Value creation story

Value Creating Process

Input: Financial and Non-Financial Capital

- Number of employees (consol.): 105,800
- Steel business
  - Related knowledge
  - Steel-making
- Financial capital
  - ROE
  - Earnings per share
- Natural capital
  - Energy consumption
- Human capital
  - New hires (non-consol.)

Business Model: Nippon Steel’s Competitive Advantages

The Steelmaking and Fabrication Business and the three other business segments generate synergies that create extraordinary strength.

Steel products
- Wealth of products for diverse applications

Output: Products & solutions

- Steel products
- Flat products
- Bar & wire rod
- Construction products
- Pipes & tubes
- Railway, automotive & machinery parts
- Titanium
- Stainless steel (Nippon Steel Stainless Steel)

Outcomes: Achievement

- Contribution to SDGs in society
  - Jobs for employees (incl. subcontractors)
  - Growth in community
  - Soft, reliable living (e.g., for key auto parts, railway, bridges, buildings, etc.)
  - Energy preservation, climate action, recycle-oriented society
  - Disaster prevention and reduction
  - National Resilience
  - Infrastructure to build in emerging countries and to rebuild in developed countries
  - Products and technological solutions in growth areas

- Education for employees and communities

- Creation of sustainable corporate value and profit distribution
  - ROE: Around 10%
  - Profit distribution: Around 30%

- Investment for further growth
  - Innovative technology development for CO2 reduction
  - Development of products & solutions to capture social needs in advance
  - Adoption of AI and advanced IT tools
  - Innovative product development
  - Investments growing areas/regions

- New hires (non-consol.): 1,700,000

- Business investment (consol.): ¥600 bn/3 years

Aim at becoming the steelmaking industry’s No. 1 in market cap