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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.



Providing new added value externally

— Transformation of existing businesses, creation of new businesses, and innovation of groundbreaking improvements in productivity

Our digital transformation (DX) strategy in the Seventh Medium-term Business Plan is one of the most important strategies that will determine the outcome of our largest transformation since our founding. The data, know-how and technologies that the Group has accumulated over the years are a source of value creation, precious assets that cannot be imitated by other companies. By combining these DX initiatives, we aim to further improve productivity and strength competitiveness, and also focus efforts on the transformation of existing businesses and the creation of new businesses to become able to steadily provide new added value to the world. Each operating company is pursuing specific initiatives aligned with the unique features of its business, and based on this, we are constantly discussing and sharing information related to Group strategies, primarily among each company's officers, working diligently to enhance common measures across the Group and create synergies.

Meanwhile, it is becoming increasingly important to address cyberattacks and the risk of information leaks. It is therefore vital that we strengthen security and governance while advancing our DX strategy.

JFE Group's DX Strategy

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

- ▶ Aggressive DX to lead to improve earnings power, realize growth strategy and advance business model
- ▶ DX investments: ¥120 billion over four years
→Fiscal 2021 results
Over 30% of investments selected

Strategy for Each Business

- JFE Steel**
Establish competitive advantage through advanced use of data
- JFE Engineering**
Promote DX in a variety of areas to achieve a green society and increase sustainable corporate value
- JFE Shoji**
Create value through transforming services for customers using digital technologies

