goal of exceeding the current level.

Each Operating Company hires around 10 foreign nationals each year and aims to train them as core human resources to promote them to managerial positions. The Company and its Operating Companies foster and appoint employees without differentiation based on nationality. Going forward, the Company will strive to promote them to managerial positions with the goal of exceeding the current level.

< Promote talent acquisition and development >

Our goal is to secure and develop human resources capable of leading the management strategies of the Operating Companies and building a portfolio aligned with them. In the face of intensifying competition in the recruitment market, we are building a streamlined and robust structure by promoting automation and labor-saving initiatives through digital transformation (DX), as well as by establishing optimal production structure in our steel business. Simultaneously, we are bolstering our recruitment capabilities by leveraging a variety of sources, such as mid-career hiring, alumni recruitment, employee referrals, and the strategic utilization of headhunters and recruitment agencies. We secure human resources by combining various initiatives. For example, we raise the company’s profile through commercials and offer competitive compensation packages.

From a human resources development perspective, we foster a sense of career autonomy in each individual by providing broad-based work experience through active job rotation. We create a learning environment that supports employee motivation and enhances voluntary training programs. We are placing a particular emphasis on developing specialized human resources because it is essential for the sustained recruitment and development of international and digital transformation (DX) talent. This talent is necessary to execute our group's management strategy, which includes expanding our overseas business with leading local companies and building a lean and resilient domestic production structure.

< Improve work engagement>

In order to successfully execute our business strategy, it is essential that each member of our workforce performs to the best of their ability and with energy. To that end, we are working to create an environment in which every employee feels fulfilled by their work. Across our group companies, we are actively implementing initiatives to enhance “ease of working,” such as promoting flexible work arrangements and creating an environment that makes it easier to take time off. We are also implementing initiatives to increase “work engagement,” including operational reforms and revisions to our HR systems.

As part of our efforts to engage work, we are focusing on instilling a sense of Purpose (the company’s significance) throughout the organization. At the Group, each Operating Company leveraged its unique strengths, and through

extensive discussions involving a broad range of employees, we formulated our “Purpose,” which defining the roles we should play and the contributions we should make to society. In these uncertain times, we believe that embedding our Purpose, which outlines our long-term “vision we want to be” and “vision we aspire,” will help connect each employee’s work with social value. We believe this will foster an attitude in which employees approach their work with hope and ambition for the future. Accordingly, we are working to increase awareness of, understanding of, and empathy for our Purpose, as well as encourage action based on it.

Specifically, JFE Steel Corporation newly established in April 2024 the “Human Resources Strategy Headquarters” in charge of not only the personnel system but also implementing multifaceted measures that include corporate culture change. The Human Resources Strategy Headquarters promotes the “ReFuture PROJECT” corporate reform initiative aimed at increasing employee job satisfaction and enabling the company and its employees to grow together. The Company is implementing a series of measures such as activities to instill the “Purpose” and “Values” (values to prioritize) established in FY2024 and the vision (we aspire) established in 2025, enhanced dialogue between top executives and employees through town-hall meetings, investing in offices and welfare facilities, mainly at manufacturing sites, to create a more positive working environment, and revising the personnel and wage system with the aim of improving the job satisfaction of each employee. The Company will continue these initiatives going forward.

The Group aims to provide diverse employees with work that gives them a sense of job satisfaction and fulfillment by allowing each employee to choose a flexible working style in accordance with their circumstances, which in turn leads to improved productivity at the company and is promoting initiatives for new work styles. For example, we are promoting telework by expanding the work-from-home system, introducing the core-less flex-time system, introducing chat and online conferencing tools, promoting RPA, and going paperless with the aim of creating high-added-value work styles through such initiatives. In addition, in order to improve work-life balance, we are developing a culture that makes it easier to take vacations by setting recommended annual leave days.

We conduct an annual engagement survey to regularly monitor the progress of our initiatives aimed at enhancing work engagement. We use the results to refine our strategies based on established KPIs. In addition, from FY2025, the Company has introduced an indicator linked to employee work engagement for the performance-linked remuneration for Directors and Corporate Officers to tighten management involvement.

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]

In 2011, JFE Steel Corporation and JFE Engineering Corporation transitioned from a defined benefit pension plan to a defined contribution pension plan, and the employees eligible for the corporate pension personally manage their pension assets. However, the part of the pension attributable to the pension recipients and the qualified recipients at the time of the transition is being managed at and paid out from a general account of a major life insurance company. JFE Shoji Corporation has a defined benefit pension plan. The company avoids conflicts of interests between pension fund beneficiaries and the company by entrusting the management of the defined benefit pension plan to an asset manager who has declared its acceptance of the Stewardship Code, and each asset manager makes investment decisions and exercises voting rights at its discretion.

Each company has assigned a person in charge of pension management to its finance division, and conducts regular monitoring of the asset managers, while making efforts to foster human resources to engage in the management of pension assets.

[Principle 3.1 Full Disclosure]

- (1) The Group has established and discloses its “Corporate Vision,” “Corporate Values” and “JFE Group Standards of Conduct.” Please refer to “I.1. Basic Views” of this report.

The Group also formulated and discloses JFE Vision 2035, its long-term vision for 2035, and the Eighth Medium-term Business Plan spanning FY2025 to FY2027. Detailed information is available on the Company’s website. Medium-term Business Plan

<https://www.jfe-holdings.co.jp/en/investor/management/plan/index.html>

- (2) “Basic Policy on Corporate Governance” which stipulates the basic concept, framework and operation policy concerning corporate governance of the Group has been established and is disclosed on the Company’s website.

JFE Holdings, Inc. Basic Policy on Corporate Governance

<https://www.jfe-holdings.co.jp/en/common/pdf/company/info/basic-policy.pdf>

(3) Policies and procedures in determining the remuneration of senior management and Directors by the Board of Directors

Policy and procedures in determining the remuneration of Directors, etc. are stated in “II.1.(6) Director Remuneration” of this report.

The Company established the Remuneration Committee which comprises of a majority of Outside Directors and acts as an advisory body of the Board of Directors to ensure fair, objective and transparent remuneration of Directors.

The Remuneration Committee deliberates matters pertaining to the basic policy on the remuneration of Directors, etc. of the Company and the Operating Companies, and reports to the Board of Directors.

(4) Policies and procedures in appointing and dismissing senior management and nominating candidates for Directors by the Board of Directors

Based on the following views, the Board of Directors decides the candidates for Directors with the involvement and advice of Outside Directors, and election will be carried out at the General Meeting of Shareholders.

- 1) The Company’s Board of Directors comprises of members who possess diversified knowledge, experiences and abilities. The number of the Directors shall not exceed 18.
- 2) With regard to Inside Directors, persons with appropriate insight to bear decision-making of management of the whole Group and supervision of business execution will be elected from those who possess profound understanding and knowledge on the business by way of processes such as engagement in management of the Company or each Operating Company.
- 3) The Company elects several Independent Outside Directors with composing one-third or more of the Directors by Independent Outside Directors. Independent Outside Directors will be elected from persons who are appropriate to bear the responsibility of strengthening governance such as those who possess abundant experience as management in global enterprises or experts who possess profound knowledge, and satisfy the Standards for Independence of Outside Director of the Company.

Furthermore, based on the following views, the Board of Directors decides the candidates for Directors who are Audit & Supervisory Committee Members with the consent of the Audit & Supervisory Committee as well as the involvement and advice of Outside Directors, and election is carried out at the General Meeting of Shareholders.

- 1) The Directors who are Audit & Supervisory Committee Members possess sufficient knowledge concerning finance and accounting. The number of Audit & Supervisory Committee Members shall not exceed 6, among which the majority shall be Outside Directors who are Audit & Supervisory Committee Members.
- 2) With regard to Inside Directors who are Audit & Supervisory Committee Members, persons with knowledge and experience enabling the auditing of execution of duties by Directors in an accurate and fair manner, who deliver an insight appropriate to bear the supervision function will be elected from those who possess profound understanding and knowledge on the business by way of processes such as engagement in management or auditing of the Company or each Operating Company.
- 3) The Company elects several Independent Outside Directors who are Audit & Supervisory Committee Members. Independent Outside Directors who are Audit & Supervisory Committee Members will be elected from persons who are appropriate to bear the role of enhancing auditing function such as those who possess abundant experience as management in global enterprises or experts who possess profound knowledge, and satisfy the Standards for Independence of Outside Directors of the Company.

The Company established the Nomination Committee which comprises of a majority of Outside Directors, and acts as an advisory body of the Board of Directors.

The Nomination Committee deliberates and reports to the Board of Directors on matters pertaining to the basic policy on the election and dismissal of the President of the Company, proposals for the election of candidates for the President of the Company, succession plans of the President of the Company, and the nomination of candidates

for Outside Directors.

Furthermore, in the case where any circumstances requiring the dismissal of the President of the Company occur, the Nomination Committee deliberates and reports to the Board of Directors in a timely manner.

The Board of Directors deliberates these matters based on the report from the Nomination Committee.

(5) Explanation on each individual election, dismissal and nomination in electing and dismissing the senior management and nominating candidates for Directors

With regard to the reasons for election of candidates for Outside Directors, “Reasons for Election” are stated in “II.1. (2) Directors” of this report.

Reasons for election of Inside Directors, including Audit & Supervisory Committee Members are as follows:

[Inside Directors]

Yoshihisa Kitano

Mr. Kitano has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in operations in steel making technology and production control departments, and execution of duties as Corporate Officer such as supervision of steel works and overseas business, corporate planning, and IT in JFE Steel Corporation, the Group’s core company. He also has abundant experience and knowledge as a corporate manager, which was nurtured through his experience as Representative Director, President and CEO of JFE Steel Corporation. Currently, as Representative Director, President and CEO of the Company, he is striving to sustain the growth and enhance the corporate value of the Group. For these reasons, the Company has judged Mr. Kitano to be suitable as a Director of the Company.

Masayuki Hirose

Mr. Hirose has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in operations related to sales of steel products and management of group companies, and execution of duties as Corporate Officer in the corporate planning division and management divisions such as general administration and procurement departments in JFE Steel Corporation, the Group’s core company. He also has abundant experience and knowledge as a corporate manager, which was nurtured through his experience as Representative Director and Executive Vice President of JFE Steel Corporation. Currently, as Representative Director, President and CEO of JFE Steel Corporation, he is making aggressive efforts such as raising selling prices, strengthening the revenue base through expanded sales of high value-added products, deepening overseas business strategies, and promoting growth strategies through expansion of the solutions business. For these reasons, the Company has judged Mr. Hirose to be suitable as a Director of the Company.

Toshihiro Tanaka

Mr. Tanaka has abundant experience and knowledge in accounting and finance, which he has accumulated through his work in corporate planning, and accounting and finance-related operations, as well as through execution of duties as Corporate Officer in the management, accounting, and finance of group companies in JFE Steel Corporation, the Group’s core company. He also has abundant experience and knowledge in Group management, which he has gained through his execution of duties as Corporate Officer of the Company in the management divisions such as corporate planning, finance, and IR, as well as through his experience as a part-time Director of JFE Engineering Corporation and JFE Shoji Corporation, core companies of the JFE Group. Currently, as Executive Vice President of the Company, he is engaged in management control of the Group and implementation of financial and capital policies, while implementing management control of JFE Steel Corporation, the Group’s core company, as its part-time Director. For these reasons, the Company has judged Mr. Tanaka to be suitable as a Director of the Company

Kazuyoshi Fukuda

Mr. Fukuda has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in sales and design of businesses related to water and wastewater treatment

plants, his management experience at group companies of JFE Engineering Corporation, the Group's core company, and his execution of a wide range of duties as Corporate Officer such as promotion of recycling business and supervision of overseas business in JFE Engineering Corporation. In addition, Mr. Fukuda has abundant experience and knowledge as a corporate manager, which was nurtured through his experience as Senior Vice President of JFE Engineering Corporation, and currently, as Representative Director, President and CEO of JFE Engineering Corporation, he is making aggressive efforts such as reinforcing the domestic earnings base, and expanding overseas business. For these reasons, the Company has judged Mr. Fukuda to be suitable as a Director of the Company.

Yoshifumi Ubagai

Mr. Ubagai has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in operations related to sales of steel products and management of group companies, and execution of duties as Corporate Officer in management of group companies, and sales divisions in JFE Steel Corporation, the Group's core company. In addition, Mr. Ubagai has abundant experience and knowledge as a corporate manager, which was nurtured through his experience as Representative Director and Executive Vice President of JFE Steel Corporation. Currently, as Representative Director, President and CEO of JFE Shoji Corporation, the Group's core company, he is making aggressive efforts such as reinforcing the domestic earnings base, and expanding overseas business. For these reasons, the Company has judged Mr. Ubagai to be suitable as a Director of the Company.

[Inside Directors who are Audit & Supervisory Committee Members]

Nobuya Hara

Mr. Hara has abundant experience and knowledge of finance and accounting, which he has accumulated through work in corporate planning, accounting and finance at JFE Steel Corporation, the Group's core company, and through accounting work at the Company. He also has abundant experience and knowledge acquired through work in management of group companies at JFE Steel Corporation and while serving as an Audit & Supervisory Board Member of JFE Steel Corporation. Based on such experience and knowledge, as well as his performance as an Audit & Supervisory Board Member of the Company since he assumed office as such, the Company has judged Mr. Hara to be capable of accurately and fairly auditing and supervising the overall execution of the Company's business as a Director who is an Audit & Supervisory Committee Member.

Nakaba Akimoto

Ms. Akimoto has abundant experience and knowledge in properly designing and operating the Group's internal control systems and other operations through work in legal affairs of the Company and JFE Steel Corporation, the Group's core company, as well as insights as a lawyer in the State of New York, U.S.A. In addition, she has abundant experience and knowledge through work serving as an Audit & Supervisory Board Member of JFE Engineering Corporation and JFE Shoji Corporation, which are the core companies of the Group. Based on such experience and knowledge, as well as her performance as an Audit & Supervisory Board Member of the Company since she assumed office as such, the Company has judged Ms. Akimoto to be capable of accurately and fairly auditing and supervising the overall execution of the Company's business as a Director who is an Audit & Supervisory Committee Member.

[Supplementary Principle 3.1.3 Sustainability Initiatives, etc.]

<Sustainability Initiatives>

With regard to the Group's sustainability initiatives, the Company has prepared and published the "JFE GROUP REPORT (Integrated Report)" summarizing the Company's value creation initiatives, as well as the "JFE Group Sustainability Report" comprehensively describing the Company's initiatives from an ESG perspective.

JFE GROUP REPORT (Integrated Report)

<https://www.jfe-holdings.co.jp/en/investor/library/group-report/index.html>

JFE Group Sustainability Report

<https://www.jfe-holdings.co.jp/en/sustainability/data/>

<System for Promoting Sustainability>

From the perspective of preventing damage to and enhancing the corporate value of the Group, we have established the JFE Group Sustainability Council, chaired by the Representative Director President and CEO of the Company, and composed of the Inside Directors and Corporate Officers (Senior executives from the Operating Companies attend as appropriate), as a system to supervise and guide the sustainability initiatives of the entire Group, including risk management. Under the JFE Group Sustainability Council, we have established the JFE Group Compliance Committee, the JFE Group Environmental Committee, the JFE Group Internal Control Committee, the JFE Group Information Security Committee, the Public Disclosure Committee, and the Corporate Value Enhancement Committee to supervise policy deliberations as a Group and the status of policy penetration, share information on issues, problems that have arisen and examples of countermeasures, and to supervise and guide the Group's sustainability initiatives. In addition, topics discussed by the JFE Group Sustainability Council include the Group's basic policies, activity plans, details of important measures, and responses to important situations. These topics are regularly reported to and discussed by the Board of Directors, and thereby the Council receives instructions from and is supervised by the Board of Directors.

Each Operating Company has its own organizational council, which has formed compliance, the environment, and other issues. These councils operate in collaboration with the JFE Group Sustainability Council to promote Group-wide initiatives from the perspective of preventing damage to and enhancing the corporate value of the Group.

In order to enhance environmental initiatives, each Operating Company established not only an independent environmental management organization but also a system for environmental audits by the internal auditing department, and is also striving to further ensure quality control. In order to prevent the occurrence of fraud concerning quality assurance, each Operating Company, including the Group companies, has a quality assurance management organization which is independent from design and manufacturing departments and conducts audits on quality assurance.

<TCFD Disclosure>

In May 2019, the Company announced its endorsement for the final report of the Task Force on Climate-related Financial Disclosures (TCFD) released in June 2017. In the "JFE GROUP REPORT (Integrated Report)" and the "JFE Group Sustainability Report," the Company has proclaimed that it views the response to climate change as a critical management issue for the Group, and that the Group is communicating a long-term vision and messages, engaging in scenario analyses and improving and expanding information disclosure in line with TCFD recommendations, and proactively addressing risks and opportunities in order to support the sustainable growth of the Group.

<Investment, etc. in Human Capital and Intellectual Property>

For the Group to continue to enhance corporate value into the future in this increasingly complex and rapidly changing business environment, the power of each employee who supports this is important. The Company has established the "JFE Group's Basic Policy on Human Resources Management" and the "JFE Group Health Declaration," and we are working on measures to maximize the capabilities and activities of employees through investment in human capital. The Company has published these initiatives in the "JFE GROUP REPORT (Integrated Report)" and the "JFE Group Sustainability Report."

Furthermore, as an investment in intellectual property, the Group conducts highly creative R&D regarding intellectual property at each Operating Company. The formulation of Group-wide R&D strategy and the selection and promotion of important, cross-functional issues is discussed at meetings of the Group Management Strategy Committee chaired by the President of the Company, and these are engaged in by all Operating Companies working together as one. Key R&D initiatives, the current state of R&D, and R&D results at each Operating Company, in addition to R&D expenses for the entire Group for the fiscal year, are published in the Annual Securities Report. Furthermore, as an R&D result, the Group's number of domestic and overseas registered patents is published in the JFE GROUP REPORT (Integrated Report).

[Supplementary Principle 4.1.1 Summary of Scope of Delegation from the Board of Directors to Management]

- (1) Based on the fiduciary duty to shareholders, the Board of Directors takes the responsibility to ensure sustainable growth of the Company and the enhancement of medium to long-term corporate value. In accordance with laws and regulations, the Articles of Incorporation and related regulations of the Company such as the Rules of the Board of Directors, the Board of Directors makes material decisions on management including formulation of management plans of the JFE Group and basic policies on management. Further, the Board of Directors supervises the overall management including business execution by the executive person. In addition, the Board of Directors strives to accelerate decision-making and enhance the discussion of management policies and strategies through the delegation of decision-making authority.
- (2) According to the internal rules of the Company, the Company establishes clear standards which clarify the authority of decision-making and the decision-making procedures concerning the matters pertaining to the Company and each company within the Group, and significant matters are subject to deliberation at the Company's JFE Group Management Strategy Committee or Management Committee and resolution of the Company's Board of Directors.
- (3) For the purpose of facilitating prompt decision-making related to business execution, the authority of making decisions other than those related to significant business execution set forth in the Rules of the Board of Directors, in principle, is given to Corporate Officers in charge of the corresponding business.

[Principle 4.9 Independence Standards for Independent Directors]

The Company has established a set of Standards for Independence of Outside Directors, the outline of which is stated in "II.1. Matters Concerning Independent Directors" of this report and disclosed on the Company's website.

Standards for Independence of Outside Directors of JFE Holdings, Inc.

<https://www.jfe-holdings.co.jp/en/common/pdf/company/info/independence.pdf>

[Supplementary Principle 4.10.1 Appropriate Involvement and Advice of Independent Outside Directors through the Establishment of an Independent Nomination Committee and Remuneration Committee]

In October 2015, the Company established the Nomination Committee and Remuneration Committee which act as an advisory body of the Board of Directors to ensure fair, objective and transparent personnel affairs and remuneration of the Board of Directors.

Both committees comprise of a majority of Outside Directors, respectively, and the chairpersons are determined from Outside Directors. Details of both committees are stated in "II. 1. Voluntary Established Committee(s) - Supplementary Explanation" of this report.

[Supplementary Principle 4.11.1 View on Appropriate Balance between Knowledge, Experience and Skills of the Board of Directors as a Whole, and on Diversity and Size of the Board]

- (1) The Company's Board of Directors comprises of members who possess diversified knowledge, experiences and abilities. The number of the Directors shall not exceed 18.
- (2) With regard to Inside Directors, persons with appropriate insight to bear decision-making of management of the whole Group and supervision of business execution will be elected from those who possess profound understanding and knowledge on the business by way of processes such as engagement in management of the Company or each Operating Company.
- (3) The Company elects several Independent Outside Directors with composing one-third or more of the Directors by Independent Outside Directors. Independent Outside Directors will be elected from persons who are appropriate to bear the responsibility of strengthening governance such as those who possess abundant experience as management in global enterprises or experts who possess profound knowledge, and satisfy the Company's Independence Standards.
- (4) The Board of Directors identifies the skills needed for Company management and, per Reference 1. in the Appendix, prepares a summary matrix of the main skills, etc. which each Director possesses. The Board of Directors will continue to review the skills, etc. needed by the Company and disclose these in a timely manner.

Two of the thirteen Directors are female. In addition, in terms of internationality as well, the Company has elected

Directors who have abundant knowledge, experience and ability as corporate managers of global enterprises. The Company will continue to strive to ensure diversity of the Board composition not only in terms of knowledge and experience in various fields but also in terms of gender and internationality.

[Supplementary Principle 4.11.2 Concurrent Posts Assumed by Directors]

The Company discloses significant concurrent positions of Directors as well as candidates thereof in the Notice of the Ordinary General Meeting of Shareholders of the Company each year.

Notice of the 24th Ordinary General Meeting of Shareholders (Page 9 to 18, 50 to 51)

https://www.jfe-holdings.co.jp/en/common/pdf/investor/stock/general_meeting/2026/24-20260608.pdf

The significant concurrent positions of Outside Directors as of the date of the update of this report are also shown in “II.1.(2) Directors” of this report.

[Supplementary Principle 4.11.3 Analysis and Evaluation of the Effectiveness of the Board of Directors]

In line with the Basic Policy on Corporate Governance, the Board of Directors of the Company has been engaged in evaluating the effectiveness of the Board of Directors as a whole since FY2015, and conducting analysis and evaluation by using a third-party organization to incorporate an objective standpoint independent from the Company since FY2018. In addition, in FY2025, the Company conducted a questionnaire survey covering the following matters for all Directors.

Moreover, the Company verified results of the initiatives implemented in FY2025 based on the opinions and recommendations obtained from the analysis and evaluation in FY2024.

[Main content of survey]

- I. Operational framework for the Board of Directors
(Composition and operations of the Board of Directors, support and cooperation framework of the Secretariat, and culture)
- II. Supervision function of the Board of Directors and functions of the advisory committees
(Supervision function and status of discussions at the Board of Directors, status of discussions at the advisory committees, etc.)
- III. Relationships with shareholders and stakeholders

As a result of discussions at the Board of Directors based on the survey results and evaluation by the third-party organization, the Board of Directors determined that its overall effectiveness was ensured through robust discussions among members, as comments were proactively expressed, supported by substantial preliminary briefing sessions before board meetings and appropriate proceedings by the Chairperson.

Initiatives in FY2025 based on the evaluation results of the Board of Directors’ effectiveness up to FY2024 are as follows:

- In conjunction with the transition to a company with an Audit & Supervisory Committee, after discussing the ideal state of the group management at the Board of Directors, the Company revised the standards for agenda items for meetings and operational procedures of the Board of Directors, with the aim of accelerating decision-making and enhancing strategic discussions.
- The Company increased the frequency of the Outside Directors’ meetings, which have been held continuously, and, when necessary, the Outside Directors requested the participation of executive members in these meetings, thereby promoting the sharing and exchange of opinions on important management issues, analysis of market evaluations, and initiatives for improvement, leading to more active discussions at meetings of the Board of Directors.
- The Company formulated the Basic Policy on Corporate Governance and worked to strengthen the compliance structure by clarifying responsibilities through the establishment of CCO (Chief Compliance

Officer) positions at the Company and each operating company.

Furthermore, the following main issues were extracted from this survey for further improvement of effectiveness.

- The Company should confirm the effectiveness of the Board of Directors, whose operations have been revised in conjunction with the transition to a company with an Audit & Supervisory Committee, and continue discussions toward an optimal structure, including its scale and composition, to achieve further improvements.
- Toward the realization of the medium- to long-term business strategy, in addition to enhancing discussions on consistency with plans and capital efficiency, the market valuation should be analyzed and discussions for improvement should be further enhanced.
- Toward enhancing the effectiveness of the internal audit function, discussions on the role and structure of internal audits should be continued.

While continuing to address the issues identified, we will further enhance the effectiveness of the Board of Directors through ongoing proactive initiatives and work to improve the corporate value of the Group.

[Supplementary Principle 4.14.2 Training Policy for Directors]

With regard to matters concerning laws and regulations, corporate governance and risk management, etc. necessary for appropriate accomplishment of the roles and duties of Directors, the Company provides training opportunities and funding support appropriate for each Director at the time they assume office and continuously thereafter. In addition, especially for Outside Directors, information is provided such as briefings on the Company's business content, performance, finance and management issues and site visits of major business bases.

[Principle 5.1 Policies concerning Improvement of Systems and Measures for Promoting Constructive Dialogue with Shareholders]

- (1) The Company makes effort to contribute to the enhancement of sustainable growth of corporate value through dialogue with shareholders and investors, and establishes the Investor Relations and Corporate Communications Dept. responsible for promoting constructive dialogue.
- (2) In addition to the appointment of Directors/Corporate Officers who supervise and are in charge of the Investor Relations and Corporate Communications Dept. as the persons responsible for promoting constructive dialogue with shareholders and investors, the Investor Relations and Corporate Communications Dept. acts as the core and ensures close collaboration including appropriate exchange of information with related departments providing assistance to facilitate dialogue.
- (3) In order to promote active dialogue with institutional investors, a Representative Director offers various briefings concerning Medium-term Business Plan and results announcements, etc., and domestic and international investors' interviews, etc. With regard to individual shareholders and investors, corporate briefings and plant tours are organized.
- (4) The Company collects opinions and questions from the dialogue regularly, reports and shares information with Directors and Corporate Officers.
- (5) The Company establishes the disclosure policy and endeavors to prevent leakage of insider information and provide fair disclosure.

The status of dialogue implementation in FY2025 based on the above policy is as follows.

● Main forums and persons engaged in dialogue with shareholders and investors:

- Financial results briefings (4 times in total): Representative Director, President; Representative Director, Executive Vice President (Director/Corporate Officer supervising Investor Relations); etc.
- Specific business strategy briefing (4 times in total): Corporate Officer in charge of that business
- Small meetings for securities analysts (2 times in total): Representative Director, President
- Plant tour for securities analysts (2 times in total): Investor Relations Dept.
- Individual IR interviews (mainly aimed at fund managers and analysts of institutional investors; 200 interviews)

(Translation for reference only)

at 64 domestic companies, 232 interviews at 97 overseas companies): Representative Director, President; Representative Director, Executive Vice President; etc.

- Individual SR interviews (mainly aimed at persons responsible for ESG and the exercise of voting rights at institutional investors 42 interviews at 23 domestic companies, 15 interviews at 18 overseas companies): Representative Director, Executive Vice President; etc.
- On-site/online plant tours (mainly aimed at individual shareholders: Approximately 2,700 persons (16 times in total)

● Main dialogue themes and matters of interest to shareholders and investors:

- Progress of the Medium-term Business Plan, growth strategy, cash allocation and investment effect
- Performance, stock price & Price-to-Book Ratio (PBR) and capital efficiency
- ESG initiatives (carbon neutrality (CN), effectiveness of the Board of Directors, human capital, human rights and use of AI, etc.)

● Status of feedback to Senior Management and the Board of Directors regarding opinions and concerns identified through dialogue:

As stated in the above policy (4), the Investor Relations and Corporate Communications Dept. engages in timely information sharing with internal executives and internal divisions concerned, including the Operating Companies, through initiatives such as the Corporate Value Enhancement Committee, which meets twice a year and is chaired by the Representative Director President and CEO. It also reports to the Board of Directors at least once per year. What we have learned through dialogue and the results of that internal feedback have been incorporated into many of our measures to enhance corporate value, including CN initiatives, and related information disclosure.

The following are some of those initiatives.

<Measures>

- Review of the criteria for submitting matters to the Board of Directors and the Board's operational procedures, in light of the transition to a company with an Audit and Supervisory Committee.
- Appointment of CFOs for the Operating Companies, and review of the investment decision-making process (to strengthen management with a focus on capital efficiency)

<Information disclosure/enhancement>

- Specific business strategy briefings (In FY2025, a total of four sessions have been held, focusing on the Group's Environmental Management Strategy, JFE Steel's overseas business, JFE engineering's business and JFE Steel's joint venture for an integrated steelwork in India)
- Disclosure of information based on the TNFD framework for natural capital
- Expand disclosure of policy engagement aimed at achieving CN

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update	June 24, 2026

Explanation of Actions

The Company recognizes the stock price as one of the critical management indicators, so we are promoting management practices that emphasize the cost of capital and stock price more.

The Eighth Medium-term Business Plan (FY2025–2027), announced in May 2025 alongside the long-term vision "JFE Vision 2035," set the return of equity (ROE) target for the final year of the plan, FY2027, at 10% or higher. However, the actual ROE for FY2025 fell significantly short of the target, and the PBR is also well below 1. In addition to the slump in revenue amid the current unprecedentedly severe business environment, we understand that the market continues to harbor concerns regarding (1) our future economic prospects and (2) addressing CN.

(Translation for reference only)

Given these circumstances, the entire group is working to improve profitability by expanding growth investment. In the steel business, we have been steadily progressing with the establishment of a system to generate stable profits. With a view to achieving “expansion of overseas business driven by strategic local partnerships” - a key objective of the Eighth Medium-term Business Plan - we decided in FY2025 to participate in the operation of an integrated steelworks in India. Regarding “increasing the ratio of high-value-added products,” we are actively working to expand sales of products such as electrical steel sheets and thick plates for offshore wind power generation. For “rebuilding our domestic production structure,” we decided to reorganize the thin-sheet business in April 2026, among other measures. In our engineering business, we also received our first order for the manufacture of monopiles for offshore wind power generation in FY2025. Alongside this, the entire Group is steadily proceeding with the sale of non-core assets, such as real estate, and the streamlining of non-core business operations.

Next, with regard to our response to CN, we are proceeding with the construction of an innovative electric furnace in the Kurashiki District with the aim of commencing operations in FY2028, while making the most of government support. At the same time, we are working to develop ultra-innovative technologies necessary for achieving CN by the mid-2030s. Regarding all investments, including those in CN investment, we will act promptly and appropriately, focusing only on investments expected to yield an appropriate return, while bearing in mind the financial targets of the Eighth Medium-term Business Plan.

Additionally, to encourage management practices that consider the cost of capital and stock prices, we have used ROE and relative TSR (total shareholder return) as performance metrics for our executive stock remuneration program since FY2025.

After transitioning to a company with an Audit & Supervisory Committee in FY2025, we are reviewing the criteria for submitting matters to the Board of Directors and its operational procedures starting in FY2026. Additionally, we are delegating authority to the executives and the Operating Companies. For example, we are assigning responsibility for specific issues related to individual investment projects to the newly established CFOs of the Operating Companies. This will streamline decision-making and clarify the division of responsibilities between the company and the Operating Companies. Consequently, our Board of Directors will improve its strategic decision-making process for matters such as capital allocation across the entire group to strengthen its oversight functions.

Moving forward, we will continue to disclose information regarding these initiatives in a timely and appropriate manner through our investor relations activities and other channels, with the aim of enhancing our market reputation.

* For details on the initiatives to enhance corporate value under the Eighth Medium-term Business Plan, please refer to Reference 2 of Appendix.

2. Capital Structure

Foreign Shareholding Ratio	20% or more but less than 30%
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Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (trust account)	97,152,900	15.25
Custody Bank of Japan, Ltd. (trust account)	37,121,050	5.83
Nippon Life Insurance Company	15,855,261	2.49
JFE Employees Stock Ownership Plan	14,899,493	2.34
The Nomura Trust and Banking Co., Ltd. (investment trust account)	10,822,000	1.70
JFE Business Partners Stock Ownership Plan	10,367,277	1.63
Mizuho Bank, Ltd.	9,776,680	1.53
JP MORGAN CHASE BANK 385781	8,729,533	1.37
STATE STREET BANK AND TRUST COMPANY 505001	8,544,094	1.34
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	6,780,124	1.06

(Translation for reference only)

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	—
Name of Parent Company, if applicable	None

Supplementary Explanation

- The above information is described as of March 31, 2026.

- 1) Nomura Securities Co., Ltd. submitted the Report of Possession of Large Volume (Change Report), available for public inspection as of March 17, 2026 (date on which reporting obligation arose: March 13, 2026), which states that three companies jointly own the following shares. However, as of March 31, 2026, the Company could not confirm the number of beneficially owned shares and thus did not include them in the Status of Major Shareholders, as stated above.

The shareholding status of the report is as follows.

Name / Company Name	Number of share certificates owned (thousand shares)	Holding ratio of share certificates, etc. (%)
Nomura Securities Co., Ltd.	6,772	1.05
NOMURA INTERNATIONAL PLC	909	0.14
Nomura Asset Management Co., Ltd.	31,746	4.96
Total	39,428	6.04

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Iron & Steel
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	300 or more

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have a Material Impact on Corporate Governance

- (1) Significance of having listed subsidiaries and affiliates based on group management approach and policies

To put into practice its Corporate Vision of “contributing to society with the world’s most innovative technology” and to realize sustainable growth and enhancement of medium- to long-term corporate value, the Company forms a corporate group comprising companies with high expertise, divides business functions within the Group and conducts business development outside of the Group. Within this corporate group, JFE Steel Corporation, a subsidiary of the Company, owns one listed subsidiary and four listed affiliates described below.

For the listed subsidiary among them, the Company seeks an optimal structure based on the business relationship with JFE Steel Corporation, its parent company, and maintains its listing based on a comprehensive judgement that listing is necessary for the company’s growth and increasing the value of the Group as a whole, from the perspective of market recognition and credibility in funding, sales and marketing, and hiring.

In addition, the four listed affiliates maintain their listing as a means to enhance their competitiveness from the perspectives of market recognition and credibility in funding, sales and marketing, and hiring. JFE Steel Corporation holds some shares in the four companies because of associated benefits such as the exchange of steel manufacturing-related technologies and human resources.

<Listed subsidiary>

[JFE Systems, Inc.] (Tokyo Stock Exchange, Standard Market)

JFE Systems is mainly engaged in systems integration and solutions for the planning, design, development, operation, and maintenance of information systems, as well as in building systems using its products and IT infrastructure solutions that support business systems.

Computer systems in the steel business support overall business activities, such as receiving orders, manufacturing, shipping products, and controlling quality, and are an important base for using diverse data. In addition, as digital transformation (DX) progresses, ensuring the accumulation of know-how and the continuity of personnel exchange will be essential for maintaining the competitiveness of JFE Steel Corporation.

JFE Systems, Inc.'s predecessor, Kawasaki Steel Systems R&D Corporation, was listed on the 2nd Section of the Tokyo Stock Exchange in March 2001. As of March 31, 2026, the Group holds 68.1% shares of JFE Systems, Inc.

<Listed affiliates>

[Gecoss Corporation] (Tokyo Stock Exchange, Prime Market)

Gecoss Corporation is mainly engaged in the rental and sales of temporary construction materials, as well as in design and construction of temporary works, etc. Gecoss Corporation's predecessor, Kawasho Lease System Co., Ltd., was listed on the 2nd Section of the Tokyo Stock Exchange in August 1994 and was subsequently reassigned to the 1st Section of the Tokyo Stock Exchange in September 1996. As of March 31, 2026, the Group holds 39.5% shares of Gecoss Corporation.

[SHINAGAWA REFRA CO., LTD.] (Tokyo Stock Exchange, Prime Market)

SHINAGAWA REFRACTORIES CO., LTD. is mainly engaged in the manufacture and sale of refractories as well as engineering services such as furnace design and construction. Shinagawa Shiroenga, the predecessor of the company, was listed on the 1st Section of the Tokyo Stock Exchange in May 1949 and subsequently became an affiliate of JFE Steel Corporation. As of March 31, 2026, the Group holds 34.9% shares of SHINAGAWA REFRA CO., LTD.

[NIPPON CHUZO K.K.] (Tokyo Stock Exchange, Standard Market)

NIPPON CHUZO K.K. is mainly engaged in the formed and fabricated materials business to manufacture a variety of casting products and the engineering business to design and manufacture bridge components, etc. The company was listed on the 2nd Section of the Tokyo Stock Exchange in October 1961. As of March 31, 2026, the Group holds 36.2% shares of NIPPON CHUZO K.K.

[NIPPON CHUTETSUKAN K.K.] (Tokyo Stock Exchange, Standard Market)

NIPPON CHUTETSUKAN K.K. is mainly engaged in the manufacture and sale of ductile iron pipes and polyethylene pipes, as well as water pipe laying works. The company was listed on the 2nd Section of the Tokyo Stock Exchange in July 1962 and subsequently became an affiliate of JFE Steel Corporation. As of March 31, 2026, the Group holds 30.0% shares of NIPPON CHUTETSUKAN K.K.

The aforementioned five companies are subject to rules different from those applicable to other consolidated subsidiaries and affiliates based on the guidelines of the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange regarding listed subsidiaries, and other measures are also taken so as to ensure that each of the companies conducts autonomous corporate activities exercising autonomy and flexibility. Each company also secures management independence as listed companies mainly by appointing outside directors who are independent from each company, JFE Steel Corporation and the Company and by establishing special committees composed of independent members such as independent outside directors, and makes sure that the interests of the said subsidiary or affiliate, as well as the interests of shareholders of the subsidiary or affiliate other than the Company, will not be unfairly impaired.

With regard to the adjustment and allocation of business opportunities and business areas for the listed subsidiary and affiliates, the Company respects autonomous management decisions made by each company, except in cases where such decisions have a significant impact on the Company's consolidated financial statements.

(Translation for reference only)

In addition, each company independently raises and manages funds based on its own financial strategy. At present, the Company holds no fund deposits from the listed subsidiary or affiliates.

With respect to matters necessary for the Group's risk management, prior consultation and reporting are required from each company while securing their independent decision-making, so as to implement risk management as a member of the Group companies.

(2) Measures to ensure the effectiveness of governance systems at listed subsidiaries and affiliates

Each company independently formulates its own proposals regarding the nomination of officers. JFE Steel Corporation fully respects the independence of each company and the decisions made by each company's nomination committee, and exercises its voting rights with the aim of improving each company's corporate value in the medium to long term.

To maximize the benefits of technological and personnel exchanges with each company, the Company and JFE Steel Corporation may recommend director candidates in some cases.

Furthermore, the Company shall regularly verify the significance of maintaining the listing of the listed subsidiaries and take necessary measures upon confirmation at its Board of Directors. The content herein was verified and discussed at a Board of Directors meeting held in May 2026.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Supervisory Committee
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(1) Directors

Number of Directors Stipulated in Articles of Incorporation	18
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	13
Election of Outside Directors	Elected
Number of Outside Directors	6
Number of Independent Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Yoshiko Ando	Other											
Takuya Shimamura	From another company								△			
Keiichi Kobayashi	From another company								△			
Tsuyoshi Numagami	Academic								○		○	
Yoshihisa Suzuki	From another company								△			
Naoto Nakamura	Lawyer											

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

(Translation for reference only)

- a. Person who executes business for the Company or its subsidiary
- b. Person who executes business for a non-executive director of the Company's parent company
- c. Person who executes business for a fellow subsidiary
- d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
- e. Major client of the Company or a person who executes business for said client
- f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/company auditor
- g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
- j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
- k. Other

Outside Directors' Relationship with the Company (2)

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Yoshiko Ando		○	(Significant concurrent posts) Outside Director of Kirin Holdings Company, Limited Outside Director of Sansei Technologies, Inc.	Ms. Ando has worked as an administrative official for many years, engaged in policy making in labor administration including woman's active participation in the workforce. The Company expects her to play a role in strengthening governance based on such professional expertise and abundant experience in a wide range of fields of employment and labor. Although she has no experience of participating in corporate management other than as an outside director or outside audit & supervisory board member, based on such in-depth knowledge and outstanding insight, as well as her performance as an Outside Director of the Company since she assumed office as such, the Company has judged Ms. Ando continues to be capable of providing valuable suggestions and advice as an Outside Director of the Company in supervising overall business execution and improving the Company's corporate value. In addition, Ms. Ando satisfies the standards for independence stipulated in the "Securities Listing Regulations" and the "Standards for Independence of Outside Directors" established by the Company, and would have no conflict of interests with general shareholders. Hence, the Company has designated Ms. Ando as Independent Director, based on the judgment that Ms. Ando is capable of adequately bearing the supervision function from a standpoint independent from the management of the Company.
Takuya Shimamura		○	(Significant concurrent posts) Outside Director of EBARA CORPORATION (Attributes of Outside Director) In the most recent fiscal year, transactions between AGC Inc., where Mr. Shimamura served as	Mr. Shimamura has long been active in the management of AGC Inc., which globally operates a wide range of businesses, including glass, electronics, chemicals, and ceramics, and secured stable earnings and promoted growth strategies through organizational culture change, while also being actively

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			Representative Director until March 2021, and the Company or any of its Operating Companies did not exceed 1% of annual consolidated net sales (revenue) of either the Company or AGC Inc. Accordingly, AGC Inc. does not fall under the category of entities for which the Company or any of its Operating Companies is a major business partner (**), or entities that are major business partners (**) of the Company or any of its Operating Companies. As of the fiscal year end, neither the Company nor any of its Operating Companies owned any shares of AGC Inc. ** See * in “II. 1. Matters Concerning Independent Directors” of this report.	involved in sustainability management. The Company expects him to play a role in strengthening governance based on such extensive experience and broad insight in corporate management. Based on such in-depth knowledge and his outstanding insight, as well as his performance as an Outside Audit & Supervisory Board Member and Outside Director of the Company since he assumed office as such, the Company has judged Mr. Shimamura to be capable of providing valuable suggestions and advice as an Outside Director of the Company in supervising overall business execution and improving the Company’s corporate value. In addition, Mr. Shimamura satisfies the standards for independence stipulated in the “Securities Listing Regulations” and the “Standards for Independence of Outside Directors” established by the Company, and would have no conflict of interests with general shareholders. Hence, the Company has designated Mr. Shimamura as Independent Director, based on the judgment that Mr. Shimamura is capable of adequately bearing the supervision function from a standpoint independent from the management of the Company.
Keiichi Kobayashi		○	(Significant concurrent posts) Chairman of the Board of Furukawa Electric Co., Ltd. Outside Director of NTT DATA Japan Corporation Outside Director of Toray Industries, Inc. (Attributes of Outside Director) In the most recent fiscal year, transactions between Furukawa Electric Co., Ltd, where Mr. Kobayashi served as Representative Director until March 2023, and the Company and any of its Operating Companies did not exceed 1% of the annual consolidated net sales (revenue) of either the Company or Furukawa Electric Co., Ltd. Accordingly, Furukawa Electric Co., Ltd. does not fall under the category of entities for which the Company or any of its Operating Companies is a major business partner (**), or entities that are major business partners (**) of the Company or any of its Operating Companies. As of the fiscal year end, neither the Company nor any of its Operating Companies owned any shares of Furukawa Electric Co., Ltd. ** See * in “II. 1. Matters Concerning Independent Directors” of this report.	Mr. Kobayashi has been successful in managing Furukawa Electric Co., Ltd for many years, which engages in a wide range of businesses centered on copper and other materials and industrial machinery, and has remarkable knowledge of metallic materials. He has worked to build and strengthen marketing and sales systems, including at overseas locations, and promote business with an emphasis on capital efficiency. The Company expects him to play a role in strengthening governance based on such abundant experience and broad insight in corporate management. Based on such in-depth knowledge and outstanding insight, as well as his performance as an Outside Director of the Company since he assumed office as such, the Company has judged Mr. Kobayashi continues to be capable of providing valuable suggestions and advice as an Outside Director of the Company in supervising overall business execution and improving the Company’s corporate value. In addition, Mr. Kobayashi satisfies the standards for independence stipulated in the “Securities Listing Regulations” and the “Standards for Independence of Outside Directors” established by the Company, and would have no conflict of interests with general shareholders. Hence, the Company has designated Mr. Kobayashi as Independent Director, based on the judgment that Mr. Kobayashi is capable of adequately

(Translation for reference only)

				bearing the supervision function from a standpoint independent from the management of the Company.
Tsuyoshi Numagami	○	○	(Significant concurrent posts) Professor of Institute for Business and Finance, WASEDA University Outside Director, Tokyo Century Corporation Outside Director, EBARA CORPORATION (Attributes of Outside Director) In the most recent fiscal year, transactions between HITOTSUBASHI UNIVERSITY, where Mr. Numagami served as a Professor until March 2023, and Waseda University, where he is serving as a Professor since April 2023, and the Company and any of its Operating Companies did not exceed 1% of the annual consolidated net sales (revenue) of the Company, HITOTSUBASHI UNIVERSITY, or Waseda University. Furthermore, neither the Company nor any of its Operating Companies has made a donation of 10 million yen or more to either university in the last three years. Accordingly, HITOTSUBASHI UNIVERSITY and Waseda University do not fall under the category of entities for which the Company or any of its Operating Companies is a major business partner (**), entities that are major business partners (**) of the Company or any of its Operating Companies, or entities that have received donations exceeding a certain amount. ** See * in “II. 1. Matters Concerning Independent Directors” of this report.	Mr. Numagami has actively worked on the research on corporate management for many years, and has an impressive academic knowledge with regard to corporate management strategy and an ideal state of an organization, in addition to being familiar with many industrial fields. He also has experience of university management as Executive Vice President of HITOTSUBASHI UNIVERSITY. The Company expects him to play a role in strengthening governance based on his high level of expertise and abundant experience in management and other areas. Although he has no experience of participating in corporate management other than as an outside director or outside audit & supervisory board member, based on such in-depth knowledge and an outstanding insight, as well as his performance as an Outside Audit & Supervisory Board Member of the Company since he assumed office as such, the Company has judged Mr. Numagami to be capable of accurately and fairly auditing and supervising the overall execution of the Company’s business, as well as of providing valuable suggestions and advice to improve the Company’s corporate value as an Outside Director who is an Audit & Supervisory Committee Member of the Company. In addition, Mr. Numagami satisfies the standards for independence stipulated in the “Securities Listing Regulations” and the “Standards for Independence of Outside Directors” established by the Company, and would have no conflict of interests with general shareholders. Hence, the Company has designated Mr. Numagami as Independent Audit & Supervisory Board Member, based on the judgment that Mr. Numagami is capable of adequately bearing the supervision function from a standpoint independent from the management of the Company.
Yoshihisa Suzuki	○	○	(Significant concurrent posts) Outside Director of the Board of Kyowa Kirin Co., Ltd. Outside Director, OMRON Corporation (Attributes of Outside Director) In the most recent fiscal year, transactions between ITOCHU Corporation, where Mr. Suzuki served as Representative Director until March 2021, and the Company and its Operating Companies did not exceed 1% of the annual consolidated net sales (revenue) of either the Company or ITOCHU Corporation. Accordingly, ITOCHU Corporation does not fall under the category of	Mr. Suzuki has been successful in managing ITOCHU Corporation, a company that operates globally for many years, and has extensive experience and broad insight in corporate management in Japan and overseas accumulated through serving as CEO of a North American business and an aviation-related manufacturing company, as well as being involved in creating new businesses in the ICT and financial business. The Company expects him to play a role in strengthening governance based on such extensive experience and broad insight in corporate management. Based on such in-depth knowledge and outstanding insight, the Company has judged Mr. Suzuki to be capable of accurately and fairly auditing and supervising the

(Translation for reference only)

			entities for which the Company or any of its Operating Companies is a major business partner (**), or entities that are major business partners (**) of the Company or any of its Operating Companies. As of the fiscal year end, neither the Company nor any of its operating companies owned any shares of ITOCHU Corporation. ** See * in “II. 1. Matters Concerning Independent Directors” of this report.	overall execution of the Company’s business, as well as of providing valuable suggestions and advice to improve the Company’s corporate value as an Outside Director who is an Audit & Supervisory Committee Member of the Company. In addition, Mr. Suzuki satisfies the standards for independence stipulated in the “Securities Listing Regulations” and the “Standards for Independence of Outside Directors” established by the Company, and would have no conflict of interests with general shareholders. Hence, the Company has designated Mr. Suzuki as Independent Director, based on the judgment that Mr. Suzuki is capable of adequately bearing the supervision function from a standpoint independent from the management of the Company.
Naoto Nakamura	○	○	(Significant concurrent posts) Lawyer of Nakamura Law Firm	Mr. Nakamura has been successful as an attorney at law for many years, and has extensive experience and broad insight in corporate governance and compliance, accumulated through providing guidance, advice, and oversight to companies from the standpoint of a third-party committee, etc. as well as extensive experience as an outside officer of other companies. The Company expects him to play a role in strengthening governance based on his high level of expertise and extensive experience in legal practice cultivated as an attorney. Although he has no experience of participating in corporate management other than as an outside director or outside audit & supervisory board member, based on such in-depth knowledge and outstanding insight, the Company has judged Mr. Nakamura to be capable of accurately and fairly auditing and supervising the overall execution of the Company’s business, as well as of providing valuable suggestions and advice to improve the Company’s corporate value as an Outside Director who is an Audit & Supervisory Committee Member of the Company. No transaction took place between Nakamura, Tsunoda & Matsumoto, where Mr. Nakamura served as a Partner until April 2023 and Nakamura Law Firm, which Mr. Nakamura established in April 2023, and the Company or any of its Operating Companies in the last three years. Accordingly, Nakamura, Tsunoda & Matsumoto and Nakamura Law Firm do not fall under the category of entities for which the Company or any of its Operating Companies is a major business partner (**), or entities that are major business partners (**) of the Company or any of its Operating Companies. In addition, Mr. Nakamura satisfies the standards for independence stipulated in the “Securities Listing Regulations” and the “Standards for Independence of Outside Directors” established by the Company, and would have no conflict of interests with general shareholders.

(Translation for reference only)

				Hence, the Company has designated Mr. Nakamura as Independent Director, based on the judgment that Mr. Nakamura is capable of adequately bearing the supervision function from a standpoint independent from the management of the Company. ** See * in “II. 1. Matters Concerning Independent Directors” of this report.
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(2) Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Supervisory Committee	5	2	2	3	Inside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee

Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

The Company assigns one or more dedicated employees to the Audit & Supervisory Committee's Office to assist with the duties of the Audit & Supervisory Committee.

The Audit & Supervisory Committee Members are consulted concerning the personnel affairs of the employees who serve as assistants to the Audit & Supervisory Committee to ensure the independence of such employees from Directors (excluding the Directors who are Audit & Supervisory Committee Members). These employees perform their duties under the direction and supervision of the Audit & Supervisory Committee to ensure the effectiveness of instructions given to them by the Audit & Supervisory Committee.

Cooperation among the Supervisory Committee, Accounting Auditors and Internal Audit Department

The Audit & Supervisory Committee closely cooperates with Ernst & Young ShinNihon LLC, the Accounting Auditor, by holding meetings periodically or whenever necessary, where the committee receives reports on audit plans, the status of audit implementation, and audit results, as well as explanations on the quality control system of the accounting auditor, provides explanations on audit plan, etc., and opinions are exchanged. The Audit & Supervisory Committee also closely cooperates with the internal auditing department by holding meetings periodically or whenever necessary, where the Audit & Supervisory Committee receives reports on internal audit plans, the status of internal audit implementation and the results of internal audits, and opinions are exchanged.

(3) Voluntary Established Committee(s)

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee

Established

(Translation for reference only)

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination Committee	6	0	2	4	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Remuneration Committee	6	0	2	4	0	0	Outside Director

Supplementary Explanation

The Nomination Committee deliberates and reports to the Board of Directors on matters pertaining to the basic policy on the election and dismissal of the President of the Company, proposals for the election of candidates for the President of the Company, succession plans of the President of the Company, and the nomination of candidates for Outside Directors. The Nomination Committee comprises of 6 members including 4 Outside Directors, 2 Inside Directors.

The Remuneration Committee deliberates matters pertaining to the basic policy on the remuneration of Directors, etc. of the Company and each Operating Company and reports to the Board of Directors. The Remuneration Committee comprises of 6 members including 4 Outside Directors and 2 Inside Directors.

For both the Nomination Committee and Remuneration Committee, of the six members, four are Outside Directors possessing independence and, as these Outside Directors comprise a majority, the committees possess sufficient independence and objectivity. In addition, as the chairpersons of both committees are determined by an internal vote of the Outside Directors, the Company considers this to ensure even greater independence and objectivity.

In FY2025, the Nomination Committee was convened three times, and the members attended all the meetings. In addition, the Remuneration Committee was convened five times, and the members attended all the meetings.

The Nomination Committee and the Remuneration Committee are required to provide the Audit & Supervisory Committee with the information necessary for it to form its opinions on the appointment, dismissal, and remuneration of directors.

(4) Matters Concerning Independent Directors

Number of Independent Directors	6
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Other Matters Concerning Independent Directors

The Company has designated all Outside Directors who meet qualification for Independence as Independent Directors.

Standards for Independence of Outside Directors of JFE Holdings, Inc.

JFE Holdings, Inc. (the "Company") establishes the standards for independence of Outside Directors as described below. An Outside Director is deemed not to have sufficient independence from the Company in the event that he/she

(Translation for reference only)

falls under any of the items below.

- 1) A person who is or was an executive director, executive officer, corporate officer or employee (collectively the “Executive”) of the Company or its subsidiary.
- 2) A person who is currently a major shareholder of the Company. In the event that the person is a legal entity such as a company, a person who is or, in the past 3 years, was the Executive of such legal entity or a parent company or a significant subsidiary of such legal entity.
- 3) A person for whom the Company or its operating company is a major business partner. In the event that the person is a legal entity such as a company, a person who is or, in the past 3 years, was the Executive of such legal entity or a parent company or a significant subsidiary of such legal entity.
- 4) A person who is a major business partner of the Company or its operating company. In the event that the person is a legal entity such as a company, a person who is or, in the past 3 years, was the Executive of such legal entity or a parent company or a significant subsidiary of such legal entity.
- 5) A financial institution or other major creditor of the Company or its operating company who is indispensable for the fundraising of the Company or its operating company and on whom the Company or its operating company depends to the extent that it is irreplaceable. In the event that the financial institution or other major creditor is a legal entity, a person who is or, in the past 3 years, was the Executive of such legal entity or a parent company or a significant subsidiary of such legal entity.
- 6) A person who has received donations exceeding a certain amount (an annual average of either 10 million yen or 30% of the person’s total expenses, whichever is larger, over the past 3 years) from the Company or its operating company. In the event that the person is a legal entity such as a company, a person who is or, in the past 3 years, was the Executive of such legal entity or a parent company or a significant subsidiary of such legal entity.
- 7) A consultant, accounting professional such as a certified public accountant, or legal professional such as a lawyer who has received a large amount of money or other assets (an annual average of 10 million yen or larger over the past 3 years) in addition to the director’s or audit & supervisory board member’s remuneration from the Company or its operating company. In the event that the consultant, accounting professional or legal professional is an organization such as a legal entity or an association, a person who belongs to such organization.
- 8) An accounting auditor of the Company or its operating company, or a person who is a partner, etc. of such accounting auditor; or a person who performed auditing on the Company or its operating company as a partner, etc. of such accounting auditor in the past 3 years.
- 9) A person who is a director, audit & supervisory board member, executive officer or corporate officer of a company or a parent company or a subsidiary of such company, in the event that such company has accepted directors from the Company or its operating company.
- 10) A person who is or, in the past 3 years, was the Executive of a lead managing underwriter of the Company.
- 11) A relative of a person falling under any of foregoing items 1) through 10) (the person’s spouse, relatives within the third degree of kinship, or relatives living with the person).

Nevertheless, in the event that a person who falls under any of the foregoing items is deemed by the Company appropriate for an independent outside director of the Company in light of the person’s personality, insight, etc., the Company may nominate such person as a candidate for an independent outside director, by providing the reason to believe that the person is appropriate for an independent outside director of the Company, and by explaining that the person fulfills the requirements for an independent outside director.

- * “Operating company” refers to JFE Steel Corporation, JFE Engineering Corporation and JFE Shoji Corporation.
- * “Major business partner” refers to the case where the aggregate amount of transactions with the business partner exceeds 1% of consolidated net sales in the most recent fiscal year.

(5) Incentives

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of Performance-linked Remuneration Scheme

(Translation for reference only)

Supplementary Explanation for Applicable Items
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This is described in “Director Remuneration” below.

Persons Eligible for Stock Options

Supplementary Explanation for Applicable Items
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(6) Director Remuneration

Status of Disclosure of Individual Director's Remuneration
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Disclosure for Selected Directors

Supplementary Explanation for Applicable Items
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The total amount of remuneration, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) was 260,840 thousand yen and the total amount of remuneration, etc. for Directors who are Audit & Supervisory Committee Members (excluding Outside Directors) was 58,680 thousand yen. Information on remuneration (including remuneration as a Director of a consolidated subsidiary) for Directors who receive 100 million yen or more is disclosed in the Annual Securities Report on an individual basis.

Policy on Determining Remuneration Amounts and Calculation Methods
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Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods
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Based on deliberations by and reports from the Remuneration Committee as an advisory body to the Board of Directors, with the majority comprising Outside Directors, the Board of Directors of the Company, has established a policy on remuneration for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officers as follows.

Policy for determining remuneration for Directors

The Company has designed and operates a remuneration plan for Directors and Corporate Officers in accordance with the Basic Policy on Remuneration for Directors and Corporate Officers (hereinafter referred to as the “Basic Policy”), which was resolved by the Board of Directors on April 26, 2018 and partially revised by resolution of the Board of Directors on June 25, 2025, and the Policy for Deciding the Individual Remuneration for Directors and Corporate Officers (hereinafter referred to as the “Decision Policy”), which was resolved by the Board of Directors on February 9, 2021 and partially revised by resolution of the Board of Directors on June 25, 2025, pursuant to the Basic Policy, based on deliberations by and reports from the Remuneration Committee.

The content of remuneration, etc. for individual Directors is determined by the Board of Directors, respecting reports made to the Board of Directors following multifaceted reviews, including reviews of consistency with the Basic Policy, etc., by the Remuneration Committee. Therefore, the Board of Directors believes that the content of remuneration, etc. for individual Directors is in line with the Basic Policy and Decision Policy.

The Basic Policy and the outline of Decision Policy established by the company are as follows:

<Basic Policy>

- The Board of Directors shall determine remuneration system for Directors (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officers based on deliberations regarding its appropriateness by the Remuneration Committee to ensure fairness, objectiveness and transparency.

(Translation for reference only)

- The remuneration level for Directors (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officers shall be determined to secure excellent human resources who are able to put the Group's corporate vision into practice, taking into consideration the business environment of the Group and remuneration levels at other companies in the same industry or of the same scale.
- The ratio between basic remuneration and performance-linked remuneration (annual bonus and stock remuneration) shall be properly established according to the roles and responsibilities, etc. of each Director (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officer so as to function as sound incentives toward the sustainable growth of the Group.

<Outline of Decision Policy>

- Remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officers shall be determined by a resolution of the Board of Directors in accordance with the Basic Policy and the Decision Policy, based on reports from the Remuneration Committee.
- Remuneration for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officers is comprised of basic remuneration and performance-linked remuneration (annual bonus and stock remuneration).
- Basic remuneration is paid as a fixed amount, in cash, each month according to position.
- Annual bonus is linked to the Company's single-year performance (calculated based on financial and non-financial indicators) and is paid in cash once a year.
- Stock remuneration is granted as the Company's shares and cash equivalent to the amount of the Company's shares converted to market value through the trust upon retirement.
- The ratios of remuneration by type are structured so that the higher the position, the greater the weight of performance-linked remuneration, and the ratio for the Company's President has been set so that when performance targets are achieved the ratio is "basic remuneration : annual bonus : stock remuneration = 2:1:1"

However, the Company only pays basic remuneration to Outside Directors and Directors who are Audit & Supervisory Committee Members, given their roles of supervising and auditing management from an independent and objective standpoint. Directors who concurrently serve as Executive Directors of the Operating Companies shall not be paid the annual bonus and the Stock Remuneration from the Company.

The method of determining remuneration for Directors and Corporate Officers and other details are disclosed in the "Compensation for directors and other officers" section in the Annual Securities Report.

Securities Reports

https://www.jfe-holdings.co.jp/investor/library/annual_securities_report/

(7) Support System for Outside Directors

A Board of Directors' Secretariat is set up in the General Administration Dept. to support Outside Directors with necessary communication and arrangements, etc.

Furthermore, dedicated staff to support the duties of the Audit & Supervisory Committee, which is composed primarily of Outside Directors who are Audit & Supervisory Committee Members, are allocated in the Audit & Supervisory Committee's Office. Personnel affairs of the dedicated staff are discussed with the Audit & Supervisory Committee Members.

The Company provides Outside Directors with briefings, etc. prior to the Board of Directors meetings, and gives materials and explanations on each agenda item.

In addition to the above, the Company strives to provide adequate information necessary for execution of their duties by providing explanations on important management issues of the Company and the Group companies from time to time, and offering opportunities such as exchanges of opinions with the senior management including the President, attendance of hearings of important business reporting by each department as necessary, convening of Board of Directors meetings at major business bases and inspections of Group companies, etc.

(Translation for reference only)

(8) Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
Koji Kakigi	Special Advisor	-Activities outside the Company	Full-time, with compensation	April 1, 2024	For 4 years
Eiji Hayashida	Honorary Advisor	-Activities outside the Company	Part-time, without compensation	April 1, 2019	Undetermined
Hajime Bada	Honorary Advisor	-Activities outside the Company	Part-time, without compensation	April 1, 2015	Undetermined
Fumio Sudo	Honorary Advisor	-Activities outside the Company	Part-time, without compensation	April 1, 2010	Undetermined

Number of Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.)
After Retiring as Representative Director and President, etc.

4

Other Related Matters

- In order to clearly indicate that persons who have retired from the office of President shall in no way be involved in management, the post of Senior Advisor has been abolished in FY2019. It was decided that those who have retired from the office of President can be appointed as Special Advisors in charge of activities outside the Company that are important to the Group, as necessary.
- Concerning Special Advisors and Honorary Advisors, internal rules have been established.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

The Company has constructed the following corporate governance system aimed at continuously increasing corporate value and the common interest of shareholders by reinforcing the fairness, objectivity and transparency of management. Upon the approval of the Ordinary General Meeting of Shareholders held in June 2025, the Company transitioned to a company with an Audit & Supervisory Committee to further strengthen the supervisory function of the Board of Directors by accelerating decision-making and enhancing the discussion of management policies and strategies within the Board of Directors.

(Please refer to Diagram 1. in the Appendix of this report for a simplified diagram of the corporate governance system.)

(1) Board of Directors and Directors

1) Duties and roles of Board of Directors

- Based on the fiduciary duty to shareholders, the Board of Directors takes the responsibility to ensure sustainable growth of the Company and the enhancement of medium to long-term corporate value. In accordance with laws and regulations, the Articles of Incorporation and related regulations of the Company such as the Rules of the Board of Directors, the Board of Directors makes material decisions on management including formulation of management plans of the JFE Group and basic policies on management. Further, the Board of Directors supervises the overall management including business execution by the executive person. The Board of Directors shall promote the delegation of decision-making authority in order to accelerate decision-making of management and enhance discussions on management policies and strategies.
- According to the internal rules of the Company, the Company establishes clear standards which clarify the authority of decision-making and the decision-making procedures concerning the matters pertaining to the Company and each company within the JFE Group, and significant matters are subject to deliberation at the Company's Management Committee and resolution of the Company's Board of Directors.
- For the purpose of facilitating prompt decision-making related to business execution, the authority of making decisions other than those related to significant business execution set forth in the Rules of the Board of Directors, in principle, is given to Corporate Officers in charge of the corresponding business.

2) Structure of Board of Directors

- The Company's Board of Directors comprises of members who possess diversified knowledge, experiences and abilities. The number of the Directors shall not exceed 18.
- The Company elects several Independent Outside Directors, who comprise one-third or more of all Directors of the Company. Independent Outside Directors will be elected from persons who are appropriate to bear the responsibility of strengthening governance such as those who possess abundant experience as management in global enterprises or experts who possess profound knowledge.
- With regard to Inside Directors, persons with appropriate insight to bear decision-making of management of the whole Group and supervision of business execution will be elected from those who possess profound understanding and knowledge on the business by way of processes such as engagement in management of the Company or each Operating Company.
- The Company's Board of Directors establishes a set of Standards for Independence of Outside Directors (hereinafter "Independence Standards") and disclosed in a timely and appropriate manner.

After approval at the Ordinary General Meeting of Shareholders held in June 2026, the Board of Directors is composed of 13 Directors, 46.2% of whom are Independent Outside Directors and 15.4% of whom are female Directors. The Company's "Standards for Independence of Outside Directors" are presented in II. 1. Matters Concerning Independent Directors in this report.

Please refer to Reference 1. in the Appendix of this report for the skill matrix of Directors.

3) Information disclosure and internal control

- The Company's Board of Directors establishes a timely and appropriate information disclosure system and supervises the operation of the system.
- With the aim of achieving efficient business execution through appropriate control, the Company's Board of Directors establishes Basic Policy to Establish the Internal Control System, and implements the system of the JFE Group for compliance and risk management, and supervises operation thereof.

Please refer to Diagram 2. in the Appendix of this report for the Company's system for information disclosure and chapter IV of this report for the Company's basic views on the internal control system.

4) Directors

- The term of office of Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company is 1 year as stipulated in the Articles of Incorporation. The Board of Directors decides the candidates who are to be elected in the General Meeting of Shareholders every year.
- The term of office of Directors who are Audit & Supervisory Committee Members (hereinafter "Audit & Supervisory Committee Members") of the Company is 2 years as stipulated in the Articles of Incorporation. The Board of Directors decides the candidates with the consent of the Audit & Supervisory Committee, who are to be elected in the General Meeting of Shareholders.
- Directors of the Company recognize the fiduciary duty to shareholders, demonstrate their expected abilities, dedicate sufficient time for the Company, and execute their duties as Directors.
- Directors of the Company collect sufficient information for the execution of their duties, and actively express their opinions and participate in discussions.
- Directors of the Company endeavor to acquire knowledge and engage in further improvement necessary to appropriately fulfill their roles and duties.

5) Outside Directors

- The Board of Directors decides the candidates for Outside Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company, and election will be carried out at the General Meeting of Shareholders. The candidates are elected among those who do not only fulfill the requirements for Outside Directors as stipulated by the Companies Act, but also meet the "Independence Standards" established by the Board of Directors.
- The Board of Directors decides the candidates for Outside Directors who are Audit & Supervisory Committee Members of the Company with the consent of the Audit & Supervisory Committee, and election will be carried out at the General Meeting of Shareholders. The candidates are elected among those who do not only fulfill the requirements for Outside Directors as stipulated by the Companies Act, but also meet the "Independence Standards" established by the Board of Directors.
- Outside Directors of the Company inspect and evaluate the Company's management results and

performance of Directors based on business strategies decided by the Board of Directors, and express their opinions based on judgments from the viewpoint of the interest of stakeholders including shareholders.

6) Formulation of agenda, etc. of the Board of Directors

- The Chairperson of the Board of Directors of the Company decides the agenda of the Board of Directors prior to each meeting, and notifies the Directors accordingly and sets a period of time appropriate for sufficient discussion to take place.
- With the aim of facilitating the discussion in the Board of Directors, the Company distributes the reference concerning the agenda and proposals of the meeting to each Director including Outside Directors, and briefs them when necessary, sufficiently prior to the date of the meeting.
- Concerning the itinerary of the Board of Directors Meeting, the Company decides the annual schedule taking into consideration the availability of the Directors.

During the FY2025, the Company discussed the formulation and progress of the JFE Vision 2035 and the Eighth Medium-term Business Plan, large-scale investment projects (such as the expansion of JSW JFE Electrical Steel Nashik Private Limited's production capacity and the establishment of a joint venture with JSW Steel Limited for an integrated steelworks), and investment follow-up. The Company also discussed initiatives addressing sustainability issues (efforts toward CN, strengthening corporate governance and compliance frameworks, etc.). Attendance at Board of Directors meetings is described below in (6).

7) Self-evaluation of Board of Directors

- The Board of Directors analyses and evaluates the overall effectiveness of the Board of Directors each year and discloses the summary of the results in a timely and appropriate manner.

Please refer to I. 1. Supplementary Principle 4.11.3 Analysis and Evaluation of the Effectiveness of the Board of Directors regarding the FY2025 evaluation of the effectiveness of the Board of Directors.

(2) Audit & Supervisory Committee and Audit & Supervisory Committee Members

1) Duties and roles of Audit & Supervisory Committee and Audit & Supervisory Committee Members

- Based on the fiduciary duty to shareholders, Audit & Supervisory Committee of the Company endeavor to ensure the sound and sustainable growth and the enhancement of social trust of the Company through auditing of the execution of duties by Directors. Audit & Supervisory Committee Members of the Company, with the aim of appropriately executing their duties, communicate with Directors, etc. and express their opinions as necessary. In addition, Audit & Supervisory Committee Members communicate with Directors, etc. of subsidiaries and endeavor to collect information and improve the auditing environment.
- Audit & Supervisory Committee Members, through the Audit & Supervisory Committee, endeavor to share the significant information obtained from duties, and aim for appropriate auditing through exchange of opinions with other Audit & Supervisory Committee Members. Full-time Audit & Supervisory Committee Members demonstrate their characteristics, and they endeavor to collect information through examination of the state of business and assets in addition to attending important meetings, and actively contribute to the improvement of the auditing environment. Outside Audit & Supervisory Committee Members of the Company demonstrate their characteristics, aim for the further enhancement of the neutrality and independence of the auditing system and function, and carry out auditing operations from a broad perspective.
- The Company's Audit & Supervisory Committee and Audit & Supervisory Committee Members endeavor to improve the effectiveness of auditing by appropriately executing their authority as stipulated by laws and regulations.

2) Structure of Audit & Supervisory Committee

- The Directors who are Audit & Supervisory Committee Members possess sufficient knowledge concerning finance and accounting. The number of Audit & Supervisory Committee Members shall not exceed 6, among which the majority shall be Outside Directors who are Audit & Supervisory Committee Members.
- The Company elects several Independent Outside Directors who are Audit & Supervisory Committee Members. Independent Outside Directors who are Audit & Supervisory Committee Members will be elected from persons who are appropriate to bear the role of enhancing auditing function such as those who possess abundant experience as management in global enterprises or experts who possess profound knowledge.

- With regard to Inside Directors who are Audit & Supervisory Committee Members, persons with knowledge and experience enabling the auditing of execution of duties by Directors in an accurate and fair manner, who deliver an insight appropriate to bear the supervision function will be elected from those who possess profound understanding and knowledge on the business by way of processes such as engagement in management or auditing of the Company or each Operating Company.

After approval at the Ordinary General Meeting of Shareholders held in June 2026, the Audit & Supervisory Committee is composed of five members, 60% of whom are Independent Outside Directors who are Audit & Supervisory Committee Members.

3) Relationship with Accounting Auditor and Internal Audit Department

- The Company's Audit & Supervisory Committee cooperates with the Accounting Auditor and the internal audit department to ensure a sufficient and appropriate auditing system.
- The Company's Audit & Supervisory Committee evaluates the Accounting Auditor regularly. A new Accounting Auditor shall be elected when necessary. In addition, appropriate standards which highlight independence and professionalism are established for election and evaluation.

The status of internal audits is presented in (7) below.

(3) Accounting Auditor

Duties and roles of Accounting Auditor

- The Company and the Company's Accounting Auditor recognize an important responsibility of Accounting Auditor in ensuring the reliability of the disclosed information related to finance. The Accounting Auditor cooperate with the Company's Directors, Audit & Supervisory Committee and the internal audit department, etc. to ensure a system which allows the execution of appropriate auditing.
- The Company's Accounting Auditor ensures their independence and professionalism and complies with the necessary standards of quality management for appropriate execution of account auditing.
- The Company implements regular meetings for the Accounting Auditor and the top management to ensure that the indication of comments and opinions from the Accounting Auditor are appropriately delivered to the top management.

The status of accounting auditor is presented in (7) below.

(4) Consultation Committee

1) Nomination Committee and Remuneration Committee

The Company establishes the Nomination Committee and Remuneration Committee which act as an advisory body of the Board of Directors to ensure fair, objective and transparent personnel affairs and remuneration of the Board of Directors.

2) Structure of Nomination Committee and Remuneration Committee

The Nomination Committee and Remuneration Committee comprise of a majority of Outside Directors, respectively, and the chairpersons are determined from Outside Directors.

3) A Report from Nomination Committee

The Nomination Committee deliberates and reports to the Board of Directors on matters pertaining to the basic policy on the election and dismissal of the President of the Company, proposals for the election of candidates for the President of the Company, succession plans of the President of the Company, and the nomination of candidates for Outside Directors.

4) A Report from Remuneration Committee

The Remuneration Committee deliberates matters pertaining to the basic policy on the remuneration of Directors, etc. of the Company and each Operating Company and reports to the Board of Directors.

Please refer to II. 1. Voluntary Established Committee(s) in this report for an overview of the Nomination Committee and the Remuneration Committee.

(5) Secretariat

The Company establishes a secretariat for the Board of Directors, Nomination Committee and Remuneration Committee in the General Administration Dept. to handle necessary contact affairs and support for adjustments, etc. In addition, the Company establishes the Audit & Supervisory Committee's Office which comprises of designated staff to assist Audit & Supervisory Committee Members to carry out their duties and to perform the clerical duties of the Audit & Supervisory Committee under the command of Audit & Supervisory Committee

Members.

(6) Business Execution

With regard to significant matters of each company within the Group, internal rules of each company stipulate clear standards which clarify the determination procedures, and significant matters pertaining to the management as the Group is ultimately subject to deliberation and determination at the Company. Specifically, each Operating Company decides significant matters concerning itself and its own group companies through deliberation at the Management Committee, etc., after which the Board of Directors renders its decisions. At the Company, the JFE Group Management Strategy Committee deliberates on matters relating to the management strategies involving the entire Group, while the Management Committee deliberates on significant matters involving the Company, Operating Companies or group companies. Based on these deliberations, the Board of Directors makes its decisions on the significant matters in accordance with the Rules of the Board of Directors.

The Company and Operating Companies hold the Management Committee and the Board of Directors meeting once or twice a month, respectively.

In FY2025, the Company held the Board of Directors meetings 15 times. Please note that the Company transitioned to a company with an Audit & Supervisory Committee effective as of the conclusion of the Ordinary General Meeting of Shareholders held on June 25, 2025. Therefore, the attendance figures below include the number of times the individual attended as an auditor prior to this date.

Board of Directors (as of March 31, 2026)

Position	Name	Number of Meetings of the Board of Directors Attended (FY2025)
Representative Director, President and CEO	Yoshihisa Kitano	15/15 (100%)
Representative Director	Masayuki Hirose	15/15 (100%)
Representative Director, Executive Vice President	Masashi Terahata	15/15 (100%)
Director	Kazuyoshi Fukuda	15/15 (100%)
Director	Yoshifumi Ubagai	12/12(100%)
Outside Director	Yoshiko Ando	15/15 (100%)
Outside Director	Takuya Shimamura	15/15(100%)
Outside Director	Keiichi Kobayashi	14/15 (93%)
Director (Audit & Supervisory Committee Member) (full-time)	Nobuya Hara	15/15 (100%)
Director (Audit & Supervisory Committee Member) (full-time)	Nakaba Akimoto	15/15 (100%)
Outside Director (Audit & Supervisory Committee Member)	Tsuyoshi Numagami	15/15 (100%)
Outside Director (Audit & Supervisory Committee Member)	Yoshihisa Suzuki	12/12(100%)
Outside Director (Audit & Supervisory Committee Member)	Naoto Nakamura	12/12(100%)

(7) Internal Audits, Audit by Audit & Supervisory Committee and Audit by Accounting Auditor

(a) Internal audit

Internal auditing organizations was established at the Company (6 members), its principal Operating Companies (26 members) and key Group companies, and conduct the audit of business operations of each company. The internal auditing departments of the Company and the Group companies mutually share

information to enhance overall internal auditing structure within the Group. In addition, in order to ensure the effectiveness of internal audits, the results of internal audits are reported to the Board of Directors and the Audit & Supervisory Committee.

(b) Audit by Audit & Supervisory Committee

The Audit & Supervisory Committee is composed of 5 Audit & Supervisory Committee Members including 3 Outside Directors who are Audit & Supervisory Committee Members. With regard to the internal control system, the Audit & Supervisory Committee receives regular reports from directors and corporate officers regarding its establishment and operation, and, as necessary, requests explanations from directors and corporate officers and expresses its opinions. Members of the Audit & Supervisory Committee follow the Committee's regulations, audit policies, audit plans, and division of duties. They coordinate with the Company's internal auditing department, attend Board of Directors meetings and other important meetings, receive reports from directors and executive officers regarding their performance, request explanations from directors and corporate officers as necessary, review important approval documents, and investigate the status of the company's operations and assets. With regard to the subsidiaries, the Committee maintains communication with their directors, auditors, and other officers, and receives business reports from them, as necessary. The Committee also reviews the status of their operations and assets. Through these methods, the Audit & Supervisory Committee audits the directors' execution of their duties. Regarding the appointment, dismissal, and remuneration of directors, the Audit & Supervisory Committee forms its opinions after reviewing the deliberations of the Nomination and Remuneration Committees.

(c) Audit by Accounting Auditor

Ernst & Young ShinNihon LLC has been designated as the Accounting Auditor. The names of the certified public accountants who executed accounting audit, and the audit corporations which they belong to are as follows.

Shin Ichinose

Certified Public Accountant Designated and Engagement Partner
(Ernst & Young ShinNihon LLC)

Tetsuya Yoshida

Certified Public Accountant Designated and Engagement Partner
(Ernst & Young ShinNihon LLC)

Keiichi Wakimoto

Certified Public Accountant Designated and Engagement Partner
(Ernst & Young ShinNihon LLC)

Taichi Fujio

Certified Public Accountant Designated and Engagement Partner
(Ernst & Young ShinNihon LLC)

(Notes) 1. Continuous years of service of each of the above persons are not more than seven years.

2. Composition of assistants in the accounting audit is determined in accordance with the selection standards of the Audit Corporation and specifically, they are composed of certified public accountants and other assistants as major members in addition to the system professionals.

(8) Outline of the Contracts for Limitation of Liability with Directors (excluding those who are Executive Directors) and Directors who are Audit & Supervisory Committee Members

The Company has entered into agreements, in accordance with the provision of Article 427, Paragraph 1, of the Companies Act, with Directors (excluding those who are Executive Directors) and Directors who are Audit & Supervisory Committee Members to limit their liability to compensate damages under Article 423, Paragraph 1, of the Companies Act. The limitation on indemnity liability of each Director (excluding those who are Executive Directors) and Director who is Audit & Supervisory Committee Member to compensate damages under such agreements is set out to the amount set forth in the relevant laws and regulations.

(Translation for reference only)

3. Reasons for Adoption of Current Corporate Governance System

The Company is a pure holding company comprising 3 Operating Companies with diverse business operations. With the aim of ensuring the autonomy and efficiency of management and exercising the appropriate management supervision function at each Operating Company, the Company adopts for them the Corporate Officer System to clarify authority and accountability by separating decision-making on management from business execution and to enhance prompt execution, and adopts Outside Directors with strong independence to improve transparency of the Board of Directors and secure sound management.

The Company has also established the Nomination Committee and Remuneration Committee which each comprise a majority of Independent Outside Directors to reinforce the management supervision function by the Board of Directors, by enhancing the engagement of Independent Outside Directors in appointment of the President of the Company and determination of Directors' remuneration.

In addition, upon the approval of the Ordinary General Meeting of Shareholders held in June 2025, the Company transitioned to a company with an Audit & Supervisory Committee to further strengthen the supervisory function of the Board of Directors by accelerating decision-making and enhancing the discussion of management policies and strategies within the Board of Directors.

The Company will continue to further enhance its approach in pursuit of the best possible corporate governance to achieve sustainable growth for the Group and increase corporate value.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	Date of the 24th Ordinary General Meeting of Shareholders held: June 8, 2026 (Monday)
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	Date of the 24th Ordinary General Meeting of Shareholders held: June 24, 2026 (Wednesday)
Electronic Exercise of Voting Rights	An electronic voting system is adopted.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	A platform for exercise of voting rights for institutional investors operated by ICJ Inc. is adopted.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	An English version of the Notice summaries was posted on the Company's website on May 25, at the same time as the Japanese version. Notice of the 24th Ordinary General Meeting of Shareholders https://www.jfe-holdings.co.jp/en/common/pdf/investor/stock/general_meeting/2026/24-20260525.pdf
Other	The Notice (Japanese version) was posted on the Company's website on May 25.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Disclosure Policy is posted on the Company's website. Disclosure Policy https://www.jfe-holdings.co.jp/en/investor/management/disclosure-policy/	
Regular Investor Briefings held for Individual Investors	Briefings are held by Directors/Corporate Officers and the department in charge, periodically, and materials are posted on the Company's website. (in Japanese Only) https://www.jfe-holdings.co.jp/investor/personal/presentation.html	Held

(Translation for reference only)

	Company briefings are also provided as part of the plant tours for shareholders, which are held regularly.	
Regular Investor Briefings held for Analysts and Institutional Investors	Investors' meetings are held around once each quarter for analysts and institutional investors, and videos and scripts are posted on the Company's website. IR Library https://www.jfe-holdings.co.jp/en/investor/library/	Held
Regular Investor Briefings held for Overseas Investors	Management and Directors/Corporate Officers in charge engage in dialogue around once a year in various locations.	Held
Online Disclosure of IR Information	Financial results information, timely disclosure information other than financial results information, securities reports, references at the Company briefings, notice of ordinary general meeting of shareholders, JFE GROUP REPORT (Integrated Report), etc. Investor Information https://www.jfe-holdings.co.jp/en/investor/	
Establishment of Department and/or Placement of a Manager in Charge of IR	Department in charge of investor relations: Investor Relations and Corporate Communications Dept. Directors/Corporate Officers in charge of investor relations: Vice President, Tsunao Takura	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	Respect for the position of stakeholders is stipulated in the Group's "Corporate Vision" and "JFE Group Standards of Conduct." Corporate Vision https://www.jfe-holdings.co.jp/en/company/philosophy/index.html
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The Group's sustainability activities are presented in the "JFE GROUP REPORT (Integrated Report)" and the "JFE Group Sustainability Report." <JFE GROUP REPORT (Integrated Report)> https://www.jfe-holdings.co.jp/en/investor/library/group-report/index.html This report provides comprehensive information on the Group's management strategies and financial information together with non-financial information including ESG (environmental, social, and governance) with the aim of helping all stakeholders, including shareholders and investors, understand the medium- to long-term value creation narrative of the Group. <JFE Group Sustainability Report> https://www.jfe-holdings.co.jp/en/sustainability/data/ This report comprehensively presents the Group's sustainability activities from the perspective of ESG (environmental, social and governance).
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Company recognizes the importance of timely and appropriate disclosure of information, and strives to improve its internal systems to conduct timely, accurate and fair disclosure of corporate information to its shareholders and investors. The Company filed a declaration with the stock exchanges to pledge to the effect that the Company will carry out disclosure of information in good faith. Specifically, as an internal system, the Company established internal regulations concerning treatment of material facts, based on which departments for

controlling, aggregating, confirming and announcing the material facts are established respectively to conduct timely and appropriate disclosure of significant corporate information with cooperation among the departments.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

For the systems to ensure the propriety of business operations, the Basic Policy to Establish the Internal Control Systems was resolved by the Board of Directors, pursuant to which the Company operates and improves the systems. In April 2026, the Company revised this basic policy and established CCOs at both the Company and the Operating Companies. The Company's CCO serves as chair of the Group Compliance Committee, and each Operating Company's CCO serves as chair of its respective Compliance Committee. The Company clarified the scope of cooperation between the internal auditing department and the Audit & Supervisory Committee in this basic policy.

[Basic Policy to Establish the Internal Control Systems]

JFE Holdings, Inc. shall establish its internal control systems as described below to comply with laws and regulations and the Articles of Incorporation and maximize its corporate value toward the realization of the Corporate Vision— “The JFE Group — contributing to society with the world’s most innovative technology” and the goal of establishing a highly sustainable business structure. JFE Holdings, Inc. shall review and improve this basic policy and the internal control systems established in accordance therewith on an ongoing basis.

1. Systems to ensure compliance of the execution of the duties by Directors of the Company with laws and regulations and the Articles of Incorporation and other systems necessary to ensure the properness of business operations conducted by the corporate group consisting of the Company and its subsidiaries
 - (1) Systems to ensure compliance of the execution of the duties by Directors and employees with laws and regulations and the Articles of Incorporation
 - (a) The authority of Directors, Corporate Officers and employees shall be clarified in the in-house rules for authority and responsibilities and other internal policy guidelines. Their respective duties shall be executed in compliance with the relevant rules and regulations.
 - (b) JFE Holdings, Inc. shall appoint a CCO (Chief Compliance Officer) as the person responsible for compliance and establish a Compliance Committee chaired by the CCO. The Compliance Committee shall deliberate on and make decisions on basic policies and important compliance-related matters, as well as supervise the status of implementation of related measures.
 - (c) A “Corporate Ethics Hotline” to ensure that significant issues regarding the compliance is directly communicated from the front lines to top management shall be provided, streamlined and appropriately operated.
 - (d) The internal auditing department shall audit compliance with laws and regulations and the Articles of Incorporation, and regularly report the audit results to the Board of Directors.
 - (2) Systems to ensure the efficient execution of the duties by Directors
 - (a) The Directors shall encourage in-depth deliberations at the meetings of the Board of Directors, the JFE Group Management Strategy Committee, and the Management Committee. The Directors shall also sufficiently deliberate before drawing conclusions at appropriate organizational bodies, as required.
 - (b) The internal auditing department shall audit the effectiveness and efficiency of the business, and regularly report the audit results to the Board of Directors.
 - (3) Systems to retain and manage information in relation to the execution of the duties by Directors
 - (a) The minutes of the Board of Directors meetings shall be prepared with regard to information on matters to be resolved by and reported to the Board of Directors, in accordance with the relevant laws and regulations. The board minutes shall be appropriately retained and managed.

- (b) Information regarding organizational bodies, such as the JFE Group Management Strategy Committee and the Management Committee, that deliberate on important management matters shall be appropriately recorded, retained and managed.
- (c) Important corporate documents, such as kessaisho (documents for approval), which are related to the execution of the duties by Directors, shall be appropriately recorded, retained and managed.
- (4) Rules and other systems related to management of the risk of loss
 - (a) As for management of risks involving business activities, compliance, sustainability, the environment, information security, and financial reporting and information disclosure, the Corporate Officers in charge shall endeavor to recognize their respective risks. The JFE Group Sustainability Council chaired by the CEO shall check, identify, and evaluate the risk factors, as required, and deliberate and make decisions on how to cope therewith. The Board of Directors shall deliberate and make decisions or receive reports on important matters concerning risk management.
 - (b) With regard to disasters such as large-scale earthquakes and pandemics, the JFE Group Sustainability Council shall determine response processes in advance, and immediately deliberate and make decisions on how to cope therewith, in order to minimize losses in the event of occurrence thereof.
 - (c) Important management matters shall be deliberated and decided in accordance with the decision-making procedures set forth in the Rules of the Board of Directors, etc.
- (5) Systems to ensure the properness of business operations conducted by the corporate group
 - (a) The respective group companies of the JFE Group shall streamline their in-house systems with regard to the matters specified in this basic policy, as required, by taking into account their corporate size, business lines, organizational design of the in-house body, and corporate individuality and characteristics.
 - (b) JFE Holdings, Inc. shall determine its decision-making procedures, etc., for important group management matters, as well as important matters (including matters with regard to management of the risk of loss.) of the Operating Companies (significant subsidiaries being operating companies of which JFE Holdings, Inc., directly holds shares thereof) and their affiliated group companies in accordance with the Rules of the Board of Directors, etc., then deliberate and make decisions on such matters at the appropriate organizational bodies or receive reports therefrom. Each Operating Company shall determine its decision-making procedures, etc., for important matters for itself and its affiliated group companies in accordance with its Rules of the Board of Directors, etc., then deliberate and make decisions on such matters at the appropriate organizational bodies or receive reports therefrom.
 - (c) JFE Holdings, Inc. shall, at the JFE Group Sustainability Council, deliberate and make decisions on basic policies and important matters regarding risk management common to the Group, confirm and evaluate the Group's risk management, and supervise the progress of the measures implemented. The Board of Directors shall deliberate and make decisions or receive reports on important matters concerning the Group's risk management.
 - (d) JFE Holdings, Inc. shall establish the JFE Group Compliance Committee, which is chaired by its CCO, to deliberate and make decisions related to the Group's basic policy and important matters in regard to compliance, and supervise the status of the implementation of related measures. And, in order to promote its group compliance management, JFE Holdings, Inc. shall closely coordinate with the Compliance Committee of each Operating Company. Each Operating Company shall establish a Compliance Committee, which is chaired by its CCO, to deliberate and make decisions related to its basic policies and important matters in regard to compliance for itself and its affiliated group companies, and supervise the status of the implementation of related measures.

JFE Holdings, Inc. shall streamline and appropriately operate the Corporate Ethics Hotline as a system to help ensure that significant issues of the entire Group regarding the compliance, laws and regulations is directly communicated from the front lines to top management.
 - (e) The internal auditing department of JFE Holdings, Inc. shall audit the effectiveness and efficiency of the business operations and compliance with the relevant laws and regulations and the Articles of Incorporation at the Operating Companies or receive reports from the respective internal auditing

- departments of such Operating Companies. The internal auditing department of each operating company shall audit the effectiveness and efficiency of the business operations and compliance with the relevant laws and regulations and the Articles of Incorporation at its affiliated group companies, or receive reports from the respective internal auditing departments of such group companies.
- (f) The respective group companies of the JFE Group shall streamline their required systems, which are necessary to ensure the reliability of their financial reporting, and disclose appropriate information at appropriate times.
2. Systems necessary for the execution of the duties of the Audit & Supervisory Committee
- (1) Matters regarding employees to assist with the duties of the Audit & Supervisory Committee
JFE Holdings, Inc. shall assign one or more dedicated employees to the Audit & Supervisory Committee's Office to assist with the duties of the Audit & Supervisory Committee.
- (2) Matters regarding the independence of employees to assist with the duties of the Audit & Supervisory Committee from Directors (excluding Directors who are Audit & Supervisory Committee Members)
The personnel affairs of the employees who serve as assistants to the Audit & Supervisory Committee shall be consulted with the Audit & Supervisory Committee Members.
- (3) System for ensuring the effectiveness of instructions given to the employees to assist with the duties of the Audit & Supervisory Committee
The employees who serve as assistants to the Audit & Supervisory Committee shall perform their duties under the direction and supervision of the Audit & Supervisory Committee.
- (4) System for reporting to the Audit & Supervisory Committee
- (a) The Audit & Supervisory Committee Members shall attend the meetings of the Board of Directors, the JFE Group Management Strategy Committee, the Management Committee and other important meetings and receive reports thereat.
- (b) The Directors (excluding Directors who are Audit & Supervisory Committee Members), Corporate Officers and employees shall report the execution of their duties (including important matters regarding the Operating Companies and their affiliated group companies) to the Audit & Supervisory Committee and/or any Audit & Supervisory Committee Member as required or if so requested by the Audit & Supervisory Committee or any Audit & Supervisory Committee Member. The Directors, Audit & Supervisory Board Members, Corporate Officers and employees of the Operating Companies or their affiliated group companies shall report the execution of their duties to the Audit & Supervisory Committee and/or any Audit & Supervisory Committee Member as required or if so requested by the Audit & Supervisory Committee or any Audit & Supervisory Committee Member.
- (c) JFE Holdings, Inc. shall streamline the Corporate Ethics Hotline as a system that allows direct reporting to or consultation with Audit & Supervisory Committee Members. The details of any violations that have been reported or discussed over the Corporate Ethics Hotline are handled by the department in charge thereof and shall then be reported to the Audit & Supervisory Committee Members, as they occur.
- (5) System to ensure that any person who has reported to the Audit & Supervisory Committee does not suffer detrimental treatment for the reason of having made such report
JFE Holdings, Inc. shall stipulate in the relevant regulations that any person who has reported any violations through the Corporate Ethics Hotline and who has reported or consulted with the Audit & Supervisory Committee Members shall not be unfavorably treated, and shall appropriately operate such regulations.
- (6) Policies with regard to expense prepayment and/or reimbursement procedures related to the execution of duties by the Audit & Supervisory Committee Member, and the handling of any other expenses or obligations that derive from the execution of the relevant duties
JFE Holdings, Inc. shall appropriately handle any request, etc. for expenses necessary for the execution of duties by Audit & Supervisory Committee Members.
- (7) Other systems to ensure effective audits by the Audit & Supervisory Committee

- (a) The Directors (excluding Directors who are Audit & Supervisory Committee Members), Corporate Officers and employees shall cooperate with the Audit & Supervisory Committee in improving the auditing environment so that various Audit & Supervisory Committee's activities can be smoothly executed, including access to important documents, site examinations, exchanges of opinion with Directors and others, examination of subsidiaries and collaboration with the Audit & Supervisory Board Members of any subsidiaries, all of which are considered necessary for the audits executed by the Audit & Supervisory Committee.
- (b) The Audit & Supervisory Committee shall receive reports from the Accounting Auditor and the internal auditing department on their audit results (including important matters regarding the Operating Companies and their affiliated group companies) in an appropriate and timely manner and maintain a close working arrangement with the Accounting Auditor and the internal auditing department.
- (c) When the internal auditing department receives instructions or other requests regarding audits from the Audit & Supervisory Committee, it shall respond to such requests and report the status and results thereof to the Audit & Supervisory Committee in an appropriate and timely manner.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

(1) Basic views on eliminating anti-social forces

The Company has established "JFE Group Policies for Addressing Anti-social Forces" by resolutions of the Board of Directors and, based on the policies, works to ensure sound company management through uniform organization-wide measures under the JFE Group's compliance system in response to anti-social activities.

"JFE Group Policies for Addressing Anti-social Forces"

The JFE Group aims to completely avoid any relationships with anti-social forces, and the general administration and legal affairs departments of Group companies have been designated as the departments responsible for dealing with issues related to anti-social forces. These departments report any incidents involving anti-social forces, establish regulations for dealing with such incidents, and will work with police and other authorities to resolutely address matters involving anti-social forces.

(2) Progress of eliminating anti-social forces

(a) Establishment of JFE Group Standards of Conduct

The JFE Group Standards of Conduct stipulates "Firmly resist all elements and organizations that threaten social order and stability, and refuse all illegal and improper demands."

(b) Establishment of Regulations for Addressing Violence Directed at Companies

"Regulations for Addressing Violence Directed at Companies" have been established to clarify the standards of response to anti-social forces, including a manual on the initial steps that should be taken in responding to violence targeting companies.

(c) Training conducted

E-learning is conducted and guidebooks on compliance are distributed to ensure that all JFE Group executives and employees are thoroughly informed on the "JFE Group Policies for Addressing Anti-social Forces" and the standards of response to anti-social forces, etc.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures

Not Adopted

Supplementary Explanation for Applicable Items

<Basic Policy Regarding Persons who Control Decisions on JFE Holdings' Financial and Business Policies>

Based on the Group's corporate mission of "contributing to society with the world's most innovative technology," JFE Holdings, Inc. will maximize the sources of corporate value accumulated through years of management effort and continuous investment, including world-class manufacturing capabilities, cost competitiveness, development that leverages Group-wide synergies, and superior human capital, and our basic management stance is to endeavor to increase, in good faith, the corporate value and achieve the common interests of shareholders through the steady continuation of various measures from a long-term perspective, including the development of carbon-neutral technologies.

JFE Holdings, Inc. believes that people who control decisions on its financial and business policies should be those who respect its corporate mission and basic management stance and contribute to securing and enhancing the corporate value and the common interests of shareholders over the long term.

In addition, JFE Holdings, Inc. believes that a change of control is an effective means of revitalizing corporate activities and economy, and JFE Holdings, Inc. believes that when a large-scale purchase is commenced, the shareholders of JFE Holdings, Inc. should, in principle, make decisions as to whether or not the large-scale purchase is acceptable.

However, among a large-scale purchase or a proposal related to a large-scale purchase, there may be some that may damage its corporate value and the common interests of shareholders, or may effectively force shareholders to sell their shares in JFE Holdings, Inc.

Therefore, from the viewpoint of ensuring and enhancing its corporate value and the common interests of its shareholders, JFE Holdings, Inc. will promptly and appropriately take measures to the extent permitted by the Financial Instruments and Exchange Act, the Companies Act, and other applicable laws and regulations from time to time, such as requiring any person who intends to make a large-scale purchase of its shares to provide necessary and sufficient information for its shareholders to make an appropriate judgment as to whether such a purchase is appropriate or not, as well as disclosing the opinions of the Board of Directors, while respecting the opinions of Independent Outside Directors, to ensure that shareholders have the necessary information and time to consider the matter.

2. Other Matters Concerning the Corporate Governance System

Outline of timely disclosure system

In order to maintain the credibility of the Group in the securities markets, the Company, Operating Companies and Group companies formulate internal regulations concerning material facts, and, by establishing departments managing information and judging and implementing timely disclosure of information, disclose significant corporate information in a timely and appropriate manner in addition to statutory disclosure such as annual securities reports and extraordinary reports based on the Financial Instruments and Exchange Act.

With regard to timely disclosure of corporate information, the information is disclosed by registering with TDnet, in accordance with the "Rules on Timely Disclosure of Corporate Information by Issuers of Listed Securities" set out by the Tokyo Stock Exchange (the "Timely Disclosure Rules").

[Flow of timely disclosure of corporate information]

- 1) “Information on decisions made” and “Information on financial results” that fall under the “Timely Disclosure Rules”

“Department controlling material facts” which administers relevant events communicates and coordinates with “department aggregating information on material facts” (department in charge of general administration), “department confirming material facts” (department in charge of legal affairs) and “department controlling announcement” (department in charge of public relations) on the form and contents, etc. of the timely disclosure. In the event that the Company makes decisions on the events, the “department controlling announcement” promptly conducts the timely disclosure via TDnet.

- 2) “Information on events occurred” that falls under the “Timely Disclosure Rules”

In the event that relevant events occur, “department controlling material facts” which administers relevant events communicates and coordinates with “department aggregating information on material facts” (department in charge of general administration), “department confirming material facts” (department in charge of legal affairs) and “department controlling announcement” (department in charge of public relations) on the form and contents, etc. of the timely disclosure, and the “department controlling announcement” conducts the timely disclosure via TDnet appropriately.

Please refer to Diagram 2. in the Appendix of this report for a flowchart of the timely disclosure system.

(Translation for reference only)

Reference 1. Skill Matrix of Directors

		Name	Corporate management/ Management strategy	Sustainability/ Environment	Technology/ DX	Finance/ Accounting	Internal control/ Governance	Legal/ Compliance	Personnel and labor/ Human resources development	Sales/ Marketing	Operation with knowledge
Directors	Inside	Yoshihisa Kitano	●	●	●		●		●		Steel
		Masayuki Hirose	●	●			●			●	Steel
		Toshihiro Tanaka	●	●	●	●	●	●			Steel/ Engineering/ Trading
		Kazuyoshi Fukuda	●	●	●		●			●	Engineering
		Yoshifumi Ubagai	●	●			●			●	Steel/ Trading
	Outside	Yoshiko Ando		●			●	●	●		—
		Takuya Shimamura	●	●			●		●	●	—
		Keiichi Kobayashi	●	●	●		●			●	—
Directors who are Audit & Supervisory Committee Members	Inside	Nobuya Hara	●			●	●				Steel
		Nakaba Akimoto					●	●			Steel/ Engineering/ Trading
	Outside	Tsuyoshi Numagami	●			●	●			●	—
		Yoshihisa Suzuki	●	●	●		●		●	●	—
		Naoto Nakamura	●				●	●			—

Reference 2. Initiatives to Improve Corporate Value

