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Providing new value for a sustainable society as a top runner in DX promotion

This is the final year of the Seventh Medium-term Business Plan, formulated in fiscal 2021. To be essential to society's sustainable development and to create safe, comfortable lives for people everywhere, the JFE Group as a whole has implemented a digital transformation (DX) promotion strategy as one of our important management strategies to enhance corporate value. Under the Eighth Medium-term Business Plan, which will take effect from next fiscal year, we will further pursue DX as a core strategy for strengthening our business competitiveness.

The huge amounts of data and expertise accumulated over many years by our steel business, engineering business, and trading business are the JFE Group's greatest strength in DX promotion. These valuable assets, which other companies cannot easily replicate, are the source of our value creation to support society with a top level of technology globally. By integrating these intangible assets with leading technologies including artificial intelligence (AI), the Internet of Things (IoT), and data science, we are using our existing CPS*1 and GRC*2 digital platforms and core technologies to create a wide range of products.

Our DX-related business is growing every year.

We are also working Groupwide to address the risks of increasingly sophisticated cyberattacks and information leakage, primarily through JFE-SIRT*3, and established a new security-related company this fiscal year.

This report introduces the specifics of these measures. We hope that readers will find this information useful for providing a better understanding of the JFE Group's DX policies.



Toshihiro Tanaka

Senior Vice President
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*1 CPS: Cyber Physical System (please refer to the Steel Business on page 7)

*2 GRC: Global Remote Center (a remote monitoring center at JFE Engineering's Yokohama head office)

*3 JFE-SIRT: JFE Security Integration and Response Team (please refer to Security Management on page 17)



JFE Holdings named DX Stock 2024

JFE Holdings was one of 25 of roughly 3,800 listed companies, and the only company in the iron and steel industry, selected as a Digital Transformation Stock 2024 (DX Stock 2024) by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency, Japan. Since being named a Competitive IT Strategy Company under a predecessor program launched in 2015, the Company has been selected nine* times.

*JFE Holdings was named a Noteworthy DX Company in 2023.



Selection record	2015	2016	2017	2018	2019	2020	2021	2023	2024
DX銘柄 Digital Transformation	●	●	●	●	●	●	●		●
DX注目企業 Digital Transformation	(Program not in existence)							●	

* Names prior to 2020: Competitive IT Strategy Company and Noteworthy IT Strategy Company

Disclaimer

Current plans, strategies, beliefs, and other content described in this report that are not historical facts are forward-looking statements that may involve risks and uncertainties. Actual results, performance, or achievements could differ significantly from the anticipated outcomes presented in this report due to various factors, including changes in the global or domestic economy, as well as unanticipated trends in the industries to which JFE Group companies belong. Readers should understand that JFE Holdings cannot guarantee the certainty of such forward-looking statements.

JFE Group's DX Strategy

Initiatives under the Seventh Medium-term Business Plan (FY2021–24)

- Aggressive DX to lead to improving earnings power, realizing growth strategy, and advancing business model
- DX investments : ¥120 billion over four years
⇒Fiscal 2021–23 results
83% of investments selected

Strategy for Each Business

JFE Steel

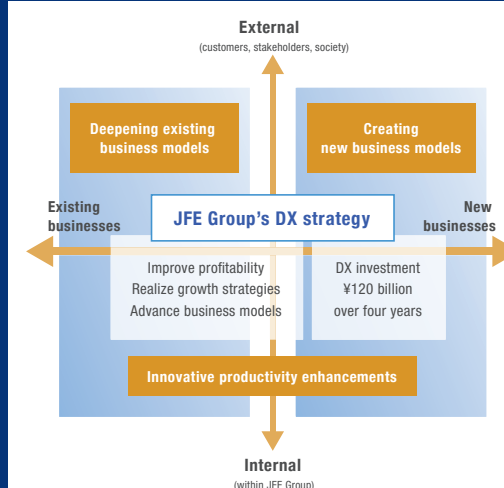
Establish competitive advantage through advanced use of data

JFE Engineering

Implement sweeping business reforms with further data utilization and provide digital services

JFE Shoji

Create businesses through external sales and intra-Group utilization of DX solutions



Source: Created by the Company based on "DX Stock Selection 2023 Report," Secretariat of DX Survey, Ministry of Economy, Trade and Industry