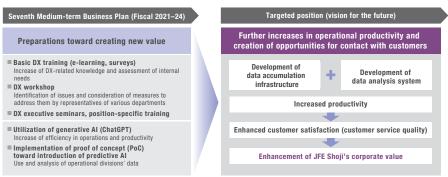
Trading Business (JFE Shoji Corporation)

The JFE Shoji Group has engaged in various initiatives aimed at promoting Digital Transformation (DX) under the Seventh Medium-term Business Plan (Fiscal 2021–24).

We have conducted "DX executive seminars," "DX workshop," and "position-specific training" to enhance digital literacy for all employees and the management team. In addition, since generative AI became more accessible for business use cases with advancements of large language models (LLM), JFE Shoji started to utilize a generative AI service (ChatGPT) in fiscal 2024 to increase efficiency in internal operations and to provide more opportunities for employees to leverage cutting-edge digital technologies.

Going forward, we will build a data accumulation infrastructure to collect various internal and external data. By effectively utilizing data, we are building a foundation for further productivity improvements and aiming to enhance corporate value while improving customer satisfaction.

DX Strategy >>>



Initiatives toward utilization of generative AI

JFE Shoji began trial utilization of ChatGPT internally from fiscal 2023. During the final phase of the trial activity, participants of 14 departments held discussions by sharing effective use cases and tips on how to use ChatGPT in cross-departmental meetings.

In fiscal 2024, we formulated guidelines based on the insights and findings gained from the meeting, disseminated them companywide, and commenced full-scale utilization.

Operation of IT tools and programming

Categorization of useful examples (excerpt from guidelines)

Meeting to share effective use cases and formulation of guidelines

Meeting to share effective use cases Representatives of trial participants shared useful examples.



Usage categories Representative examples · Composition of emails to local employees at overseas locations Drafting and editing of sentences · Summary of dedicated overseas websites and email creation (correction, proofreading, rephrasing, summary) Comparison of quotations In addition to looking up technical terms that arise in meetings, 2 Grasping the overview of desired information simultaneous gathering of related information Drafting of ideas with GPT to use them for brainstorming 3 Idea creation, consultation, receipt of advice · Consolidation of survey results (categorization, trend analysis, etc.) 4 Translation

Useful examples presented at the meeting were divided into five categories, and their use cases were promoted.

Translation of technical journals for specialists

Takanori Adachi

Managing Executive Officer

Technology Planning Department)

(In charge of Information

· Investigation of complicated Excel functions

Furthermore, department representatives were appointed to expand more effective use of ChatGPT, and the creation of templates for instructions (promots) tailored to their respective organizations has been started in each department with their lead. As a result, internal use of ChatGPT is spreading companywide, and we will continue to promote the use of internal data and enhance efficiency in operations.

Example of template

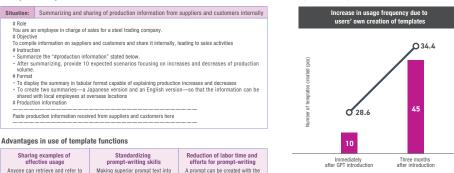
templates created by other

employees when using ChatGPT.

Usage status of generative AI

Number of templates created

-O- Average number of times used per person per month



Worksite DX using camera images at JFE Shoji Electronics

workload.

push of a button, and it reduces

With "safety" as the keyword, JFE Shoji Electronics has started to offer a "Safety AI System" and "Safety AI cameras to be mounted on heavy machinery." Those cameras can support supervisors in detecting workers' entry into dangerous areas and human existence in the roller section of machinery, and to monitor workers' activities at manufacturing worksites. JFE Shoji Electronics is also providing high-performance network cameras (secured-type, smartphone-type) that make it possible to improve operations such as reduction of worksite patrols and identification of causes of problems using recorded images.

Safety AI System and safety AI cameras to be mounted on heavy machinery

templates enables anyone to

obtain quality responses.



Low-bandwidth, low-latency, high-resolution network cameras

