

The Japan Steel Works Group's Fundamental Policy for IT Governance

Establishment: May 1, 2025

1. Purposes

The purposes of this policy are to appropriately evaluate the related risks and obtainable results in relation to the utilization of IT systems by the Japan Steel Works Group and to effectively and efficiently manage and operate IT resources, including their allocation, and thereby accomplish the creation of social value and the improvement of sustainable corporate value.

2. Scope of application

This policy will apply to the utilization of all IT systems that include the utilization of data within the Japan Steel Works Group. For the IT management systems that are maintained on the basis of this policy, all of the people who are involved in those systems (officers, employees, and people who conduct the company group's work based on a contract etc.) will be the scope of application.

3. IT strategies

We shall undertake the matters below as IT strategies.

3.1. IT governance policy

- We will set achievement goals for IT strategies, and through performance evaluations, we will evaluate the degree to which those goals are leading to achievement of business results.
- We will clarify a governance system, responsibilities, and authority that are centered on the board of directors and the officer in charge of information systems.
- We will accomplish IT investments that lead to improvement of the Japan Steel Works Group's corporate value.
- We will clarify the necessary IT resources and IT human resources and conduct the securing of resources and the development of human resources in a planned manner.
- We will conduct risk management related to the utilization of IT systems and implement risk evaluations and countermeasures.
- We will establish data's effective utilization processes and methods and achieve data-driven management.
- We will regularly evaluate and verify new solutions and new technologies and make it possible to respond to the technologies' obsolescence.

3.2. Fundamental plans for IT

- We will investigate the stakeholders' current needs and future needs related to the utilization of IT systems and assign an order of priority to the necessary items and reflect them in the IT systems.
- We will improve corporate value by making full use of the Japan Steel Works Group's ability to utilize digital technologies.
- We will clarify and regularly review KPI and KGI for the purpose of evaluating the state of achievement of the goals for IT strategies.
- We will clarify the criteria for adoption of cloud services and external vendors.

4. Compliance

- For the utilization of all IT systems that include the utilization of data, we will comply with all related laws, regulations, and restrictions (each country's data protection restrictions, such as personal information protection laws and the GDPR).
- We will regularly conduct internal audits and confirm the status of compliance with IT governance.