

(Translation for reference only)

(Security Code: 5411)

June 6, 2022

Notice of the 20th Ordinary General Meeting of Shareholders

Dear Shareholders:

JFE Holdings, Inc. (“JFE” or the “Company”) wishes to offer its heartfelt condolences to people who lost their lives due to COVID-19 and its greatest sympathy for those who suffered.

The 20th Ordinary General Meeting of Shareholders (the “Meeting”) will be held on Friday, June 24, 2022, and we are pleased to present you with this notice of convocation of the Meeting.

The following is an explanation of the current status of the JFE Group’s business and challenges, as well as the proposals for the Ordinary General Meeting of Shareholders.

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

Yours faithfully,

Koji Kakigi

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:** Friday, June 24, 2022, 10:00 a.m. (doors scheduled to open at 9:15 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 20th term (from April 1, 2021 to March 31, 2022)
 2. Non-consolidated Financial Statements for the 20th term (from April 1, 2021 to March 31, 2022)

Item to be resolved

- Proposal 1: Dividend of surplus
- Proposal 2: Partial Amendments to the Articles of Incorporation
- Proposal 3: Election of eight Directors
- Proposal 4: Election of three Audit & Supervisory Board Members

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) 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.
- (3) 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.

We ask shareholders to refrain from attending the Meeting to prevent the spread of COVID-19, and to 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.

(Translation for reference only)

*Please note that among the documents to be attached to this written notice to the Meeting, “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 provided herein, and are published on our website in accordance with the provisions of applicable rules and regulations and the Articles of Incorporation. Accordingly, the documents attached to this written notice to the Meeting are a portion of the consolidated financial statements and non-consolidated financial statements subject to audit when the Accounting Auditor prepared its audit reports and a portion of the business report, consolidated financial statements, and non-consolidated financial statements subject to audit when the Audit & Supervisory Board Members prepared their audit report.

*In the event a matter needs to be changed or modified in any part of Reference Materials for General Meeting of Shareholders and Appendixes attached hereto, please note that any matter so changed or modified as mentioned above will be published on our website in accordance with the provisions of the applicable rules and regulations.

Our website: <https://www.jfe-holdings.co.jp/en/>

(Translation for reference only)

Information on Advance Exercise of Voting Rights

In order to prevent the spread of COVID-19, please refrain from attending the meeting and exercise your voting rights in advance via the Internet or in writing.

Deadline for Voting: 5:30 p.m. (JST) on June 23, 2022 (Thursday)

[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 and Proposal 2

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

Proposal 3 and Proposal 4

- 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.

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,

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:

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 20th term as follows:

1. Type of dividend property

Cash

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

80 yen per share (Common stock) Total amount: 46,118,641,040 yen

The annual dividends from surplus, including the interim dividend of 60 yen per share, amount to 140 yen per share.

3. Effective date of dividend of surplus

June 27, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

(1) At the time of the Company’s establishment in September 2002, the trade name adopted was JFE Holdings Kabushiki Kaisha with JFE Holdings in katakana in the Articles of Incorporation because the use of Roman characters was not permitted in the trade name registration. Since then, the use of Roman characters was permitted due to the enforcement of the revised Regulation on Commercial Registrations in November 2002, and Group companies that were established or changed their trade names after April 2003 have been using the Roman character form of “JFE.”

To unify the notation as a Group, Article 1 (Trade Name) of the current Articles of Incorporation shall be amended, and the Company’s trade name shall be changed to “JFE Holdings Kabushiki Kaisha.” with JFE in Roman characters and Holdings in katakana.

(2) In order to ensure flexible operation of the General Meeting of Shareholders in light of unforeseen circumstances such as natural disasters and infectious diseases, Article 12, Paragraph 2 (Time and Location of Convocation) of the current Articles of Incorporation shall be deleted.

(Translation for reference only)

(3) The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- 1) The proposed Article 15, Paragraph 1 provides that information contained in the reference materials for the general meeting of shareholders, etc. shall be provided electronically.
- 2) The purpose of the proposed Article 15, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- 3) The provisions related to the disclosure of reference materials for general meetings of shareholders over the Internet and deemed provision of Article 15 of the current Articles of Incorporation will become unnecessary and will therefore be deleted.
- 4) In line with the establishment and deletion of the provisions described above 1) to 3), supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Trade Name) Article 1 The name of the Company shall be <u>JFE Holdings Kabushiki Kaisha.</u>	(Trade Name) Article 1 The name of the Company shall be <u>JFE Holdings Kabushiki Kaisha.</u>
2. (Article omitted)	2. (Unchanged)
Article 2 to Article 11 (Articles Omitted)	Article 2 to Article 11 (Unchanged)
(Time and Location of Convocation) Article 12 An Ordinary General Meeting of Shareholders shall be convened in June of each year, and an Extraordinary General Meeting of Shareholders may be convened from time to time where necessary.	(Time of Convocation) Article 12 (Unchanged)
2. <u>The General Meeting of Shareholders shall be convened within the 23 wards of Tokyo.</u>	(Deleted)
Article 13 to Article 14 (Articles Omitted)	Article 13 to Article 14 (Unchanged)
(Disclosure of Reference Materials for General Meetings of Shareholders over the Internet and Deemed Provision) Article 15 Upon convocation of <u>general meetings of shareholders, the Company may deem that the information in relation to items specified or indicated in the reference materials for general meetings of shareholders, business reports, financial statements and consolidated financial statements is provided to the shareholders by disclosing them using the Internet in accordance with the provisions in the ordinance of the Ministry of Justice.</u>	(Deleted)

(Translation for reference only)

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p> <p>Article 16 to Article 45 (Articles Omitted)</p>	<p>(Measures for Electronic Provision, Etc.)</p> <p><u>Article 15 Upon convocation of general meetings of shareholders, the Company shall provide information contained in the reference materials for general meetings of shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p>Article 16 to Article 45 (Unchanged)</p>
<p>(Newly established)</p>	<p><u>Supplementary Provisions</u></p> <p><u>1. The proposed Article 15 shall come into effect on September 1, 2022, the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 15 (Disclosure of Reference Materials for General Meetings of Shareholders over the Internet and Deemed Provision) of the current Articles of Incorporation shall remain in force with respect to a General Meeting of Shareholders to be held on a date within six months from the Effective Date.</u></p> <p><u>3. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the General Meeting of Shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal 3: 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 (FY2021)
1	<Reappointment> Koji Kakigi (Age 69)	Representative Director, President and CEO (Chief Executive Officer)	—	15/15 (100%)
2	<Reappointment> Yoshihisa Kitano (Age 64)	Representative Director	Representative Director, President and CEO of JFE Steel Corporation	15/15 (100%)
3	<Reappointment> Masashi Terahata (Age 62)	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	15/15 (100%)
4	<Reappointment> Hajime Oshita (Age 64)	Director	Representative Director, President and CEO of JFE Engineering Corporation	15/15 (100%)
5	<Reappointment> Toshinori Kobayashi (Age 64)	Director	Representative Director, President and CEO of JFE Shoji Corporation	12/12 (100%)
6	<Reappointment> Masami Yamamoto (Age 68) Candidate for Outside Director Independent Director/Audit & Supervisory Board Member	Outside Director	—	15/15 (100%)
7	<Reappointment> Nobumasa Kemori (Age 71) Candidate for Outside Director Independent Director/Audit & Supervisory Board Member	Outside Director	—	15/15 (100%)
8	<Reappointment> Yoshiko Ando (Age 63) Candidate for Outside Director Independent Director/Audit & Supervisory Board Member	Outside Director	—	15/15 (100%)

Notes: 1. The age of each candidate is given as of the date of this General Meeting of Shareholders.
2. Mr. Toshinori Kobayashi was newly elected as Director at the previous year's Ordinary General Meeting of Shareholders (held on June 25, 2021), causing the number of meetings of the Board of Directors held during FY2021 to differ.

(Translation for reference only)

No. 1	Koji Kakigi	Reappointment Nomination Committee Member Remuneration Committee Member
Date of birth: May 3, 1953 (Age 69)	Career summary, positions and responsibilities, and significant concurrent posts	
Number of the Company's shares held: 62,500	April 1977	Joined Kawasaki Steel Corporation
	April 2007	Vice President of JFE Steel Corporation
	April 2010	Senior Vice President of JFE Steel Corporation
	April 2012	Representative Director and Executive Vice President of JFE Steel Corporation
	April 2015	Representative Director, President and CEO of JFE Steel Corporation
	June 2015	Representative Director of JFE Holdings, Inc.
	April 2019	Retired as Representative Director, President and CEO of JFE Steel Corporation
Number of years of service as Director (at the close of this General Meeting of Shareholders): Seven		Representative Director, President and CEO of JFE Holdings, Inc. (current post)
Number of meetings of the Board of Directors attended (FY2021): 15/15 (100%)		(Significant concurrent post) Chairman of the Board of Directors of JFE 21st Century Foundation (Public Interest Incorporated Foundation)
<p>• Reasons for nomination as a candidate for Director: Mr. Kakigi has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in operations in human resource and labor relations departments, and execution of duties as Corporate Officer in management divisions such as general administration, legal, 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, 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. Kakigi to be suitable as a Director of the Company.</p>		

No. 2	Yoshihisa Kitano	Reappointment Nomination Committee Member
Date of birth: February 20, 1958 (Age 64)	Career summary, positions and responsibilities, and significant concurrent posts	
Number of the Company's shares held: 24,204	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 (current post)
	June 2019	Representative Director of JFE Holdings, Inc. (current post)
Number of years of service as Director (at the close of this General Meeting of Shareholders): Three		(Significant concurrent post) Representative Director, President and CEO of JFE Steel Corporation
Number of meetings of the Board of Directors attended (FY2021): 15/15 (100%)		
<p>• 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. Currently, as Representative Director, President and CEO of JFE Steel Corporation, he is making aggressive efforts such as implementing structural reforms, and strengthening the revenue base and promoting the growth strategy with leading-edge technologies. Also, as Representative Director 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.</p>		

(Translation for reference only)

No. 3	Masashi Terahata	Reappointment Remuneration Committee Member																																				
<p>Date of birth: October 31, 1959 (Age 62)</p> <p>Number of the Company's shares held: 21,300</p> <p>Number of years of service as Director (at the close of this General Meeting of Shareholders): Three</p> <p>Number of meetings of the Board of Directors attended (FY2021): 15/15 (100%)</p>	<p>Career summary, positions and responsibilities, and significant concurrent posts</p> <table border="0"> <tr> <td data-bbox="472 275 592 300">April 1982</td> <td data-bbox="724 275 1070 300">Joined Kawasaki Steel Corporation</td> </tr> <tr> <td data-bbox="472 304 592 329">April 2012</td> <td data-bbox="724 304 1078 329">Vice President of JFE Holdings, Inc.</td> </tr> <tr> <td data-bbox="472 333 592 358"></td> <td data-bbox="724 333 1114 358">Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 362 592 387">April 2015</td> <td data-bbox="724 362 1150 387">Senior Vice President of JFE Holdings, Inc.</td> </tr> <tr> <td data-bbox="472 392 592 416"></td> <td data-bbox="724 392 1182 416">Senior Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 421 592 445">April 2016</td> <td data-bbox="724 421 1058 445">Director of JFE Shoji Corporation</td> </tr> <tr> <td data-bbox="472 450 592 474">March 2018</td> <td data-bbox="724 450 1251 474">Retired as Senior Vice President of JFE Holdings, Inc.</td> </tr> <tr> <td data-bbox="472 479 592 504">April 2018</td> <td data-bbox="724 479 1161 504">Retired as Director of JFE Shoji Corporation</td> </tr> <tr> <td data-bbox="472 508 592 533"></td> <td data-bbox="724 508 1318 533">Representative Director and Executive Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 537 592 562">April 2019</td> <td data-bbox="724 537 1318 562">Executive Vice President of JFE Holdings, Inc. (current post)</td> </tr> <tr> <td data-bbox="472 566 592 591"></td> <td data-bbox="724 566 1190 591">Director of JFE Steel Corporation (current post)</td> </tr> <tr> <td data-bbox="472 595 592 620">June 2019</td> <td data-bbox="724 595 1310 620">Representative Director of JFE Holdings, Inc. (current post)</td> </tr> <tr> <td data-bbox="472 669 762 694"></td> <td data-bbox="724 669 762 694">(Significant concurrent posts)</td> </tr> <tr> <td data-bbox="472 698 802 723"></td> <td data-bbox="724 698 802 723">Director of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 728 1307 752"></td> <td data-bbox="724 728 1307 752">Representative Director of JFE 21st Century Foundation (Public Interest Incorporated Foundation)</td> </tr> <tr> <td data-bbox="472 801 759 826"></td> <td data-bbox="724 801 759 826">(Duties as Corporate Officer)</td> </tr> <tr> <td data-bbox="472 831 770 855"></td> <td data-bbox="724 831 770 855">CFO (Chief Financial Officer)</td> </tr> <tr> <td data-bbox="472 860 1262 884"></td> <td data-bbox="724 860 1262 884">Supervision of General Administration Dept., Corporate Planning Dept., Investor Relations Dept., Finance Dept. and Keihin Area Land Development Dept.</td> </tr> </table>		April 1982	Joined Kawasaki Steel Corporation	April 2012	Vice President of JFE Holdings, Inc.		Vice President of JFE Steel Corporation	April 2015	Senior Vice President of JFE Holdings, Inc.		Senior Vice President of JFE Steel Corporation	April 2016	Director of JFE Shoji Corporation	March 2018	Retired as Senior Vice President of JFE Holdings, Inc.	April 2018	Retired as Director of JFE Shoji Corporation		Representative Director and Executive Vice President of JFE Steel Corporation	April 2019	Executive Vice President of JFE Holdings, Inc. (current post)		Director of JFE Steel Corporation (current post)	June 2019	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.
April 1982	Joined Kawasaki Steel Corporation																																					
April 2012	Vice President of JFE Holdings, Inc.																																					
	Vice President of JFE Steel Corporation																																					
April 2015	Senior Vice President of JFE Holdings, Inc.																																					
	Senior Vice President of JFE Steel Corporation																																					
April 2016	Director of JFE Shoji Corporation																																					
March 2018	Retired as Senior Vice President of JFE Holdings, Inc.																																					
April 2018	Retired as Director of JFE Shoji Corporation																																					
	Representative Director and Executive Vice President of JFE Steel Corporation																																					
April 2019	Executive Vice President of JFE Holdings, Inc. (current post)																																					
	Director of JFE Steel Corporation (current post)																																					
June 2019	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	Hajime Oshita	Reappointment
Date of birth: September 11, 1957 (Age 64)	Career summary, positions and responsibilities, and significant concurrent posts	
Number of the Company's shares held: 26,200	April 1982	Joined NKK Corporation
	April 2012	Vice President of JFE Engineering Corporation
Number of years of service as Director (at the close of this General Meeting of Shareholders): Five	April 2014	Senior Vice President of JFE Engineering Corporation
	April 2015	Director and Senior Vice President of JFE Engineering Corporation
Number of meetings of the Board of Directors attended (FY2021): 15/15 (100%)	April 2016	Representative Director and Senior Vice President of JFE Engineering Corporation
	March 2017	Representative Director, President and CEO of JFE Engineering Corporation (current post)
	June 2017	Director of JFE Holdings, Inc. (current post)
	(Significant concurrent post) Representative Director, President and CEO of JFE Engineering Corporation	
<p>• Reasons for nomination as a candidate for Director: Mr. Oshita has abundant experience and knowledge required in management of the Group, which he has accumulated through his experience in corporate planning, accounting and finance, and execution of a wide range of duties as Corporate Officer such as supervision of domestic and overseas business in JFE Engineering Corporation, the Group's core company. In addition, Mr. Oshita has abundant experience and knowledge as a corporate manager, which was nurtured through his experience as Representative Director and Senior Vice President of JFE Engineering Corporation. 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. Oshita to be suitable as a Director of the Company.</p>		

(Translation for reference only)

No. 5	Toshinori Kobayashi	Reappointment														
<p>Date of birth: December 19, 1957 (Age 64)</p> <p>Number of the Company's shares held: 27,933</p> <p>Number of years of service as Director (at the close of this General Meeting of Shareholders): One</p> <p>Number of meetings of the Board of Directors attended (FY2021): 12/12 (100%)</p>	<p>Career summary, positions and responsibilities, and significant concurrent posts</p> <table border="0"> <tr> <td data-bbox="472 322 715 349">April 1980</td> <td data-bbox="721 322 1340 349">Joined Kawasaki Steel Corporation</td> </tr> <tr> <td data-bbox="472 353 715 380">April 2011</td> <td data-bbox="721 353 1340 380">Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 385 715 412">April 2014</td> <td data-bbox="721 385 1340 412">Senior Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 416 715 443">April 2016</td> <td data-bbox="721 416 1340 465">Representative Director and Executive Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 470 715 497">April 2021</td> <td data-bbox="721 470 1340 519">Retired as Representative Director and Executive Vice President of JFE Steel Corporation</td> </tr> <tr> <td data-bbox="472 524 715 573"></td> <td data-bbox="721 524 1340 573">Representative Director, President and CEO of JFE Shoji Corporation (current post)</td> </tr> <tr> <td data-bbox="472 577 715 604">June 2021</td> <td data-bbox="721 577 1340 604">Director of JFE Holdings, Inc. (current post)</td> </tr> </table> <p>(Significant concurrent post) Representative Director, President and CEO of JFE Shoji Corporation</p>		April 1980	Joined Kawasaki Steel Corporation	April 2011	Vice President of JFE Steel Corporation	April 2014	Senior Vice President of JFE Steel Corporation	April 2016	Representative Director and Executive Vice President of JFE Steel Corporation	April 2021	Retired as Representative Director and Executive Vice President of JFE Steel Corporation		Representative Director, President and CEO of JFE Shoji Corporation (current post)	June 2021	Director of JFE Holdings, Inc. (current post)
April 1980	Joined Kawasaki Steel Corporation															
April 2011	Vice President of JFE Steel Corporation															
April 2014	Senior Vice President of JFE Steel Corporation															
April 2016	Representative Director and Executive Vice President of JFE Steel Corporation															
April 2021	Retired as Representative Director and Executive Vice President of JFE Steel Corporation															
	Representative Director, President and CEO of JFE Shoji Corporation (current post)															
June 2021	Director of JFE Holdings, Inc. (current post)															
<p>• 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.</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 68) Number of the Company's shares held: 16,900 Number of years of service as Outside Director (at the close of this General Meeting of Shareholders): Five Number of meetings of the Board of Directors attended (FY2021): 15/15 (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.	
<ul style="list-style-type: none"> • 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. • Special matters: 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 FY2021, 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, 2022, 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	Nobumasa Kemori	Reappointment Candidate for Outside Director Independent Director/Audit & Supervisory Board Member Chairperson of Remuneration Committee
<p>Date of birth: April 12, 1951 (Age 71)</p> <p>Number of the Company's shares held: 14,400</p> <p>Number of years of service as Outside Director (at the close of this General Meeting of Shareholders): Four</p> <p>Number of meetings of the Board of Directors attended (FY2021): 15/15 (100%)</p>	<p>Career summary, positions and responsibilities, and significant concurrent posts</p> <p>September 1980 June 2006 June 2007 June 2013 June 2016 June 2017 June 2018 June 2021</p> <p>Joined Sumitomo Metal Mining Co., Ltd. Director, Managing Executive Officer and General Manager of Non-Ferrous Metals Div. of Sumitomo Metal Mining Co., Ltd. Representative Director and President of Sumitomo Metal Mining Co., Ltd. Representative Director and Chairman of the Board of Sumitomo Metal Mining Co., Ltd. Director and Chairman of the Board of Sumitomo Metal Mining Co., Ltd. Retired as Director and Chairman of the Board of Sumitomo Metal Mining Co., Ltd. Executive Advisor of Sumitomo Metal Mining Co., Ltd. Director of JFE Holdings, Inc. (current post) Honorary Advisor of Sumitomo Metal Mining Co., Ltd. (current post)</p> <p>(Significant concurrent posts) Honorary Advisor of Sumitomo Metal Mining Co., Ltd. Outside Director of NAGASE & CO., LTD. Outside Director of Sumitomo Realty & Development Co., Ltd.</p>	
<p>• Reasons for nomination as a candidate for Outside Director and outline of expected roles: Mr. Kemori has been successful in managing Sumitomo Metal Mining Co., Ltd., which engages in a broad range of businesses in non-ferrous metal resource development, smelting, materials production, etc., for many years, and has remarkable knowledge in metallic materials. He also led the construction of an overseas plant for nickel smelting, a mainstay business of Sumitomo Metal Mining Co., Ltd., and a development project for a large copper mine. The Company expects him to play a role in strengthening governance based on such broad experience in corporate management and his academic knowledge of metal materials. 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. Kemori to be suitable as an Outside Director of the Company.</p> <p>• Special matter: Mr. Kemori 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 FY2021, transactions between Sumitomo Metal Mining Co., Ltd., where Mr. Kemori served as Representative Director and Chairman of the Board until June 2016, and the Company and its operating companies did not exceed 1% of the annual consolidated net sales (revenue) of either the Company or Sumitomo Metal Mining Co., Ltd. Accordingly, Sumitomo Metal Mining 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, 2022, neither the Company nor any of its operating companies owned any shares of Sumitomo Metal Mining Co., Ltd.</p>		

(Translation for reference only)

No. 8	Yoshiko Ando	Reappointment Candidate for Outside Director Independent Director/Audit & Supervisory Board Member Nomination Committee Member																
<p>Date of birth: March 17, 1959 (Age 63)</p> <p>Number of the Company's shares held: 1,700</p> <p>Number of years of service as Outside Director (at the close of this General Meeting of Shareholders): Two</p> <p>Number of meetings of the Board of Directors attended (FY2021): 15/15 (100%)</p>	<p>Career summary, positions and responsibilities, and significant concurrent posts</p> <table border="0"> <tr> <td data-bbox="466 383 619 412">April 1982</td> <td data-bbox="724 383 979 412">Joined Ministry of Labour</td> </tr> <tr> <td data-bbox="466 412 619 441">July 2013</td> <td data-bbox="724 412 1310 465">General Manager, Workers' Compensation Division, Labour Standards Bureau of Ministry of Health, Labour and Welfare</td> </tr> <tr> <td data-bbox="466 465 619 495">July 2014</td> <td data-bbox="724 465 1305 519">Director-General, Equal Employment and Child and Family Bureau of Ministry of Health, Labour and Welfare</td> </tr> <tr> <td data-bbox="466 519 619 548">October 2015</td> <td data-bbox="724 519 1337 573">Director-General for Labour of Ministry of Health, Labour and Welfare</td> </tr> <tr> <td data-bbox="466 573 619 602">June 2016</td> <td data-bbox="724 573 1275 627">Director-General for Statistics and Information Policy of Ministry of Health, Labour and Welfare</td> </tr> <tr> <td data-bbox="466 627 619 656">July 2017</td> <td data-bbox="724 627 1270 680">Director-General for Human Resources Development of Ministry of Health, Labour and Welfare</td> </tr> <tr> <td data-bbox="466 680 619 710">July 2018</td> <td data-bbox="724 680 1238 710">Retired from Ministry of Health, Labour and Welfare</td> </tr> <tr> <td data-bbox="466 710 619 739">June 2020</td> <td data-bbox="724 710 1155 739">Director of JFE Holdings, Inc. (current post)</td> </tr> </table> <p>(Significant concurrent posts) Audit & Supervisory Board Member of Kirin Holdings Company, Limited Outside Director of Sansei Technologies, Inc.</p>		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)
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)																	
<p>• 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.</p> <p>• 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.</p>																		

(Translation for reference only)

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, Mr. Nobumasa Kemori, 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.
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 (page 42). If the resolution is adopted as proposed, the Company intends to continue the indemnity agreement with each Director.
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 (page 42). 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)

Proposal 4: Election of three Audit & Supervisory Board Members

As Audit & Supervisory Board Member Kumiko Baba retires and the terms of office of Audit & Supervisory Board Members Shigeo Ohyagi and Tsuyoshi Numagami expire at the close of this General Meeting of Shareholders, the Company proposes to elect three Audit & Supervisory Board Members.

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

The Audit & Supervisory Board has given its consent to this Proposal.

The candidates for Audit & Supervisory Board Members are as follows.

No. 1	Nakaba Akimoto	New appointment
Date of birth: May 2, 1968 (Age 54)	Career summary, positions, and significant concurrent posts	
Number of the Company's shares held: 3,275	April 1991	Joined NKK Corporation
	May 2002	Admitted to the bar in the State of New York, U.S.A.
	April 2015	Manager, Legal Sec., General Administration Dept. of JFE Holdings, Inc.
	April 2022	Executive Assistant, General Administration of JFE Holdings, Inc. (current post) Audit & Supervisory Board Member of JFE Engineering Corporation (current post) Audit & Supervisory Board Member of JFE Shoji Corporation (current post)
	(Significant concurrent posts) Audit & Supervisory Board Member of JFE Engineering Corporation Audit & Supervisory Board Member of JFE Shoji Corporation	
<p>• Reasons for nomination as a candidate for Audit & Supervisory Board Member: Ms. Akimoto has abundant experience in properly designing and operating the Group's internal control systems and other operations through work in legal affairs of the Company and JFE Steel Corporation, the Group's core company. In addition, she has insights as a lawyer in the State of New York, U.S.A. and is currently serving as an Audit & Supervisory Board Member of JFE Engineering Corporation and JFE Shoji Corporation, which are the core companies of the Group. Based on such experience and knowledge, we believe that she is capable of accurately and fairly auditing the execution of duties by the Directors, and we have judged Ms. Akimoto to be suitable as an Audit & Supervisory Board Member of the Company.</p>		

(Translation for reference only)

No. 3	Takuya Shimamura	New appointment Candidate for Outside Audit & Supervisory Board Member Independent Director/Audit & Supervisory Board Member
Date of birth: December 25, 1956 (Age 65)	Career summary, positions, and significant concurrent posts	
Number of the Company's shares held: 0	<p>April 1980 Joined Asahi Glass Co., Ltd. (current AGC Inc.)</p> <p>January 2013 Senior Executive Officer and President of Electronics Company of AGC Inc.</p> <p>January 2015 President & CEO of AGC Inc.</p> <p>March 2015 Representative Director and President & CEO of AGC Inc.</p> <p>January 2021 Chairman & Representative Director of AGC Inc.</p> <p>March 2021 Director and Chairman of AGC Inc. (current post)</p> <p>(Significant concurrent posts) Director and Chairman of AGC Inc. Outside Director of EBARA CORPORATION</p>	
<p>• Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member: Mr. Shimamura has long been active in the management of AGC Inc., which globally operates a wide range of businesses, including glass, electronics, chemicals, and ceramics, and he has a wealth of experience and broad insight through his ambidexterity in securing stable earnings and promoting growth strategies through organizational culture change, as well as his active involvement in sustainability management. The Company believes that Mr. Shimamura is capable of augmenting the audit operations of the Company in an independent manner and with a broad perspective, given his in-depth knowledge and outstanding insight, and has judged Mr. Shimamura to be suitable as an Outside Audit & Supervisory Board Member of the Company.</p> <p>• Special matter: Mr. Shimamura is a candidate for Outside Audit & Supervisory Board Member 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. The Company is to designate him as Independent Director/Audit & Supervisory Board Member as stipulated under the regulations of the Tokyo Stock Exchange, Inc. and register him as such with the Tokyo Stock Exchange. Furthermore, in FY2021, transactions between AGC Inc., where Mr. Shimamura served as Representative Director until March 2021, and the Company and its operating companies did not exceed 1% of the annual net sales (revenue) of either the Company or AGC Inc. Accordingly, AGC Inc. 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, 2022, neither the Company nor any of its operating companies owned any shares of AGC Inc.</p>		

(Translation for reference only)

Notes:

1. There is no conflict of special interests between each candidate and the Company.
2. The Company has entered into an agreement with Mr. Tsuyoshi Numagami in accordance with Article 427, Paragraph 1 of the Companies Act, which limits Outside Audit & Supervisory Board Members' 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 agreement with him, and will enter into similar agreements with Ms. Nakaba Akimoto and Mr. Takuya Shimamura.
3. The Company has entered into an indemnity agreement stipulated in Article 430-2, Paragraph 1 of the Companies Act with each Audit & Supervisory Board Member, and a summary of the details of such indemnity agreement is provided in the Business Report 4. (3) Outline of the indemnity agreement (page 42). If the resolution is adopted as proposed, the Company intends to continue the indemnity agreement with Mr. Tsuyoshi Numagami, and will enter into similar agreements with Ms. Nakaba Akimoto and Mr. Takuya Shimamura.
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 Audit & Supervisory Board Members 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 (page 42). 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 (Planned)

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 Proposals 3 and 4 are 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
Koji Kakigi	●	●	●	●	●	●	●		Steel
Yoshihisa Kitano	●	●	●		●				Steel
Masashi Terahata	●	●		●	●	●	●		Steel/ Trading
Hajime Oshita	●	●	●	●	●			●	Engineering
Toshinori Kobayashi	●	●	●		●			●	Steel/ Trading
Masami Yamamoto	●	●	●		●				—
Nobumasa Kemori	●	●	●		●				—
Yoshiko Ando		●			●	●	●		—
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.

(Translation for reference only)

[Appendixes]

Business Report for the 20th Term

(From April 1, 2021 to March 31, 2022)

1. Overview of the Corporate Group

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

[Performance of the Group]

The JFE Group, guided by its corporate mission of contributing to society with the world's most innovative technology, continued its effort to achieve sustainable growth and to improve corporate value for its shareholders and all other stakeholders.

During the fiscal year, the global economy continued recovering from the slump brought on by the COVID-19 pandemic, although varying by country and region. Japan also continued to show signs of picking up, despite production activity in some industries being hurt by difficulties with parts supply. Toward the end of the fiscal year, however, the Ukraine situation introduced new uncertainties, including soaring resource prices.

The JFE Group worked to improve its selling prices in order to pass on the rising prices of raw materials as soon as possible. Concurrently, productivity was further enhanced and costs were reduced by steadily executing blast furnace repairs and capital investments designed to drive digital transformation (DX). Through such measures, and partly because of recovered steel demand and rising steel product prices, consolidated business profit and profit attributable to owners of parent improved substantially from the previous fiscal year.

<Performance of JFE Steel Corporation>

In JFE Steel Corporation, consolidated crude steel production came to 27.26 million tons, up substantially from the previous fiscal year as steel demand recovered amid improved economic conditions. Revenue increased significantly to 3,173.4 billion yen, reflecting company efforts to raise selling prices as well as higher market prices for steel products, and also increased sales volumes. Despite increased costs due to soaring raw-materials prices, segment profit improved substantially to 323.7 billion yen. The improvement was supported by higher selling prices, increased sales volumes, cost reductions, better earnings at group companies in Japan and abroad, and one-time factors including unrealized gains on inventories.

<Performance of JFE Engineering Corporation>

In JFE Engineering Corporation, revenue climbed to 508.2 billion yen thanks to corporate acquisitions. Although equipment and material costs rose, segment profit increased to 26.0 billion yen on revenue growth, cost reductions and other favorable factors.

<Performance of JFE Shoji Corporation>

In JFE Shoji Corporation, sales revenue of 1,231.7 billion yen and segment income of 55.9 billion yen both increased significantly as the global demand for steel products rebounded from a sharp fall in the previous fiscal year. The market for steel products was strong, especially in North America, where earnings were particularly favorable.

(Translation for reference only)

<Consolidated business results of the Group>

On an overall consolidated basis, revenue of 4,365.1 billion yen represented a substantial increase from the previous fiscal year. Business profit of 416.4 billion yen was also a major improvement. Exceptional items, including an impairment loss on fixed assets, totaled 16.2 billion yen, but JFE Holdings nevertheless recorded profit before tax of 388.5 billion yen and profit attributable to the owners of parent of 288.0 billion yen.

<Non-consolidated business results>

During the 20th term, JFE Holdings, Inc. received total management fee income of 3.2 billion yen from three operating companies. JFE Holdings also received total dividend income of 48.8 billion yen from three operating companies. As a result, on a non-consolidated basis, JFE Holdings recorded operating income of 49.7 billion yen and ordinary income of 49.7 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 of approximately 30%. We have decided to propose a year-end dividend of 80 yen per share to the General Meeting of Shareholders. The annual dividends, including the interim dividend of 60 yen per share, will be 140 yen per share. We appreciate your understanding.

(Notes)

1. Business profit: Profit before tax excluding financial income and exceptional items. 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]

In the business environment surrounding the JFE Group, despite the impact of supply chain stagnation due to the shortage of semiconductors and the spread of COVID-19, there has been a recent recovery in demand for steel materials and improvement in steel prices in line with the pickup in the domestic and overseas economy.

However, unpredictable conditions are expected to continue, such as prolonged price hikes for various commodities, including primary raw materials, and uncertainty about the impact of the tense situation in Ukraine on the global economy and its repercussions. In addition, the sense of crisis over climate change is spreading at an accelerating pace around the world, and for the JFE Group, which is mainly engaged in the steel business, addressing the issue of climate change is an important management issue.

<Seventh Medium-Term Business Plan>

Against this backdrop, the JFE Group announced its seventh Medium-Term Business Plan (FY2021–FY2024) in May 2021, 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 address climate change issues as indicated in the JFE Group Environmental Vision for 2050 announced in May of the same year, 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, we will establish economic sustainability and secure a strong management base by shifting from quantity to quality in the domestic steel business, improving competitiveness through the promotion of the DX strategy, and promoting growth strategies.

		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>

- 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. In response to these circumstances, JFE Steel will thoroughly shift from expanding volume to pursuing quality, and steadily promote its growth strategy.

Based on the premise of an annual non-consolidated crude steel production volume of 26 million tons, JFE Steel will transform itself into a leaner and stronger business structure by reducing fixed costs through structural reforms and drastically cutting costs through measures including DX promotion. Furthermore, JFE Steel will aim to expand profitability by improving product mix by increasing the ratio of high value-added products and by fundamentally

(Translation for reference only)

reviewing the sales price system.

In addition to deepening its business strategy through local production, such as by proceeding with feasibility studies on the establishment of a joint venture with JSW Steel Ltd. in India for manufacturing and selling grain-oriented electrical steel sheets, JFE Steel will also engage in growth strategies such as developing a solution business that provides technology, operational and research know-how for manufacturing high value-added products and reducing environmental impact. By completing these initiatives, JFE Steel will establish an earnings foundation that will enable it to stably secure 10,000 yen of profit per ton of steel (segment profit of 230 billion yen).

- 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.”

It is accelerating its efforts to achieve the seventh Medium-Term Business Plan. Specifically, in addition to expanding its EPC (engineering, procurement, and construction) and operation business for renewable energy power generation facilities to reduce CO₂ emissions, JFE Engineering has newly decided to enter the business of manufacturing and supplying monopiles and other seabed-fixed structures for offshore wind power generation. In the DX field, JFE Engineering has also established a new headquarters to accelerate business process reforms utilizing digital technology, as well as the upgrading of existing businesses and the creation of new businesses. In promoting various measures, JFE Engineering will take on the challenge of creating new value that contributes to solving social issues, while also utilizing collaboration with other companies.

- JFE Shoji Corporation is steadily advancing initiatives in Japan and overseas to capture demand, including investment in an EV motor development company in North America, with the aim of establishing the world’s No. 1 global distribution and processing system for high-function electrical steel sheets. In the area of automotive steel composite materials, JFE Shoji is accelerating efforts to strengthen the supply chain through Group-wide collaboration, such as by increasing the capacity of a processing center in Guangzhou, China, and starting operations at a processing center adjacent to Nucor-JFE Steel Mexico, S. de R.L. de C.V. In the overseas building materials business, JFE Shoji is also working to strengthen its business base through collaboration with overseas local companies, such as by making an additional investment in a steel sheet manufacturer in Vietnam. Furthermore, in Japan, JFE Shoji is moving forward with initiatives aimed at strengthening supply chains that transcend Group boundaries, including the development of a common core system that will also include independent processing centers. JFE Shoji will continue to strive to increase the Group’s presence in the market and increase earnings in order to achieve the goals of the seventh Medium-Term Business Plan.

<Initiatives common to all Group companies>

JFE Group has positioned efforts to address climate change issues as a top priority management issue and formulated the JFE Group Environmental Vision for 2050. In order to achieve the Japanese government’s goal in compliance with the Paris Agreement, we will develop super-innovative technology in a multi-layered manner, mainly the technology combining carbon-recycling blast furnaces and CCU (carbon capture and utilization) and hydrogen-based ironmaking (direct reduction).

In the steel business, in addition to the development and utilization of transition technologies, such as the use of electric arc furnace technology and increased use of steel scrap in converters, we have revised our target upward in February 2022, setting the CO₂ emissions reduction target for FY2030 at 30% or more compared to FY2013, based on the anticipated further acceleration of R&D following the Green Innovation Fund, which was adopted for Japan’s steel sector by the New Energy and Industrial Technology Development Organization (NEDO). Deeming this target to be the minimum level that needs to be achieved, we will continue to consider reviewing the level every year based on factors such as advances in technology. We will then explain the outlook for achieving the target and the consistency of the target and the capital investment plan once a year at meetings including financial results briefings. In addition to promoting the reduction of CO₂

(Translation for reference only)

emissions in the steel business, we will continue to work on expanding our contribution to the reduction of CO₂ emissions in society as a whole through our business in the engineering business.

Furthermore, the Group as a whole is moving forward with the commercialization of offshore wind-power generation, and has begun capital investment in both the steel business and engineering business. We will continue to contribute to the realization of a sustainable society by strongly promoting efforts to solve climate change issues.

In addition, the seventh Medium-Term Business Plan positions DX as a key strategy for the biggest transformation since the company's founding. In addition to our existing efforts for internal optimization, such as operational reforms and productivity improvement, we will take on the challenge of providing added value to external parties (outside the company) and creating new businesses by utilizing DX, and use the rapid and drastic changes in our business environment as a foothold to turn them into growth opportunities. At the same time, as DX expands and evolves, it will become increasingly important to respond to increasingly sophisticated and complex cyberattacks and information leak risks, and we will simultaneously work on security measures.

We plan to invest approximately 120 billion yen (four-year total) in DX for the entire Group in this Medium-Term Business Plan, and we have made steady progress in the current fiscal year, executing about 30% of this amount. We will continue to promote various measures, such as the shift to CPS (cyber-physical systems) in the steel business and operational process reforms utilizing digital technology in the engineering business.

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 both effective investment based on selection and concentration to ensure sufficient profitability, and financial soundness. The balance of interest-bearing liabilities at the end of the current fiscal year was 1,849.4 billion yen, an increase of 43.3 billion yen from the previous fiscal year, largely due to an increase in working capital caused by rising prices of primary raw materials. On the other hand, the Debt/EBITDA ratio and D/E ratio, which are the financial targets of the seventh Medium-Term Business Plan, were 2.8 times and 80.8%, respectively, showing significant improvement over the previous fiscal year. In addition to thorough asset downsizing by reviewing businesses and assets that contribute little to earnings, we will continue to work to secure necessary funds by improving the CCC (cash conversion cycle) through inventory reduction and other measures.

COVID-19 has not yet been contained, and we need to continue to monitor the situation closely. We will implement prompt and appropriate countermeasures according to the characteristics of each business, and continue to pay attention to the prevention of infection among employees and related parties. In addition, for sustainable growth, it is essential to strengthen employee safety and health management and maximize the abilities and motivation of human resources with diverse backgrounds. The JFE Group will continue to enhance its diversity and inclusion and workstyle reforms.

In addition, in order to strengthen our efforts to respect human rights in our supply chain, we started human-rights due diligence in 2021. We will continue to promote initiatives to realize a society where human rights are respected and protected.

Furthermore, the crisis in Ukraine has accelerated the rise in raw material prices, and there are concerns about the prolonged uncertainty in the future. 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 ensure efficient operations. The JFE Group will complete the measures set forth in the seventh Medium-Term Business Plan with the aim of achieving sustainable growth and increasing corporate value over the medium to long term, while overcoming difficulties by responding quickly and appropriately to uncertain and rapid changes in the environment.

With regard to the submarine water pipe renewal work that JFE Engineering Corporation contracted with Taketomi Town, Okinawa, in June 2017 and June 2020, an employee of the company was indicted on charges of violating the Act on Elimination and Prevention of

(Translation for reference only)

Involvement in Bid Rigging, etc. and Punishments for Acts by Employees that Harm Fairness of Bidding, etc. and obstructing public contract-related auction bidding. 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.

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, in order to achieve sustainable growth as a company and maximize 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 20th 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	19th term FY2020	20th term FY2021	Change (%)
Steel business (crude steel output)	23,965	27,262	13.8

2) Order received (Millions of yen)

Business	19th term FY2020	20th term FY2021	Change (%)
Engineering business	501,110	505,848	0.9

3) Sales (Millions of yen)

Business	19th term FY2020	20th term FY2021	Change (%)
Steel business	2,255,216	3,173,475	40.7
Engineering business	485,750	508,215	4.6
Trading business	932,510	1,231,763	32.1
Eliminations or corporate	(446,192)	(548,309)	—
Total	3,227,285	4,365,145	35.3

(3) Capital expenditure

Total amount of capital expenditure of JFE Holdings, Inc. and its consolidated subsidiaries, etc. (including joint operations) during the 20th term was 340.9 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 20th term

Steel Business

JFE Steel Corporation

West Japan Works (Kurashiki)	Construction of continuous-casting machine
West Japan Works (Kurashiki)	Repair of No. 4 blast furnace
West Japan Works (Kurashiki)	Enhancement of steelmaking capability
West Japan Works (Fukuyama)	Renovation of No. 3 Coke oven (Battery A and B)

2) Major ongoing facility during the 20th term

Steel Business

JFE Steel Corporation

East Japan Works (Chiba)	Repair of No. 6 blast furnace
West Japan Works (Kurashiki)	Expansion of production capacity of electrical steel sheets
West Japan Works (Kurashiki)	Renewal of blast boiler for blast furnace STEP 1
West Japan Works (Kurashiki)	Renewal of steelworks systems (Kurashiki)
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)

(Translation for reference only)

Engineering Business

JFE Engineering Corporation

Construction of a factory for manufacturing base for the monopile foundations of offshore wind turbines

(4) Fund procurement

JFE Holdings, Inc. and its consolidated subsidiaries, etc. (including joint operations) raised necessary funds through long-term loans and issuance of subordinated bonds. The total amount is 157.4 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	17th term FY2018	18th term FY2019	19th term FY2020	20th term FY2021
Revenue	3,873,662	3,729,717	3,227,285	4,365,145
Business profit	232,070	37,899	(12,911)	416,466
Profit attributable to owners of parent	163,509	(197,744)	(21,868)	288,058
Basic earnings per share (yen)	283.81	(343.39)	(37.98)	500.28
Total equity	1,991,759	1,706,552	1,760,154	2,070,739
Total assets	4,709,201	4,646,120	4,654,972	5,287,909

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

JGAAP

(Millions of yen)

Item	17th term FY2018	18th term FY2019	19th term FY2020	20th term FY2021
Operating revenue	116,518	61,228	21,918	62,219
Operating income	104,233	48,548	9,334	49,716
Ordinary income	104,233	48,548	9,334	49,716
Profit	104,128	25,866	9,182	49,438
Profit per share (yen)	180.69	44.91	15.94	85.84
Net assets	1,028,332	1,014,114	1,023,456	1,032,718
Total assets	2,479,150	2,676,515	2,745,823	2,767,173

(Translation for reference only)

(6) Major lines of business (As of March 31, 2022)

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; agricultural production facilities

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 Armee 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, 2022)

1) JFE Holdings, Inc.

Head office	Head office (Chiyoda, Tokyo)
-------------	------------------------------

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, Toyama, Shizuoka, Nagoya, Mie (Tsu), Osaka, Nara (Kashiba), Wakayama, 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, Shanghai, Philippines, Hanoi, Ho Chi Minh, Bangkok, Singapore, Malaysia, Indonesia, 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 34-37).

(Translation for reference only)

(8) Employees (As of March 31, 2022)

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.	51
Steel business (JFE Steel Corporation and its consolidated subsidiaries)	45,000
Engineering business (JFE Engineering Corporation and its consolidated subsidiaries)	11,205
Trading business (JFE Shoji Corporation and its consolidated subsidiaries)	8,040
Total	64,296

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.	51	(Decrease by 1)	46.0	22.0
JFE Steel Corporation	15,600	(Decrease by 489)	38.5	16.1
JFE Engineering Corporation	3,875	(Increase by 9)	44.5	14.9
JFE Shoji Corporation	1,016	(Increase by 13)	40.9	14.9

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, 2022)

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 & Engineering Inc.	Minato, Tokyo	Manufacture, processing and sales of secondary steel products	5,000	*97.4
JFE Galvanizing & Coating Co., Ltd	Shinagawa, Tokyo	Manufacture, processing and sales of secondary steel products	5,000	*100.0
Gecoss Corporation	Chuo, Tokyo	Rental and sales of temporary construction materials	4,397	*62.0
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	*59.6
JFE Civil Engineering & Construction Corp.	Taito, Tokyo	Contracting for civil engineering and construction works	2,300	*100.0
JFE Mineral Company, Ltd.	Minato, Tokyo	Mining and manufacture, processing and sales of mineral products, and manufacture and sales of iron and steel slag and functional materials	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	*67.7
Mizushima Ferroalloy Co., Ltd.	Kurashiki, Okayama	Manufacture and sales of ferroalloy	1,257	*100.0
JFE Pipe Fitting Mfg. Co., Ltd.	Kishiwada, Osaka	Manufacture and sales of steel pipe joints	958	*86.6
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

(Translation for reference only)

Name	Head office location	Description of business	Capital (Millions of yen)	Voting rights ratio (%)
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
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
[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 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

- JFE Mineral Company, Ltd., Mizushima Ferroalloy Co., Ltd., and JFE Material Co., Ltd. merged on April 1, 2022, with JFE Mineral Company, Ltd. as the surviving company.
- JFE Container Co., Ltd. will become a wholly owned subsidiary of JFE Steel Corporation through a share exchange on August 1, 2022.
- The consolidated subsidiaries totaled 330, including the companies stated above, during the 20th term.

(Translation for reference only)

2) 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	*34.1
Nippon Chuzo K.K.	Kawasaki	Manufacture and sales of cast steel products, etc.	2,627	*34.0
Nippon Chutetsukan K.K.	Kuki, Saitama	Manufacture and sales of cast-iron pipes, etc.	1,855	*30.0
NKK Tubes K. K.	Kawasaki	Manufacture and sales of seamless steel pipes	1,595	*49.0
Exa Corporation	Yokohama	Development and sales of various computer systems	1,250	*49.0
K.K. JFE Sanso Center	Fukuyama, Hiroshima	Manufacture and sales of oxygen gas, nitrogen gas and argon gas, etc.	90	*40.0
Guangzhou JFE Steel Sheet Co., Ltd.	Guangzhou, China	Manufacture and sales of cold-rolled and hot-dip zinc galvanized steel sheets	CNY 3,191 mil	*50.0
Nucor-JFE Steel Mexico, S. de R.L. de C.V.	Silao, Mexico	Manufacture and sales of hot-dip zinc galvanized steel sheets	USD 361 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 Ltd.	Mumbai, India	Manufacture and sales of steel products	INR 3,010 mil	*15.0
[Engineering business]				
JP Steel Plantech Co.	Yokohama	Design, manufacture and installation of ironmaking machinery, etc.	1,995	*34.0

(Translation for reference only)

Name	Head office location	Description of business	Capital (Millions of yen)	Voting rights ratio (%)
[Trading business]				
Hanwa Kozai Co., Ltd.	Osaka	Processing and sales of stainless products	1,076	*47.9
[Other business]				
Japan Marine United Corporation	Yokohama	Design, manufacture, sales, installation, repair and maintenance of ships, naval vessels and marine structures, etc.	57,500	35.0

- It is decided to dissolve NKK Tubes K. K. by the end of December, 2022.
- The equity method affiliates (including joint operations) totaled 79, including the companies stated above, during the 20th 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	2,767,173

(10) Major lenders (As of March 31, 2022)

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

Name	Loan balance (Millions of yen)
Mizuho Bank, Ltd.	258,675
Sumitomo Mitsui Banking Corporation	141,292
MUFG Bank, Ltd.	120,667
Development Bank of Japan Inc.	114,126

(Translation for reference only)

2. JFE Holdings, Inc.'s Share (As of March 31, 2022)

(1) Number of shares	
Total number of shares authorized to be issued	2,298,000,000
Total number of shares issued	614,438,399
(Number of shares of treasury shares included)	37,955,386)

(2) Total number of shareholders 283,027

(3) Major shareholders

Name	Number of shares held (Thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	84,171	14.6
Custody Bank of Japan, Ltd. (trust account)	31,841	5.5
Nippon Life Insurance Company	17,697	3.1
The Dai-ichi Life Insurance Company, Limited	13,127	2.3
Mizuho Bank, Ltd.	12,138	2.1
JFE Employees Stock Ownership Plan	10,775	1.9
STATE STREET BANK WEST CLIENT – TREATY 505234	9,356	1.6
JFE Business Partners Stock Ownership Plan	8,642	1.5
JPMorgan Securities Japan Co., Ltd.	7,831	1.4
Tokio Marine & Nichido Fire Insurance Co., Ltd.	7,435	1.3

Note:

In addition to the above, JFE Holdings, Inc. retains 37,955,386 treasury shares. The treasury shares are not included in the shareholding ratio calculation.

3. Subscription Rights to Shares

Not applicable

(Translation for reference only)

4. Directors and Audit & Supervisory Board Members

(1) Directors and Audit & Supervisory Board Members (As of March 31, 2022)

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, NAGASE & CO., LTD. Outside Director, Sumitomo Realty & Development Co., Ltd.
Director	Yoshiko Ando	Audit & Supervisory Board Member, 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)	Kumiko Baba	Audit & Supervisory Board Member, JFE Engineering Corporation Audit & Supervisory Board Member, JFE Shoji Corporation
Audit & Supervisory Board Member	Shigeo Ohyagi	Advisor, Teijin Limited Outside Director, KDDI CORPORATION Outside Member of the Board of Directors, MUFG Bank, Ltd. Outside Director, Tokyo Electric Power Company Holdings, Incorporated Outside Audit & Supervisory Board Member, Asahi Group Holdings, Ltd.
Audit & Supervisory Board Member	Isao Saiki	Partner Lawyer, Abe, Ikubo & Katayama Law Firm
Audit & Supervisory Board Member	Tsuyoshi Numagami	Professor, Graduate School of Business Administration, HITOTSUBASHI UNIVERSITY

(Translation for reference only)

Notes:

1. Nobumasa Kemori, Director of JFE Holdings, Inc., retired as Executive Advisor of Sumitomo Metal Mining Co., Ltd. as of June 25, 2021, and became Honorary Advisor.
2. Masami Yamamoto, Nobumasa Kemori and Yoshiko Ando serve as Outside Directors of JFE Holdings, Inc.
3. Directors retired during the 20th term are as follows.

Position	Name	Retirement date
Director	Naosuke Oda	June 25, 2021

4. Kumiko Baba, Audit & Supervisory Board Member of JFE Holdings, Inc., retired as Audit & Supervisory Board Member of JFE Engineering Corporation and Audit & Supervisory Board Member of JFE Shoji Corporation as of April 1, 2022.
5. Shigeo Ohyagi, Audit & Supervisory Board Member of JFE Holdings, Inc., became Outside Audit & Supervisory Board Member of Asahi Group Holdings, Ltd. as of March 25, 2022.
6. Nobuya Hara, Audit & Supervisory Board Member of JFE Holdings, Inc., has extensive knowledge of and insight into finance and accounting, which he accumulated through work in corporate planning, accounting and finance at JFE Steel Corporation, and through accounting work at JFE Holdings, Inc.
Kumiko Baba, Audit & Supervisory Board Member of JFE Holdings, Inc., has extensive knowledge of and insight into finance and accounting, which she accumulated through experience in execution of duties as Corporate Officer in addition to supervision of overseas businesses and accounting and finance related operations at JFE Engineering Corporation.
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.
7. Shigeo Ohyagi, Isao Saiki and Tsuyoshi Numagami serve as Outside Audit & Supervisory Board Members of JFE Holdings, Inc.
8. Directors Masami Yamamoto, Nobumasa Kemori and Yoshiko Ando and Audit & Supervisory Board Members Shigeo Ohyagi, Isao Saiki and Tsuyoshi Numagami 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.
9. Corporate Officers as of March 31, 2022, 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.
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)

10. Positions and responsibilities of Corporate Officers have been changed on April 1, 2022 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)

(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 39) 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 and JFE Steel Corporation, and in the renewal of the contract during the 20th term, the Company added Directors, Audit & Supervisory Board Members, Corporate Officers, etc. of JFE Shoji Corporation to the scope of the insured.

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.

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

1) Remuneration for Directors and Audit & Supervisory Board Members during the 20th 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	399,977	252,365	89,540	44,408	13,664	9
Audit & Supervisory Board Member	121,583	121,583	—	—	—	5

(Translation for reference only)

Notes:

1. The above includes one Director retired during the 20th term.
 2. The total amount of remuneration paid to six Outside Directors/Audit & Supervisory Board Members is 91,847 thousand yen and consists only of basic remuneration.
 3. 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 20th term is 133,948 thousand yen.
 4. 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 20th term is 58,072 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 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, 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 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%.”

(Translation for reference only)

The decision policy was partially revised by resolution of the Board of Directors meeting held on March 28, 2022. From FY2022 onward, non-financial indicators will be used in addition to the existing financial indicators for single-year corporate performance, which is used as a performance-linked indicator in the calculation of annual bonuses.

The Company plans to design remuneration for Directors and Corporate Officers using non-financial indicators that will eventually combine multiple indicators related to the environment, society, etc., and in FY2022, the Company will first introduce an indicator related to employee safety (zero workplace fatalities and lost-work injuries rate, which the Company and its operating companies have defined as KPIs) in annual bonuses. Furthermore, indicators related to climate change, which is positioned as a top priority management issue, will be introduced in the remuneration plan for Directors and Corporate Officers during the seventh Medium-Term Business Plan period. We will continue to study the introduction of other indicators into the remuneration plan for Directors and Corporate Officers.

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 calculated by taking the total segment profit for a single fiscal year as the performance-linked indicator and multiplying the level of achievement of such indicator by a certain coefficient for each position.

The Company 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 20th term is shown in (Reference) Segment Information (page 58) of the Consolidated Financial Statements.

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

(Translation for reference only)

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 20th term, are described in 1. (5) Assets and operating results (page 30) above.

The Company did not provide the Company's Shares to Directors during the fiscal year ended March 31, 2022.

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 39.

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

2) Activities during the 20th term

• Masami Yamamoto, Director

Masami Yamamoto attended all of the 15 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 15 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 15 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.

• Shigeo Ohyagi, Audit & Supervisory Board Member

Shigeo Ohyagi attended all of the 15 meetings of the Board of Directors and attended all of the 20 meetings of the Audit & Supervisory Board. Having a wealth of experience in a variety of businesses and corporate management in a global setting, as well as experience in having addressed the reinforcement of corporate governance, he spoke appropriately at the meetings.

• Isao Saiki, Audit & Supervisory Board Member

(Translation for reference only)

Isao Saiki attended all of the 15 meetings of the Board of Directors and all of the 20 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 15 meetings of the Board of Directors and all of the 20 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.

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 20th term in particular, they expressed many opinions based on their knowledge in discussions on the formulation of the seventh Medium-Term Business Plan and efforts toward carbon neutrality. 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 49-54).

(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 20th term
 - 1) Amount of remuneration paid by JFE Holdings, Inc. to the Accounting Auditor pertaining to the 20th term: 18,972 thousand yen
 - 2) Total amount of money and other financial profits paid by JFE Holdings, Inc. and its subsidiaries to the Accounting Auditor: 554,681 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: 552,737 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 20th 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. pays the Accounting Auditor for non-audit work such as advice on accounting at consolidated subsidiaries, 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]

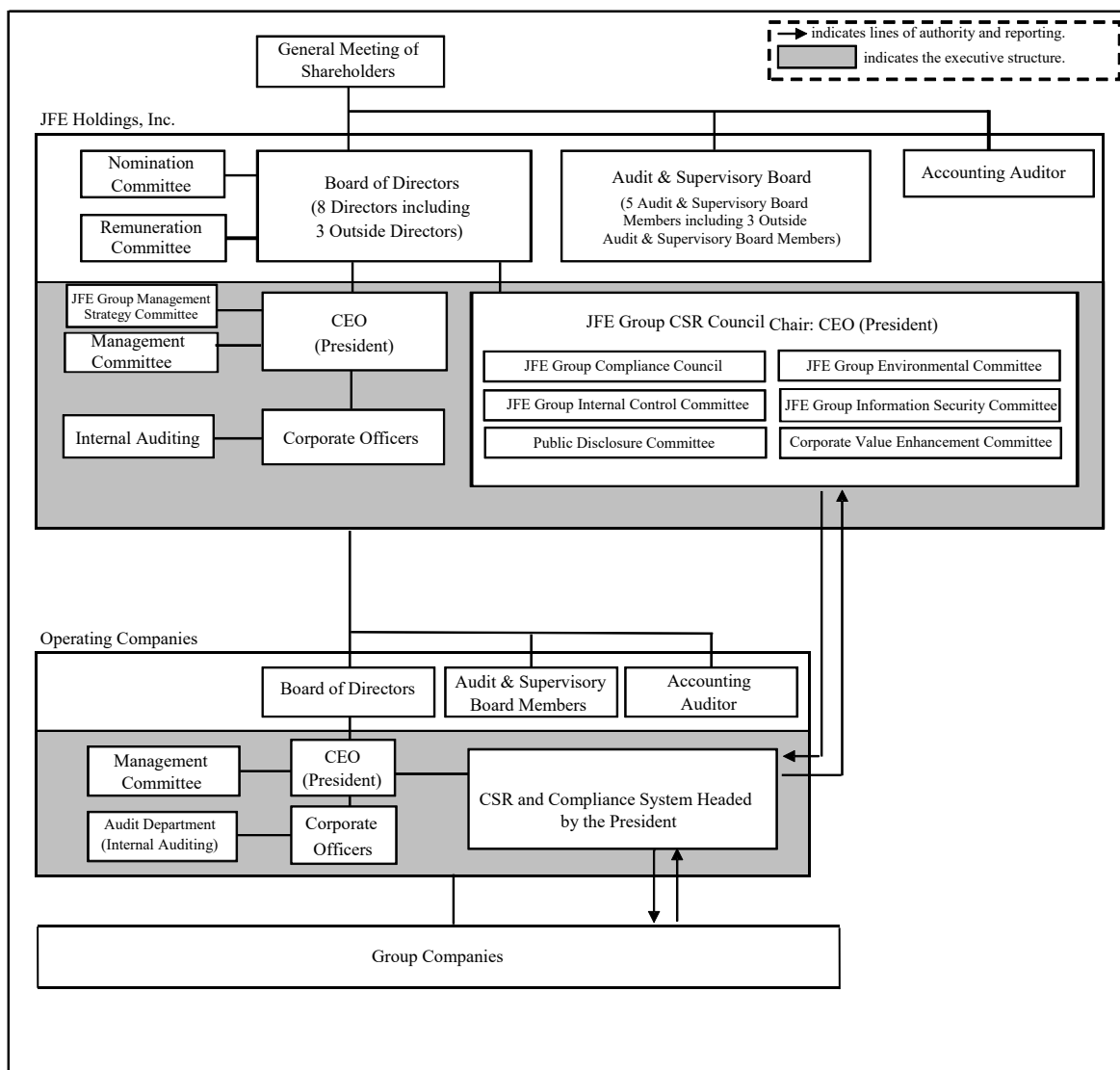
- The JFE Group has adopted a group system that treats the Company as the core pure holding company of the Group.
- The Company, the core of the Group’s integrated governance system, is responsible for Group-wide strategy, risk management, and public accountability.
- Each Operating Company has developed 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.

(Translation for reference only)

- Significant matters are subject to deliberation at the JFE Group Management Strategy Committee, Management Committee and resolution of the Company's Board of Directors.
- 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.

(Translation for reference only)

- 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.
- 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 CSR Council Initiatives

- The Group CSR 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.

(Translation for reference only)

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.
- In FY2021, the Nomination Committee was convened five times and the Remuneration Committee was convened seven times.

The composition of each Committee is as follows.

Nomination Committee

As of March 31, 2022

Chairman	Masami Yamamoto	Outside Director
Committee Member	Yoshiko Ando	Outside Director
Committee Member	Shigeo Ohyagi	Outside Audit & Supervisory Board Member
Committee Member	Tsuyoshi Numagami	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, 2022

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

(Translation for reference only)

In addition, after the 20th Ordinary General Meeting of Shareholders, each committee is scheduled to have the following structure.

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	Koji Kakigi	Board of Director
Committee Member	Yoshihisa Kitano	Board of Director

Remuneration Committee

Committee Member	Masami Yamamoto	Outside Director
Committee Member	Nobumasa Kemori	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

(Translation for reference only)

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

Consolidated Statement of Financial Position

As of March 31, 2022

(Millions of yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	2,392,629	Current liabilities	1,493,840
Cash and cash equivalents	101,773	Trade and other payables	678,377
Trade and other receivables	796,955	Bonds payable, borrowings, and lease obligations	339,726
Contract assets	123,888	Contract liabilities	32,580
Inventories	1,227,935	Income taxes payable, etc.	50,547
Income taxes receivable	1,009	Provisions	12,345
Other financial assets	22,830	Other financial liabilities	143,406
Other current assets	118,235	Other current liabilities	236,856
Non-current assets	2,895,280	Non-current liabilities	1,723,330
Property, plant and equipment	1,850,779	Bonds payable, borrowings, and lease obligations	1,509,739
Goodwill	8,174	Retirement benefit liability	125,927
Intangible assets	108,547	Provisions	22,663
Right-of-use asset	98,417	Deferred tax liabilities	12,065
Investment property	57,660	Other financial liabilities	43,976
Investments accounted for using equity method	454,642	Other non-current liabilities	8,957
Retirement benefit asset	24,079		
Deferred tax assets	60,372	Total liabilities	3,217,170
Other financial assets	217,217	(EQUITY)	
Other non-current assets	15,388	Equity attributable to owners of parent	1,988,268
		Share capital	147,143
		Capital surplus	652,233
		Retained earnings	1,294,875
		Treasury shares	(180,580)
		Other components of equity	74,596
		Non-controlling interests	82,470
		Total equity	2,070,739
Total assets	5,287,909	Total liabilities and equity	5,287,909

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

(Translation for reference only)

Consolidated Statement of Profit or Loss

From April 1, 2021 to March 31, 2022

(Millions of yen)

Items	Amount
Revenue	4,365,145
Cost of sales	(3,694,690)
Gross profit	670,454
Selling, general and administrative expenses	(360,415)
Share of profit of entities accounted for using equity method	99,730
Other income	37,524
Other expenses	(30,828)
Business profit	416,466
Impairment losses	(11,355)
Loss on liquidation of subsidiaries and associates	(4,918)
Operating profit	400,192
Finance income	1,549
Finance costs	(13,205)
Profit before tax	388,535
Income tax expense	(98,741)
Profit	289,793
Profit attributable to	
Owners of parent	288,058
Non-controlling interests	1,734
Profit	289,793

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

(Translation for reference only)

(Reference)

Consolidated Statement of Cash Flow

From April 1, 2021 to March 31, 2022

(Millions of yen)

Items	Amount
I. Cash flows from operating activities	
Profit (loss) before tax	388,535
Depreciation and amortization	252,283
Increase (decrease) in allowance	(2,917)
Interest and dividend income	(5,417)
Interest expenses	12,652
Share of loss (profit) of investments accounted for using equity method	(99,730)
Decrease (increase) in trade and other receivables	(23,333)
Decrease (increase) in inventories	(431,449)
Increase (decrease) in trade and other payables	174,808
Other	39,122
Subtotal	304,554
Interest and dividends received	35,450
Interest paid	(11,559)
Income taxes refund (paid)	(29,706)
Cash flows from operating activities	298,738
II. Cash flows from investing activities	
Purchase of property, plant and equipment, intangible assets, and investment property	(313,328)
Proceeds from sale of property, plant and equipment, intangible assets, and investment property	2,711
Purchase of investments	(5,557)
Proceeds from sale of investments	33,449
Other	(5,309)
Cash flows from investing activities	(288,034)
III. Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	13,834
Proceeds from long-term borrowings	122,422
Repayments of long-term borrowings	(103,959)
Proceeds from issuance of bonds	35,000
Payments for redemption of bonds	(30,000)
Payments for purchase of treasury shares	(65)
Dividends paid to owners of parent	(40,355)
Other	(54,303)
Cash flows from financing activities	(57,427)
Effect of exchange rate change on cash and cash equivalents	6,080
Net increase (decrease) in cash and cash equivalents	(40,643)
Cash and cash equivalents at beginning of period	142,416
Cash and cash equivalents at end of period	101,773

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

(Translation for reference only)

(Reference)

Segment Information

(From April 1, 2021 to March 31, 2022)

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.

	Reportable segment				Adjustments	Amount recorded on consolidated financial statements
	Steel	Engineering	Trading	Total		
Revenue						
Revenue from external customers	2,790,084	496,834	1,078,225	4,365,145	-	4,365,145
Intersegment revenue	383,391	11,380	153,537	548,309	(548,309)	-
Total	3,173,475	508,215	1,231,763	4,913,454	(548,309)	4,365,145
Segment profit	323,776	26,005	55,973	405,756	(946)	404,809
Impairment losses						(11,355)
Loss on liquidation of subsidiaries and associates						(4,918)
Profit before tax						388,535

	Steel	Engineering	Trading	Total	Adjustments	Amount recorded on consolidated financial statements
Segment assets	4,425,035	501,332	953,200	5,879,568	(591,659)	5,287,909
Other items						
Depreciation and amortization	225,486	16,143	11,743	253,372	(1,089)	252,283
Impairment losses	(7,308)	(2,778)	(1,269)	(11,355)	-	(11,355)
Finance income	633	182	951	1,767	(218)	1,549
Finance costs	(11,543)	(691)	(1,819)	(14,054)	848	(13,205)
Share of profit (loss) of entities accounted for using equity method	95,995	773	1,375	98,144	1,586	99,730
Investments accounted for using equity method	405,191	15,017	19,921	440,131	14,511	454,642
Capital expenditures	304,967	24,742	12,100	341,811	(875)	340,935

(Translation for reference only)

Non-consolidated Financial Statements <JGAAP>

Non-consolidated Balance Sheet

As of March 31, 2022

(Millions of yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	723,389	Current liabilities	395,096
Cash and deposits	9,039	Short-term loans payable	117,609
Operating accounts receivable	1,075	Current portion of bonds	20,000
Short-term loans receivable	675,593	Accounts payable - other	1,043
Other	37,682	Accrued expenses	1,368
		Income taxes payable	27,102
		Deposits received	227,832
		Unearned revenue	1
		Other	139
Non-current assets	2,043,783	Non-current liabilities	1,339,357
Property, plant and equipment	1	Bonds payable	275,000
Tools, furniture and fixtures	1	Long-term loans payable	1,064,137
		Provision for share-based remuneration for directors and corporate officers	94
		Allowance for corporate officers' retirement benefits	68
		Other	58
Intangible assets	14	Total liabilities	1,734,454
Trademark right	11	(NET ASSETS)	
Software	3	Shareholders' equity	1,032,821
		Capital stock	147,143
Investments and other assets	2,043,766	Capital surplus	772,574
Shares of subsidiaries and associates	904,392	Legal capital surplus	772,574
Investments in capital	3	Retained earnings	198,243
Long-term loans receivable	1,138,066	Other retained earnings	198,243
Long-term prepaid expenses	23	Retained earnings brought forward	198,243
Deferred tax assets	214	Treasury shares	(85,139)
Other	1,066	Valuation and translation adjustments	(103)
		Deferred gains or losses on hedges	(103)
		Total net assets	1,032,718
Total assets	2,767,173	Total liabilities and net assets	2,767,173

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

(Translation for reference only)

Non-consolidated Statement of Income

From April 1, 2021 to March 31, 2022

(Millions of yen)

Items	Amount	
Operating revenue		
Dividend income	48,855	
Financial revenue	10,135	
Management fee income	3,228	62,219
Operating expenses		
Financial expenses	9,795	
General and administrative expenses	2,707	12,502
Operating income		49,716
Ordinary income		49,716
Profit before income taxes		49,716
Income taxes - current		331
Income taxes - deferred		(53)
Profit		49,438

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

(Translation for reference only)

Independent Auditor's Report

May 17, 2022

Mr. Koji Kakigi
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, 2021 through March 31, 2022.

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

(Translation for reference only)

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. 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.

(Translation for reference only)

• 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.

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 safeguards that are in place to reduce or eliminate obstacles.

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, 2022

Mr. Koji Kakigi
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 20th fiscal year from April 1, 2021 through March 31, 2022.

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, 2022, 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

(Translation for reference only)

between the other information and the financial statements and the accompanying supplementary schedules 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.

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

(Translation for reference only)

presentation, structure, and content of the financial statements and the accompanying supplementary schedules 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 safeguards that are in place to reduce or eliminate obstacles.

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 20th term from April 1, 2021 to March 31, 2022, 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 on October 28, 2005) 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

(Translation for reference only)

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 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. Following the indictment of a subsidiary employee mentioned in the Business Report, we will confirm Group-wide efforts for adherence to thorough compliance.
- 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 18, 2022

Audit & Supervisory Board of JFE Holdings, Inc.

Audit & Supervisory Board Member (Full-time)	Nobuya Hara
Audit & Supervisory Board Member (Full-time)	Kumiko Baba
Outside Audit & Supervisory Board Member	Shigeo Ohyagi
Outside Audit & Supervisory Board Member	Isao Saiki
Outside Audit & Supervisory Board Member	Tsuyoshi Numagami

(English Translation of the Japanese original)

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