

FY2024 KPI Results

Evaluation criteria

Target attributes		○	△	×
Quantitative	Set for each fiscal year	Accomplished 100% or better.	Accomplished 80%–99%.	Accomplished 79% or less.
	Set medium- to long-terms (in case of setting a multi-year target)	Final target accomplished 100% or better.	Final target partly accomplished with some results (80% or better with linear interpolation).	Working toward the goal but no results yet (79% or less with linear interpolation).
Qualitative		Fully accomplished with significant results.	Partly accomplished with some results.	Working toward the goal but no results yet.

*In Groupwide evaluations, the lowest result among the companies is taken as the overall result.

 JFE Steel  JFE Engineering  JFE Shoji

Areas of Focus		Priority Issues	Operating Company	FY2024 KPIs	Initiatives and Results for FY2024	Assessment
Business activities	Contribute to resolving climate change issues (initiatives for achieving carbon neutrality by 2050)	Reduce the JFE Group's CO ₂ emissions		- Achieve at least 18% of CO₂ reduction target by the end of FY2024 compared to FY2013 levels - Achieve 100% of the CO₂ reduction target of 3.06 million tonnes through energy conservation and technological development, as part of the 18% reduction in CO₂ emissions by the end of FY2024 compared to FY2013 levels - Expand adoption of JGreeX™ by stimulating demand for green steel	- Achieved 23% reduction in CO₂ emissions in FY2024 compared to FY2013 levels - Achieved 101% of the CO₂ reduction target of 3.06 million tonnes through energy conservation and technological development, as part of the 18% reduction in CO₂ emissions, by the end of FY2024 compared to FY2013 levels - Expanded adoption of JGreeX™ by stimulating demand for green steel, received orders in all areas	○
				Reduce CO₂ emissions in its own plants and offices FY2024: 40% reduction from FY2013 levels	63% reduction from FY2013 levels (FY2013: 15,600 tonnes, FY2024: 5,700 tonnes)	○
				Reduce CO₂ emissions through the procurement of electricity derived from renewable energy FY2024 domestic CO₂ emissions: Reduce by 20% from FY2019 levels (Reduce by 5% per year from FY2019 levels from FY2021 to FY2024)	32.4% reduction from FY2019 levels	○
		Contribute to reduction of CO ₂ across the society		Launch sales and implement eco-friendly products and technologies*: 15 or more cases in FY2024 (cumulative total of 60 or more cases from FY2021 to FY2024) *Products and technologies that contribute to saving energy and resources, reduce waste and environmentally hazardous substances, and do not require hazardous substances for manufacturing or use.	FY2024: 15 (eco-friendly products: 5, technologies: 10) (FY2021–FY2023: 63)	○
				Contribute to reduction of CO₂ in society by providing renewable energy power generation facilities and expanding the basis of the recycling business (for plastics, food, etc.) Contribute to reduction in CO₂ emissions (FY2024): 12 million tonnes per year	Contribution to reduction in CO₂ emissions (FY2024): 12.0 million tonnes per year	○
				1. Global resource recycling of steel scrap FY2024 scrap transactions: +5% from FY2020	1. Global resource recycling of steel scrap 6% increase from FY2020	○
				2. Increase transaction quantity of fuel for biomass power generation plants and create framework for reliable supply of fuel - FY2024 biomass fuel (palm kernel shells and wood pellets) transactions: 100% increase from FY2020 - Diversify supply sources to ensure stable supply	2. Created system for expansion and reliable supply of fuel for biomass power plants - Handling volume: +120% compared with FY2020 - Expanded new suppliers	○

Areas of Focus		Priority Issues	Operating Company	FY2024 KPIs	Initiatives and Results for FY2024	Assessment
Business activities	Ensure occupational safety and health	Prevent workplace accidents	Groupwide	Groupwide Workplace fatalities: Zero occurrences • Lost-workday injuries rate ST 0.10 or less EN 0.25 or less SH 0.15 or less	Groupwide Workplace fatalities: Zero • Lost-workday injuries rate ST 0.15 EN 0.22 SH 0.37 (Work-related accidents and frequency rates are tabulated on a calendar year basis.)	×
			ST	(Key measures) (1) Reinforce activities to prevent similar injuries • Horizontal Companywide deployment of measures, including for close calls (2) Strengthen efforts to promote essential safety • 100% installment of electromagnetic locks at secondary mill entrances versus plan by FY2024	(Key measures) (1) Reinforce activities to prevent similar injuries • Held monthly meetings to prevent similar accidents. Discussed and decided on the importance of horizontal Companywide deployment of measures for 210 cases including close calls and more serious incidents, and thoroughly followed up on progress until all measures decided at the meetings had been fully implemented. (2) Strengthen efforts to promote essential safety • Achieved 100% installment of electromagnetic locks at secondary mill entrances versus plan by FY2024	
			EN	(Key measures) (1) To eliminate serious injuries, conduct pre-operation checks of equipment in use, including work floors Decisive work plans (identify and prevent dangerous risks) Through proper work instructions (awareness of work plans and prohibition of unplanned work), raise awareness of occupational safety of related workers and take measures to prevent accidents Implement 100% of the following: ▶ Pre-operation checks • Pre-operation checks of equipment to be used, curing openings in high locations and edges of work floor, install handrails, ensure on-site understanding of work plans, and cover/enclose/ turn off machinery ▶ Strict adherence during operations • Use of safety belts, prohibit access under suspended loads or within the operating range of heavy machinery, assign worksite guides, disconnect power when equipment or tools are not in use (2) Multifaceted management of occupational safety and health using IT ▶ Use remote monitoring and information communications systems ▶ Use safety management operations support system	(Key measures) (1) Ensured thorough dissemination of proper work instructions based on pre-operation checks and decisive work plans, and confirmed steady and thorough implementation of measures by conducting daily site inspections and patrols by site safety and health supervisors (2) Multifaceted management of occupational safety and health using IT • Used apps based on remote monitoring and information communications systems to instantly share problems, safety instructions, and status of corrective action Use of large outdoor waterproof LED monitors for disseminating information and conducting safety training Remote site monitoring of vast construction sites Remote monitoring by site safety and health supervisors through IP cameras and other means • Used safety management operations support system Active introduction of CCUS/Buidee (on-site construction management service)	
			SH	(Key measures) (1) 100% implementation of crane operation drills (once a year or more at each company) (2) Advance hardware measures (introduce interlocks for coil lifting equipment) Complete measures for 24 applicable machines in FY2024 (3) Reevaluate and update education system for new employees and reassigned employees	(Key measures) (1) Crane operation drills: 100% implementation at least once annually at each company (2) Hardware measures (introduce interlocks for coil lifting equipment): completed for 24 machines (3) Revision of rules on education for new employees and reassigned employees: Individually completed by each company	
		Ensure the health of employees and their families	Groupwide	1. Provision rates of healthcare guidance Groupwide 60%	1. Provision rates of healthcare guidance* ST 72.7% EN 41.3% SH 43.0% *FY2023 results for eligible individuals	×
				2. Reduce rates of smokers (ensuring employee health and preventing passive smoking) Groupwide 1.5% reduction per year (total for operating companies)	2. Reduce rates of smokers (ensure employee health and prevent exposure to passive smoke) Groupwide 0.6% reduction per year (total for operating companies)	×
	Recruit and nurture diverse human resources	Pursue diversity and inclusion	Groupwide	1. Rates for female recruits ST Career-track (administrative position): Degree of gender parity Career-track (technical position): 10% or more Operational position: 10% or more EN Career-track (administrative position): Degree of gender parity Technical (career-track, production/construction position): 15% or more SH Administrative position: Degree of gender parity	1. Rates for female recruits ST Career-track (administrative position): 55% Career-track (technical position): 12% Operational position: 5% EN Career-track (administrative position): 31% Technical (career-track, production/construction position): 9% SH Administrative position: 48%	×
				2. Women in managerial positions Groupwide 10% or more in positions qualified as section manager or above. Of whom, 20% or more to be in management and sales departments (FY2030 target)	2. Women in managerial positions Groupwide 4.3% in positions qualified as section manager or above. Of whom, 8.0% in management and sales departments (total for operating companies)	△
				3. Rate of male employees taking childcare leave or time off related to child-rearing Groupwide Aim for all male employees whose spouses have given birth to take such leave or time off	3. Rate of male employees taking childcare leave or time off related to child-rearing Groupwide 97.5% (total for operating companies)	△

Areas of Focus		Priority Issues	Operating Company	FY2024 KPIs	Initiatives and Results for FY2024	Assessment
Business activities	Recruit and nurture diverse human resources	Strengthen human resources development	Groupwide	1. Training hours per person ST 40 hours or more per year EN 20 hours or more per year SH 20 hours or more per year	1. Training hours per person ST 45.2 hours per year EN 24.2 hours per year SH 25.2 hours per year	○
				2. Train DX personnel ST Number of internal data scientist trainees: Total of 660 as of end of FY2024 EN Number of employees who took internal data scientist training: Total of 210 as of end of FY2024	2. Trained DX personnel ST Cumulative total as of end of FY2024: 662 EN Cumulative total as of end of FY 2024: 207	△
		Create work environment that motivate employees	Groupwide	1. Groupwide Annual leave acquisition rate: 75% or higher (total for operating companies)	1. Groupwide Annual leave acquisition rate: 83% or higher (total for operating companies)	○
				2. Engagement survey Groupwide Affirmative response to questions about motivation: At least 75%	2. Affirmative response to questions about motivation in engagement survey ST 70% EN 81% SH 77%	△
	Reinforce resilience of production and engineering capabilities (realize worldclass earnings power through DX and other measures)	Increase efficiency and enhance cost competitiveness in production and engineering	ST	1. Improvement in labor productivity • Improve labor productivity by 20% by end of FY2024 • Steadily execute investments aimed at improving labor productivity through automation and remote work	1. Improvement in labor productivity • Streamlined operations toward improving labor productivity by 20% by investing in automation and remote work, in addition to implementing structural reform (staff reduction rate: 19.3%; progress rate: 97%) • Effect of investments to improve labor productivity executed in FY2024 (including projected effects): Equivalent to 214 staff reductions (progress rate: 98%)	△
				2. Stabilize production with DS, improve yields through application of quality prediction technologies FY2024 yields: +2.0% compared to FY2020 *Adjusted for sales composition *DS: Data science	2. FY2024 yields: +1.1% compared to FY2020 (87.2%)	×
			EN	• Increase the efficiency of engineering operations by introducing DX technologies AI and big data analysis engineers utilizing Pla'cello*: 2,400 *Pla'cello: Proprietary data analysis platform using AI	• Launched a user community (Pla'cello Users' Group) and promoted expansion AI and big data analysis engineers utilizing Pla'cello*: Approximately 2,700	○
		Raise quality of products and services and ensure reliable supply	ST	1. Ensure quality • Continue implementing activities for raising awareness of quality compliance for the Company and Group companies in accordance with the Japan Iron and Steel Federation's guidelines for strengthening the quality assurance system • Promote automated transmission of tensile test results among Group companies Targeting six companies: 83.5% introduction ratio in FY2024 (100% in FY2025)	1. Ensure quality • Maintained activities for raising awareness of quality compliance for the Company and Group companies in accordance with the Japan Iron and Steel Federation's guidelines for strengthening the quality assurance system • Promote automated transmission of tensile test results among Group companies Targeting six companies: 89.1% introduction ratio in FY2024 (100% in FY2025)	○
				2. Strengthen manufacturing infrastructure using DX Companywide CPS installation rate: 80% or more	2. Strengthened production infrastructure using DX Companywide CPS installation rate: 77%	△
			EN	1. Secure a stable number of certified managing engineers	1. Reliably secured certificated managing engineers amid high level of sales	○
				2. Enhance information sharing and verification functions by improving operation of quality management systems No major quality problem	2. Major quality issues: Zero	○
			SH	1. Make consistent investment in processing and distribution operations	1. Steady capital investment in the distribution and processing operations Selected and executed necessary investments to ensure stable supply of products in FY2024 Investment amount: ¥11.0 billion	○
				2. Conduct quality audits at Group companies Continue conducting quality audits at 36 Group manufacturing affiliate companies in Japan and overseas (same as FY2023) (Audits completed: 100%)	2. Conducted quality audits on Group companies Conducted quality audits at 36 companies (100% audit implementation rate)	○

Areas of Focus		Priority Issues	Operating Company	FY2024 KPIs	Initiatives and Results for FY2024	Assessment
Business activities	Strengthen competitiveness of products and services (promote the growth strategy by providing high-value-added solutions)	Expand business by increasing value added in products and services with advanced technologies	ST	1. Pursue strategic research and development focusing on priority development fields* Develop new products and technologies: 20 or more *Automobiles, energy, infrastructure construction materials, DX technology, and GX technology	1. Advanced strategic research and development in priority development fields* New products and technologies developed: 20 (7 new products, 13 new technologies) (Cumulative total from FY2021 to FY2024: 90) *Automobiles, energy, infrastructure construction materials, DX technology, and GX technology	○
				2. Increase sales ratio of high-value-added products FY2024 high-value-added product sales ratio: 50%	2. FY2024 sales ratio of high-value-added products: 48%	△
				3. Expand the solution business • Triple solution business revenue in FY2024 compared to FY2020 • Win three or more orders for new JFE Resolus™ brand products, lay the groundwork for significant growth in JFE Resolus® during the next medium-term plan	3. Expanded the solution business • Solution business revenue was ¥6.4 billion, double the ¥3.3 billion revenue in FY2020 but not high enough to achieve the target of tripling that amount • Target achieved with 7 orders received for new JFE Resolus™ brand products The product lineup is being expanded, and sales activities are underway to catch up with the target for the Eighth Medium-term Business Plan	△
		Sales strategies for realizing sustainable growth	EN	1. Develop technologies in four priority fields of waste to resources, carbon neutrality, combined utility services, and DX Ratio of R&D Expenses on these four fields: 70% or more	1. R&D expense ratio in the four priority fields: 75%	○
				2. Number of patent applications: 80 or more annually	2. Number of patent applications: 84 per year	○
			ST	• Expand the earnings difference between high-value-added products (A-rank products) and commodity products Maintain earnings difference of ¥8,000 per ton (double the target for FY2024)	• Expanded earnings difference between high-value-added products (A-rank products) and commodity products FY2024: +¥9,400 per ton (achieved the goal of doubling the initial target of +¥4,000 per ton for FY2024)	○
				Expand operating businesses to expand the stable earnings base • Sales: ¥265 billion • Base expansion: 3 or more bases Recycling business (food, plastics, electronic appliances, etc.), regional electricity retail new power business, and waste processing business	• Sales of operating businesses: ¥282.8 billion • New bases: 3 bases (2 recycling businesses, 1 regional electricity retail new power business)	○
			SH	• Enhance the competitiveness of products and services by increasing added value in the supply chain through business expansion Make investments to improve value added in supply chain: 5 or more per year	• Investments to improve value added in supply chain: 7 per year	○
Basis of activity	Thoroughly enforce compliance	Ensure adherence to corporate ethical standards and compliance	Groupwide	1. Steady execution of training to foster and maintain a sense of compliance (100% attendance from the target audience) 2. Affirmative response rate of 75% or higher to questions related to compliance awareness in the Corporate Ethics Awareness Survey	1. Participation rate: 100% (rank-based compliance training, training on different laws and regulations, etc.) 2. Survey question related to raising compliance awareness Affirmative response to the question: “Do you think your awareness of compliance has improved?” ST 97% EN 98% SH 98%	○ ○
	Respect human rights	Respect human rights across the supply chain	Groupwide	1. Participation rate of targeted attendees in human rights awareness training: 100% 2. Promote human rights due diligence Promote the following initiatives to realize respect for human rights throughout the supply chain: (Expand human rights due diligence to Group companies) • Conduct human rights risk surveys at overseas Group companies, prioritizing those located in countries at high risk of human rights violations • Continue to support the correction and improvement of human rights risks at major domestic Group companies that have already been surveyed, while considering regular risk surveys and methods for checking corrective measures (Build a system for managing human rights risks of suppliers) • Provide feedback on the results of the FY2023 supplier survey, and offer support for improvement to those identified as needing follow-up support	1. Participation rate: 100% 2. Conducted human rights due diligence Promoted the following initiatives to ensure respect for human rights throughout the supply chain: (Expand human rights due diligence to Group companies) ST Conducted human rights risk surveys and provided feedback to three Group companies in Thailand, Indonesia, and Brazil, which were prioritized based on investment ratios, company size, and other factors EN Conducted human rights risk surveys and provided feedback to three Group companies in the Philippines, India, and Thailand, which were prioritized based on their having bases in countries with high human rights risks, and other factors SH Conducted human rights risk surveys with 45 overseas consolidated companies ST EN SH Considered the deployment method and schedule for future supplier surveys of major Group companies in Japan (build a system for managing human rights risks of suppliers) ST EN SH Offered support to improve human rights due diligence at suppliers identified as requiring follow-up in the FY2023 survey, including sending a follow-up tool with explanations of key issues, concrete action plans, and reference cases SH Conducted a new human rights risk survey for 88 suppliers of raw materials for steel production, natural resources, and machinery	○ ○

Fiscal 2025 KPIs

Areas of Focus	Material Issues	Aspirations	FY2025 KPIs
Address climate change Issues	Reduce the JFE Group's GHG emissions and contribute to reducing GHG emissions across society	Steel business FY2030 GHG emissions reduction rate: 30% or more FY2027 GHG emissions reduction rate as a milestone: 24% or more (compared to FY2013)	1. Approval rate for GX investment designed to reduce GHG emissions by 30% or more by FY2030: 95% 2. Green steel sales: 100,000 tonnes per year
		Engineering business Reduction rate of CO ₂ emissions in owned plants and offices: 40% or more (compared to FY2013)	Promote use of own renewable energy Non-fossil fuel electricity use: 90% or more
		Engineering business Contribution to reduction in CO ₂ emissions : 13.5 million tonnes per year	Contribute to reduction of CO ₂ emission in society by providing renewable energy power generation facilities and expanding the power supply business : 12.5 million tonnes per year
		Trading business Domestic CO ₂ emissions reduction rate (compared to FY2019) FY2027: −27.5% FY2030: −35%	FY2025 domestic CO ₂ emissions: 22.5% (compared to FY2019)
Contribute to the realization of a recycling-oriented society	Promote initiatives for realizing a circular economy	Steel business Improve resource recycling of iron sources, co-products, etc.	1. Expand collection and use of collected “return scrap”: 2.0 times (compared to average volume under the Seventh Medium-term Business Plan) 2. Recycle co-products generated in the Company (recycling rate of slag, dust, sludge, etc.): 99% or more 3. Expand use of steel slag products for marine are use (cumulative total under the Eighth Medium-term Business Plan): 50,000 tonnes
		Engineering business Expand bases for business that contribute to a circular economy	Expand bases for recycling/new regional electricity/waste-to-energy power generation business, etc.: 3 sites or more
		Trading business Expand products that contribute to a circular economy	Expand product lineup to contribute to a circular economy • Increase products handled by at least three in addition to current products with over 3,000 tons in volume per year
Acquire robust Profitability	Steel business Improve sales and manufacturing capabilities, expand and advance business areas	Expand domestic steelmaking business profitability: ¥90 billion	1. Companywide OPY: +0.3% (compared to FY2024 results) 2. Develop new products and technologies : 20 or more 3. Increase revenue from high-value-added products (proportion, profitability index): 54% 4. Improvements through streamlining (core systems, data science, automation) and labor productivity enhancement: Achieved FY2027 target of 25% 5. Time saved by generative AI and low-code development: 3,000 hours per month 6. Labor-saving initiatives in response to declining labor force and population: Reduced by more than 80 employees
		Expand profits in the overseas steel business, domestic Group companies business, and solutions business Overseas steel: ¥75 billion Domestic Group companies: ¥90 billion Solutions business: ¥15 billion	1. Overseas steel business profit: ¥30 billion 2. Domestic Group companies business profit: ¥80 billion 3. Solutions business profit: ¥8 billion 4. Increase in foreign patent applications: 109%
	Engineering business Improve profitability and competitiveness, and promote investment in growth areas	ROS: 6%	Improve project profitability Proportion of high-value-added and differentiated across projects: Aim for over 50% by FY2027, and over 40% by FY2025
		Stabilize profits by expanding scale of O&M business	O&M business sales: Over ¥290 billion
		Improve labor productivity	Progress of operational reforms (to improve business efficiency by FY2035): Completed workflow analysis for specified departments in FY2025, aiming to complete optimization of all business processes in FY2027
		Expand DX solution revenue	Progress of external sales activities for DX solutions: Aim for 20% more new customers in FY2027, and 10% more in FY2025 (compared to FY2024)

Areas of Focus	Material Issues	Aspirations	FY2025 KPIs
Acquire robust Profitability	Trading business Revitalize the management foundation and advance insider status in overseas growth markets	Overhaul core systems	• Aim to complete core system overhaul by FY2027 • In FY2025, visualize current operations and complete workflow creation for over 75% of total
		Trade and business profit: ¥30 billion each	Implement growth investments to achieve profits (¥85 billion over 3 years)
Ensure occupational safety and health for employees	Prevent workplace accidents	Establish safe work environment to achieve zero accidents	Serious injuries: 0 Lost-workday injuries : Steel business Steel business: 0.10 or less Engineering business Engineering business: 0.25 or less Trading business Trading business: 0.15 or less
	Promote health and productivity management	Realize a workplace in which everyone can work with good physical and mental health for a long time	Proportion of employees who are physically and mentally healthy and working at an 80% or higher performance level (presenteeism below 20%): 67% or higher
Promote human capital management	Improve work engagement	Realize a environment in which every employee can maximize their potential	Engagement survey Affirmative response to questions about job satisfaction : Steel business Steel business: 75% or more Engineering business Engineering business: 80% or more Trading business Trading business: 80% or more
	Promote diversity, equity and inclusion	Realize a environment in which the experience, abilities, and individuality of diverse talent can be maximized	1. Women in managerial positions : Aim for at least 10% by April 2030 (including at least 20% in management and sales departments), with a target of achieving 5.7% by April 2026 2. Percentage of male employees taking childcare leave: 65% or more
	Promote talent acquisition and development	Build a talent portfolio to realize business strategies	Steel business 1. New international employees trained: +33 2. Advanced DX employees trained (cumulative): 800 Engineering business 1. New international employees trained: +10 2. Advanced DX employees trained (cumulative): +30 Trading business New overseas secondments: +25
Minimizing risks to the business foundation	Respect the human rights of each person involved in our business	Identify, prevent, and mitigate adverse impacts on human rights in the supply chain	1. 100% attendance from the target audience for human rights awareness training 2. Promote human rights due diligence Promote the following initiatives to realize respect for human rights throughout the supply chain: • Continue conducting human rights due diligence at both the Company and Group companies • Build a system for managing human rights risks of suppliers
	Ensure adherence to corporate ethical standards and compliance	Raise awareness of compliance	Compliance training participation rate: 100%
	Promote appropriate quality assurance	Steel business Zero serious quality assurance issues	1. Quality audit implementation at Group companies: 100% of planned number 2. Quality assurance investment execution: 30%
		Engineering business Zero quality compliance violations	1. Strengthen quality check functions through third-party audits of product departments, including at Group companies: 10 departments 2. Permeate quality compliance awareness e-learning participation rate: 100% of planned participants
		Trading business Consistently deliver products that satisfy quality requirements	Major quality problems: 0
	Improve level of information security	Continue zero serious security incidents (Level 3 incidents that impact the business foundation)	1. Thorough management of vulnerabilities 2. Improve resilience against cyberattacks
	Coexist with local communities, society, and nature	Steel business Ensure that steelworks and other plants are trusted by their local communities	Serious environmental or disaster accidents: 0 1. Continue improving efforts towards more transparency in steelworks 2. Create opportunities for communication with local communities at business sites and conduct social contribution activities tailored to local needs
		Steel business Expand contributions to biodiversity	New collaborative activities with local governments to improve blue carbon and marine area environments: +2 projects per year
		Engineering business Advance efforts to biodiversity conservation	Conduct conservation activities (i.e., reforestation) and assess biodiversity impacts in the infrastructure construction sector
	Maintain sound financial structure	R&I rating: AA	Eighth Medium-term Business Plan Targets: 1. Debt/EBITDA ratio: Approx. 3 times 2. D/E ratio: Approx. 60%