

(Translation for reference only)

(Security Code: 5411)

June 6, 2024

(Date of commencement of measures for electronic provision: May 23, 2024)

Notice of the 22nd Ordinary General Meeting of Shareholders

Dear Shareholders:

I, Yoshihisa Kitano, have assumed the position of Representative Director, President and CEO on April 1, 2024. I would like to take this opportunity to thank our shareholders for their continued support.

JFE Holdings, Inc. (“JFE” or the “Company”) would hereby like to inform you that the 22nd Ordinary General Meeting of Shareholders (the “Meeting”) will be held on Tuesday, June 25, 2024, and we are pleased to present you with this notice of convocation of the Meeting.

As set forth in the Guide to Exercising Your Voting Rights, you can exercise your voting rights for the Meeting via the Internet or in writing. Please review the attached Reference Materials for General Meeting of Shareholders and consider using the methods provided to exercise your voting rights in advance.

The JFE Group is aiming to achieve sustainable growth and enhance corporate value over the medium to long term, and we will steadily work towards achieving the seventh Medium Term Business Plan.

I would like to ask for the continued guidance and support of our shareholders.

Yours faithfully,
Yoshihisa Kitano
Representative Director, President and CEO
JFE Holdings, Inc.
2-3 Uchisaiwai-cho 2-chome, Chiyoda-ku, Tokyo

(Translation for reference only)

- 1. Date and Time:** Tuesday, June 25, 2024, 10:00 a.m. (doors scheduled to open at 9:00 a.m.)
- 2. Venue:** Peacock Room of the Imperial Hotel, Tokyo (Teikoku Hotel), 2nd floor of the Main Building
1-1 Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo

3. Objectives of Meeting:

- Items to be reported**
1. Business Report, Consolidated Financial Statements and Accounting Auditor's and Audit & Supervisory Board's Reports on Consolidated Financial Statements for the 22nd term (from April 1, 2023 to March 31, 2024)
 2. Non-consolidated Financial Statements for the 22nd term (from April 1, 2023 to March 31, 2024)

Items to be resolved

<The Company's Proposals (Proposal 1 and Proposal 2)>

Proposal 1: Dividend of surplus

Proposal 2: Election of eight Directors

<Shareholder's Proposal (Proposal 3)>

Proposal 3: Dismissal of Mr. Koji Kakigi as Director (The outline of the proposal is as stated on page 19 of the Reference Materials for General Meeting of Shareholders.)

4. Other Resolutions Determined upon Convocation

- (1) If a proxy exercises your voting rights on your behalf, please have your proxy submit your Voting Rights Exercise Form and a form stating that you give power of attorney to your proxy. Please note that you may exercise your voting rights by proxy by delegating your voting rights to one shareholder who holds a voting right, as provided for in the Articles of Incorporation.
- (2) If you do not indicate your vote on a proposal on the Voting Rights Exercise Form, this will be treated as a vote in favor of the proposal in the case of the Company's proposals, and a vote against the proposal in the case of a shareholder's proposal.
- (3) When you exercise your voting rights both via the Internet and in writing, the voting rights exercised via the Internet shall be deemed and treated as a valid vote.
- (4) When you exercise your voting rights twice or more via the Internet, the voting rights exercised last shall be deemed and treated as a valid vote.

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5. Matters Provided Electronically

- Measures for electronic provision of information have been adopted for the Meeting. Please access the Company's Internet website, shown below, to view the information posted as "Notice of the 22nd Ordinary General Meeting of Shareholders" and "Matters Omitted from the Paper Copy of the Notice of the 22nd Ordinary General Meeting of Shareholders."

The Company's website:

https://www.jfe-holdings.co.jp/en/investor/stock/general_meeting/index.html

- In addition to the Company's website, the matters provided electronically are also posted on the website of the Tokyo Stock Exchange. Please access the website shown below (the Tokyo Stock Exchange Listed Company Search), enter the name or securities code (5411) of the Company to search, and click on "Basic Information" then "Documents for public inspection/PR information" to view the information.

Tokyo Stock Exchange website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

The information is also posted on the following Internet website:

Net de Shoshu: <https://s.srdb.jp/5411/> (in Japanese)

If you decide not to attend the Meeting, please exercise your voting rights via the Internet (smartphone or personal computer) or in writing in advance.

The presentations at the Meeting can be viewed on the Company's website at a later date.

*Please note that among the matters provided electronically, "Systems to Ensure the Propriety of Business Operations and the Status of Operation of Such System" in the business report, "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" in the consolidated financial statements, and "Non-consolidated Statement of Changes in Equity" and "Notes to the Non-consolidated Financial Statements" in the non-consolidated financial statements are not included in the paper copy sent to shareholders who requested it, in accordance with the provisions of applicable rules and regulations and the Articles of Incorporation. The Audit & Supervisory Board Members and Accounting Auditor audit the documents subject to audit, including these matters.

*In the event of a change or modification to the matters provided electronically, the change or modification, and the matters before and after the change or modification, will be posted on each website through which the matters are provided.

(Translation for reference only)

Guide to Exercising Your Voting Rights

If you attend the Meeting:

Please submit the enclosed Voting Rights Exercise Form at the reception desk, without removing the right side of the form.

Date and Time of Meeting: Tuesday, June 25, 2024
10:00 a.m. (doors scheduled to open at 9:00 a.m.)

If you do not attend the Meeting:

Please exercise your voting rights in advance via the Internet or in writing.

Deadline for Voting: 17:30 on Monday, June 24, 2024

[Via the Internet]

By Smartphone (Smart Exercise)

- (1) Please scan the QR code on the bottom right of the enclosed Voting Rights Exercise Form using a smartphone, access “Smart Exercise,” and enter your votes in accordance with the instructions on the screen.
- (2) If you wish to change your vote after exercising voting rights, please follow “By Personal Computer, etc.” below to change your vote.

By Personal Computer, etc. (Website for Exercising Voting Rights)

- (1) Please access the website for exercising voting rights (URL: <https://soukai.mizuho-tb.co.jp/>).
- (2) Please enter the code and password, which are printed on the Voting Rights Exercise Form enclosed herewith, and click “Log in.” Then, set a new password for actual use (the password needs to be entered twice) and click “Log in.”
- (3) Select “Vote” from the main screen and enter your vote following the instructions on the screen.

[In writing]

Please indicate your approval or disapproval of each Proposal on the enclosed Voting Rights Exercise Form and send the form to us.

Proposal 1

- If you approve of the proposal: Circle in the “Agree” column
- If you disapprove the proposal: Circle in the “Disagree” column

Proposal 2

- If you approve all the candidates: Circle in the “Agree” column
- If you disapprove all the candidates: Circle in the “Disagree” column
- If you disapprove some of the candidates:
Circle in the “Agree” column and enter the number of the candidate you disapprove.

Proposal 3

- If you disapprove the shareholder’s proposal: Circle in the “Disagree” column. The Company’s Board of Directors opposes Proposal 3.
- If you approve of the proposal: Circle in the “Agree” column.

If you do not indicate your vote on a proposal on the Voting Rights Exercise Form, this will be treated as a vote in favor of the proposal in the case of the Company’s proposals, and a vote against the proposal in the case of a shareholder’s proposal.

For inquiries about the operation of “Smart Exercise” and the website for exercising voting rights, please contact **Mizuho Trust & Banking Co., Ltd., Transfer Agent Department** below,

(Translation for reference only)

Toll free number: 0120-768-524

Hours: 9:00 a.m. to 9:00 p.m., excluding year-end and new-year holidays

<Guide to a Platform for the Exercise of Voting Rights for Institutional Investors>

A platform operated by ICJ Inc. will be available to institutional investors for the electronic exercise of voting rights for the General Meeting of Shareholders of the Company.

(Translation for reference only)

Reference Materials for General Meeting of Shareholders

Proposal and Reference Matters:

<The Company's Proposals (Proposal 1 and Proposal 2)>

Proposal 1: Dividend of surplus

The Company believes that appropriation of profit to shareholders is one of the most critical management objectives, and considers that its basic policy is to actively distribute dividends while building as JFE Group (or “the Group”) a sustainable, highly profitable business structure, and pursuing investments and improving the financial base to promote growth.

Based on this basic policy, the Company proposes to distribute dividend of surplus as of the end of the 22nd term as follows:

1. Type of dividend property

Cash

2. Allotment of dividend property to the shareholders and total amount of dividends

50 yen per share (Common stock) Total amount: 31,827,081,100 yen

The annual dividends from surplus, including the interim dividend of 50 yen per share, amount to 100 yen per share.

3. Effective date of dividend of surplus

June 26, 2024

Proposal 2: Election of eight Directors

As the terms of office of all eight Directors expire at the close of this General Meeting of Shareholders, the Company proposes to elect eight Directors including three Outside Directors.

This resolution was adopted by the Board of Directors based on deliberations by and reports from the Nomination Committee, of which the Chairperson is an Outside Director and a majority of the members are Outside Directors/Audit & Supervisory Board Members. If the resolution is adopted as proposed, one-third or more of the Directors will continue to be Outside Directors who satisfy the Company's Standards for Independence of Outside Directors/Audit & Supervisory Board Members.

The candidates for Directors are as follows.

(Translation for reference only)

No.	Name (Age)	Current Positions and Responsibilities in the Company	Current Positions in the Significant Subsidiary	Number of Meetings of the Board of Directors Attended (FY2023)
1	<Reappointment> Yoshihisa Kitano (Age 66)	Representative Director, President and CEO (Chief Executive Officer)	—	16/16 (100%)
2	<New appointment> Masayuki Hirose (Age 60)	—	Representative Director, President and CEO of JFE Steel Corporation	—
3	<Reappointment> Masashi Terahata (Age 64)	Representative Director, Executive Vice President and CFO (Chief Financial Officer) Supervision of General Administration Dept., Corporate Planning Dept., Investor Relations Dept., Finance Dept. and Keihin Area Land Development Dept.	Director of JFE Steel Corporation	16/16 (100%)
4	<Reappointment> Toshinori Kobayashi (Age 66)	Director	Representative Director, President and CEO of JFE Shoji Corporation	13/16 (81%)
5	<New appointment> Kazuyoshi Fukuda (Age 62)	—	Representative Director, President and CEO of JFE Engineering Corporation	—
6	<Reappointment> Masami Yamamoto (Age 70) Candidate for Outside Director Independent Director/Audit & Supervisory Board Member	Outside Director	—	16/16 (100%)
7	<Reappointment> Yoshiko Ando (Age 65) Candidate for Outside Director Independent Director/Audit & Supervisory Board Member	Outside Director	—	16/16 (100%)
8	<New appointment> Keiichi Kobayashi (Age 65) Candidate for Outside Director Independent Director/Audit & Supervisory Board Member	—	—	—

Note: The age of each candidate is given as of the date of this General Meeting of Shareholders.

(Translation for reference only)

No. 1	Yoshihisa Kitano	Reappointment Nomination Committee Member	
Date of birth: February 20, 1958 (Age 66) Number of the Company's shares held: 36,704 Number of years of service as Director (at the close of this General Meeting of Shareholders): Five Number of meetings of the Board of Directors attended (FY2023): 16/16 (100%)	Career summary, positions and responsibilities, and significant concurrent posts April 1982 Joined Kawasaki Steel Corporation April 2011 Vice President of JFE Steel Corporation April 2014 Senior Vice President of JFE Steel Corporation April 2018 Representative Director and Executive Vice President of JFE Steel Corporation April 2019 Representative Director, President and CEO of JFE Steel Corporation June 2019 Representative Director of JFE Holdings, Inc. April 2024 Retired as Representative Director, President and CEO of JFE Steel Corporation Representative Director, President and CEO of JFE Holdings, Inc. (current post) (Duties as Corporate Officer) CEO (Chief Executive Officer)		
• Reasons for nomination as a candidate for Director: 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.			

(Translation for reference only)

No. 2	Masayuki Hirose	New appointment
Date of birth: November 19, 1963 (Age 60)	Career summary, positions and responsibilities, and significant concurrent posts	
Number of the Company's shares held: 12,945	April 1986	Joined Kawasaki Steel Corporation
	April 2017	Vice President of JFE Steel Corporation
	April 2021	Senior Vice President of JFE Steel Corporation
	April 2023	Representative Director and Executive Vice President of JFE Steel Corporation
	April 2024	Representative Director, President and CEO of JFE Steel Corporation (current post)
	(Significant concurrent posts) Representative Director, President and CEO of JFE Steel Corporation	
<p>• Reasons for nomination as a candidate for Director:</p> <p>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, finance and procurement departments in JFE Steel Corporation, the Group's core company. Currently, as Representative Director, President and CEO of JFE Steel Corporation, he is making aggressive efforts such 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.</p>		

(Translation for reference only)

No. 3	Masashi Terahata	Reappointment Remuneration Committee Member	
Date of birth:	Career summary, positions and responsibilities, and significant concurrent posts		
October 31, 1959 (Age 64)	April 1982	Joined Kawasaki Steel Corporation	
Number of the Company's shares held: 27,400	April 2012	Vice President of JFE Steel Corporation	
Number of years of service as Director (at the close of this General Meeting of Shareholders): Five	April 2015	Vice President of JFE Steel Corporation	
Number of meetings of the Board of Directors attended (FY2023): 16/16 (100%)	April 2016	Senior Vice President of JFE Holdings, Inc.	
	March 2018	Senior Vice President of JFE Steel Corporation	
	April 2018	Director of JFE Shoji Corporation	
	April 2019	Retired as Senior Vice President of JFE Holdings, Inc.	
	June 2019	Retired as Director of JFE Shoji Corporation	
		Representative Director and Executive Vice President of JFE Steel Corporation	
		Executive Vice President of JFE Holdings, Inc. (current post)	
		Director of JFE Steel Corporation (current post)	
		Representative Director of JFE Holdings, Inc. (current post)	
		(Significant concurrent posts)	
		Director of JFE Steel Corporation	
		Representative Director of JFE 21st Century Foundation (Public Interest Incorporated Foundation)	
		(Duties as Corporate Officer)	
		CFO (Chief Financial Officer)	
		Supervision of General Administration Dept., Corporate Planning Dept., Investor Relations Dept., Finance Dept. and Keihin Area Land Development Dept.	
<p>• Reasons for nomination as a candidate for Director: Mr. Terahata has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in operations such as general administration and legal departments in the Company as well as operations in human resources and labor relations departments, and execution of duties as Corporate Officer in management divisions such as accounting, finance and procurement departments in JFE Steel Corporation, the Group's core company. He also has abundant experience and knowledge as a corporate manager through his experience as Representative Director and Executive Vice President of JFE Steel Corporation, and currently, as Representative Director, 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. Terahata to be suitable as a Director of the Company.</p>			

(Translation for reference only)

No. 4	Toshinori Kobayashi	Reappointment
Date of birth: December 19, 1957 (Age 66)	Career summary, positions and responsibilities, and significant concurrent posts	
Number of the Company's shares held: 33,333	April 1980	Joined Kawasaki Steel Corporation
	April 2011	Vice President of JFE Steel Corporation
Number of years of service as Director (at the close of this General Meeting of Shareholders): Three	April 2014	Senior Vice President of JFE Steel Corporation
	April 2016	Representative Director and Executive Vice President of JFE Steel Corporation
Number of meetings of the Board of Directors attended (FY2023): 13/16 (81%)	April 2021	Retired as Representative Director and Executive Vice President of JFE Steel Corporation
	June 2021	Representative Director, President and CEO of JFE Shoji Corporation (current post) Director of JFE Holdings, Inc. (current post)
(Significant concurrent post) Representative Director, President and CEO of JFE Shoji Corporation		
• Reasons for nomination as a candidate for Director: Mr. Kobayashi has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in operations related to sales of automobile steel, and execution of duties as Corporate Officer such as supervision of sales divisions in JFE Steel Corporation, the Group's core company. In addition, Mr. Kobayashi 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. Kobayashi to be suitable as a Director of the Company.		

(Translation for reference only)

No. 5	Kazuyoshi Fukuda	New appointment
Date of birth: March 1, 1962 (Age 62)	Career summary, positions and responsibilities, and significant concurrent posts	
Number of the Company's shares held: 5,400	April 1986	Joined Kawasaki Steel Corporation
	April 2018	Vice President of JFE Engineering Corporation
	April 2023	Senior Vice President of JFE Engineering Corporation
	April 2024	Representative Director, President and CEO of JFE Engineering Corporation (current post)
	(Significant concurrent post) Representative Director, President and CEO of JFE Engineering Corporation	
<p>• Reasons for nomination as a candidate for Director: 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.</p>		

(Translation for reference only)

No. 6	Masami Yamamoto	Reappointment Candidate for Outside Director Independent Director/Audit & Supervisory Board Member Chairperson of Nomination Committee Remuneration Committee Member
Date of birth: January 11, 1954 (Age 70) Number of the Company's shares held: 23,400 Number of years of service as Outside Director (at the close of this General Meeting of Shareholders): Seven Number of meetings of the Board of Directors attended (FY2023): 16/16 (100%)	Career summary, positions and responsibilities, and significant concurrent posts April 1976 Joined Fujitsu Limited January 2010 Corporate Senior Executive Vice President of Fujitsu Limited April 2010 President of Fujitsu Limited June 2010 President and Representative Director of Fujitsu Limited June 2015 Chairman and Representative Director of Fujitsu Limited June 2017 Chairman and Director of Fujitsu Limited Director of JFE Holdings, Inc. (current post) June 2019 Director and Senior Advisor of Fujitsu Limited (current post) (Significant concurrent posts) Director and Senior Advisor of Fujitsu Limited Outside Member of the Board of Directors of Mizuho Financial Group, Inc.	
<p>• Reasons for nomination as a candidate for Outside Director and outline of expected roles: Mr. Yamamoto has been successful in managing Fujitsu Limited for many years, a company that engages in the total solutions business globally in ICT fields, and has been involved reforming conventional business structures and processes in the rapidly changing ICT industry. 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 Director of the Company since he assumed office as such, the Company has judged Mr. Yamamoto to be suitable as an Outside Director of the Company.</p> <p>• Special matters:</p> <ol style="list-style-type: none"> 1. Mr. Yamamoto is a candidate for Outside Director who satisfies the requirements of the Tokyo Stock Exchange, Inc. for Independent Director/Audit & Supervisory Board Member as well as the “Standards for Independence of Outside Directors/Audit & Supervisory Board Members” stipulated by the Company and the Company has designated him as Independent Director/Audit & Supervisory Board Member as stipulated under the regulations of the Tokyo Stock Exchange, Inc. and registered him as such with the Tokyo Stock Exchange. Furthermore, in FY2023, transactions between Fujitsu Limited, where Mr. Yamamoto served as Representative Director until June 2017, and the Company and its operating companies did not exceed 1% of the annual consolidated net sales (revenue) of either the Company or Fujitsu Limited. Accordingly, Fujitsu Limited does not fall under the category of a person for whom the Company or its operating company is a major business partner, or a person who is a major business partner of the Company or its operating company. As of March 31, 2024, neither the Company nor any of its operating companies owned any shares of Fujitsu Limited. 2. Mizuho Financial Group, Inc., for which Mr. Yamamoto serves as an Outside Member of the Board of Directors, received a business improvement order from the Financial Services Agency in November 2021, during his term of office, pursuant to the provisions of the Banking Act, concerning a series of system failures, etc. that occurred starting from February 28, 2021. Prior to the occurrence of the series of incidents, he had provided opinions and proposals from the viewpoint of group governance, risk management, compliance with laws and regulations, etc., at meetings of the Board of Directors of said company. After the series of incidents occurred, Mr. Yamamoto fulfilled his responsibilities by offering opinions and proposals to strengthen the governance function of the entire group and strengthening the supervisory function, based on the report of the System Failure Response Evaluation Committee, at meetings of the Board of Directors of said company. 		

(Translation for reference only)

No. 7	Yoshiko Ando	Reappointment Candidate for Outside Director Independent Director/Audit & Supervisory Board Member Nomination Committee Member
Date of birth: March 17, 1959 (Age 65) Number of the Company's shares held: 3,200 Number of years of service as Outside Director (at the close of this General Meeting of Shareholders): Four Number of meetings of the Board of Directors attended (FY2023): 16/16 (100%)	Career summary, positions and responsibilities, and significant concurrent posts April 1982 Joined Ministry of Labour July 2013 General Manager, Workers' Compensation Division, Labour Standards Bureau of Ministry of Health, Labour and Welfare July 2014 Director-General, Equal Employment and Child and Family Bureau of Ministry of Health, Labour and Welfare October 2015 Director-General for Labour of Ministry of Health, Labour and Welfare June 2016 Director-General for Statistics and Information Policy of Ministry of Health, Labour and Welfare July 2017 Director-General for Human Resources Development of Ministry of Health, Labour and Welfare July 2018 Retired from Ministry of Health, Labour and Welfare June 2020 Director of JFE Holdings, Inc. (current post) (Significant concurrent posts) Outside Director of Kirin Holdings Company, Limited Outside Director of Sansei Technologies, Inc.	
<ul style="list-style-type: none"> • Reasons for nomination as a candidate for Outside Director and outline of expected roles: 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 to be suitable as an Outside Director of the Company. • Special matter: Ms. Ando is a candidate for Outside Director who satisfies the requirements of the Tokyo Stock Exchange, Inc. for Independent Director/Audit & Supervisory Board Member as well as the "Standards for Independence of Outside Directors/Audit & Supervisory Board Members" stipulated by the Company and the Company has designated her as Independent Director/Audit & Supervisory Board Member as stipulated under the regulations of the Tokyo Stock Exchange, Inc. and registered her as such with the Tokyo Stock Exchange. 		

(Translation for reference only)

No. 8	Keiichi Kobayashi	New appointment Candidate for Outside Director Independent Director	
Date of birth: June 24, 1959 (Age 65) Number of the Company's shares held: 0	Career summary, positions and responsibilities, and significant concurrent posts April 1985 Joined Furukawa Electric Co., Ltd. April 2016 Representative Director, Member of the Board, Corporate Executive Vice President, and General Manager of Global Marketing Sales Division of Furukawa Electric Co., Ltd. April 2017 President and Representative Director and Member of the Board of Furukawa Electric Co., Ltd. April 2023 Chairman of the Board of Furukawa Electric Co., Ltd. (current post) (Significant concurrent posts) Chairman of the Board of Furukawa Electric Co., Ltd. Outside Director of NTT DATA Japan Corporation		
<p>• Reasons for nomination as a candidate for Outside Director and outline of expected roles: 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. The Company expects him to use his in-depth knowledge and outstanding insight to provide valuable suggestions and advice in improving the Company's corporate value, and the Company has judged Mr. Kobayashi to be suitable as an Outside Director of the Company.</p> <p>• Special matter: Mr. Kobayashi is a candidate for Outside Director who satisfies the requirements of the Tokyo Stock Exchange, Inc. for Independent Director as well as the "Standards for Independence of Outside Directors/Audit & Supervisory Board Members" stipulated by the Company and the Company is to designate him as Independent Director as stipulated under the regulations of the Tokyo Stock Exchange, Inc. and register him as such with the Tokyo Stock Exchange. Furthermore, in FY2023, transactions between Furukawa Electric Co., Ltd., where Mr. Kobayashi serves as Chairman of the Board, and the Company and 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 a person for whom the Company or its operating company is a major business partner, or a person who is a major business partner of the Company or its operating company. As of March 31, 2024, neither the Company nor any of its operating companies owned any shares of Furukawa Electric Co., Ltd.</p>			

Notes:

1. There is no conflict of special interests between each candidate and the Company.
2. The Company has entered into agreements with Mr. Masami Yamamoto and Ms. Yoshiko Ando in accordance with Article 427, Paragraph 1 of the Companies Act, which limits Outside Directors' indemnity liability provided for in Article 423, Paragraph 1 of the said Act to the amount defined under laws and regulations. If the resolution is adopted as proposed, the Company intends to continue the liability limitation agreements with them, and will enter into a similar agreement with Mr. Keiichi Kobayashi.
3. The Company has entered into an indemnity agreement stipulated in Article 430-2, Paragraph 1 of the Companies Act with each Director, and a summary of the details of such indemnity agreement is provided in the Business Report 4. (3) Outline of the indemnity agreement, in the matters provided electronically. If the resolution is adopted as proposed, the Company intends to continue the indemnity agreement with Mr. Yoshihisa Kitano, Mr. Masashi Terahata, Mr. Toshinori Kobayashi, Mr. Masami Yamamoto and Ms. Yoshiko Ando, and will enter into similar agreements with Mr. Masayuki Hirose, Mr. Kazuyoshi Fukuda and Mr. Keiichi Kobayashi.
4. The Company has entered into a directors and officers liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act, which includes all Directors as insured parties, and a summary of the details of such insurance contract is provided in the Business Report 4. (4) Outline of the directors and officers liability insurance contract, in the matters provided electronically. If the resolution is adopted as proposed, each candidate will become an insured party of the said insurance contract. The Company plans to renew the said insurance contract during their terms of office.

(Translation for reference only)

<Reference> Skill Matrix of Directors and Audit & Supervisory Board Members

The Company has established the “JFE Holdings, Inc. Basic Policy on Corporate Governance” for the purpose of pursuing and further enhancing the best corporate governance in order for the Company and the JFE Group to achieve sustainable growth and enhance corporate value over the medium to long term, and to practice the corporate mission. With regard to the composition of the Board of Directors, the Company aims to enhance diversity in terms of expertise, knowledge, and experience in various fields, and selects candidates for Directors after deliberations at the Nomination Committee based on the business content and management issues of the Company and its operating companies, identifying the skills required for the management of the Company, and taking into consideration the appropriate size and balance of the Board of Directors.

If Proposal 2 is approved as proposed, the skill matrix based on the knowledge, experience, and abilities of each Director and Audit & Supervisory Board Member with respect to the identified skills will be as follows.

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
Yoshihisa Kitano	●	●	●		●				Steel
Masayuki Hirose	●	●			●			●	Steel
Masashi Terahata	●	●		●	●	●	●		Steel/ Trading
Toshinori Kobayashi	●	●	●		●			●	Steel/ Trading
Kazuyoshi Fukuda	●	●	●		●			●	Engineering
Masami Yamamoto	●	●	●		●				—
Yoshiko Ando		●			●	●	●		—
Keiichi Kobayashi	●	●	●		●			●	—
Nobuya Hara	●			●	●				Steel
Nakaba Akimoto					●	●			Steel/ Engineering/ Trading
Isao Saiki					●	●	●		—
Tsuyoshi Numagami	●			●	●			●	—
Takuya Shimamura	●	●			●			●	—

(Translation for reference only)

(Reference)

Standards for Independence of Outside Directors/Audit & Supervisory Board Members of JFE Holdings, Inc.

JFE Holdings, Inc. (the “Company”) establishes the standards for independence of Outside Directors and Outside Audit & Supervisory Board Members as described below. An Outside Director or Outside Audit & Supervisory Board Member is deemed not to have sufficient independence from the Company in the event that he/she falls under any of the items below.

- 1) A person who is or was an executive director, executive 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/audit & supervisory board member 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/audit & supervisory board member, by providing the reason to believe that the person is appropriate for an independent outside director/audit & supervisory board member of the Company, and by explaining that the person fulfills the requirements for an independent outside director/audit & supervisory board member.

* “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.

<Shareholder’s Proposal (Proposal 3)>

(Translation for reference only)

Proposal 3 is a proposal submitted by one shareholder.

The details of the proposal and reason for the proposal have been partially omitted from the original text submitted by the shareholder and been presented with the addition of a title which was not provided in the proposal submitted.

Proposal 3: Dismissal of Mr. Koji Kakigi as Director

Details of the proposal: Requesting the dismissal of Mr. Koji Kakigi as Director of JFE Holdings, Inc.

Reason for the proposal: Scientists have differing opinions on whether global warming is caused by an increase in carbon dioxide or warming temperatures. There is also a theory that if examined on a scale of 10,000 years, the current temperatures are in a declining phase. Mr. Kakigi has been listening to the reckless statements made by supporters of decarbonization and fatuously investing funds for the purpose of decarbonization.

The budget for capital investment should be used to create a comfortable working environment for employees, to ensure that they work safely, and to reward partner companies. Regarding the budget, dividends should be reduced to 10%, internal reserves should be withdrawn, and domestic funds with low interest rates should be used. Overseas fund procurement is a high burden that deprives domestic investors of investment opportunities, and it amounts to selling the hard work of employees to foreign countries, which is unsuitable behavior as a Director of a Japanese company.

[Opinion of the Board of Directors]

The Company's Board of Directors opposes this proposal.

(Reason)

The JFE Group has positioned its response to climate change issues as a top priority in its seventh Medium-Term Business Plan, and the Group is undertaking initiatives aimed at achieving carbon neutrality by 2050.

Director Koji Kakigi served as Representative Director, President and CEO of the Company until the end of March this year, has been working to achieve sustainable growth and increase corporate value for the JFE Group through the promotion of various measures including measures related to profitability improvement and climate change issues toward the achievement of seventh Medium-Term Business Plan. Even after retiring from the position of Representative Director, President and CEO, he has duly performed his duties as a Director of the Company in accordance with laws and regulations as well as the Articles of Incorporation, and the Company believes that there is no reason to dismiss him as a Director.

The Board of Directors therefore opposes this proposal.

(Translation for reference only)

[Appendixes]

Business Report for the 22nd Term

(From April 1, 2023 to March 31, 2024)

1. Overview of the Corporate Group

(1) Business progress and results, and tasks requiring attention

[Performance of the Group]

The JFE Group continued to achieve sustainable growth and improve its corporate value for shareholders and other stakeholders by pursuing its corporate mission of “Contributing to society with the world’s most innovative technology.”

During the period under review, the domestic and overseas economies generally recovered moderately, but remained at a standstill due to the stagnant Chinese economy and the spread of geopolitical risks, as well as labor shortages and soaring material prices, particularly in the civil engineering and construction sectors in Japan.

Under these circumstances, the JFE Group worked to increase its ratio of high-value-added products and raise domestic selling prices by passing on the costs of primary raw materials and various commodities. The JFE Group also advanced efforts to reinforce its earnings base by reducing fixed costs through completion of structural reforms. As a result, amid a difficult business environment characterized by falling export prices, the Group achieved growth in both business profit and profit attributable to owners of the parent.

<Performance of JFE Steel Corporation>

In JFE Steel Corporation, consolidated crude-steel production volume declined to 24.80 million tons, reflecting soft demand for steel products in Japan and abroad, a slump in overseas steel product prices, and other factors. Sales revenue declined year over year to 3,716.0 billion yen as sales volumes declined and steel product prices overseas worsened. Segment profit increased to 202.7 billion yen due to structural reforms and ongoing efforts to improve selling prices and reduce costs, which offset worsening steel product prices overseas and one-time factors such as unrealized losses on inventories.

<Performance of JFE Engineering Corporation>

In JFE Engineering Corporation, as a result of steady progress with projects mainly for which orders had already been received in the waste-to-resource field (recycling, waste power generation, etc.), sales revenue rose to a record 539.9 billion yen and segment profit increased to 24.3 billion yen, reflecting increased sales revenue and efforts to reduce costs.

<Performance of JFE Shoji Corporation>

In JFE Shoji Corporation, following record profit in the previous year, sales revenue declined to 1,476.4 billion yen and segment profit fell to 48.9 billion yen, owing to a drop in steel product sales volumes, increased selling, general and administrative expenses and narrowed profit margins, especially in North America.

<Consolidated business results of the Group>

On an overall consolidated basis, sales revenue declined to 5,174.6 billion yen but business profit rose to 298.2 billion yen. Among exceptional items, impairment losses totaled 11.2 billion yen. Profit before tax came to 268.3 billion yen and profit attributable to owners of the parent totaled 197.4 billion yen.

<Non-consolidated business results>

During the 22nd term, JFE Holdings, Inc. received total management fee income of 5.2 billion yen from three operating companies. JFE Holdings also received total dividend income of 50.0 billion yen from three operating companies. As a result, on a non-consolidated basis, JFE Holdings recorded operating income of 51.1 billion yen and ordinary income of 51.1 billion yen.

With regard to distribution of surplus, JFE Holdings regards the return of profits to shareholders as one of its highest management priorities and has a policy of maintaining a dividend payout ratio

(Translation for reference only)

of approximately 30%. We have decided to propose a year-end dividend of 50 yen per share to the General Meeting of Shareholders. The annual dividends, including the interim dividend of 50 yen per share, will be 100 yen per share. We appreciate your understanding.

(Notes)

1. Business profit: Profit before tax excluding financial income and one-time items of a materially significant value. It is a benchmark indicator of the consolidated earnings of JFE.
2. Segment profit: Business profit including financial income. It is a performance indicator of each segment.
3. Exceptional items: Items with a transitory nature that are material in terms of amount.
4. JFE Holdings uses JGAAP for its non-consolidated operating results.

(Translation for reference only)

[Tasks requiring attention]

Although the business environment surrounding the JFE Group has generally been on a gradual recovery trend with the impact of COVID-19 easing and economic activities returning to normal, the outlook remains uncertain due to the sluggish Chinese economy, the prolonged Russian invasion of Ukraine, and worsening conditions in the Middle East. In addition, the urgency of addressing global environmental issues such as global warming is heightening, making the response to climate change an increasingly important management issue.

<Seventh Medium-Term Business Plan>

Against this backdrop, the JFE Group is pushing ahead with measures announced in its seventh Medium-Term Business Plan (FY2021–FY2024), and is continuing to take on the challenge of transformation, aiming to be an essential entity for the sustainable development of society and the safe and comfortable lives of people. The JFE Group will continue to promote initiatives to address climate change issues as indicated in the JFE Group Environmental Vision for 2050, as well as promote the advancement of human resources, contribute to local communities, and resolve social issues such as respect for human rights in the supply chain, in order to secure environmental and social sustainability. At the same time, in the steel business we will steadily promote a shift from quantity to quality by building a highly competitive production system following the completion of structural reforms, and further expand revenue through overseas strategies mainly in India, DX promotion, and the expansion of solution businesses. Furthermore, perceiving the progress of decarbonization as a business opportunity, we will expand the supply of high-value-added products that contribute to reducing environmental impact, such as high-function electrical steel sheets and renewable energy power generation. By promoting these and other growth strategies, we will establish a strong management base and secure economic sustainability.

		Seventh Medium-Term Business Plan
Consolidated	Consolidated business profit	320 billion yen
	Profit attributable to owners of parent	220 billion yen
	ROE	10%
	Debt/EBITDA ratio	About 3 times
	D/E ratio	About 70%
Operating companies	Steel business • Profit per ton • Segment profit	10,000 yen/ton 230 billion yen
	Engineering business • Segment profit • Revenue	35 billion yen 650 billion yen
	Trading business • Segment profit	40 billion yen

Notes: 1. D/E ratio: For liabilities with equity subject to credit ratings, these equities reflect the evaluations of rating agencies.

2. Steel business profit per ton: (consolidated segment profit ÷ non-consolidated sales volume)

<Initiatives at each operating company>

■ JFE Steel Corporation

- At JFE Steel Corporation, the domestic steel market is expected to shrink due to population decline, while overseas, in addition to intensifying price competition for commodity products, the trend toward local production of steel products for local use is expected to strengthen. JFE Steel will thoroughly pursue the shift from expanding volume to pursuing quality set forth in the seventh Medium-Term Business Plan, and steadily promote its growth strategy.

JFE Steel Corporation shut down its iron making, steelmaking, and hot rolling equipment in the Keihin district of its East Japan Works as scheduled in September 2023. By reducing fixed costs through decreased crude steel production capacity and achieving drastic cost reductions through measures including DX promotion to achieve more efficient production, JFE Steel will work to improve the ratio of high-value-added products and sales prices in light of rising wages

(Translation for reference only)

and distribution costs.

In India where demand for electricity is expected to grow, JFE Steel have established a company for manufacturing and selling grain-oriented electrical steel sheets as a joint venture with JSW Steel. JFE Steel will steadily promote growth strategies going forward such as deepening its business strategy through local production and the development of a solution business that provides advanced manufacturing, operational and research know-how related to reducing environmental impact.

Furthermore, in anticipation of increased demand for high-function electrical steel sheets due to the progressive shift to electric vehicles, JFE Steel has decided to make additional capital investments to enhance the production capacity of non-oriented electrical steel sheets for electric vehicles at the Kurashiki district of the West Japan Works. In addition, regarding the heavy, extra-thick steel plates for seabed-fixed structures which support windmills of offshore wind-power generation, projects across Japan are set to become fully operational going forward, and JFE Steel will endeavor to expand earnings by steadily investing in growth areas such as completing the production capacity enhancement.

■ JFE Engineering Corporation

JFE Engineering Corporation will promote its business with the mission of supporting the lives of people around the world and protecting the earth for the next generation under the purpose of “Foundations of Life—Just For the Earth.”

To achieve the targets of the seventh Medium-Term Business Plan, JFE Engineering Corporation will endeavor to secure earnings by working to expand orders received, focusing on the areas of Waste to Resource and carbon neutrality and the field of core infrastructure such as bridge reconstruction work, as well as steadily executing existing project orders and reducing their costs, and appropriately responding to rising costs of equipment, materials and labor and the application of overtime limits to the construction industry.

In addition, JFE Engineering Corporation will work toward early and stable operation of the monopile factory in Kasaoka, which started full-scale operation in April 2024 as a manufacturing and supply base for seabed-fixed structures for offshore wind power generation, and will also work on expanding its operation business to secure stable earnings.

Furthermore, JFE Engineering Corporation integrated its domestic water engineering business with the water environmental business of Tsukishima Holdings Co., Ltd. in October 2023 to achieve synergies, and JFE Engineering Corporation will continue to expand its overseas business and enhance its competitiveness through measures such as M&A and business alliances.

■ JFE Shoji Corporation

JFE Shoji Corporation aims to establish the world’s No. 1 global distribution and processing system for electrical steel sheets. In addition to its four global key regions (Japan, Americas, China, and ASEAN), it has established a processing and sales base in Serbia for the first time to capture the demand for electric vehicles expected to grow in Europe.

Regarding automobile steel composite materials, JFE Shoji has introduced laser blanking system* at a processing center adjacent to Nucor-JFE Steel Mexico S. de R.L. de C.V., to strengthen the supply chain through Group-wide collaboration.

In the overseas building materials business, JFE Shoji acquired Studco Global Holdings, Inc., a manufacturer and distributor of steel framing for construction. The company operates in the United States and Australia, and JFE Shoji has newly established bases in the eastern United States and Australia with this acquisition. In the United States, JFE Shoji will pursue synergies with CEMCO, which was acquired in 2022, to improve our presence and increase profits. In Australia, JFE Shoji aims to capture the demand for steel frame, which is expected to grow stably in the future, and stabilize earnings while considering the advancement of decarbonization as a business opportunity to expand operations.

Furthermore, JFE Shoji is promoting the use of renewable energy at its steel processing centers, and have newly installed solar panels at its steel processing center in Tochigi. JFE Shoji will continue to work on decarbonization at its other business locations.

Going forward, JFE Shoji will strive to increase the JFE Group’s presence in the market and increase earnings in order to achieve the goals of the seventh Medium-Term Business Plan.

* Laser die cutting system

(Translation for reference only)

<Initiatives common to all Group companies>

○ **Initiatives to address climate change issues**

The JFE Group has positioned its response to climate change issues as a top priority management issue and is engaged in various initiatives addressing this challenge as an opportunity for growth, while demonstrating its path to decarbonization through reduction of CO₂ emissions in the steel business and contribution to reducing CO₂ emissions in society as a whole, and as set forth in the JFE Group Environmental Vision for 2050.

In the steel business, the JFE Group has formulated and announced a concrete roadmap to achieve carbon neutrality by 2050, and is promoting initiatives such as energy conservation and greater efficiency in existing processes, as well as the use of electric arc furnace technology to achieve the interim target of a reduction in CO₂ emissions for FY2030 of 30% or more compared to FY2013. The Group is also considering the introduction of a high-efficiency large-scale electric arc furnace in FY2027 to coincide with the time of the scheduled blast furnace repairs in the Kurashiki district. By applying various development technologies, the Group aims to achieve a system capable of supplying large quantities of high-quality, high-performance steel materials in an environmentally-friendly manner, which was difficult to achieve with existing large-scale electric arc furnaces.

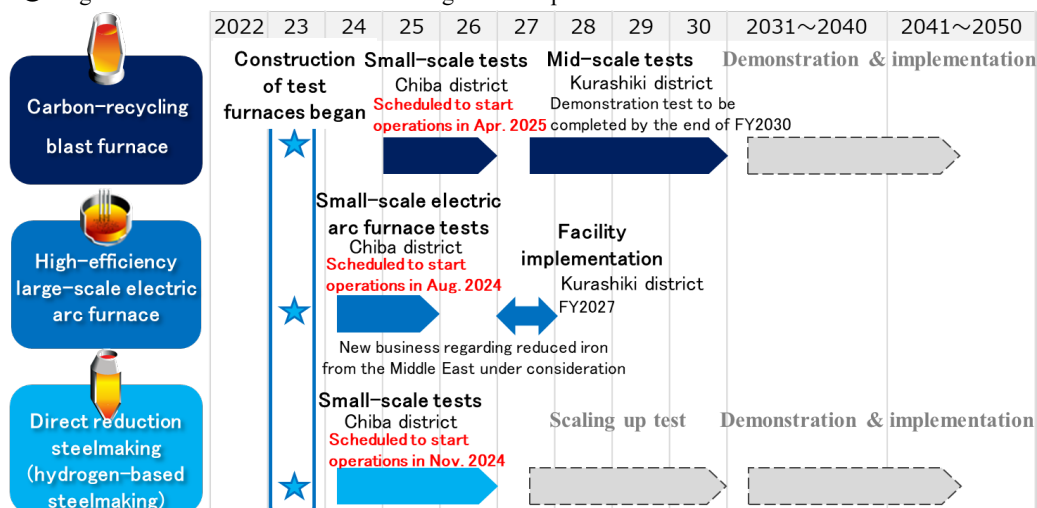
The Group has also begun constructing a test furnace for ultra-innovative technologies such as carbon recycling blast furnaces, which are being developed concurrently, and plan to start operations in phases from FY2024 onwards. It will continue to promote research and development and aim for the early application of these ultra-innovative technologies.

With society's need for decarbonization rising rapidly, from FY2023 the Group commenced the supply of JGreeX™ green steel applying the emissions reductions generated through its proprietary CO₂ emissions reduction technologies. The environmental value of JGreeX™ has been recognized and is used in various applications including ships and buildings. Going forward, the Group will actively engage in creating markets for green steel, which can contribute to achieving a carbon-neutral society.

Regarding the JFE Group's contribution to reducing CO₂ emissions in society as a whole, it has engaged in supplying environmentally-friendly products such as electrical steel sheets for EV motors and more efficient transformers, for which demand is increasing globally, and expanding its renewable energy power generation business. In offshore wind power generation, the Group has started operation of Japan's first plant for the manufacture of seabed-fixed structures. It will promote the commercialization of the offshore wind power generation business with the concerted efforts of the Group.

In FY2023, the JFE Group introduced indicators associated with climate change as performance-linked indicators of remuneration for Directors and Corporate Officers, as an incentive to accelerate initiatives to address this issue. The Group will continue to contribute to the realization of a sustainable society by strongly promoting efforts to solve climate change issues.

● Progress on the ultra-innovative technologies development



(Translation for reference only)

(Reference)

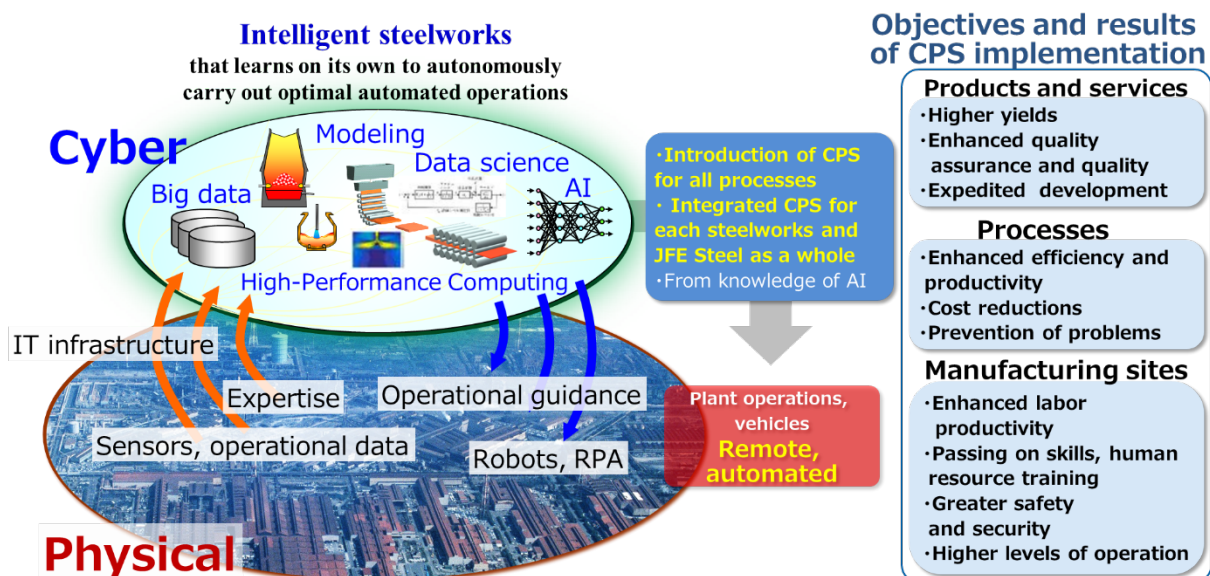
- Please refer to our website for information on the JFE Steel Carbon Neutrality Strategy Briefing held in November 2023.
https://www.jfe-steel.co.jp/en/company/pdf/en_carbon-neutral-strategy_231108_1.pdf

○ DX promotion

The seventh Medium-Term Business Plan positions DX as a key strategy for the biggest transformation since the foundation of the JFE Group. The massive amount of operational data, knowhow and technology accumulated over many years by the JFE Group are the invaluable assets that other companies cannot easily recreate, and they are the source of value creation for the Group that supports society with its world-class technologies. In the steel business, the Group plans to complete the full migration of the core systems of steel works and manufacturing plants to a cloud environment during the period of the next Medium-Term Business Plan ahead of other companies in the manufacturing industry, which will ensure business continuity and development by breaking away from legacy systems ^{*1}, and enable advanced utilization of accumulated data and knowhow through the introduction of various latest technologies. It will accelerate efforts towards realizing intelligent steel works using CPS ^{*2} in order to achieve improved productivity and enhanced competitiveness. In the engineering business, we will expand plant operation support services for offshore wind power business based on GRC ^{*3}, and promote DX strategies throughout the Group to achieve differentiation.

Furthermore, implementing measures against increasingly sophisticated cyberattacks and information leak risks are extremely important issues that cannot be avoided in global business expansion. In April 2024, the Group established a new company responsible for the Group's cybersecurity operations, and we are promoting the acquisition and training of human resources, as well as the establishment of security monitoring systems. Going forward, the entire JFE Group will push ahead with even stronger cyber security measures.

● Intelligent steelworks using CPS



(Reference) Please refer to the DX REPORT 2023 posted on our website for the DX strategies and representative examples of each JFE Group company.
<https://www.jfe-holdings.co.jp/en/investor/library/dxreport/index.html>

- *1 Legacy systems refers to systems that have become obsolete, too big, overcomplex and black-boxed.
- *2 Cyber-physical systems are technologies that integrate virtual models of manufacturing processes with actual processes in real time.
- *3 Global Remote Center refers to the next-generation remote monitoring service centers for plants in and outside of Japan, equipped with AI and big data.

(Translation for reference only)

○ Human capital and respect of human rights

For the JFE Group to achieve sustainable growth into the future in this increasingly complex and diverse business environment that is subject to dramatic changes, it is vital that we invest in human capital to bring out the best of our employees' abilities and performance. The Group will implement diversity and inclusion initiatives, and develop human resources in line with management strategies such as DX human resource development, while striving to create an environment where employees feel fulfilled in their work. It will also focus on efforts to create safe and healthy workplace environments, which is a basic requirement for employees to work with peace of mind.

Furthermore, the JFE Group engages in human rights due diligence to realize a society where human rights are respected and protected. In order to achieve respect for human rights in the supply chain, the Group conducted a survey on the human rights risks of suppliers in FY2023, and will take necessary actions based on the results of the survey going forward. The Group will continue to advance initiatives for the respect of human rights among all stakeholders, including supply chains.

○ Change in use of land in the Keihin district

Regarding the use of land in the Keihin district following the shutdown of iron making, steelmaking, and hot rolling equipment in September 2023, the demolition work of the north side of the north district of the Minami-watarida area and the Ohgimachi area, the sales of which have already been decided, started in April 2024, marking the beginning of a large-scale land repurposing project covering approximately 400 hectares. Together with the business partner, the north side of the north district of the Minami-watarida area will be developed into a research and development hub for the creation of innovative materials, aiming for opening in FY2027.

In the Ohgishima area, in order to convert the land for use on projects that offer significant public benefit and that will contribute to solving some of the priority issues Japan faces, the Group has compiled the OHGISHIMA 2050 conceptual plan, and it will vigorously promote this project to start partial land use in FY2028.

In the Mizue area, as part of developing the site as a recycling center, the JFE Group has begun the construction of the J Circular System Kawasaki Super Sorting Center, which will be one of the largest plastic recycling facilities in the Tokyo metropolitan area.

Going forward, the Group will continue to contribute to the sustainable development of the region and society in collaboration with authorities including local government such as Kawasaki City and local companies including neighboring energy companies.

● Perspective drawing of Ohgishima area after completion of land repurposing project (scheduled for 2050)



(Reference) Please refer to our website about the details of OHGISHIMA 2050.
<https://www.jfe-holdings.co.jp/en/release/2023/09/pdf/230907.pdf>

(Translation for reference only)

○ Securing financial soundness

Aggressive management aimed at medium- to long-term growth requires the establishment of a stable financial base, and to this end, it is important to achieve effective investment based on selection and concentration, as well as financial soundness. In FY2023, the JFE Group issued new shares, disposed of treasury shares, and issued Zero Coupon Convertible Bonds through international offerings in order to procure funds for strategic investments aimed at medium- to long-term growth and to strengthen our financial position.

While the Group implemented investment contributing to growth strategies and carbon neutrality, it pursued cost reductions through structural reforms and earnings improvements through sales price improvements, and the balance of interest-bearing liabilities at the end of FY2023 was 1,830.2 billion yen, a decrease of 32.7 billion yen from the previous fiscal year. In addition, the net balance of interest-bearing liabilities* declined by 156.4 billion yen year-on-year to 1,587.1 billion yen due to an increase in cash and deposits resulting from a capital increase. As a result, the Debt/EBITDA ratio and D/E ratio, which are the financial targets of the seventh Medium-Term Business Plan, were 3.2 times and 58.0%. We will continue to work to secure the funds necessary for investment while also ensuring financial soundness through thorough asset downsizing and improving the CCC (cash conversion cycle) through inventory reduction and other measures.

* Net balance of interest-bearing liabilities refers to the balance of interest-bearing liabilities after subtracting cash and deposits and cash equivalents.

○ Corporate governance

In order to steadily execute the Group's management tasks in this business environment, the Company will enhance its functions as the cornerstone of Group management and sound corporate governance that are in the best interest of shareholders, and will also aim for even more efficient operations.

With regard to the submarine water pipe renewal work that JFE Engineering Corporation contracted with Taketomi Town, Okinawa, in June 2017 and June 2020, three employees of the company were indicted on charges of violating the Act on Elimination and Prevention of Involvement in Bid Rigging, etc. and Punishments for Acts by Employees that Harm Fairness of Bidding, etc. and obstructing public contract-related auction bidding. One of these employees (a former employee of the company) was found guilty by the Naha District Court in August 2022, and the other two in October 2023.

We deeply regret that this situation has come to this and deeply apologize to our shareholders and other stakeholders for any inconvenience and concern this may cause.

We regard this matter very seriously and sincerely. We will strive to regain public trust as early as possible by implementing measures to prevent any recurrence based on the identified causes of the incident.

The JFE Group will continue to make diligent Group-wide efforts to ensure thorough compliance, address environmental issues, and establish safety, which are the basis of our relationship of trust with society. Moreover, we will complete the measures set forth under the seventh Medium-Term Business Plan and raise the Group's value on capital markets through our efforts to achieve sustainable growth as a company and enhance corporate value for all stakeholders, including our shareholders.

We appreciate the continued understanding, support and encouragement of our shareholders.

(Translation for reference only)

(2) Production, order received and sales

The production, order received and sales of JFE Holdings, Inc. and its consolidated subsidiaries, etc. (including joint operations) during the 22nd term were as follows. Revenue of joint operations included in Sales is an amount corresponding to equity of the JFE Group.

1) Production (Thousand tons)

Business	21th term FY2022	22nd term FY2023	Change (%)
Steel business (crude steel output)	25,475	24,801	(2.6)

2) Order received (Millions of yen)

Business	21th term FY2022	22nd term FY2023	Change (%)
Engineering business	564,946	563,006	(0.3)

3) Sales (Millions of yen)

Business	21th term FY2022	22nd term FY2023	Change (%)
Steel business	3,881,139	3,716,057	(4.3)
Engineering business	512,500	539,975	5.4
Trading business	1,514,137	1,476,452	(2.5)
Eliminations or corporate	(638,982)	(557,852)	—
Total	5,268,794	5,174,632	(1.8)

(3) Capital expenditure

Total amount of capital expenditure of JFE Holdings, Inc. and its consolidated subsidiaries, etc. (including joint operations) during the 22nd term was 346.1 billion yen and the major expenditure was as follows. Amount of capital expenditure of joint operations included in the amount above is an amount corresponding to equity of the JFE Group.

1) Major facility completed during the 22nd term

Steel Business

JFE Steel Corporation

West Japan Works (Kurashiki)

Production capacity enhancement of heavy, extra-thick steel plates for offshore wind-power applications

Corporate

Renewal of steelworks systems (Phase 2)

2) Major ongoing facility during the 22nd term

Steel Business

JFE Steel Corporation

East Japan Works (Chiba)

Construction of electric-arc furnace at No 4. steelmaking shop

East Japan Works (Chiba)

Construction of No.15 oxygen plant

West Japan Works (Kurashiki)

Expansion of production capacity of electrical steel sheets

West Japan Works (Kurashiki)

Expansion of production capacity of electrical steel sheets (STEP 2)

West Japan Works (Kurashiki)

Renewal of steelworks systems (Kurashiki)

West Japan Works (Kurashiki)

Renewal and electrification of blast furnace blower

West Japan Works (Fukuyama)

Construction of No. 6 coke oven (Battery A)

West Japan Works (Fukuyama)

Construction of 6CDQ

Engineering Business

JFE Engineering Corporation

Construction of a factory for manufacturing base for the monopile foundations of

(Translation for reference only)

offshore wind turbines

(4) Fund procurement

JFE Holdings, Inc. raised a total of 204.5 billion yen by issuance of new shares through overseas offerings, disposal of treasury share, and issuance of euro-yen Zero Coupon Convertible Bonds due 2028.

In addition, JFE Holdings, Inc. and its consolidated subsidiaries, etc. (including joint operations) raised 60.3 billion yen through long-term loans as necessary funds, and thus the total amount procured is 264.8 billion yen. The amount for joint operations included in the amount above is an amount corresponding to equity of the JFE Group.

(5) Assets and operating results

1) Consolidated assets and operating results of JFE Holdings, Inc.

International Financial Reporting Standards (IFRS)

(Millions of yen)

Item	19th term FY2020	20th term FY2021	21st term FY2022	22nd term FY2023
Revenue	3,227,285	4,365,145	5,268,794	5,174,632
Business profit	(12,911)	416,466	235,841	298,224
Profit attributable to owners of parent	(21,868)	288,058	162,621	197,421
Basic earnings per share (yen)	(37.98)	500.28	280.68	323.33
Total equity	1,760,154	2,070,739	2,193,395	2,538,521
Total assets	4,654,972	5,287,909	5,524,040	5,754,964

2) Assets and operating results of JFE Holdings, Inc.

JGAAP

(Millions of yen)

Item	19th term FY2020	20th term FY2021	21st term FY2022	22nd term FY2023
Operating revenue	21,918	62,219	68,825	66,534
Operating income	9,334	49,716	52,383	51,102
Ordinary income	9,334	49,716	52,383	51,102
Profit	9,182	49,438	52,115	50,758
Profit per share (yen)	15.94	85.84	89.93	83.12
Net assets	1,023,456	1,032,718	1,017,702	1,133,905
Total assets	2,745,823	2,767,173	2,734,669	2,843,701

(Translation for reference only)

(6) Major lines of business (As of March 31, 2024)

1) JFE Holdings, Inc.

Control and administration of operating companies engaged in the steel, engineering, trading and other businesses by holding shares thereof.

2) Steel business (JFE Steel Corporation and its affiliated companies)

Manufacture and sales of various steel products, steel processed products, raw materials, etc., as well as transportation business and peripheral businesses such as the equipment maintenance and equipment work businesses.

(Major products and services)

Steel products and semi-finished products (hot-rolled steel sheets, cold-rolled steel sheets, surface-treated steel sheets, steel plates, steel shapes, H-shapes, sheet piles, rails, seamless steel pipes, forge welded steel pipes, electric resistance welded steel pipes, rectangular steel pipes, arc-welded steel pipes, electrical steel sheets, stainless sheets, steel bars, wire rods, iron powder, slabs); titanium products; steel processed products; chemical products; formed and fabricated products; various containers; mining and mineral products; iron and steel slag products; functional materials; ferroalloy; various refractories; furnace construction works; various transportation and warehousing; civil engineering and construction works; equipment management and construction works; electric works; telecommunications works; thermal power generation; gas; temporary construction materials; real estate; insurance agency business; various service businesses; various computer systems; material analysis; environmental research; technical information surveys; support for intellectual properties, etc.

3) Engineering business (JFE Engineering Corporation and its affiliated companies)

Engineering business regarding energy, urban environment, steel structures, industrial machineries, recycling business and electricity retailing business

(Major products and services)

Gas, oil, and water pipelines; various tanks such as LNG/LPG; solar, geothermal, biomass and other renewable energy generation systems; municipal waste incinerator; water treatment systems; recycling services for waste plastics, etc.; bridges, port and harbor structures; industrial machineries such as logistic systems, engines, shield tunneling machine and ballast water treatment system; pig iron making, steelmaking and mini-mill related plants; quick chargers for electric vehicles, etc.

4) Trading business (JFE Shoji Corporation and its affiliated companies)

Purchasing, processing and sales of steel products, raw materials for ironmaking/steelmaking, non-ferrous metal products, foods, etc.

(Major products and services)

Steel products (steel plates, checkered steel plates, hot-rolled steel sheets, cold-rolled steel sheets, electrical steel sheets, surface-treated steel sheets, galvanized steel sheets, tin plates, steel pipes, specialty steel pipes, steel bars, H-shapes, lightweight shaped steel plates, regular shaped steel plates, columns, wire rods, stainless steels, specialty steels, slabs); flux; iron powder; steel processed products; raw materials, other materials and equipment for ironmaking/steelmaking; non-ferrous metal products; scrap metal; blast furnace slag; chemical products; petroleum products; paper products; vessels; biomass fuels; civil engineering and construction works; the Terre Armeé method; canned products; agricultural and livestock products; marine products; semiconductor products; real estate and so forth.

(Translation for reference only)

(7) Major sales offices, works and overseas offices (As of March 31, 2024)

1) JFE Holdings, Inc.

Head office	Head office (Chiyoda, Tokyo)
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2) Steel business (JFE Steel Corporation)

Head office	Head office (Chiyoda, Tokyo)
Domestic sales offices	Osaka, Nagoya, Hokkaido (Sapporo), Tohoku (Sendai), Niigata, Hokuriku (Toyama), Chugoku (Hiroshima), Shikoku (Takamatsu), Kyusyu (Fukuoka), Chiba, Kanagawa (Yokohama), Shizuoka, Okayama and Okinawa (Naha)
Steel works	Sendai Works, East Japan Works (Chiba and Kawasaki), West Japan Works (Kurashiki and Fukuyama) and Chita Works (Handa)
Research laboratories	Steel Research Laboratories (Chiba, Kawasaki, Handa, Kurashiki and Fukuyama)
Overseas offices	Houston, Mexico, Brisbane, Brazil, Dubai, New Delhi, Mumbai, Singapore, Bangkok, Vietnam, Jakarta, Manila, Seoul, Beijing, Shanghai and Guangzhou

3) Engineering business (JFE Engineering Corporation)

Head offices	Tokyo head office (Chiyoda, Tokyo) and Yokohama head office
Domestic sales offices	Hokkaido (Sapporo), Doto (Kushiro), Tomakomai, Tohoku (Sendai), Fukko Saisei (Fukushima), Tokyo (Chiyoda, Tokyo), Yokohama, Kawasaki, Niigata, Hokuriku (Toyama), Shizuoka, Nagoya, Mie (Tsu), Ise, Osaka, Nara (Kashiba), Kobe, Shikoku (Takamatsu), Kurashiki, Chugoku (Hiroshima), Fukuyama, Yamaguchi (Hofu), Kyusyu (Fukuoka), Kumamoto, Minamikyushu (Kagoshima) and Okinawa (Naha)
Production bases	Tsurumi Engineering and Manufacturing Center (Yokohama) and Tsu Works
Research laboratory	Technical Research Center (Yokohama)
Overseas offices	Beijing, Philippines, Hanoi, Ho Chi Minh, Bangkok, Singapore, Malaysia, Jakarta, Yangon, Bangladesh, India, Germany, U.S.A.

4) Trading business (JFE Shoji Corporation)

Head office	Head office (Chiyoda, Tokyo)
Domestic sales offices	Osaka, Nagoya, Hokkaido (Sapporo), Tohoku (Sendai), Niigata, Shizuoka, Hokuriku (Toyama), Okayama, Hiroshima, Shikoku (Takamatsu), Kyusyu (Fukuoka), Chibaminami (Chiba), Keihin (Kawasaki), Hamamatsu, Chita (Handa), Okayama (Kurashiki), Kurashiki, Fukuyama, Kagoshima and Naha
Overseas offices	Taipei, Singapore, Dusseldorf, Dubai, Kaohsing, Istanbul, U.S.A., Brazil, Hong Kong, Australia, South Korea, Beijing, Shanghai, Guangzhou, Thailand, Indonesia, Philippines, Malaysia, India and Vietnam

Note:

Overseas offices include overseas subsidiaries.

Major affiliated companies and their head office locations are listed in (9) Significant subsidiaries and affiliates (pages 33-37) below.

(Translation for reference only)

(8) Employees (As of March 31, 2024)

Numbers of employees of JFE Holdings, Inc., operating companies and its consolidated subsidiaries are as follows.

1) Employees of JFE Holdings, Inc. and its consolidated subsidiaries

	Number of employees
JFE Holdings, Inc.	53
Steel business (JFE Steel Corporation and its consolidated subsidiaries)	43,081
Engineering business (JFE Engineering Corporation and its consolidated subsidiaries)	10,466
Trading business (JFE Shoji Corporation and its consolidated subsidiaries)	8,618
Total	62,218

2) Employees of JFE Holdings, Inc. and operating companies (JFE Steel Corporation, JFE Engineering Corporation and JFE Shoji Corporation)

	Number of employees	Year-on-year increase	Average age (years old)	Average years of service
JFE Holdings, Inc.	53	(Decrease by 2)	47.5	23.6
JFE Steel Corporation	14,599	(Decrease by 586)	39.6	17.1
JFE Engineering Corporation	3,646	(Decrease by 200)	44.8	15.8
JFE Shoji Corporation	1,051	(Increase by 16)	38.4	12.9

Note:

For those dispatched from operating companies to JFE Holdings, Inc., the aggregated years of service for the respective companies are adapted to the calculation of the Average years of service.

(Translation for reference only)

(9) Significant subsidiaries and affiliates (As of March 31, 2024)

1) Significant subsidiaries (*Stocks indirectly held by subsidiary companies are included.)

Name	Head office location	Description of business	Capital (Millions of yen)	Voting rights ratio (%)
[Steel business]				
JFE Steel Corporation	Chiyoda, Tokyo	Manufacture and sales of steel products	239,644	100.0
JFE Bars & Shapes Corporation	Minato, Tokyo	Manufacture and sales of steel shapes and reinforcing steel bars	30,000	*100.0
JFE Chemical Corporation	Taito, Tokyo	Manufacture and sales of chemical products	6,000	*100.0
JFE Metal Products Corporation	Minato, Tokyo	Manufacture, processing and sales of secondary steel products	5,000	*99.6
JFE Galvanizing & Coating Co., Ltd	Shinagawa, Tokyo	Manufacture, processing and sales of secondary steel products	5,000	*100.0
GECOSS CORPORATION	Bunkyo, Tokyo	Rental and sales of temporary construction materials	4,397	*59.5
JFE LOGISTICS CORPORATION	Chiyoda, Tokyo	Various transportation and warehousing businesses	4,000	*89.2
JFE Container Co., Ltd.	Chiyoda, Tokyo	Manufacture and sales of various containers	2,365	*100.0
JFE Civil Engineering & Construction Corporation	Taito, Tokyo	Contracting for civil engineering and construction works	2,300	*100.0
JFE Mineral & Alloy Company, Ltd.	Minato, Tokyo	Mining and exploitation, processing and sales of mineral products, and manufacture and sales of functional materials, ferroalloys, and iron and steel slag	2,000	*100.0
JFE LIFE CORPORATION	Taito, Tokyo	Real estate, insurance agency and various service businesses	2,000	*100.0
JFE Plant Engineering Co., Ltd.	Taito, Tokyo	Manufacture and sales of machinery and equipment, contracting for electric works, telecommunications works, and equipment management and construction works	1,700	*100.0
JFE Systems, Inc.	Minato, Tokyo	Development and sales of various computer systems	1,390	*67.9
JFE Kozai Corporation	Chuo, Tokyo	Shearing and fusing of steel plates/sheets, and sales of steel materials	488	*100.0
JFE Welded Pipe Manufacturing Co., Ltd.	Chuo, Tokyo	Manufacture and sales of electric resistance welded steel pipes	450	*100.0
JFE STEEL AUSTRALIA Resources PTY LTD.	Brisbane, Australia	Investments in coal mines and the iron ore mining business in Australia	AUD 460 mil	*100.0
Philippine Sinter Corporation	Manila, Philippines	Manufacture and sales of sintered ore	PHP 1,957 mil	*100.0

(Translation for reference only)

Name	Head office location	Description of business	Capital (Millions of yen)	Voting rights ratio (%)
PT. JFE STEEL GALVANIZING INDONESIA	Bekasi, Indonesia	Manufacture and sales of cold-rolled and hot-dip galvanized steel products	USD 139 mil	*100.0
JFE Steel Galvanizing (Thailand) Ltd.	Rayong, Thailand	Manufacture and sales of hot-dip galvanized steel products	THB 4,362 mil	*100.0
[Engineering business]				
JFE Engineering Corporation	Chiyoda, Tokyo	Engineering business	10,000	100.0
J&T Recycling Corporation	Yokohama	Total recycling business	650	*64.0
Standardkessel Baumgarte Holding GmbH	Mülheim, Germany	Construction and maintenance of waste-fueled power generation, biomass power generation, and exhaust heat recovery power generation plants, etc.	EUR 1,300 thou	*100.0
[Trading business]				
JFE Shoji Corporation	Chiyoda, Tokyo	Domestic and export/import trade of steel products, raw materials for ironmaking/steelmaking, non-ferrous metal products, chemical products, petroleum products, various equipment and materials, etc.	14,539	100.0
JFE Shoji Steel Construction Materials Corporation	Chiyoda, Tokyo	Sales of construction material products and equipment and materials for civil engineering/construction; metallic processing business; civil engineering/construction works; various works	1,500	*100.0
JFE Shoji Pipe & Fitting Corporation	Chiyoda, Tokyo	Sales of steel pipe and pipe material products	500	*100.0
JFE Shoji Thailand Ltd.	Bangkok, Thailand	Export/import and domestic trade of steel products, raw materials for ironmaking/steelmaking, various equipment and materials, etc.	THB 20 mil	*100.0
JFE Shoji Power Canada Inc.	Burlington, Canada	Processing and sales of electrical steel sheets	USD 0 mil	*100.0
JFE Shoji America Holdings Inc.	L.A., U.S.A.	Management of subsidiaries in Americas, etc.	USD 0 mil	*100.0
JFE Shoji America LLC	L.A., U.S.A.	Export/import and domestic trade of steel products, raw materials for ironmaking/steelmaking, etc.	—	*100.0
Kelly Pipe Co., LLC	Santa Fe Springs, U.S.A.	Sales of steel pipe	—	*100.0
CEMCO, LLC	City of Industry, U.S.A.	Processing and sales of steel frames for construction	—	*100.0

- JFE Shoji Power Canada Inc. is included among significant subsidiaries from the 22nd term.

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- JFE Steel Corporation sold 76.6% of the shares of JFE Pipe Fitting Mfg. Co., Ltd. which was on the list in the previous term to Riken Corporation on May 9, 2023.
- JFE ComService Co., Ltd., a subsidiary of JFE Steel Corporation and JFE Systems, Inc., transferred 20.0% of the issued shares of GECOSS CORPORATION to Mizuho Leasing Company, Limited on May 10, 2024. As a result, GECOSS CORPORATION has become an equity method affiliate of JFE Steel Corporation.
- The consolidated subsidiaries totaled 322, including the companies stated above, during the 22nd term.

(Translation for reference only)

Significant affiliates (*Stocks indirectly held by subsidiary companies are included.)

Name	Head office location	Description of business	Capital (Millions of yen)	Voting rights ratio (%)
[Steel business]				
Japan-Brazil Niobium Corporation	Chiyoda, Tokyo	Investment in the niobium mining business in Brazil	37,272	*25.0
SETOUCHI JOINT THERMAL POWER CO.,LTD.	Fukuyama, Hiroshima	Thermal power generation business	5,000	*50.0
SHINAGAWA REFRACTORIES CO.,LTD.	Chiyoda, Tokyo	Manufacture and sales of various refractories, and contracting for furnace construction works	3,300	*34.9
NIPPON CHUZO K.K.	Kawasaki	Manufacture and sales of cast steel products, etc.	2,627	*36.2
NIPPON CHUTETSUKAN K.K.	Kuki, Saitama	Manufacture and sales of cast-iron pipes, etc.	1,855	*30.0
EXA Corporation	Yokohama	Development and sales of various computer systems	1,250	*49.0
JFE SANSEI CENTER CORPORATION	Fukuyama, Hiroshima	Manufacture and sales of oxygen gas, nitrogen gas and argon gas, etc.	90	*50.0
NUCOR-JFE STEEL MEXICO S.DE R.L.DE C.V.	Silao, Mexico	Manufacture and sales of hot-dip zinc galvanized steel products	USD 431 mil	*49.0
Guangzhou JFE Steel Sheet Company Ltd.	Guangzhou, China	Manufacture and sales of cold-rolled and hot-dip zinc galvanized steel sheets	CNY 3,191 mil	*50.0
BaoWu JFE Special Steel Co., Ltd.	Shaoguan, China	Manufacture and sales of specialty bar steel	CNY 1,372 mil	*50.0
Thai Cold Rolled Steel Sheet Public Co., Ltd.	Bangkok, Thailand	Manufacture and sales of cold-rolled steel sheets	THB 4,816 mil	*36.0
California Steel Industries, Inc.	Fontana, U.S.A.	Manufacture and sales of steel products	USD 40 mil	*49.0
JSW Steel Limited	Mumbai, India	Manufacture and sales of steel products	INR 305 mil	*15.0
[Engineering business]				
TSUKISHIMA JFE AQUA SOLUTION CO., LTD.	Chuo, Tokyo	Design, manufacture, and construction of equipment and plants for water purification plants, sewage treatment plants, biomass usage facilities, and sludge recycling facilities	5,000	*40.0
JP Steel Plantech Co.	Yokohama	Design, manufacture and installation of ironmaking machinery, etc.	1,995	*34.0
[Trading business]				
HANWA KOZAI Co., Ltd.	Osaka	Processing and sales of stainless products	1,076	*47.9

- The liquidation of NKK Tubes K. K. which was on the list in the previous term was

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completed on April 28, 2023.

- TSUKISHIMA JFE AQUA SOLUTION CO., LTD. became an affiliate of JFE Engineering Corporation as of October 1, 2023, following the absorption-type demerger and succession of JFE Engineering Corporation's domestic water engineering business.
- The equity method affiliates (including joint operations) totaled 85, including the companies stated above, during the 22nd term.

3) Matters regarding designated wholly owned subsidiaries

Name	Address	Total book value (Millions of yen)	Total assets of the Company (Millions of yen)
JFE Steel Corporation	2-3 Uchisaiwai-cho 2- chome, Chiyoda-ku, Tokyo	721,736	2,843,701

(10) Major lenders (As of March 31, 2024)

The major lenders of JFE Holdings, Inc. and consolidated subsidiaries are as follows.

Name	Loan balance (Millions of yen)
Mizuho Bank, Ltd.	255,433
Sumitomo Mitsui Banking Corporation	143,791
MUFG Bank, Ltd.	124,604
Development Bank of Japan Inc.	108,000

(Translation for reference only)

2. JFE Holdings, Inc.'s Share (As of March 31, 2024)

(1) Number of shares	
Total number of shares authorized to be issued	2,298,000,000
Total number of shares issued	639,438,399
(Number of shares of treasury shares included	2,896,777)
(2) Total number of shareholders	297,544

(3) Major shareholders

Name	Number of shares held (Thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	88,084	13.8
Custody Bank of Japan, Ltd. (trust account)	41,265	6.5
Nippon Life Insurance Company	15,855	2.5
JFE Employees Stock Ownership Plan	13,096	2.1
JPMorgan Securities Japan Co., Ltd.	12,504	2.0
STATE STREET BANK WEST CLIENT – TREATY 505234	12,464	2.0
Mizuho Bank, Ltd.	9,776	1.5
JFE Business Partners Stock Ownership Plan	9,623	1.5
JP MORGAN CHASE BANK 385781	8,068	1.3
The Dai-ichi Life Insurance Company, Limited	7,679	1.2

Note:

In addition to the above, JFE Holdings, Inc. retains 2,896,777 treasury shares. The treasury shares are not included in the shareholding ratio calculation.

3. Share Acquisition Rights (As of March 31, 2024)

JFE Holdings, Inc. issued euro-yen Zero Coupon Convertible Bonds due 2028 on September 28, 2023.

Outline of euro-yen Zero Coupon Convertible Bonds

Class, details, and number of shares to be issued upon exercise of share acquisition rights	The class and details of the shares to be issued upon exercise of share acquisition rights shall be the Company's common shares (100 shares per unit), and the number of shares the Company will issue upon exercise shall be the total face value of the bonds requested for conversion divided by the conversion price stated below. However, any fractional shares arising from the exercise will be rounded down, and no cash adjustments will be made. If the exercise of the share acquisition rights results in the issuance of fractional shares, such shares will be delivered to the bondholders in the same manner as shares constituting one unit, and the Company will not make any cash settlement for such shares.
Number of share acquisition rights	9,000
Conversion price	2,973.7 yen (Note)
Exercise period	From October 12, 2023 to September 14, 2028 (local time where the bonds are deposited for the exercise of the share acquisition rights). However, there are provisions regarding the exercise period under certain circumstances as specified in the terms and conditions of issuance.
Details and value of the property contributed upon the exercise of share acquisition rights	Upon exercise of each share acquisition right, the bonds related to the share acquisition rights will be contributed, and the value of the bonds will be equivalent to their face value.

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(Note) At the meeting of the Board of Directors held on November 6, 2023, the conversion price was adjusted from 3,041 yen to 2,973.7 yen in accordance with the conversion price adjustment clause, in conjunction with the approval of the proposal for dividend of surplus of 50 yen per common share for our interim dividend.

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4. Directors and Audit & Supervisory Board Members

(1) Directors and Audit & Supervisory Board Members (As of March 31, 2024)

Position	Name	Significant concurrent post
Representative Director, President and CEO	Koji Kakigi	Chairman of the Board of Directors, JFE 21st Century Foundation (Public Interest Incorporated Foundation)
Representative Director	Yoshihisa Kitano	Representative Director, President and CEO, JFE Steel Corporation
Representative Director	Masashi Terahata	Director, JFE Steel Corporation Representative Director, JFE 21st Century Foundation (Public Interest Incorporated Foundation)
Director	Hajime Oshita	Representative Director, President and CEO, JFE Engineering Corporation
Director	Toshinori Kobayashi	Representative Director, President and CEO, JFE Shoji Corporation
Director	Masami Yamamoto	Director and Senior Advisor, Fujitsu Limited Outside Member of the Board of Directors, Mizuho Financial Group, Inc.
Director	Nobumasa Kemori	Honorary Advisor, Sumitomo Metal Mining Co., Ltd. Outside Director, Sumitomo Realty & Development Co., Ltd.
Director	Yoshiko Ando	Outside Director, Kirin Holdings Company, Limited Outside Director, Sansei Technologies, Inc.
Audit & Supervisory Board Member (Full-time)	Nobuya Hara	Audit & Supervisory Board Member, JFE Steel Corporation
Audit & Supervisory Board Member (Full-time)	Nakaba Akimoto	Audit & Supervisory Board Member, JFE Engineering Corporation Audit & Supervisory Board Member, JFE Shoji Corporation
Audit & Supervisory Board Member	Isao Saiki	Partner Lawyer, Abe, Ikubo & Katayama Law Firm
Audit & Supervisory Board Member	Tsuyoshi Numagami	Professor, Institute for Business and Finance, WASEDA University Outside Director, Tokyo Century Corporation Outside Director, EBARA CORPORATION
Audit & Supervisory Board Member	Takuya Shimamura	Director and Chairman, AGC Inc. Outside Director, EBARA CORPORATION

(Translation for reference only)

Notes:

1. The positions of Director have been changed as below effective as of April 1, 2024.

Name	Position after transfer	Position before transfer
Yoshihisa Kitano	Representative Director, President and CEO	Representative Director
Koji Kakigi	Director	Representative Director, President and CEO

2. Yoshihisa Kitano, Director of JFE Holdings, Inc., retired as Representative Director, President and CEO of JFE Steel Corporation as of April 1, 2024.
3. Hajime Oshita, Director of JFE Holdings, Inc., retired as Representative Director, President and CEO of JFE Engineering Corporation and assumed the position of Special Advisor of the same company, as of April 1, 2024.
4. Yoshiko Ando, Director of JFE Holdings, Inc., resigned as an Outside Audit & Supervisory Board Member of Kirin Holdings Company, Limited, and assumed the position of Outside Director of the same company, as of March 28, 2024.
5. Masami Yamamoto, Nobumasa Kemori and Yoshiko Ando serve as Outside Directors of JFE Holdings, Inc.
6. Nobuya Hara, Audit & Supervisory Board Member of JFE Holdings, Inc., has extensive knowledge of and insight into finance and accounting, which he has accumulated through work in corporate planning, accounting and finance at JFE Steel Corporation, and through accounting work at JFE Holdings, Inc.
7. Tsuyoshi Numagami, Audit & Supervisory Board Member of JFE Holdings, Inc., has been engaged in extensive research on overall corporate management, including business strategy, and has extensive knowledge of and insight into finance and accounting based on his expertise.
8. Isao Saiki, Tsuyoshi Numagami and Takuya Shimamura serve as Outside Audit & Supervisory Board Members of JFE Holdings, Inc.
9. Directors Masami Yamamoto, Nobumasa Kemori and Yoshiko Ando and Audit & Supervisory Board Members Isao Saiki, Tsuyoshi Numagami and Takuya Shimamura satisfy the requirements of Independent Director/Audit & Supervisory Board Member as stipulated in the regulations of Tokyo Stock Exchange, Inc., and the “Standards for Independence of Outside Directors/Audit & Supervisory Board Members” stipulated by JFE Holdings, Inc. JFE Holdings, Inc. designated these six persons as independent Director/Audit & Supervisory Board Member as stipulated under the regulations of Tokyo Stock Exchange, Inc. and registered them as such with the Tokyo Stock Exchange.
10. Corporate Officers as of March 31, 2024, are as follows.

Position	Name	Responsibility(ies)
President	Koji Kakigi	Chief Executive Officer (CEO)
Executive Vice President	Masashi Terahata	Chief Financial Officer (CFO) Supervision of General Administration Dept., Corporate Planning Dept., Investor Relations Dept. Finance Dept., and Keihin Area Land Development Dept.
Senior Vice President	Toshihiro Tanaka	In charge of Investor Relations Dept. and Finance Dept.
Senior Vice President	Makoto Iwayama	In charge of Keihin Area Land Development Dept.
Vice President	Seiya Kitajima	In charge of General Administration Dept. and Corporate Planning Dept.

(Translation for reference only)

11. The positions and responsibilities of Corporate Officers have been changed effective as of April 1, 2024.

Position	Name	Responsibility(ies)
President	Yoshihisa Kitano	Chief Executive Officer (CEO)
Executive Vice President	Masashi Terahata	Chief Financial Officer (CFO) Supervision of General Administration Dept., Corporate Planning Dept., Investor Relations Dept., Finance Dept. and Keihin Area Land Development Dept.
Senior Vice President	Toshihiro Tanaka	In charge of Corporate Planning Dept. and Finance Dept.
Senior Vice President	Makoto Iwayama	In charge of Keihin Area Land Development Dept.
Vice President	Tsunao Takura	In charge of General Administration Dept. and Investor Relations Dept.

- (2) Outline of the contracts for limitation of liability

JFE Holdings, Inc. has entered into agreements, in accordance with the provision of Article 427, Paragraph 1, of the Companies Act, with all the Outside Directors and Audit & Supervisory Board Members of JFE Holdings, Inc. to limit their liability to compensate damages under Article 423, Paragraph 1, of the Companies Act. The limitation on indemnity liability of each Outside Director and Audit & Supervisory Board Member to compensate damages under such agreements is set out to the amount set forth in the relevant laws and regulations.

- (3) Outline of the indemnity agreement

The Company has entered into indemnity agreements stipulated in Article 430-2, Paragraph 1 of the Companies Act with all Directors and Audit & Supervisory Board Members stated in (1) Directors and Audit & Supervisory Board Members (page 40) above, and the Company will indemnify them to the extent provided by laws and regulations for the expenses stipulated in Item 1 of the same Paragraph of the Companies Act and for the losses stipulated in Item 2 of the same Paragraph.

However, the Company has taken measures to ensure that the proper execution of duties by each Director or Audit & Supervisory Board Member is not compromised, by providing, for example, that compensation for litigation expenses will not be paid in cases where the Director or Audit & Supervisory Board Member has executed their duties with malice or gross negligence or in cases where the Company pursues liability against the Director or Audit & Supervisory Board Member (except cases where the Director or Audit & Supervisory Board Member has prevailed in their lawsuits).

- (4) Outline of the directors and officers liability insurance contract

The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, which insures Directors, Audit & Supervisory Board Members, Corporate Officers, etc. of the Company, JFE Steel Corporation and JFE Shoji Corporation.

The contract covers damages and legal costs incurred by the insured due to claims for damages arising out of acts (including omissions) committed by the insured in his or her capacity as an officer, etc. of the Company. However, certain exclusions are provided, such as the exclusion of coverage for damages caused by acts committed by the insured while aware that such acts were in violation of laws and regulations, and measures are taken to ensure that the proper execution of duties by officers, etc. is not compromised. All premiums are borne by the Company, and there is essentially no premium burden on the insured.

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(5) Remuneration for Directors and Audit & Supervisory Board Members

1) Remuneration for Directors and Audit & Supervisory Board Members during the 22nd term

Category	Total amount (thousands of yen)	Total amount by type (thousands of yen)				Number of eligible Directors and Audit & Supervisory Board Members
		Basic remuneration	Bonus	Stock remuneration		
				Performance-linked portion	Service-length portion	
Director	374,247	271,415	61,840	27,328	13,664	8
Audit & Supervisory Board Member	131,033	131,033	–	–	–	5

Notes:

1. The total amount of remuneration paid to six Outside Directors/Audit & Supervisory Board Members is 106,697 thousand yen and consists only of basic remuneration.
2. The Company has established a bonus and a performance-linked portion of stock remuneration as performance-linked remuneration for Directors, and the total amount of performance-linked remuneration for the 22nd term is 89,168 thousand yen.
3. Above-stated stock remuneration is intended only for Directors and the entire amount is non-monetary remuneration, etc. The total amount of non-monetary remuneration, etc. expensed as stock remuneration for the 22nd term is 40,992 thousand yen.

2) Basic concept of remuneration plan for Directors and Corporate Officers

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 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 March 28, 2022, 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 Decision Policy established by the Company are outlined below.

<Basic Policy>

- The Board of Directors shall determine remuneration for Directors and Corporate Officers based on deliberations regarding its appropriateness by the Remuneration Committee to ensure fairness, objectiveness and transparency.
- The remuneration levels for Directors 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 ratios 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 and Corporate Officer so as to function as sound incentives toward the sustainable growth of the Group.

<Outline of Decision Policy>

- Remuneration for Directors and Corporate Officers shall be determined by a resolution of the Board of Directors in accordance with the Basic Policy and the Decision Policy,

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based on reports from the Remuneration Committee.

- Remuneration for the Company's Directors 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 (measured 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 (hereinafter referred to as the "Company's Shares") 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 = 60% : 20% : 20%."

3) Basic remuneration and annual bonus

Based on a resolution of the 16th Ordinary General Meeting of Shareholders held on June 21, 2018, the Company set Directors' remuneration at 700 million yen per year (of which 80 million yen per year is for Outside Directors), and in addition to the basic remuneration, an annual bonus shall be paid within the scope of limit on remuneration. The number of Directors involved in the resolution is eight (including three Outside Directors).

Annual bonuses are composed of a portion based on total segment profit for a single fiscal year as the performance-linked indicator, and a portion based on an indicator related to employee safety as the performance-linked indicator (lost-work injuries rate, reduced to 0% in the event of any workplace fatality) and a portion based on an indicator related to climate change as the performance-linked indicator (calculated based on the degree of achievement of KPIs related to contribution to addressing the issue of climate change (initiatives to achieve carbon neutrality by 2050)). The levels of achievement of each indicator are multiplied by a certain standard amount for each position.

The Company has selected this indicator as it believes that it is important to steadily implement each measure to achieve the profit target of 310 billion yen per year in total in terms of segment profit which was set for the seventh Medium-Term Business Plan.

Total segment profit for the 22nd term is shown in (Reference) Segment Information of the Consolidated Financial Statements (page 57).

The indicator related to employee safety is determined as a KPI for material issues for the Company and its operating companies. We believe it is crucial for all companies with on-site manufacturing and construction operations to prevent workplace injuries. We have selected this indicator because we consider it necessary to raise employee awareness of occupational health and safety across the entire JFE Group, which includes a large number of Group companies and affiliates. The level of companywide achievement of this indicator at operating companies in the 22nd term was 140% at JFE Steel Corporation, 0% at JFE Engineering Corporation, and 173% at JFE Shoji Corporation. (However, as JFE Steel Corporation evaluates this indicator by workplace, the level of achievement differs for each workplace.) The Company calculates this indicator based on the level of achievement at each operating company. As the companywide level of achievement at JFE Engineering Corporation was 0%, the Company's level of achievement was also 0% in the 22nd term.

The indicator related to climate change is determined as a KPI for material issues for the Company and its operating companies, and was selected based on the need to provide an incentive to accelerate initiatives to address climate change, which is positioned as a top priority management issue. The level of companywide achievement of this indicator at operating companies in the 22nd term was 100% for JFE Steel Corporation, JFE Engineering Corporation, and JFE Shoji Corporation. The Company calculates this indicator based on the level of achievement at each operating company, and it was 100% in the 22nd term.

(Translation for reference only)

4) Stock remuneration

The Company introduced a stock remuneration plan based on a resolution of the 16th Ordinary General Meeting of Shareholders held on June 21, 2018, in order to further enhance the incentive for Directors to improve medium- to long-term corporate value, and partially amended the contents thereof based on a resolution of the 19th Ordinary General Meeting of Shareholders held on June 25, 2021.

Under the plan, points are granted to Directors in the form of performance-linked points and service-length points for each fiscal year, in accordance with the Stock Grant Regulations for Officers established by the Company. The performance-linked portion of points are calculated by multiplying the base points specified for each position by an adjustment rate for profit attributable to owners of parent. The service-length portion of points are calculated by multiplying the base points specified for each position by an adjustment rate based on the length of the term of office for the relevant position. Upon retirement as a Director, the Company's Shares will be granted by calculating the number of points obtained by multiplying the accumulated number of points by a prescribed coefficient established based on the reason for their retirement and converting this number to the number of the Company's common shares by converting one point to one share of common stock of the Company.

The Company's shares to be granted to Directors shall be acquired through a trust funded by money contributed by the Company. In accordance with the resolution of the 19th Ordinary General Meeting of Shareholders, for the period covered by the Medium-Term Business Plan (hereinafter referred to as the "Target Period"), as the Directors' portion, the maximum amount of money to be contributed to the trust shall be 200 million yen per fiscal year multiplied by the number of fiscal years related to the Target Period, and the limit of the number of the Company's shares to be acquired by the trust shall be 220 thousand shares per fiscal year multiplied by the number of fiscal years related to the Target Period. The number of Directors involved in the resolution is two.

The Company selected this performance indicator as the basis for calculating the performance-linked portion of stock remuneration in the belief that it is important to steadily implement each measure to achieve the profit target of 220 billion yen per year of profit attributable to owners of parent, which links directly to return to shareholders, as set as of the end of the seventh Medium-Term Business Plan period.

Changes in profit attributable to owners of parent, including the 22nd term, are described in 1. (5) Assets and operating results (page 29) above.

The Company did not provide the Company's Shares to Directors during the fiscal year ended March 31, 2023.

Directors who have been dismissed and Directors who have committed any misconduct may lose the right to receive benefits for Directors based on a resolution of the Board of Directors. Directors who have already received benefits may be asked to return the economic value equivalent to the Company's Shares already received, based on a resolution of the Board of Directors if they engage in any misconduct.

5) Policy on remuneration for Audit & Supervisory Board Members

Under the Decision Policy, the Company only pays basic remuneration to Audit & Supervisory Board Members in consideration of their role of auditing management from an independent and objective standpoint, and the amount for each individual is determined through consultation between Audit & Supervisory Board Members within the scope of limit on remuneration set at the General Meeting of Shareholders. Based on a resolution of the 16th Ordinary General Meeting of Shareholders held on June 21, 2018, the Company set remuneration for Audit & Supervisory Board Members at 200 million yen per year and the number of Audit & Supervisory Board Members involved in the resolution is five.

(6) Outside Directors/Audit & Supervisory Board Members

1) Significant entities where Outside Directors/Audit & Supervisory Board Members concurrently hold positions are listed on page 40.

There is no special relationship between those entities and JFE Holdings, Inc.

(Translation for reference only)

2) Activities during the 22nd term

- Masami Yamamoto, Director
Masami Yamamoto attended all of the 16 meetings of the Board of Directors. Having a wealth of knowledge related to ICT and a broad knowledge in corporate management in a global setting, he spoke appropriately at the meetings.
- Nobumasa Kemori, Director
Nobumasa Kemori attended all of the 16 meetings of the Board of Directors. Having experience in a broad range of businesses and corporate management and deep academic knowledge about metallic materials, he spoke appropriately at the meetings.
- Yoshiko Ando, Director
Yoshiko Ando attended all of the 16 meetings of the Board of Directors. Having a wealth of experience as an administrative official and a high level of expertise in the fields of employment and labor, she spoke appropriately at the meetings.
- Isao Saiki, Audit & Supervisory Board Member
Isao Saiki attended all of the 16 meetings of the Board of Directors and all of the 19 meetings of the Audit & Supervisory Board. Having a wealth of experience and impressive knowledge in corporate legal affairs and other matters as a lawyer, he spoke appropriately at the meetings.
- Tsuyoshi Numagami, Audit & Supervisory Board Member
Tsuyoshi Numagami attended all of the 16 meetings of the Board of Directors and all of the 19 meetings of the Audit & Supervisory Board. Having deep academic knowledge about a management strategy and ideal organization of companies and experience in university management, he spoke appropriately at the meetings.
- Takuya Shimamura, Audit & Supervisory Board Member
Takuya Shimamura attended all of the 16 meetings of the Board of Directors and all of the 19 meetings of the Audit & Supervisory Board. Having a wealth of experience and broad knowledge related to sustainability management, in addition to ambidexterity in securing stable earnings and promoting growth strategies through organizational culture change, he spoke appropriately at the meetings.

3) Overview of duties performed by Outside Directors in relation to the roles they are expected to fulfill

Directors Masami Yamamoto, Nobumasa Kemori and Yoshiko Ando spoke appropriately at meetings of the Board of Directors in regard to corporate management from their independent standpoint as Outside Directors and, during the 22nd term in particular, they expressed many opinions based on their knowledge in discussions on the progress of the seventh Medium-Term Business Plan, future issues based on the progress, and efforts toward sustainability issues. In addition, they adequately fulfilled their role of strengthening governance expected by the Company as members of the Nomination Committee and Remuneration Committee, by speaking appropriately, etc.

The activities and structure of the Nomination Committee and the Remuneration Committee are described in the Corporate Governance Initiatives section below (pages 49-53).

(Translation for reference only)

5. Accounting Auditor

- (1) Designation of Accounting Auditor: Ernst & Young ShinNihon LLC
- (2) Amount of remuneration for the Accounting Auditor pertaining to the 22nd term
 - 1) Amount of remuneration paid by JFE Holdings, Inc. to the Accounting Auditor pertaining to the 22nd term: 19,920 thousand yen
 - 2) Total amount of money and other financial profits paid by JFE Holdings, Inc. and its subsidiaries to the Accounting Auditor: 570,729 thousand yen
 - 3) Amount of payments described in 2) above, which fall under the business set forth in Article 2, Paragraph 1, of the Certified Public Accountants Act: 511,933 thousand yen

Notes:

1. Of the significant subsidiaries of JFE Holdings, Inc., the overseas subsidiaries are subject to audits of accounts by a certified public accountant or incorporated accounting firm other than the Accounting Auditor of JFE Holdings, Inc.
 2. The audit agreement between the Accounting Auditor and JFE Holdings, Inc. does not separately stipulate audit remunerations based on the Companies Act or the Financial Instruments and Exchange Act, and such a distinction is for all intents and purposes impossible to execute. Hence, the remuneration in 1) above contains these two types of payment.
 3. The Audit & Supervisory Board examined the appropriateness of the audit performance for the prior fiscal year, the content of the audit plan for the 22nd term and the adequacy of the amount of remuneration for the Accounting Auditor, and, as a result, agreed upon the amount of remuneration to be paid to the Accounting Auditor.
- (3) Non-audit work
JFE Holdings, Inc. contracts with the Accounting Auditor for non-audit work such as preparation of a comfort letter in connection with issuance of new shares, etc., which is outside the scope of work (non-audit duties) stipulated under Article 2, Paragraph 1, of the Certified Public Accountants Act.
 - (4) Policy on decisions of dismissal or non-reappointment of the Accounting Auditor
At JFE Holdings, Inc., the Audit & Supervisory Board shall, upon consent of all the Audit & Supervisory Board Members, dismiss the Accounting Auditor after reviewing a case if it determines a circumstance falling under any of the items set forth in Article 340, Paragraph 1, of the Companies Act, to have occurred. In case any similar circumstance occurs, or if the Audit & Supervisory Board judges it necessary to do so, a proposal for the dismissal or non-reappointment of the Accounting Auditor shall be submitted to a General Meeting of Shareholders.

(Translation for reference only)

6. Basic Policy Regarding the Control of the Company

- 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/Audit & Supervisory Board Members, to ensure that shareholders have the necessary information and time to consider the matter.

Note:

As for fractions less than the respective units in the Business Report, the amounts and the number of shares are rounded down, whereas ratios and other values are rounded off.

(Translation for reference only)

(Reference) Corporate Governance Initiatives

JFE Holdings, Inc. has been striving to promote sustainable growth of JFE Holdings, Inc. (the “Company”) and the JFE Group (the “Group”) and medium to long-term corporate value, and achieving and hence further enhancing the best corporate governance to embody the Corporate Vision. In October 2015 the Company established the “JFE Holdings, Inc. Basic Policy on Corporate Governance” (the “Policy”). A summary of the Policy and the Company’s corporate governance system may be found below. Moreover, the entire text of the Policy is available on the Company’s website at: <https://www.jfe-holdings.co.jp/en/>.

The Corporate Governance Systems of the Company and the Group

[The Group’s System]

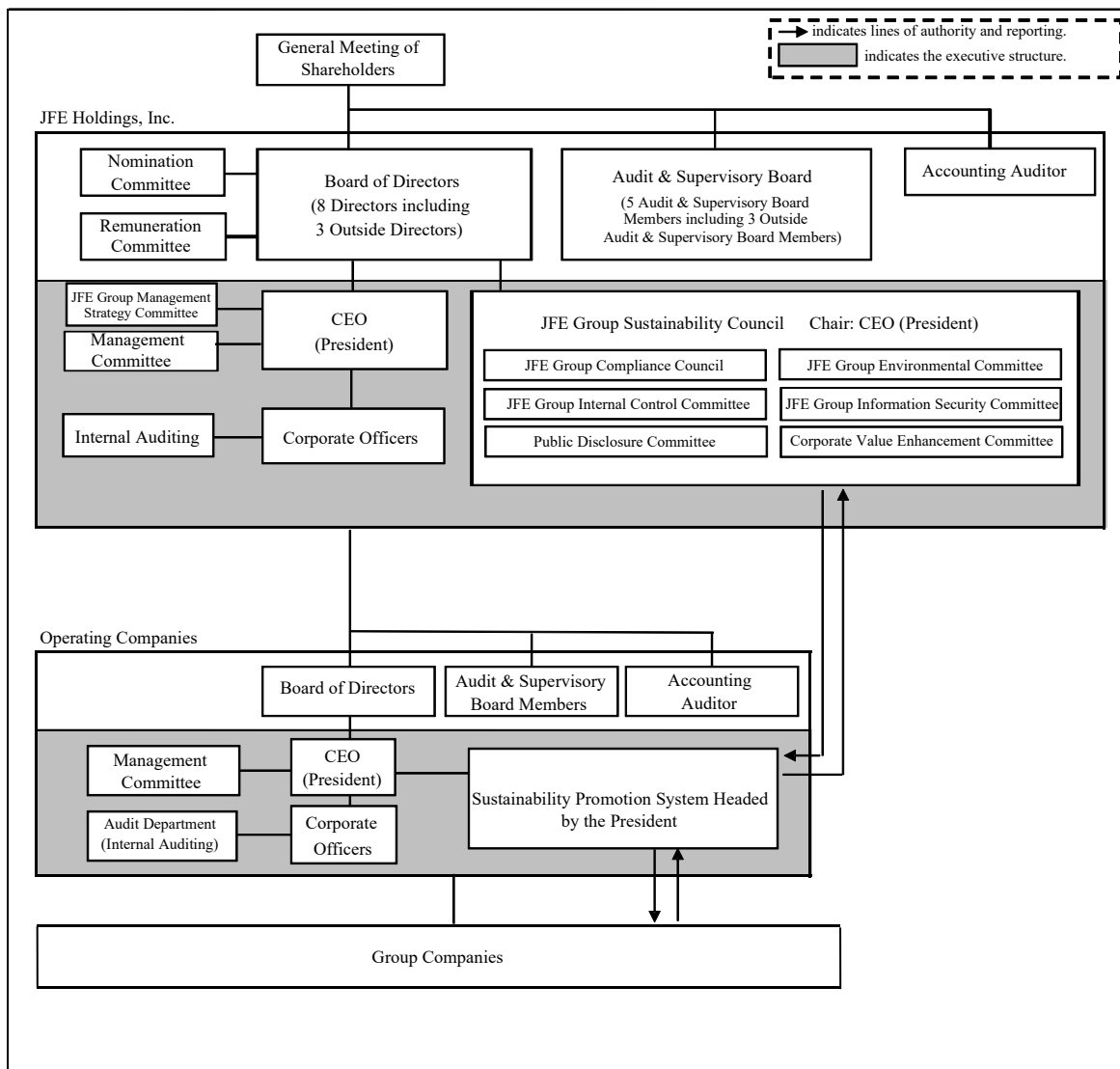
- The JFE Group has adopted a group system that treats the Company as the core pure holding company of the Group.
- The Company, the core of the Group’s integrated governance system, is responsible for Group-wide strategy, risk management, and public accountability.
- Each Operating Company has developed its own system suited to its respective industry, ensuring the best course of action for competitiveness and profitability.
- The holding company and operating companies separately and collectively strive to maximize medium to long-term corporate value for shareholders and other stakeholders.

[The Company’s System]

- The Company makes significant decisions on management and supervises the execution of duties at the Board of Directors.
- As a company with an Audit & Supervisory Board, the Audit & Supervisory Board and its Members implement the auditing of the status of the execution of duties.
- The Company separates material decision-making on management and supervision from business execution, and has adopted the Corporate Officer System to enhance prompt decision-making of matters pertaining to business execution.
- As consultative bodies of the Board of Directors, the Company has established the Nomination Committee and the Remuneration Committee.

(Translation for reference only)

Corporate Governance System



Board of Directors

[Functions and Roles]

- In accordance with laws and regulations, the Articles of Incorporation and regulations of the Company such as the regulations of the Board of Directors, the Board of Directors makes material decisions on management including formulation of management plans of the Group and basic policies on management.
- The Board of Directors supervises the overall management including business execution by the Company executives.
- According to the internal rules of the Company, the Company has established clear standards that 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.
- Significant matters are subject to deliberation at the JFE Group Management Strategy Committee, Management Committee and resolution of the Company’s Board of Directors.

(Translation for reference only)

- For the purpose of facilitating prompt decision-making, the authority of making decisions other than those related to significant business execution set forth in the Rules of the Board of Directors is, in principle, granted to Corporate Officers in charge of the corresponding business.

Structure of the Board of Directors / Policy on Election of Candidates for Director

[Basic Philosophy Regarding Structure]

- The Company's Board of Directors comprises members who possess diversified knowledge, experience, and abilities. The number of the Directors shall not exceed 12 and compose one-third or more of the Directors by Independent Outside Directors.

[Election Policy]

- 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 possessing profound understanding and knowledge of the business by way of processes such as engagement in management of the Company or at each Operating Company.
- Several Independent Outside Directors will be elected from among persons who possess abundant experience in the management of global enterprises, or experts with profound knowledge in their fields and who also satisfy the Company's standards for independence, as they will bear the responsibility for strengthening governance.

Audit & Supervisory Board Members / Audit & Supervisory Board

[Functions and Roles]

- Audit & Supervisory Board Members of the Company, as members of an independent entity, 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 Board Members of the Company, with the aim of appropriately executing their duties, communicate with Directors, etc. and express their opinions as necessary.
- Audit & Supervisory Board Members communicate with Directors, etc. of subsidiaries and endeavor to collect information and improve the auditing environment.
- Audit & Supervisory Board Members, through the Audit & Supervisory Board, endeavor to share the significant information obtained from their duties, and aim for appropriate auditing through exchange of opinions with other Audit & Supervisory Board Members.
- Full-time Audit & Supervisory Board Members 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 Board Members of the Company aim for the further enhancement of the neutrality and independence of the auditing system and functions, and carry out auditing operations from a broader perspective.

(Translation for reference only)

- Audit & Supervisory Board Members and the Audit & Supervisory Board of the Company endeavor to improve the effectiveness of auditing by appropriately executing their authority as stipulated by laws and regulations.

Structure of the Audit & Supervisory Board / Policy on Election of Candidates for Audit & Supervisory Board Members

[Basic Philosophy Regarding Structure]

- The Audit & Supervisory Board comprises members who possess adequate knowledge concerning finance and accounting. The number of Audit & Supervisory Board Members shall not exceed six (6), of whom at least half shall be Outside Audit & Supervisory Board Members.

[Election Policy]

- With regard to inside Audit & Supervisory Board Members, persons with knowledge and experience enabling the auditing of execution of duties by Directors in an accurate and fair manner, who deliver insight appropriate to supervisory functions, shall be elected from those possessing profound understanding and knowledge of the business by way of processes such as engagement in management or auditing of the Company or each Operating Company.
- Several Independent Outside Audit & Supervisory Board Members will be elected from among persons who possess abundant experience in the management of global enterprises, or experts with profound knowledge in their fields, and must also be individuals who satisfy the Company's standards for independence, as they will bear the responsibility for enhancing the audit function.

Group Sustainability Council Initiatives

- The Group Sustainability Council, chaired by the CEO (President), deliberates and decides group-wide policies, supervises the penetration of policies and shares information on issues that arise on topics relating to the Group's management philosophy, risk management, responsibilities to stakeholders and society, and other corporate stances, from the perspective of preventing damage to and enhancing corporate value.
- Topics discussed by the 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.

Nomination Committee and Remuneration Committee

- In October 2015 the Company established the Nomination Committee and the Remuneration Committee which act as consultative bodies of the Board of Directors to ensure the fairness, objectiveness and transparency of personnel affairs and remuneration of the Board of Directors.
- The Nomination Committee and the Remuneration Committee comprise of a majority of Outside Directors/Audit & Supervisory Board Members, respectively, and the chairpersons are determined from Outside Directors/Audit & Supervisory Board Members.

(Translation for reference only)

- In FY2023, the Nomination Committee was convened six times and the Remuneration Committee was convened three times.

The composition of each Committee is as follows.

Nomination Committee As of March 31, 2024

Chairman	Masami Yamamoto	Outside Director
Committee Member	Yoshiko Ando	Outside Director
Committee Member	Tsuyoshi Numagami	Outside Audit & Supervisory Board Member
Committee Member	Takuya Shimamura	Outside Audit & Supervisory Board Member
Committee Member	Koji Kakigi	Board of Director
Committee Member	Yoshihisa Kitano	Board of Director

Remuneration Committee As of March 31, 2024

Chairman	Nobumasa Kemori	Outside Director
Committee Member	Masami Yamamoto	Outside Director
Committee Member	Isao Saiki	Outside Audit & Supervisory Board Member
Committee Member	Tsuyoshi Numagami	Outside Audit & Supervisory Board Member
Committee Member	Koji Kakigi	Board of Director
Committee Member	Masashi Terahata	Board of Director

In addition, each Committee is planned to be composed of the following members after the 22nd Ordinary General Meeting of Shareholders.

Nomination Committee

Committee Member	Masami Yamamoto	Outside Director
Committee Member	Yoshiko Ando	Outside Director
Committee Member	Tsuyoshi Numagami	Outside Audit & Supervisory Board Member
Committee Member	Takuya Shimamura	Outside Audit & Supervisory Board Member
Committee Member	Yoshihisa Kitano	Board of Director
Committee Member	Masayuki Hirose	Board of Director

Remuneration Committee

Committee Member	Masami Yamamoto	Outside Director
Committee Member	Keiichi Kobayashi	Outside Director
Committee Member	Isao Saiki	Outside Audit & Supervisory Board Member
Committee Member	Tsuyoshi Numagami	Outside Audit & Supervisory Board Member
Committee Member	Yoshihisa Kitano	Board of Director
Committee Member	Masashi Terahata	Board of Director

(Translation for reference only)

Consolidated Financial Statements
<International Financial Reporting Standards (IFRS)>

Consolidated Statement of Financial Position

As of March 31, 2024

(Millions of yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	2,627,020	Current liabilities	1,620,195
Cash and cash equivalents	243,079	Trade and other payables	667,072
Trade and other receivables	762,428	Bonds payable, borrowings, and lease obligations	426,428
Contract assets	134,569	Contract liabilities	50,186
Inventories	1,348,378	Income taxes payable, etc.	32,698
Income taxes receivable	5,792	Provisions	12,191
Other financial assets	18,778	Other financial liabilities	149,300
Other current assets	113,992	Other current liabilities	282,317
Non-current assets	3,127,944	Non-current liabilities	1,596,247
Property, plant and equipment	1,948,217	Bonds payable, borrowings, and lease obligations	1,403,849
Goodwill	15,446	Retirement benefit liability	105,706
Intangible assets	140,591	Provisions	17,592
Right-of-use asset	98,758	Deferred tax liabilities	6,050
Investment property	52,849	Other financial liabilities	53,467
Investments accounted for using equity method	561,477	Other non-current liabilities	9,581
Retirement benefit asset	29,495		
Deferred tax assets	56,249	Total liabilities	3,216,443
Other financial assets	207,448	(EQUITY)	
Other non-current assets	17,410	Equity attributable to owners of parent	2,464,128
		Share capital	171,310
		Capital surplus	587,266
		Retained earnings	1,570,027
		Treasury shares	(14,938)
		Other components of equity	150,461
		Non-controlling interests	74,392
		Total equity	2,538,521
Total assets	5,754,964	Total liabilities and equity	5,754,964

Note: Amounts are rounded down to the nearest million yen.

(Translation for reference only)

Consolidated Statement of Profit or Loss

From April 1, 2023 to March 31, 2024

(Millions of yen)

Items	Amount
Revenue	5,174,632
Cost of sales	(4,518,447)
Gross profit	656,185
Selling, general and administrative expenses	(408,682)
Share of profit of entities accounted for using equity method	56,160
Other income	47,482
Other expenses	(52,921)
Business profit	298,224
Impairment losses	(11,220)
Operating profit	287,003
Finance income	5,048
Finance costs	(23,665)
Profit before tax	268,386
Income tax expense	(67,414)
Profit	200,971
Profit attributable to	
Owners of parent	197,421
Non-controlling interests	3,550
Profit	200,971

Note: Amounts are rounded down to the nearest million yen.

(Translation for reference only)

(Reference)

Consolidated Statement of Cash Flow

From April 1, 2023 to March 31, 2024

		(Millions of yen)
	Items	Amount
I.	Cash flows from operating activities	
	Profit before tax	268,386
	Depreciation and amortization	274,101
	Increase (decrease) in allowance	(559)
	Interest and dividend income	(10,513)
	Interest expenses	21,353
	Share of loss (profit) of investments accounted for using equity	(56,160)
	Decrease (increase) in trade and other receivables	31,139
	Decrease (increase) in inventories	34,780
	Increase (decrease) in trade and other payables	(43,563)
	Other	(2,209)
	Subtotal	516,754
	Interest and dividends received	24,699
	Interest paid	(20,507)
	Income taxes refund (paid)	(41,979)
	Cash flows from operating activities	478,967
II.	Cash flows from investing activities	
	Purchase of property, plant and equipment, intangible assets,	(329,830)
	Proceeds from sale of property, plant and equipment, intangible	10,329
	Purchase of investments	(16,183)
	Proceeds from sale of investments	14,281
	Other	(3,855)
	Cash flows from investing activities	(325,259)
III.	Cash flows from financing activities	
	Net increase (decrease) in short-term borrowings	(13,970)
	Increase (decrease) in commercial papers	(19,999)
	Proceeds from long-term borrowings	60,347
	Repayments of long-term borrowings	(130,654)
	Proceeds from issuance of bonds	90,000
	Payments for redemption of bonds	(40,000)
	Proceeds from issuance of shares	52,072
	Payments for purchase of treasury shares	(76)
	Proceeds from disposal of treasury shares	62,499
	Dividends paid to owners of parent	(49,275)
	Other	(56,429)
	Cash flows from financing activities	(45,487)
	Effect of exchange rate change on cash and cash equivalents	13,931
	Net increase (decrease) in cash and cash equivalents	122,151
	Net increase (decrease) in cash and cash equivalents resulting	1,536
	Cash and cash equivalents at beginning of period	119,391
	Cash and cash equivalents at end of period	243,079

Note: Amounts are rounded down to the nearest million yen.

(Translation for reference only)

(Reference)

Segment Information

(From April 1, 2023 to March 31, 2024)

1. Overview of reportable segments

The Group organized under JFE Holdings executed commercial activities through three operating companies—JFE Steel Corporation, JFE Engineering Corporation and JFE Shoji Corporation—in accordance with the characteristics of their respective businesses. Consolidated reporting segments, one for each operating company, were characterized by their constituent products and services.

Each segment had its own respective products and services. The steel business produced and sold various steel products, processed steel products and raw materials, and provided transportation and other related businesses, such as facility maintenance and construction. The engineering business handled engineering for energy, urban environments, steel structures and industrial machines, recycling and electricity retailing. The trading business purchased, processed and distributed steel products, raw materials for steel production, nonferrous metal products, and food, etc.

2. Information about reportable segment

The Group assesses segment performance on the basis of segment profit. Segment profit is profit before tax excluding one-time items of a materially significant value.

Intersegment transactions are based on market prices and the like.

(Millions of yen)

	Reportable segment				Adjustments	Amount recorded on consolidated financial statements
	Steel	Engineering	Trading	Total		
Revenue						
Revenue from external customers	3,318,920	524,723	1,330,987	5,174,632	-	5,174,632
Intersegment revenue	397,136	15,251	145,465	557,852	(557,852)	-
Total	3,716,057	539,975	1,476,452	5,732,485	(557,852)	5,174,632
Segment profit	202,733	24,383	48,966	276,083	3,523	279,607
Impairment losses						(11,220)
Profit before tax						268,386

Segment assets	4,626,972	545,025	1,082,297	6,254,295	(499,331)	5,754,964
Other items						
Depreciation and amortization	242,438	16,750	16,265	275,454	(1,352)	274,101
Impairment losses	(2,275)	(5,038)	(1,604)	(8,918)	(2,302)	(11,220)
Finance income	2,668	527	2,125	5,321	(272)	5,048
Finance costs	(15,329)	(479)	(8,230)	(24,039)	373	(23,665)
Share of profit (loss) of entities accounted for using equity method	50,521	3,579	1,392	55,493	666	56,160
Investments accounted for using equity method	486,556	40,269	24,002	550,827	10,649	561,477
Capital expenditures	269,377	60,270	20,875	350,524	(4,412)	346,111

(Translation for reference only)

Non-consolidated Financial Statements <JGAAP>

Non-consolidated Balance Sheet

As of March 31, 2024

(Millions of yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	569,985	Current liabilities	453,060
Cash and deposits	109,900	Short-term loans payable	139,953
Operating accounts receivable	1,124	Current portion of bonds	60,000
Short-term loans receivable	458,433	Accounts payable - other	608
Other	527	Accrued expenses	1,422
		Income taxes payable	318
		Deposits received	250,756
		Unearned revenue	0
		Other	0
Non-current assets	2,273,716	Non-current liabilities	1,256,736
Property, plant and equipment	3	Bonds payable	205,000
Buildings	0	Bonds with share acquisition rights	90,000
Tools, furniture and fixtures	2	Long-term loans payable	961,334
		Provision for share-based remuneration for directors and corporate officers	193
		Other	207
Intangible assets	51		
Trademark right	20	Total liabilities	1,709,796
Software	31		
		(NET ASSETS)	
Investments and other assets	2,273,661	Shareholders' equity	1,133,697
Shares of subsidiaries and associates	904,392	Capital stock	171,310
Investments in capital	3	Capital surplus	796,742
Long-term loans receivable	1,366,125	Legal capital surplus	796,742
Long-term prepaid expenses	14	Retained earnings	173,220
Deferred tax assets	98	Other retained earnings	173,220
Other	3,026	Retained earnings brought forward	173,220
		Treasury shares	(7,575)
		Valuation and translation adjustments	208
		Deferred gains or losses on hedges	208
		Total net assets	1,133,905
Total assets	2,843,701	Total liabilities and net assets	2,843,701

Note: Amounts are rounded down to the nearest million yen.

(Translation for reference only)

Non-consolidated Statement of Income

From April 1, 2023 to March 31, 2024

(Millions of yen)

Items	Amount	
Operating revenue		
Dividend income	50,067	
Financial revenue	11,221	
Management fee income	5,246	66,534
Operating expenses		
Financial expenses	10,920	
General and administrative expenses	4,511	15,432
Operating income		51,102
Ordinary income		51,102
Profit before income taxes		51,102
Income taxes - current		344
Income taxes - deferred		(1)
Profit		50,758

Note: Amounts are rounded down to the nearest million yen.

Independent Auditor's Report

May 17, 2024

Mr. Yoshihisa Kitano
Representative Director, President and CEO
JFE Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo Office

Yusuke Nakamura
Certified Public Accountant
Designated and Engagement Partner

Tetsuya Yoshida
Certified Public Accountant
Designated and Engagement Partner

Keiichi Wakimoto
Certified Public Accountant
Designated and Engagement Partner

Taichi Fujio
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the notes to the consolidated financial statements of JFE Holdings, Inc. (the "Company") for the fiscal year from April 1, 2023 through March 31, 2024.

In our opinion, the above consolidated financial statements, in accordance with accounting principles that omit some disclosure items required under the International Financial Reporting Standards stipulated pursuant to the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, present fairly, in all material respects, the financial position and results of operations of the corporate group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

Other information consists of the business report and accompanying supplementary schedules. Management is responsible for the preparation and disclosure of the other information. The Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the reporting process for the other information.

Our audit opinion on the consolidated financial statements does not include any other information, and we express no opinion on any other information.

Our responsibility in the audit of the consolidated financial statements is to read the other information and, in the course of reading it, to consider whether there are material discrepancies between the other information and the consolidated financial statements or our knowledge obtained in the audit, and to pay attention to whether there are any indication of material errors in the other information besides such material discrepancies.

(Translation for reference only)

If, based on the work we have performed, we determine that there are material errors in the other information, we are required to report those facts.
We have no other matters to report in respect to other information.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles that omit some disclosure items required under the International Financial Reporting Standards stipulated pursuant to the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles that omit some disclosure items required under the International Financial Reporting Standards stipulated pursuant to the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles that omit some disclosure items required under the International Financial Reporting Standards stipulated pursuant to the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

(Translation for reference only)

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards. The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures that have been taken to eliminate obstacles or safeguards that have been put in place to reduce these obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Independent Auditor's Report

May 17, 2024

Mr. Yoshihisa Kitano
Representative Director, President and CEO
JFE Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo Office

Yusuke Nakamura
Certified Public Accountant
Designated and Engagement Partner

Tetsuya Yoshida
Certified Public Accountant
Designated and Engagement Partner

Keiichi Wakimoto
Certified Public Accountant
Designated and Engagement Partner

Taichi Fujio
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules of JFE Holdings, Inc. (the "Company") for the 22nd fiscal year from April 1, 2023 through March 31, 2024.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2024, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

Other information consists of the business report and accompanying supplementary schedules. Management is responsible for the preparation and disclosure of the other information. The Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the reporting process for the other information.

Our audit opinion on the financial statements and the accompanying supplementary schedules does not include any other information, and we express no opinion on any other information.

Our responsibility in the audit of the financial statements and the accompanying supplementary schedules is to read the other information and, in the course of reading it, to consider whether there are material discrepancies between the other information and the financial statements and the accompanying supplementary schedules or

(Translation for reference only)

our knowledge obtained in the audit, and to pay attention to whether there are any indication of material errors in the other information besides such material discrepancies.

If, based on the work we have performed, we determine that there are material errors in the other information, we are required to report those facts.

We have no other matters to report in respect to other information.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.

- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.

- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.

- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules

(Translation for reference only)

including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.
The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.
The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures that have been taken to eliminate obstacles or safeguards that have been put in place to reduce these obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

(Translation for reference only)

The Audit Report of Audit & Supervisory Board

The Audit Report

Regarding the performance of duties by Directors for the 22nd term from April 1, 2023 to March 31, 2024, Audit & Supervisory Board of JFE Holdings, Inc., hereby submits its audit report, which has been prepared through discussions based on the audit reports prepared by the respective Audit & Supervisory Board Members.

1. Auditing Methods Employed by the Audit & Supervisory Board Members and Audit & Supervisory Board and the Substance Thereof

(1) In compliance with the Auditing Rules of the Audit & Supervisory Board Members and auditing plans specified by Audit & Supervisory Board and based on the assigned tasks and others, each Audit & Supervisory Board Member has communicated with the Directors, the Corporate Officers and other relevant personnel to collect necessary information and improve the auditing environment. Each Audit & Supervisory Board Member has audited in the following manner.

1) Each Audit & Supervisory Board Member has attended the meetings of the Board of Directors and other important meetings; heard about the execution of their duties from the Directors, the Corporate Officers and other relevant personnel; requested explanations therefrom, as required; examined important *kessaisho* and associated information; and studied the operations and financial position of JFE Holdings, Inc.

Moreover, each Audit & Supervisory Board Member has communicated and exchanged information with the Directors, the Audit & Supervisory Board Members and other relevant personnel of the subsidiaries, received reports on operations therefrom and studied the operations and financial position of the subsidiaries, as required.

2) Each Audit & Supervisory Board Member has supervised and verified the substance of the resolution adopted by the Board of Directors with regard to the improvement of the systems stipulated in Article 100, Paragraphs 1 and 3, of the Ordinance for Enforcement of the Companies Act as the systems to ensure compliance of the execution of Directors' duties described in the Business Report with laws, regulations, and the Articles of Incorporation and other requirements to ensure the propriety of business operations of the corporate group consisting of a stock company and its subsidiaries, as well as the current situation of in-house systems (internal control systems) that have been improved and operated pursuant to the resolution concerned.

Moreover, each Audit & Supervisory Board Member has heard about the internal control relative to financial reporting from the Directors, the Corporate Officers and Ernst & Young ShinNihon LLC at the proper time and requested explanations therefrom, as required.

3) Each Audit & Supervisory Board Member has confirmed the substance of the Basic Policy Regarding Control of a Company (matters set forth in Article 118, Items 3 (a), of the Ordinance for Enforcement of the Companies Act), which is described in the Business Report.

4) Each Audit & Supervisory Board Member has supervised and verified whether the Accounting Auditor maintains independence and has done appropriate audits, and has received reports on the execution of their duties and requested explanations, as required, from the Accounting Auditor. In addition, each Audit & Supervisory Board Member has been notified that "Systems to Ensure Appropriate Execution of Duties" (matters set forth in the respective items of Article 131 of the Company Accounting Ordinance) have been improved in accordance with the "Quality Control Standards for Audits" (Business Accounting Council) and others, and requested explanations therefrom, as required.

(2) Audit & Supervisory Board determined auditing plans, assigned tasks and others; received reports about the progress and results of audits from each Audit & Supervisory Board Member; received reports on the execution of their duties; and requested explanations, as required, from the Directors, the Corporate Officers and the Accounting Auditor.

In the manner explained above, each Audit & Supervisory Board Member and Audit & Supervisory Board have examined the Business Report and supplementary schedule thereof, the consolidated financial statements (Consolidated Statement of Financial Position, Consolidated Statement of Income, Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements), as well as the non-consolidated financial statements (Non-Consolidated Balance Sheet, Non-Consolidated Statement of Income, Non-Consolidated Statement of Changes in Net Assets and Notes to the Non-Consolidated Financial Statements) and the related

(Translation for reference only)

supplementary schedules thereof of JFE Holdings, Inc., pertaining to the fiscal year ended March 31, 2022.

2. Audit Results

(1) Audit results regarding the Business Report, etc.

- 1) In our opinion, the Business Report and the supplementary schedules thereof fairly represent JFE Holdings, Inc.'s conditions in accordance with the related laws and regulations and the Articles of Incorporation.
- 2) We have found no evidence of wrongful action or material violation of laws, regulations or the Articles of Incorporation by any Directors with regard to the execution of their duties.
- 3) In our opinion, the substance of the resolution regarding the internal control systems is fair and reasonable. We have found no matters to remark with regard to the execution of duties by the Directors concerning the internal control systems, including internal control relative to financial reporting. In response to the legal proceedings related of a subsidiary employee mentioned in the Business Report, we have confirmed the initiatives that have been taken for preventing recurrence based on the identified causes.
- 4) We have found no matters to remark with regard to the Basic Policies Regarding Control of a Company.

(2) Audit results regarding the consolidated financial statements

In our opinion, the audit methods and results employed and rendered by the Accounting Auditor, Ernst & Young ShinNihon LLC, are fair and reasonable.

(3) Audit results regarding the non-consolidated financial statements and the supplementary schedules thereof

In our opinion, the audit methods and results employed and rendered by the Accounting Auditor, Ernst & Young ShinNihon LLC, are fair and reasonable.

May 20, 2024

Audit & Supervisory Board of JFE Holdings, Inc.

Audit & Supervisory Board Member (Full-time)	Nobuya Hara
Audit & Supervisory Board Member (Full-time)	Nakaba Akimoto
Outside Audit & Supervisory Board Member	Isao Saiki
Outside Audit & Supervisory Board Member	Tsuyoshi Numagami
Outside Audit & Supervisory Board Member	Takuya Shimamura

(English Translation of the Japanese original)

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