**Sustainability road map**

Aiming at the sustainable enhancement of corporate value, we have set our goals for 2030 and 2050 and try to implement “discontinuous initiatives” by backcasting.

**Creation of the Sustainability Committee**

We created the Sustainability Committee to promote sustainability management in all companies in the Group in a cross-organizational manner by addressing ESG materiality issues. The Committee, as well as the Risk Management Committee and Compliance Committee, is positioned as an advisory committee directly under the President and Representative Executive Officer. It meets biannually to develop action plans concerning the five materiality issues of each company in the Group so that they can be addressed by the entire Group and monitor the progress. The Board of Directors receives reports about what was discussed at the Sustainability Committee and discusses and supervises the long-term goals on ESG issues and the progress of actions.

**ESG course of action**

The “Sustainability Policy,” which stipulates the general policy of ESG initiatives, serves as guidelines for all ESG activities. We developed separate environmental and social visions (the Eco Vision and Social Vision) in accordance with the “Sustainability Policy.” These visions as well as the Corporate Governance Guidelines guide our ESG activities. We formulated the “JFR Principles of Action” and “Principles of Action for Suppliers” by translating these visions into a specific action level to implement specific actions in accordance with them. We will share these Principles with employees and suppliers and promote ESG activities.
The JFR Principles of Action set forth basic actions that each individual of all officers and employees in the Group should understand and follow on a daily basis from a perspective of recognizing their roles and responsibilities and acting with a high sense of ethics to fulfill their social responsibilities toward the realization of the Corporate Credo and Visions.

The Principles of Action for Suppliers provide for the matters to be complied with by the Group and suppliers to meet their social responsibilities. By complying with these Principles, the Group will fulfill its social responsibilities along with suppliers and aim to enhance corporate value.

Formulated the JFR Principles of Action and Principles of Action for Suppliers and four policies

JFR conduct policy and guidelines for action for suppliers

They are the most basic policies in the “Principles of Action.” We will comply with and ask suppliers to understand and cooperate in complying with five items including “fair business activities,” “consideration for human rights and the work environment,” “consideration for the environment,” “consideration for the safety and security of products and services” and “contribution to local communities.”

Procurement policy, human rights policy, anti-corruption policy and occupational health and safety policy

(1) Procurement policy

This policy is intended to ensure that the Group will procure products and services, increase business competitiveness and enhance corporate value to realize the optimal procurement for business.

(2) Human rights policy

This policy was developed so that we can have a better understanding of various human rights issues underlying all our business activities and take appropriate actions.

(3) Anti-corruption policy

Recognizing corruption and bribery as a serious risk factor that severely damages the trust of companies, we will prevent the actions that may constitute corruption or bribery and perform fair and highly transparent corporate activities.

(4) Occupational health and safety policy

Based on the idea that occupational health and safety is the most important foundation of business activities, we will work to improve employees’ occupational health and safety levels with top priority on ensuring health and safety.

Items of “JFR Principles of Action” and “Principles of Action for Suppliers”

| 1. Fair business activities | (i) Legal compliance  
|                           | (ii) Prohibition of transactions with antisocial forces  
|                           | (iii) Prohibition of corruption, bribery and the like  
|                           | (iv) Prohibition of giving and accepting of improper benefits  
|                           | (v) Prohibition of anticompetitive acts  
|                           | (vi) Disclosure of information  
|                           | (vii) Prevention of leakages of personal information  
|                           | (viii) Protection of intellectual properties  
|                           | (ix) Promotion of responsible procurement  |
| 2. Consideration for human rights and the work environment | (i) Prohibition of discrimination  
|                                                          | (ii) Prohibition of harassment  
|                                                          | (iii) Provision of safe work environment  
|                                                          | (iv) Respect for freedom of association and collective bargaining  
|                                                          | (v) Prohibition of forced labor  
|                                                          | (vi) Prohibition of child labor  
|                                                          | (vii) Responsibility for local communities  
|                                                          | (viii) Disaster prevention measures  |
| 3. Consideration for the environment | (i) Actions against global warming  
|                                        | (ii) Sustainable use of resources  
|                                        | (iii) Prevention of pollution  
|                                        | (iv) Biodiversity  
|                                        | (v) Elimination of chemicals  |
| 4. Consideration for the safety and security of products and services | (i) Compliance with safety standards  
|                                                                 | (ii) Prevention of accidents from happening or expanding  
|                                                                 | (iii) Response to customers  |
| 5. Contribution to local communities | (i) Activities to realize development of local communities  
|                                              | (ii) Cooperation with local communities  |