

03 Trading Business

Using advanced IT to promote global strategies and strive to create new value

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As the JFE Group's core trading company, JFE Shoji Trade is responsible for an integrated supply chain from raw materials procurement to processing and logistics, in response to customers' diverse needs. In addition, by responding to the confidence and expectations of customers through its business, the company aims to grow together with customers and make its presence felt. JFE Shoji Trade's IT Vision has been formulated for the pursuit of these initiatives, with activities being carried out focusing on four core themes. Using advanced IT, the company is building frameworks that effectively support marketing activities and various administrative operations, creating a structure that makes it easy for employees to do their jobs and to focus on more strategical and sophisticated operations.

JFE Shoji Trade's Vision

Build a stable profit base and expand profitability of trading and operating activities

Shift to marketing strategy operations

Strengthen on-site capabilities

Demonstrate group synergies

JFE Shoji Trade's IT Vision

Themes in advanced IT to support growth

Improve office productivity

Use RPA and AI to automate and elevate business operations (Shift to operations directly linked to marketing strategy)

Boost coil center productivity

Use IoT technology to integrate sensor data (Various improvements through visualization of operating status)

Demonstrate IT-related group synergies

Strengthen connections with JFE Holdings and JFE Steel (including SCM, shared security platform and joint procurement)

Enhance efficiency of consolidated management

Expand applications and upgrade standard systems
Enhance domestic and international communication environment

Platform to Support Advanced IT

Enhanced information security

Stable systems operations

Retain and train IT staff



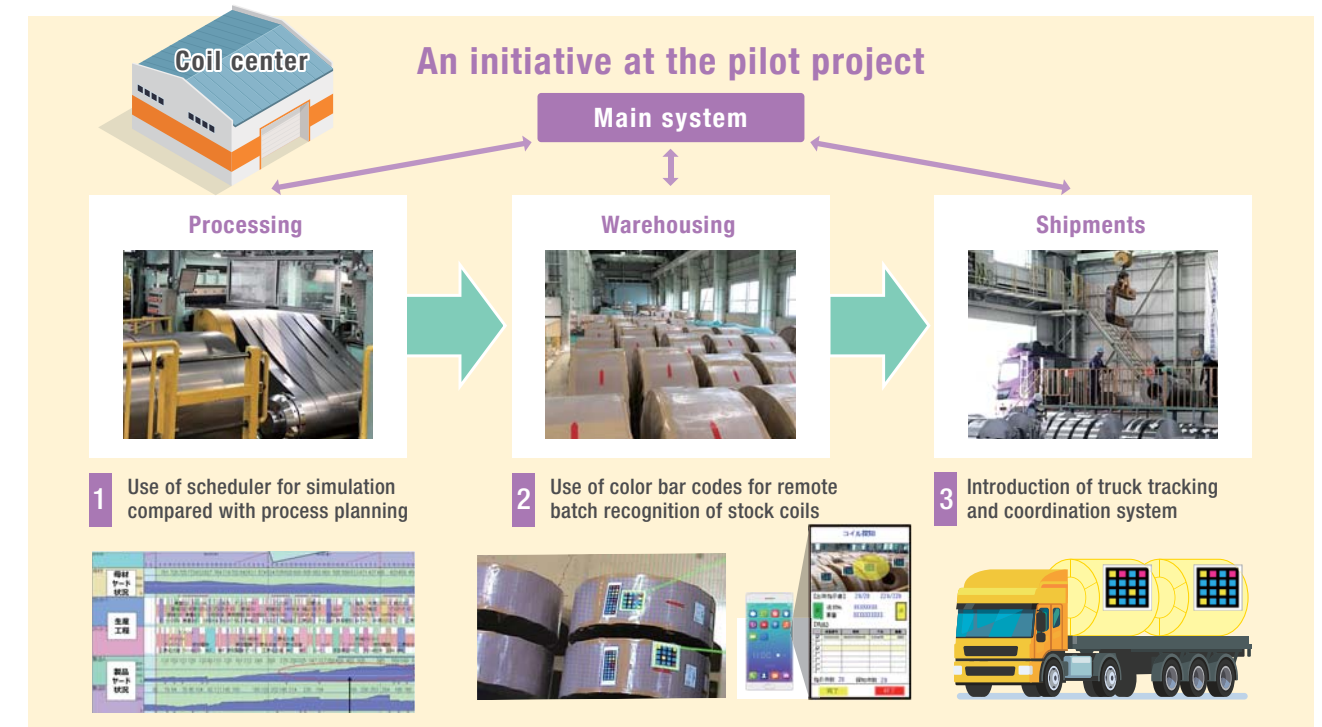
Information technology such as sensors and image processing is making amazing advances day by day.

JFE Shoji Trade is making an approach for the Group steel processing centers to incorporate advanced IT to achieve major increases in productivity with a view of 10 years into the future ("smart factories").

This is not simply a matter of using new technologies; it involves analyzing the situation and issues at coil centers from a third-party perspective and considering the use of new technologies to resolve the companies' issues. The key point is to have employees at work sites become interested in new technologies.

As a pilot project at JFE Shoji Electrical Steel's Nagoya Works, we have been looking into the most effective use of warehouse yards with limited space when production increases are planned, and have confirmed three ways in which IT can be used effectively to resolve this issue (1 to 3 in the diagram below).

Going forward, we will consider effective applications for IT to resolve issues, taking into account each coil center's particular characteristics and situation.



High expectations for support machines at processing centers!



Processing centers are expected to process steel materials in accordance with the customer's specifications, ensure that they have the correct size, shape and outward appearance, and deliver products that meet the customer's specifications by the designated time.

As customers' requests become increasingly more complex, cost competitiveness cannot be strengthened through human resource development and technological enhancement alone, and we have high expectations for strong (machine) assistants to support optimal operations at processing centers.

JFE Shoji Electrical Steel Co., Ltd.
Left: **Toyohiko Fujisawa**, Factory Manager, Nagoya Works; Center: **Masami Kouda**, Shipping Clerk, Administrative Group;
Right: **Yuji Kondou**, Process Clerk, Administrative Group

JFE Voice!