

TATA STEEL



Annual Report & Accounts 2023-2024



Contents

About the report

This Annual Report & Accounts gives an overview of the financial and sustainability performance of Tata Steel Nederland B.V. (TSN) and its subsidiary companies during the financial year 2023-2024. This report integrates the previously separately published financial and sustainability reports.

Financial performance and sustainability are important elements of part 1 of this report, the Directors' report. It covers a wide range of topics, including TSN's company profile, sustainability strategy, financial performance and its approach to risk management. Part 2 is the report of the Supervisory Board and includes coverage of TSN's Audit Committee. In part 3, TSN's financial statements are presented, providing transparency and accountability to our stakeholders. Other information is covered in part 4.

Reporting period and frequency

This report covers TSN's financial year 2024, running from April 1, 2023 to March 31, 2024. Affairs from before or after this reporting period are also included when necessary or important to fully understand TSN's activities.

Sustainability reporting

TSN has reported the information in this report for the financial year 2023-2024 with reference to the GRI Standards, the worldwide standard in the field of sustainability reporting. A double materiality assessment following CSRD guidance will be undertaken in the financial year 2024-2025. The plan is to apply the CSRD guidelines in the next integrated report as a preparation for the 2025-2026 report when TSN needs to report according to the CSRD.

Assurance and presentation

The external auditor, PricewaterhouseCoopers Accountants N.V., has audited the financial statements for 2023-2024 and issued an unqualified auditor's report with an emphasis of matter referencing note 9 "Property, plant and equipment" of the annual accounts which describes that certain assumptions in relation to the decarbonisation plans of Tata Steel Nederland B.V. have been applied in relation to the impairment testing, which has been used to assess the valuation of property, plant and equipment. The members of TSN's Board of Management and Supervisory Board, after discussion with the external auditor, have approved these financial statements.

Key Performance Indicators

An extensive multi-year overview of our ESG performances is reported in the appendix Key Performance Indicators.

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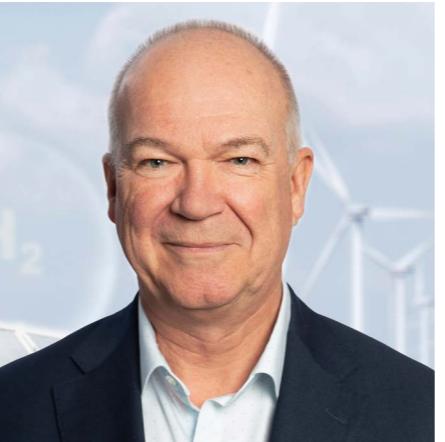
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Part 1

REPORT OF THE BOARD OF MANAGEMENT

Message from the CEO



Dear reader,

Steel signifies progress. Technological breakthroughs in renewable energy, packaging, and transportation among others would be unimaginable without steel. This special metal plays a vital role in our society, both now and in the future, and I am proud that Tata Steel Nederland can continue to fulfil this role in a changing environment.

As one of the leading steel producers in mainland Europe, we are dedicated to maintaining a robust steel industry that provides thousands of high-quality jobs and makes a substantial contribution to GDP growth for decades to come. Over the recent years, the sustainability of the steel industry has gained significant momentum. For us, transition is no longer just a word associated with our vision of clean, green, and circular steel production. We are now fully immersed in this process and have begun transforming the core of our business. Not only are we transforming our facilities, we are also ensuring that our customers continue to receive the products and services they demand.

By meeting the growing demand for innovative, low carbon steel, our sustainable product line named Zeremis Carbon Lite is successfully expanding. In the reporting year, we also saw the development of several new steel grades and finishing capabilities. A special thanks goes out to our customers who showed patience during our necessary period of reduced steel production. The repair and improvements to Blast Furnace 6 in IJmuiden were unfortunately delayed due to project delivery issues.

One of our key focus areas is safety in our production processes. The safety of everyone who works with us is our highest priority. Our ambition in this area is significant, and we are fully committed to achieving our goals. In addition, reducing the impact of our operations on health and a cleaner living environment are important matters to us. With our Roadmap+ programme in IJmuiden we delivered 3 large environmental projects, of which the dedusting of our pelletplant was the most significant and largest environmental project in our history. Our Green Steel Plan contains more important measures that further reduce particulate matter and nitrogen emissions.

Last year, we also took significant steps to further reduce our impact on the environment in our Downstream operations. Our site in Gelsenkirchen is now our third downstream location which became carbon neutral. All of this was made possible by the knowledge and continued commitment of our employees and their ability to enhance. I feel deep respect for my colleagues, who put their heart and soul into making our company more sustainable every day.

Financially it has been a very challenging year. We saw deteriorating market conditions with relatively high energy and raw material prices and significant delays in our own project delivery. This had a large impact on our financial results. To secure our long term profitability a restructuring of our organisation and, unfortunately, a reduction of jobs in IJmuiden especially in management and support functions was announced. This was a difficult decision, but necessary to remain competitive during our transition and realise our Green Steel Plan.

While dealing with uncertainties and challenges, we remain on course to become a clean, green and circular steel company. That is and will remain our goal on the horizon. To this end, we maintain constant contact with and listen to the feedback of governments, local residents and other stakeholders to improve the support base for our company and green transition plans. The support demonstrated by Parliament on 28 May 2024 to negotiate tailor made support (Maatwerk) with our company is a promising step in the right direction. Additionally, we work closely together with our parent company to take the necessary steps to make our business more effective and more efficient.

I am very confident about our future and the important role the steel industry continues to play for the Netherlands. You will read more in this annual report. I would like to invite you to further explore the report and learn more about our company and our commitment to a sustainable future.

Hans van den Berg

CEO and Chair of the Board of Management of Tata Steel Nederland

A handwritten signature in blue ink, appearing to read "Hans van den Berg".

TATA STEEL NEDERLAND, PRIORITIES AND VALUE CREATION



Tata Steel Nederland (TSN) is on the threshold of a new era of producing steel in a clean, green and circular way. In this transitional period, we are engaging in dialogue with various stakeholder groups and working hard to follow our purpose, mission and vision. This chapter offers an insight into the organisation and structure of our company, and its strategy and value creation.

TSN is one of the major steel producers within mainland Europe, with 12,661 employees as of 31 March 2024. Our company produced 4.8 million tonnes of liquid steel in the financial year ended March 31, 2024 and had a turnover of 5.9 billion euros. With 20 production sites in ten countries, our company supplies high-quality steel and steel products to customers located mainly in Europe and partly in the United States.



Scan QR code for our website
www.tatasteelnederland.com/en

Reliable producer of high-quality steel

Tata Steel Nederland (TSN) is one of the major steel producers in mainland Europe, with more than 12,500 employees. We supply high-quality steel and steel products to customers located mainly in Europe and partly in the United States. The majority of these customers are in the construction, automotive, packaging and mechanical engineering industries, but also in emerging industries needed for the energy transition, such as solar panels and wind turbines.

TSN is located in IJmuiden and a wholly owned subsidiary of Tata Steel Netherlands Holdings B.V., a private limited company based in the Netherlands. On December 2, 2023 as part of an internal simplification of the Tata Steel Netherlands Holdings group structure, British Steel Nederland International B.V., the disappearing company and a wholly owned subsidiary of Tata Steel Netherlands Holdings B.V., legally merged into Tata Steel Nederland B.V., the remaining company. The subsidiaries of British Steel Nederland International B.V. have from that moment on become subsidiaries of TSN. Tata Steel Netherlands Holdings B.V. is owned by Tata Steel Europe Limited, a UK-based private limited company. The ultimate parent company is Tata Steel Limited (TSL), an India-based public limited company with shares listed on BSE Limited (formerly known as Bombay Stock Exchange Limited) in Mumbai and the National Stock Exchange of India, and with global certificates listed on the London and Luxembourg stock exchanges and is part of the Tata Group.

TSN consists of two business units: Tata Steel IJmuiden, which consists of an integrated steel plant in IJmuiden (the Netherlands), and Tata Steel Downstream Europe, which is formed by a group of steel processing companies in mainland Europe (the Netherlands, Belgium, Germany, France, Sweden, Finland, Switzerland and Spain), Turkey and the United States.

Tata Steel IJmuiden

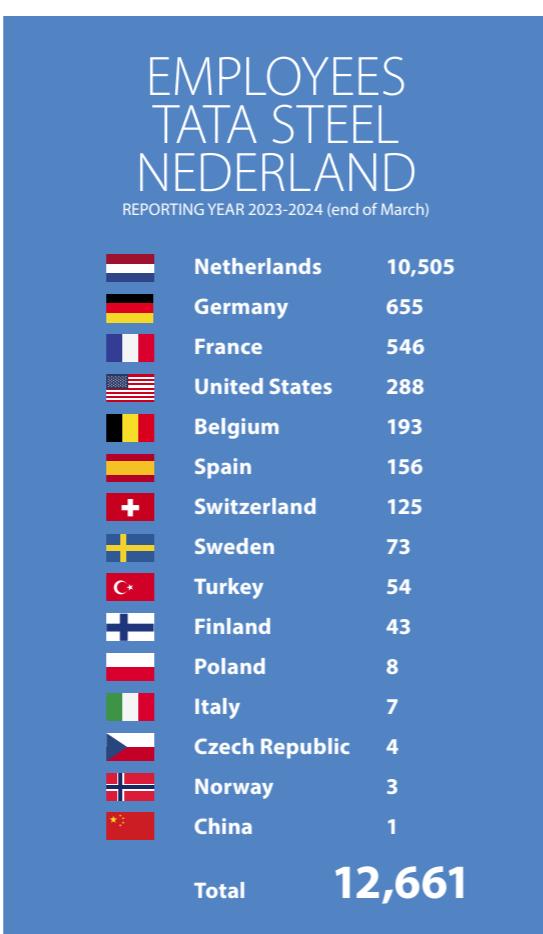
Tata Steel IJmuiden is the site containing TSN's integrated steel operation in the IJmond region of the Netherlands. It produces many varieties of high-quality hot and cold rolled steel and coated steel. These operations employ three-quarters of TSN's total workforce. The operations are located on the largest continuous industrial estate in the Netherlands, which is part of the municipalities of Heemskerk, Beverwijk and Velsen. Strategically located on the coast, Tata Steel IJmuiden mostly receives its raw materials via its deep sea port. Our products reach the market directly from the location in IJmuiden, or indirectly, via processing locations and a network of distribution hubs, via rail, road and water.

High quality applications

The main site is complemented by the twenty sites of Tata Steel Downstream Europe, where steel made at the IJmuiden site is further processed. Tata Steel Downstream Europe is divided into five business units: Building Systems, Colors, Distribution, Plating and Tubes.

These business units process the steel from IJmuiden for high-quality applications in specific market segments, such as construction (metal roofs and wall cladding), the mobility sector and the energy sector (batteries).

TSN offers a wide range of strip steel products, solutions and associated services. The main product categories offered are hot rolled, direct rolled, cold rolled, metallic coated, organic coated, packaging steels, electrical steels, electro-plated, building products, welded tubes and semis.

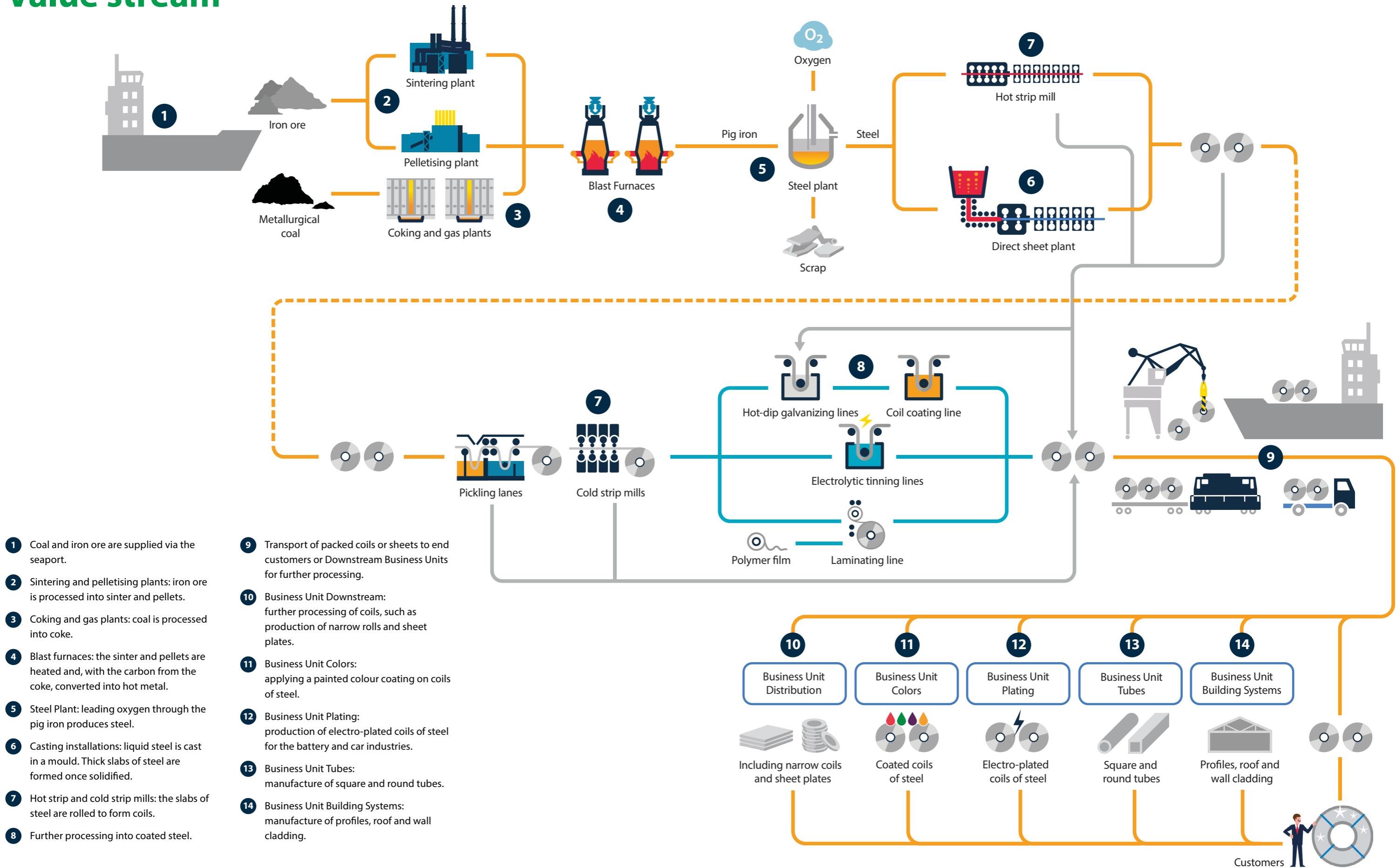


On 25 January 2024 the closure of Tata Steel Istanbul Metals (Colors) was announced, which is foreseen to be finalised by the end of financial year 2024/2025.

Production sites Tata Steel Nederland



Value stream



The road towards a sustainable steel company

At Tata Steel Nederland (TSN), we take pride in providing high-quality steel which is essential for high-end and sustainable applications and products by industries in the Netherlands and globally. Moreover, we strive to further improve our environmental performance and adopt more sustainable, circular practices. We are actively working towards these goals.

Our focus on innovation and sustainability drives us to transform the way steel is produced, reducing our CO₂ footprint while increasing efficiency. Our efforts to transform TSN reflect our commitment to a more sustainable future. Our vision is to become a clean, green and circular steel company.

The purpose, values, vision, mission, strategy and key messages of Tata Steel are communicated at all levels of the organisation through regular internal communications, senior management conferences and weekly CEO update meetings.

Tata Code of Conduct

Tata Steel embraces the five Tata values that are shared by all Tata companies worldwide and that serve as a guideline for the expected conduct and practices within TSN:

Pioneering | Responsibility | Excellence | Unity | Integrity

The Tata values are part of the [TSN Code of Conduct 2024](#) as rolled out among our employees in March 2024. The TSN Code of Conduct contains norms and values that inform how we cooperate and interact with our stakeholders.

Our leadership style

At TSN we have formulated three leadership principles to which we are committed: we connect, change and care for each other. These three leadership principles underpin our values, inspire our culture and set the tone of how we work together.

Connect

Actively listen to understand, embracing different perspectives and diversity as enablers for success, instilling trust and empowerment, engaging through open and honest communication.

Change

Thinking in terms of possibilities, daring to make mistakes, being courageous, encouraging change with the result in mind, acting from a sense of urgency for a bright future.

Care (for each other)

Caring for ourselves, each other and society. Making a positive impact today to change tomorrow. Being open to challenging points of views and do what we say.



Objective Where we are headed

With our sustainable steel, we improve the way people around the world work, live and move.

Mission The route we follow

We continue to play a significant role for all our stakeholders by creating value as a clean, green and circular company, by being a good employer and by keeping the dialogue going with all stakeholders.

Vision What we expect to find at the end of our journey

A clean, green and circular steel company that is sustainable in every way.

Four pillars to focus on

Our strategy is driving progress on issues that are relevant to our business and important for society and the environment. We will delve deeper into these four pillars in the following chapters.

Our sustainability principles

In principle, we believe that our sustainable development must be accountable: embedded, involved and transparent.

Embedded:

Sustainability goals are embedded in our policies, management systems and communications. This makes everyone at TSN, from factory level to central management, responsible for our sustainable success.

Engaged:

We encourage all stakeholders throughout the supply chain to commit to sustainability and to work with us on this. We listen to feedback and take this into account in our decision-making.

Transparent:

Science and facts are the basis of our decisions. We use standardised and verifiable statistics and follow generally accepted standards, guidelines and indicators (e.g. TSN follows the GHG protocol and World Steel Association CO₂ reporting standard). We communicate openly about our sustainability performance meaning that third parties can assess this as well.

Materiality analysis

In the financial year 2022-2023 TSN joined an impact materiality analysis (positive and negative impact the company's activities have on people or the environment) initiated by its parent company Tata Steel Limited. The material topics that resulted from this process give focus within our four strategic pillars and are described under the relevant headings on the following page. In the financial year 2024-2025 we will carry out a double materiality analysis for TSN. This assessment will provide relevant information for our strategy development and give direction to the open and transparent reporting and dialogue we seek with our stakeholders.

Sustainable Development Goals

We recognise the increasing importance of sustainability for our society. Our vision is therefore: "A clean, green and circular steel company that is sustainable in every way." In line with this commitment, we put more emphasis on the Sustainable Development Goals (SDGs) in this report. In our Sustainability Report 2022-2023, we identified the SDGs that are most closely linked to our material themes. These material themes have served to guide our sustainability initiatives and strategies this reporting year. Initiatives related to these SDGs will therefore be covered in the appendices. Below we elaborate in detail on the progress of activities related to all, including non-material, SDGs. We offer an insight into the impact of our efforts and strive for transparency in our performance towards the SDGs.

Decarbonisation & Sustainability

Climate change can only be prevented by large-scale reduction of greenhouse gases. We endorse the goals of the Paris Climate Agreement and the Dutch climate goals and consider it our responsibility to contribute to the solution. In addition, TSN is committed to producing green steel in a clean environment and has the objective to reduce CO₂ emissions by 40% by 2030 relative to 2019 and to be a carbon neutral steel manufacturer before 2045. By continuously improving our production processes using advanced techniques, and most efficient use of raw materials, scrap and energy, we have succeeded in significantly reducing our carbon foot-print. Since 1990 we have already achieved a reduction of approximately 15% per tonne of steel. TSN is also committed to making its value chains more sustainable, by implementing the OECD Guidelines for Multinational Enterprises as part of the Dutch Metal Covenant.

Material topics:

- Decarbonisation
- Circular
- Responsible sourcing



Environment & Community

Our efforts to minimise the impact on the local and global environment are ongoing. We are in constant contact with local residents, governments, companies and other organisations about developments on our site and in our community. We also participate in local partnerships, support local initiatives and involve our neighbours in our activities as much as possible.

Material topics:

- Air emissions
- Biodiversity



Customer & Value

To achieve our sustainability goals, long-term profitability is important. We achieve this through customer loyalty, quality, new products and close collaboration in the field of research & development. Together with our customers, we develop new steel products that enable them to achieve their sustainability goals and to make the value chain even more sustainable.

Material topics:

- Long-term profitability
- Involving customers in sustainability
- Quality and innovation



People & Society

We are committed to the health, mental well-being and employability of all employees. Safety at work takes the highest priority. We also create an equal opportunity work environment and invest in the training and development of all our colleagues, whether employed directly or otherwise associated with us.

Material topics:

- Governance and involvement
- Health and Safety
- Equal opportunities
- Local community



Intensive coordination and collaboration at all levels

Tata Steel Nederland (TSN) is committed to a continuous dialogue with its stakeholders. This is important in order to determine which topics are valuable to our stakeholders, and to gain support for our sustainability performance and plans.

The financial year 2023-2024 was again a challenging year for TSN. The company was often the subject of national debate, mainly with regard to its environmental performance. Moreover, TSN experienced delays in the execution of big projects, such as the Blast Furnace 6 Repair programme, and challenging market circumstances due to steel imports from non-EU countries, forcing the company to implement a cost-reduction programme, which sadly also includes the intention to reduce its workforce with 800 FTE. (See Chapter 4 and 6 for more.) At the same time, to reduce its carbon footprint, TSN continues to advance the preparations for the first step in the biggest transition in its history: the transition from coal based steel production to ultimately CO₂ neutral production of steel while also reducing its other emissions.

Changing societal expectations

As societal expectations are changing, TSN will need to adapt and adequately respond in order to maintain its societal licence to operate. This regards both the IJmuiden site's environmental performance and also the reduction of CO₂ in view of climate change. Maintaining the social licence to operate requires thorough engagement with all of TSN's stakeholders, the most important ones being the local residents, followed by customers, employees, the Dutch Government, local

authorities, our ultimate parent company TSL and our investors, experts, media, activist groups and many others. All of these stakeholders have a specific perspective on what the future of the company should look like. The health effects of economic activities is becoming increasingly important in our country and rightfully so. This was underlined by the Dutch Safety Board (DSB) in its report, published in April 2023, on the health effects of industry on local residents. In this report the DSB advises companies to be more proactive in further decreasing health risks for local residents by reducing emissions, even beyond permit requirements.

With regard to CO₂ reduction, transitioning to sustainable steelmaking is highly costly. Similar to other European steel companies, Tata Steel is not able to transition to CO₂ neutral steelmaking without substantial state aid from the Dutch Government.

Review Wijers and Blom

At the request of the Ministry of Economic Affairs an independent review by Mr. Hans Wijers and Mr. Frans Blom has been performed to assess various alternative scenarios for the future of TSN, including whether it is actually necessary to maintain steel industry in the Netherlands and if so, whether this should be an integrated site as Tata Steel IJmuiden currently is, or a substantially downsized site. In March 2024, the independent review concluded that the European economy is highly dependent on steel and that Europe imports more steel than it exports. Especially given the geopolitical tensions in the world, it is in their view desirable that Europe is able to make its own steel. The IJmuiden site's strategic location at the North Sea, where iron ore can easily be supplied, and with a fast connection to Germany, and the major plans to expand offshore wind farms on the North Sea, make the IJmuiden site an excellent location for steel making in Europe. Closing the IJmuiden site would lead to additional imports of grey steel and would therefore not contribute to CO₂ reduction and fighting climate change. Moreover, TSN delivers substantial economic value to the Netherlands, as is also demonstrated in a 2022 study by independent economic advisory firm Oxford Economics (see also www.tatasteelnederland.com/qr/waarde).

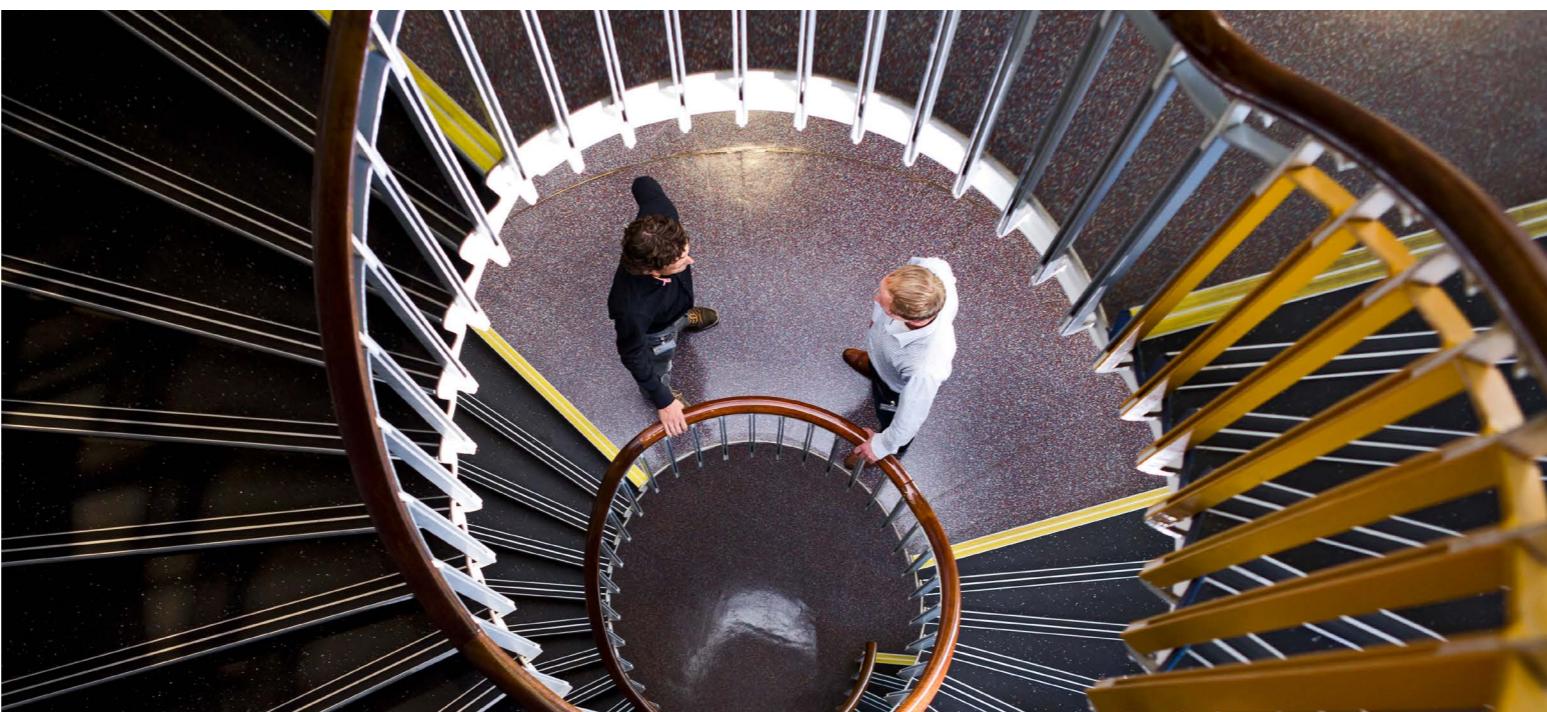
DRP and EAF

As Mr. Wijers and Mr. Blom recognised in their report, there is no scenario for the IJmuiden site that is the optimal solution for each of the many stakeholders of the company separately. However, their report does show that TSN's proposal to build a Direct Reduction Plant, an Electric Arc Furnace and install coverages for raw materials achieves the desired CO₂ reduction and will lead to a further decrease of nuisance for local residents by 2030.

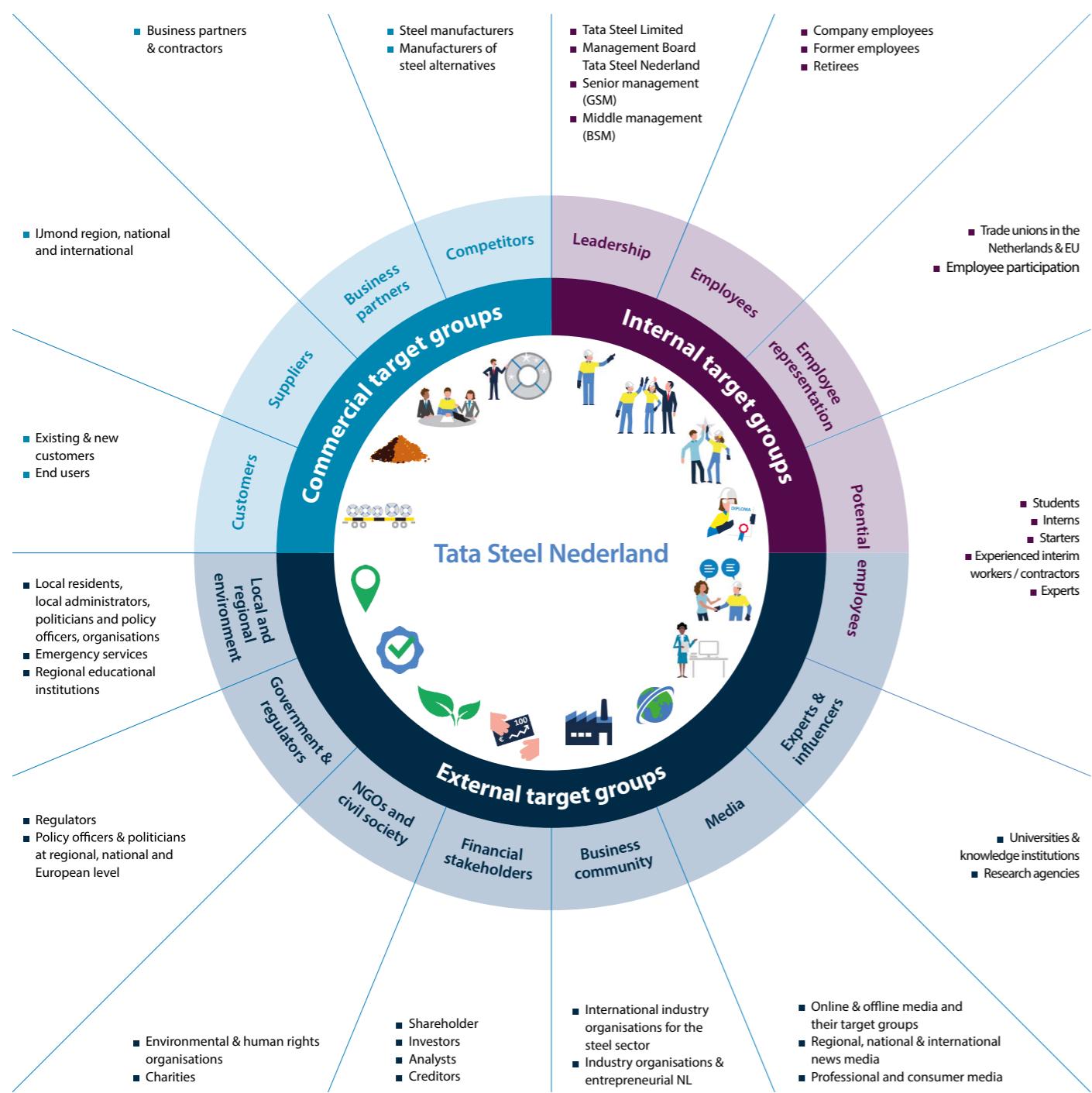
Tailor-made government support

On May 28, 2024, the Dutch Parliament granted a negotiation mandate to the Ministry of Economic Affairs and Climate, to negotiate the terms of tailor-made government support to Tata Steel, subject to approval by the European Commission. Parliament adopted a motion calling on the Government to include adoption of the recommendations, including a further reduction of emissions, of the Expert Group IJmond as a firm condition for granting financial support.

It is the objective to finalise the terms and conditions for financial support before the end of calendar year 2024. The finalisation of the tailor-made government support will mark the first phase of TSN's transition to Green, Clean and Circular steelmaking and should also strengthen TSN's social licence to operate. In doing so, TSN will continue to closely liaise with its many stakeholders, including the local residents, customers, employees, the Government and local authorities and regulators. TSN is confident that in this manner, it will continue to add significant value to the Netherlands in more than one way, by making a substantial contribution to our country's CO₂ reduction, boosting the sustainability transition in the IJmond region and thus driving innovation and developing expertise, creating employment, educating employees and contributing to the strategic independence of the Netherlands and the European Union.



Overview of the main stakeholders of Tata Steel Nederland



Intensive coordination and collaboration with our many stakeholders are required when making our production more sustainable. That's why we have put structural consultations in place with various stakeholder groups, such as employees, trade unions, customers, suppliers, local residents and NGOs.

Exposure and accessibility

Tata Steel Nederland uses various media outlets that are easily accessible by its stakeholders, especially those in the immediate vicinity. This includes the [tatasteelnederland.com](#) website and our social media channels. Our publications include the 'Staal & IJmond' community newspaper (circulation of 75,000) and the digital newsletter RondomStaal for the IJmond region.

Dialogue with the community

Producing steel in a responsible manner only succeeds when there is a healthy balance between the interests of people, the environment, the community and the company. We have therefore, over time, intensified contact with local residents. We listen to what is important to our neighbours and want to inform and involve them in developments on our site at the earliest possible stage. We focus on aspects such as environmental issues, social impact, governance and economic performance.

In addition, we remain in contact with various organisations and authorities in the area. For example, local roundtable sessions are organised during which representatives of local and district councils from the IJmond region engage with Tata Steel about developments at our company (see also chapter 3) and concerns or questions from our neighbours. In our Green Steel Plan, stakeholders are invited to express their opinions and give feedback. The stakeholder dialogue takes place in a variety of ways: formal and informal meetings, participation meetings, live online sessions, interviews, surveys and desktop research. We also have a service desk in Wijk aan Zee open three days a week where anyone can drop in. The information we collect from these stakeholder dialogues is assessed to determine the impact and importance of various topics.

During this reporting year, we gave guided tours on-site to around 2,250 local residents. In addition, more than 13,000 people including customers, suppliers, new employees, politicians, media, family members and other interested parties, were also given tours.

Engagement with government

We continuously engage with governments at various levels and other civil society stakeholders, such as non-governmental organisations, to stay informed on public policy and regulations relevant to the business. The objective is to help create the right conditions for a sustainable steel industry in the Netherlands where policies are adopted that ensure a level playing field within Europe and with international competitors. This includes a competitive cost base and attractive conditions for innovation and investment, such as competitive energy prices, taxation, CO₂ pricing and carbon leakage, public procurement and international trade. (For more information see chapter 7 Risk Management, under 'Climate change and decarbonisation').

Employee representation

We place importance on proper employee participation and are convinced that this is in the interest of both the employees and the company.

At Tata Steel IJmuiden, works councils (six in total) play a role in the consultations within their own work specific units. Within Tata Steel Downstream Europe, the interests of employees are represented by separate works councils. In all cases, there is consultation between the Managing Director and the employee representatives. The works councils appoint members to the Central Works Council and all Tata Steel Downstream Europe works councils are supported by the Central Works Council. Consultations with the trade unions on employment terms are held regularly. Central consultations are held at TSN level.

Due to the split of Tata Steel Europe into TSN and Tata Steel UK as of October 2021, the previous European Works Council (EWC) within Tata Steel Europe ceased to exist. In March 2023, a new EWC was established within the organisation of TSN.

In 2023, a collective labour agreement was agreed with the trade unions for a period of 18 months, from October 1, 2023 to March 31, 2025. Employees up to job level 17 received a salary increase of 7% as of October 1, 2023, and employees in job levels 18 to 20 received a salary increase of 5%. As of July 1, 2024, the salaries for all job levels will increase by 3.25%. It has further been agreed that the Generation Pact (see glossary) will be extended by two years.

Industry organisations

In addition to working with customers, we look for opportunities for improvement through various discussions, consultations and collaborations. To this end, we form networks with customers, suppliers, external institutions, NGOs, industry organisations and the semi-public sector. The appendix contains an overview of industry organisations and networks in which TSN participates.

CUSTOMER AND VALUE



Because of its strength, versatility, recyclability, and contribution to safety and innovation, steel plays a vital role in our society. As a result, the average steel usage is 1 kg per European per day. Thus, it is one of the foundations of our present society and a building block upon which advancements in society like electric vehicles, solar energy, wind power, and energy-efficient buildings are built. Tata Steel Nederland (TSN) is an important contributor to these advancements.

Ambition

Tata Steel Nederland has the ambition to support customers to be successful in their markets, with the ease of doing business being of utmost importance to us. We develop innovative steel solutions – products and services – within our own Research & Development (R&D), and through strategic R&D partnerships. For decades, we've prioritised enhancing our processes and products to facilitate the creation of sustainable end products and enable our customers to process our steel sustainably. Now, we're also working collaboratively to make our steel and supply chain more sustainable.

Goals

- Being a reliable partner and growing customer satisfaction.
- Developing joint sustainability strategies with our customers.
- Growing in markets with long-term potential.

Results financial year 2023-2024

- Continuing our Zeremis journey: in addition to Zeremis Carbon Lite, we successfully launched a second solution named Zeremis Delivered.
- Several Zeremis Carbon Lite deals closed in various markets, first Zeremis Delivered deals closed and 13 MoUs (Memorandum of Understanding) signed with several market leading companies.
- All 11 newly launched products outperform current product variants in terms of sustainability.

SDGs



Industry, innovation and infrastructure



Climate action



Partnership to achieve goals

Innovations for a clean, green and circular world

Innovations are key in the business strategy of Tata Steel Nederland (TSN), while we focus on sustainability. Aligned to changing customer demand, we are gearing our portfolio towards markets that reward steel with a lower CO₂-intensity.

We are deploying value strategies in our chosen market segments. Cross-functional departments are working closely together to develop products that meet future demand. Examples are our full finish products, our advanced high strength steels and our electric mobility battery steel grades. Other examples include MagiZinc® coated steels for solar energy applications, specialised strip steels for heavy vehicles and TCCT and Protact® product solutions for the packaging sector.

In our chosen markets, we strive to cultivate long-term partnerships with customers and deliver quality products, which is key to accelerating the adoption of low and zero-carbon products. The capacity of the Direct Reduced Plant and the Electric Arc Furnace (EAF) have been designed to allow for a steady flow of scrap, in addition to iron, into the electric arc furnace. We also invest in secondary metallurgy facilities, ensuring that also our EAF based production route delivers the high quality advanced steels.

Upgraded assets add more value

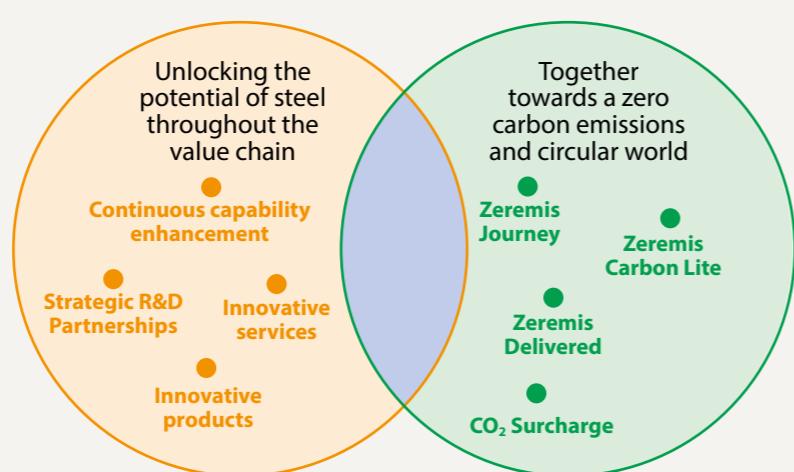
With our continuous capability enhancement, we strive to provide value-added, high-quality steel that contributes to products that are more efficient and sustainable over their complete lifecycle.

During the reporting year we started to see the benefits from the upgrade of our Continuous Galvanising Line 3, providing us with improved temperature control and increased furnace heat capacity. This enables a more robust production of advanced (ultra) high strength steels with increased dimensional windows, allowing for affordable vehicle light weighting.

The extensive upgrade of Cold Mill 21 features new and important capabilities, mainly focusing on steels for the automotive sector. The upgraded mill is able to manufacture grades, such as existing and future advanced and ultra-high strength steels, with significantly larger dimensional windows, improved surface quality, improved thickness performance, and a better surface inspection to improve customer performance.

Through the implementation of project STORM, an improvement in the control of cooling in the Hot Strip Mill has been achieved. Cooling can now be more targeted, which has a positive effect on the quality and durability of high-strength steels. As a result, the steel retains its quality in more extreme conditions, such as those found in cranes and trucks.

Improving how people around the world work, live and move through sustainable steel



Steel is special

Steel is a highly valued material that is renowned for its indispensable role across many applications. In the Netherlands, the daily per capita consumption of steel amounts to approximately one kilogram, a figure on par with the annual output of steel by TSN. This robust demand underscores the intrinsic value of steel, attributable to its special properties. Notably, steel exhibits strength, rendering it suitable for the construction of large structures. It is also easy to shape and can withstand wear and tear. Steel stands out as one of the foremost recyclable materials and can be recovered and melted down with relative ease. The worldwide recycling rate of steel at the end of its first useful life depends on the end-use, varying from 50% for domestic appliances, 78% for packaging, 85% for construction and at least 90% for passenger cars and machinery.*

Our steel contributes to advancing sustainability in our customers' products. Through the implementation of thinner steel, we help reduce fuel consumption in automobiles. Additionally, specialised coatings enhance the longevity of diverse end products, thereby promoting resource conservation, and long-life solutions to many construction appliances. Our coatings applied to packaging steel ensure prolonged freshness of canned food and reduce food waste in the value chain. At the same time these coatings reduce emissions at our customers' production locations.

However, our steel production still relies on blast furnace technology at present, and thus yields notable CO₂ emissions. In response, we are working hard to decarbonise our production, working towards embodied green steel within an environmentally conscious framework (see chapter 4 for further details). We firmly believe that green steel represents the future of steel production, serving as a cornerstone for sustainable construction, transportation, renewable energy generation, and the development of environmentally responsible everyday products.

* Sources:
• APEAL, representing steel packaging recycling across Europe
• World Steel Association

Product development

In the reporting year we launched and commercialised 11 new products in the engineering, automotive and packaging sector. This page highlights some examples.

Abrasion resistant steel for use in tough conditions comes in extra-wide dimensions

Valast

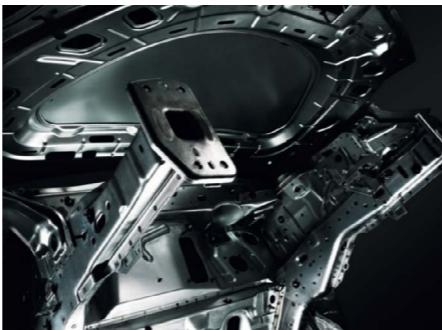
Our engineering portfolio is extended with the AR400 Valast product, which is the widest strip product in combination with high thickness on the market with superior surface quality. The IJmuiden hot strip mill can roll two-meter widths of high-quality material and our unique decoiling facilities at Feijen add flexibility and tailored lengths. This product is used in agricultural and heavy vehicle production. Its increased hardness and strength quality offer lightweighting opportunities.



Weight saving opportunities for various car brands

DP800-GA

Our automotive portfolio is enriched with the DP800-GA product, a grade with a special galvannealed zinc-coating, that is currently used by various car brands to strengthen and lightweight their existing car bodies. With increased strength in passenger safety cells, this product offers weight saving opportunities of up to 15%.



Sustainable, tin-free and REACH compliant steel for food cans

Protact TCCT

We developed and commercialised a Protact polymer coated packaging material. This led to a complete redesign of our customers' food can. The material is more consumer friendly and even more sustainable, as it is tin-free and REACH compliant. REACH is a regulation in the European Union that requires manufacturers to make sure their products are safe and to provide detailed information on the substances they contain. The TCCT* material is produced by a Chrome 6+-free production method and has a 35% lower contribution to climate change compared to the traditional product.



Steel for reusable and recyclable party cups

Protact for beverage

Another newly introduced packaging product is Protact for beverage. The material is used to introduce reusable and recyclable party cups to replace single use plastic cups.



Developing processes

TSN is revamping its new product development process. During this transition, we're collaborating with customers to develop new products, leveraging our current assets. We're also refining decision-making to prioritise lower carbon steel production. Timely product redevelopment ensures optimal manufacturability, delivering low and zero-carbon steel qualities that empower customers to meet society's sustainability needs.

We have also identified future digital fields of play and new digital opportunities in the market for TSN. As part of this process, we aim to market a number of digitally available services that provide customers with relevant data and insights, such as twin coil quality data, the Aurora database for simulation and lab data sharing, as well as improved electronic data interchange (EDI) to accurately inform customers about steel production, supply chain and stock management.



* TCCT® (Trivalent Chromium-Coating Technology) is a sustainable, reliable replacement for conventional tin-free packaging steel (ECCS)

Assessing carbon footprint

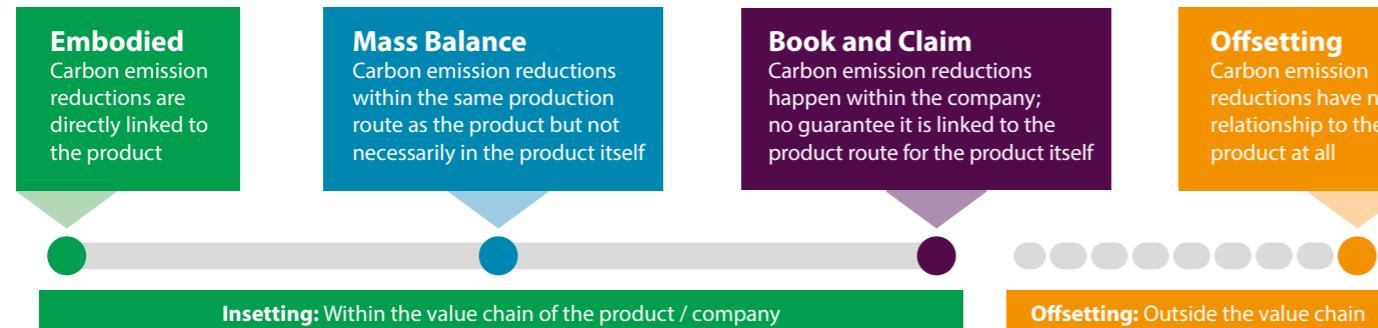
In our ongoing efforts to reduce our carbon footprint, we conduct life cycle assessments (LCA) for our products. Throughout the financial year 2023-2024, our primary focus was on updating environmental product declarations. During the reporting year, the LCA team successfully updated declarations for Building Envelope, Packaging, and Coil Products, while also initiating preparations for declarations in the Tubes and Plating sector. Additionally, we provided support for our commercial teams in addressing sustainability inquiries and staying informed about policy and technical standard developments.

The joint journey with our customers

With Zeremis Carbon Lite, customers of Tata Steel Nederland (TSN) can already take responsibility for decarbonising their own steel value chain and building their green brands.

Zeremis - short for zero emissions - is our brand that represents the journey TSN is taking with customers towards a zero-carbon emissions, circular world. The brand introduces several low carbon steel propositions, of which the first, Zeremis Carbon Lite, was launched in 2022. Our customers achieve CO₂ savings based on measured and assured CO₂ emission reduction projects in the supply chain at TSN. (For these projects: chapter 4).

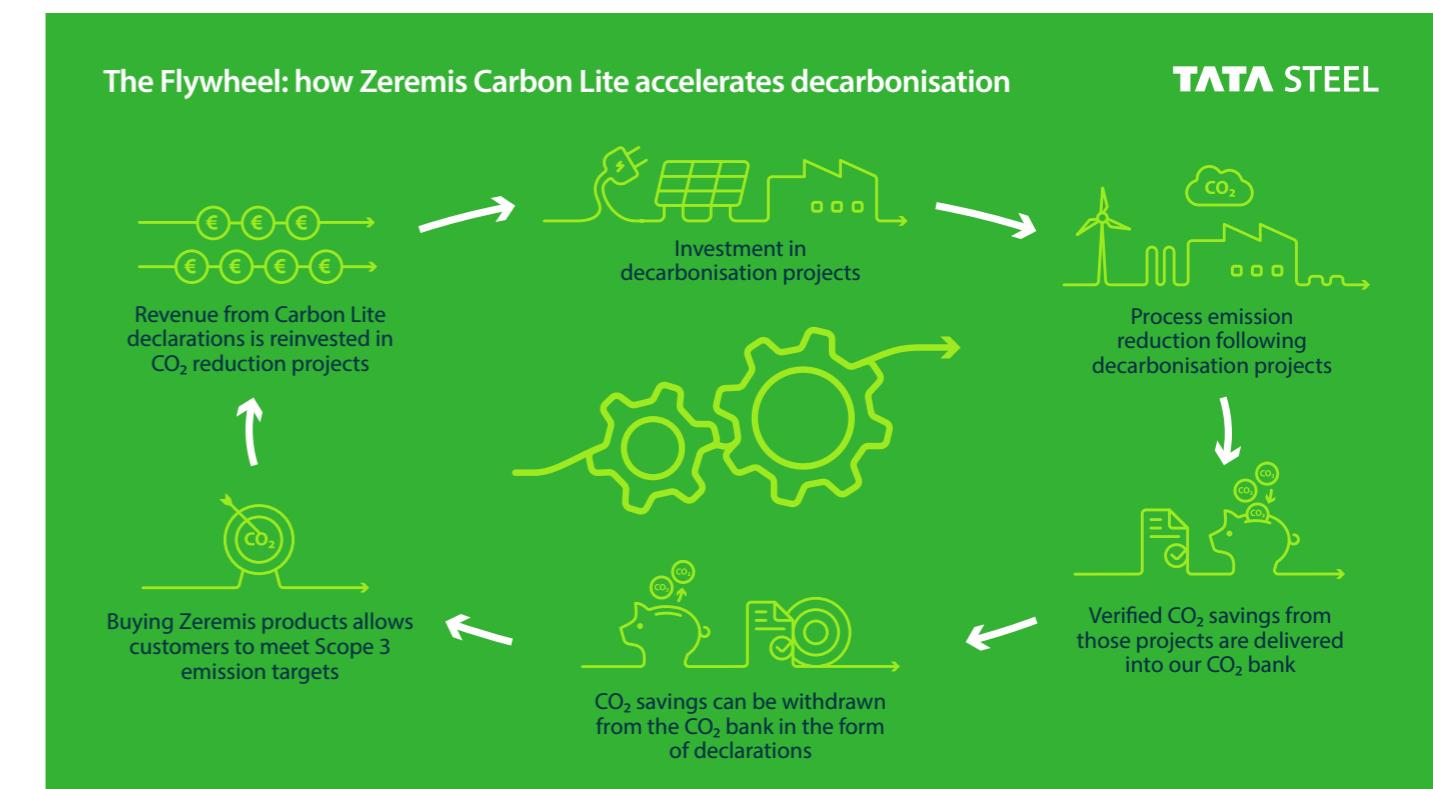
Zeremis Carbon Lite is an insetting scheme (see the scheme on this page), purely mass balanced, delivering decarbonisation of our customers' supply chain. CO₂ savings realised from our carbon reduction projects are all independently checked and assured against a baseline set by Det Norske Veritas (DNV GL). The assurance statement, describing the exact project details and project results, and CO₂ savings go into our carbon bank, which is then available for our sales team to sell to customers. Greenhouse gas reductions apply within the direct value chain, so the CO₂ savings have happened in the process route related to the product purchased.



There are various ways in which a company can reduce their carbon emissions. The illustration above shows a continuum of various carbon reduction solutions based on how much of the carbon emission reductions are directly related to the product. The more a solution is positioned to the left, the closer its relationship to the product. Three of the solutions fall under Insetting, meaning they apply to CO₂ savings made within the company's own business or within the products value chain.

A declaration of the reduced footprint accompanies the sale of the specific coil. In accordance with the Greenhouse Gas Protocol, customers can then report the CO₂ savings as a genuine scope 3 reduction. By buying Zeremis Carbon Lite from TSN, customers make decarbonisation initiatives possible which were otherwise not feasible. In the reporting year, Zeremis Carbon Lite contributed to carbon reductions in sectors such as packaging, engineering and other general industries.

Zeremis Carbon Lite: flywheeling CO₂ reduction

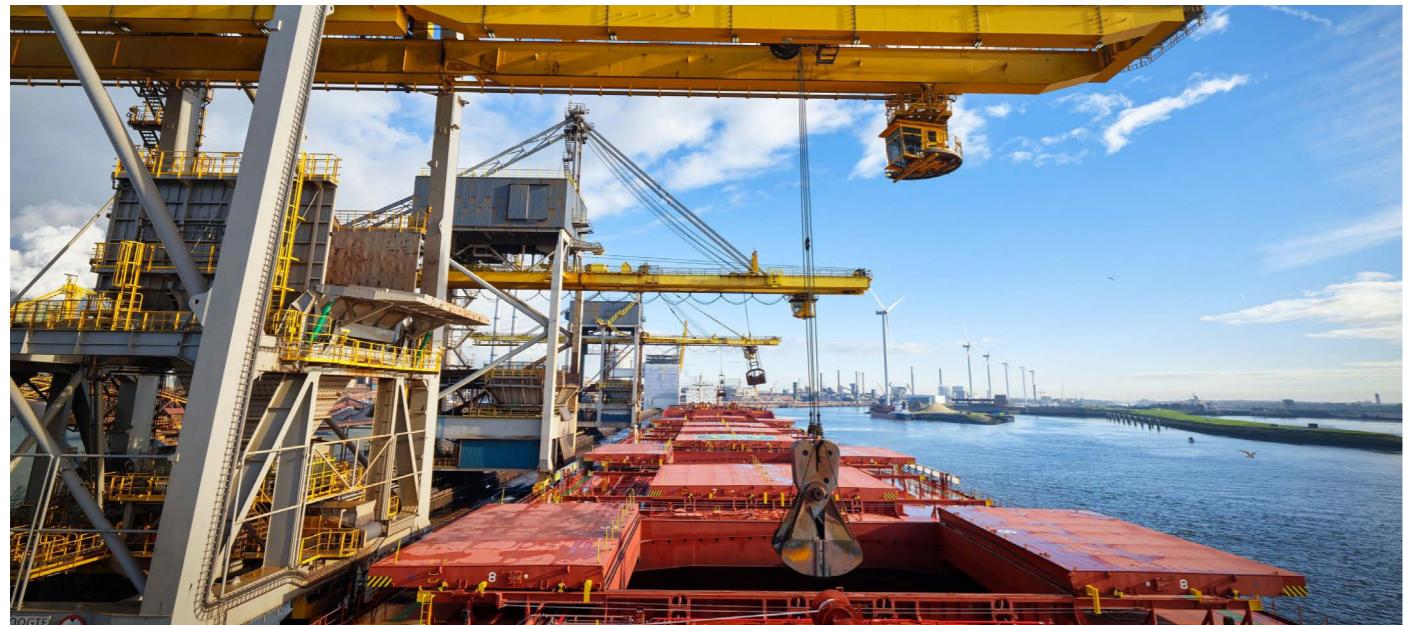


Through the method of mass balancing, savings are not spread across all products sold, but aggregated into substantial carbon reductions of a magnitude that is interesting for customers to report in their Scope 3 emissions.

New MoUs signed

Besides Zeremis Carbon Lite, Tata Steel is also offering its customers the option of securing the Zeremis embodied lower carbon steel that will become available when the Steel Plant in IJmuiden transitions to low carbon steel production (see chapter 4). In the reporting year, TSN has signed a memorandum of understanding (MoU) with various customers in the automotive, engineering and packaging sectors.

2.2 Sustainability in our steel



Zeremis Delivered: low-carbon transport

At the end of 2023, we launched Zeremis® Delivered, the solution that allows customers to receive their steel orders via lower-emission transportation methods. The service enables customers to reduce their scope 3 emissions, along with other emissions linked to the transportation of their steel. Under the Zeremis Delivered brand, we will introduce a broad range of reduced and zero emission logistics solutions across modalities such as the use of biofuels, electric and fuel cell technologies.

The first solution offered is using HVO100 as alternative fuel in truck transport. This makes Zeremis Delivered available to customers located within 300 kilometres driving distance from multiple TSN locations and partner sites. This enables steel buyers to save 90% CO₂ emissions on transport. HVO100 is 100% hydrotreated vegetable oil, sometimes known as renewable diesel. It is produced from waste such as animal fat from food industry waste and used cooking oil. We started with converting 50 trucks to drive on HVO100, replacing conventional diesel.

Instead of dedicating HVO100 trucks to specific customers, the applied insetting 'book and claim' methodology allows the decarbonisation of road transport to move faster, more efficiently and eventually at lower costs. Customers can report the logistics CO₂ reduction under their scope 3 emission reduction.

Focusing on our outbound transport, we have already achieved 25% CO₂ reduction against the 2019 baseline by means of load optimisation, modality selection, heavy loads and empty miles reduction. Meanwhile we are experimenting with biofuels and electrification across the modalities to meet our ambition and ongoing dedication to reduce the carbon emissions of our customers' inbound transport network by 30% by 2030.

In partnership with logistics suppliers and knowledge centres we are piloting more innovative solutions in which the full range of transport modalities including truck, barge, rail and sea-going vessels are in scope. One example is the pilot of electric trucks to gain commercial and operational experience and thereby prepare us to move to full electrification as soon as possible.

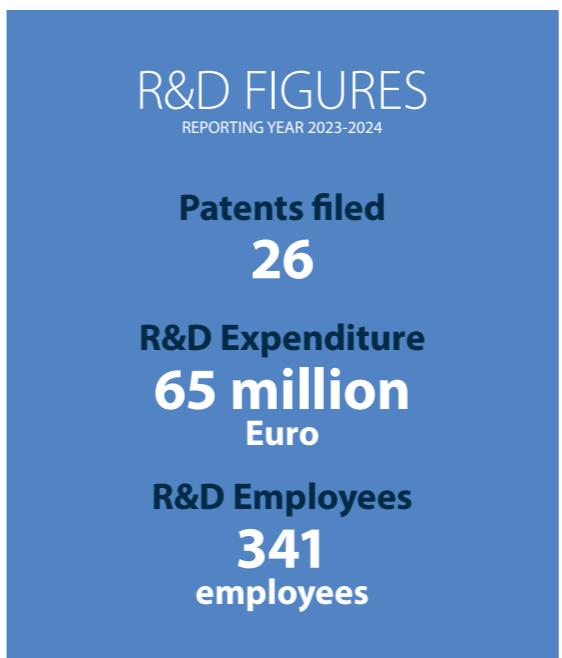
Other green steel solutions are under development. At our Downstream units for instance, we are working on the decarbonisation of their local production processes and supplier base. One example is Tata Steel Maubeuge with its rolling and coating processes for which significant investments are already under implementation. In the end, TSN has the ambition to become carbon neutral in steel making, steel processing and the transport of the steel to its customers.

2.3 Research & Development

Investing in the future

At Tata Steel Nederland (TSN), we create value through innovation. Our Research & Development (R&D) department continually supports our business units by optimising processes and ensuring consistency in the quality of our products. This year, our innovations have led to over 20 process improvements, 11 new product developments, and to 26 newly filed patents.

Our transition to green steelmaking requires fundamental research in every aspect of the adjusted steelmaking process. A great deal of this research is carried out in close contact with the academic world. This cross pollination increases the impact of our own research and gives us access to fundamental knowledge and the newest technological developments. It also ensures societal relevance and engagement. To ensure the best possible utilisation of our products, we extensively sample, test and characterise the behaviour of all our products.



Focus areas

Throughout our entire organisation, people contribute, whether in a big or small way, to the implementation of our strategy towards green, clean, and circular steel. Besides this, TSN has dedicated more than 20 full-time equivalent staff to research on decarbonisation, and also works with multiple partners in institutes and academia. We also have been awarded a substantial Dutch and European subsidy in support of this extension to our R&D programme, underlining the importance placed on this work by society. Next to decarbonisation, we commit to clean production processes with maximised scrap input, enhancing our contribution to the circular economy.

Fundamental research: Wind turbines and Einstein Telescope

R&D are developing lightweight tube concepts with reinforcing ribs and steel grades that dampen vibrations efficiently. We recognise opportunities for these technologies in markets that use large diameter tubes, such as wind turbines.

The project Einstein Telescope Technologies has been initiated to develop critical technologies for observing gravitational waves, within a collaborative framework of universities and Dutch high-tech industries. The R&D department has proven that our low carbons steels are ideal materials for such tubes that operate under ultra-high vacuum conditions.

Data Driven Steel

A growing focus is on the advancement of data-driven steel. These efforts aim to drive sustainable developments by providing insight into the ecological footprint of processes and products. Also, to prepare for the transformation to a circular economy, there is a need to know the origin and composition of the reclaimed end-of-life products. Accompanying our products with detailed and relevant data also promotes the efficient use of our products by our customers.

THE ENVIRONMENT AND COMMUNITY



At Tata Steel Nederland (TSN), we are conscious that our activities have an impact on local communities and the environment as a whole. Therefore, we are transitioning to running our business with the least possible impact. With our Roadmap programme (started in June 2019) and our decarbonisation strategy, we strive for green steel production in a clean environment. In this chapter, we report on the realised and planned improvements to reduce our emissions and nuisance for local residents.

Ambition

We want to further reduce the impact of our processes on our environment. To this end, we have taken numerous measures. Now that many of them have been delivered, we can measure whether they are indeed having the effect we aimed for. It is our responsibility to deliver on the Roadmap Plus promises.

Goals

The Roadmap programme defined the following emission reduction goals compared to 2019:

- 85% less odour load by 2023
- 65% less dust precipitation in Wijk aan Zee by 2024
- 70% less lead by 2023
- 35% less particulate matter by 2023
- 55% less heavy metals by 2023
- 30% less nitrogen oxide by 2025
- 50% less PAHs for the three largest emission sources on our IJmuiden site by 2022

For reference,
please check our
latest dashboard.



We aim to reduce noise from our site to the maximum.

Results financial year 2023-2024

- The emission of particulates and heavy metals has decreased and will decrease much further in 2024 due to the commissioning of the dedusting facility at the Pellet Plant in December 2023. Measurements will be carried out from 2024 onwards. This means that we can verify the expected results later in 2024. In addition to this, fume extraction forge hoods were installed at the Steel Plant and casthouses at the blast furnaces.
- Following the successful completion of the Pellet Plant's dedusting facility, work has commenced on the construction of the deNOx installation to reduce nitrogen oxide emissions.
- To reduce dissipation of raw material particles (dust), we are currently building a windbreaker of about 1 kilometre long and 18 metres high along the site perimeter.

Roadmap Plus results in earlier years

- Odour emissions at the Steel Plant and Coke and Gas Plant 2 have been more than halved.
- We have also worked to reduce noise pollution around our site by adjusting the volume, frequency and position of our alarms at rail crossings. We have added cushions to our trains, installed insulation, erected noise walls at our scrap yard and installed shelters at various points on the site.
- 95% of the three thousand lights on the site have been replaced with less light emitting LEDs to reduce light pollution.
- 2022: We achieved 50% reduction in PAH emissions at the Cold Strip Mill, Sinter Plant and Cokes and Gas Plant 2 in 2022, the three largest emission sources of PAH substances at the site.

SDGs



Sustainable cities and
communities



Responsible consump-
tion and production



Life on land

Additional measures to further reduce emissions

In recent years, Tata Steel Nederland (TSN) has achieved measurable reductions in its environmental impact with numerous new improvements under the Roadmap Plus programme. Further improvements are underway. We continue to engage with local residents, authorities, companies and other organisations to ensure that we are focusing on the right areas to minimise our impact on others in the community.

To secure our position in the Netherlands and Europe, we must produce steel in a future-proof, cleaner manner. We aim to not only meet European and Dutch laws and regulations but we also strive to exceed them whenever feasible.

In June 2019, we launched the improvement programme Roadmap, with a wide range of additional measures to further reduce our environmental footprint in the surrounding area as much and as quickly as possible. This capital-intensive improvement programme is building on our previous improvements. Finalising this program will be one of our main priorities in the coming year. At the same time, we continue to explore new opportunities to further improve.

PAHs

Goal: Reduction of Polycyclic Aromatic Hydrocarbons (PAH) emissions by approximately 50% at the three largest emission sources.

Status: At three sources emitting high levels of PAH substances (Cold Strip Mill, Sinter Plant and Cokes and Gas Plant 2) we have implemented measures to reduce emissions. The emission of PAH substances at these plants decreased by more than 50% in 2022 compared to 2019.

Dust deposition

Goal: 65% reduction of Tata Steel-induced deposition of visible dust (solid particles) in Wijk aan Zee by 2024.

Status: Analyses of dust complaint samples from Wijk aan Zee show that we have already taken a good step on slag dust. They show that the proportion of slag dust in the area has structurally decreased, from 50% in the first half of 2019 to below 30% on average every quarter thereafter. Examples of further measures that have been taken, are in ore preparation where spraying of storage piles and misting installations have been commissioned, as well as the removal of two emission points at the Sinter Plant. In 2024, the construction of a large windbreaker (18 metres high, about 1 kilometre long) will start around the perimeter of the raw materials storage facility. At the same time, the blast furnaces' bunkers will be partially enclosed. Through these measures, we expect a further reduction in dust release to the environment, and so dust deposition in Wijk aan Zee.



Map of short and long-term measures



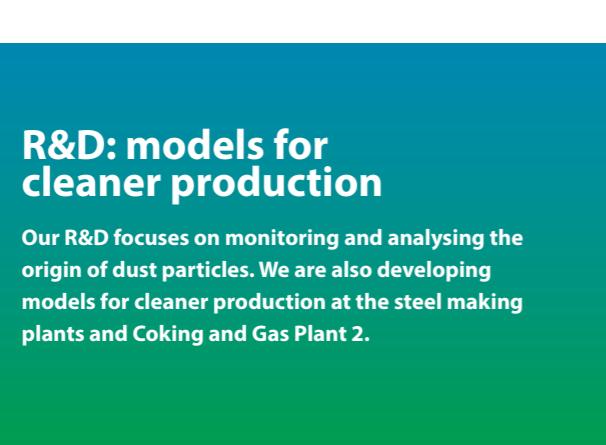
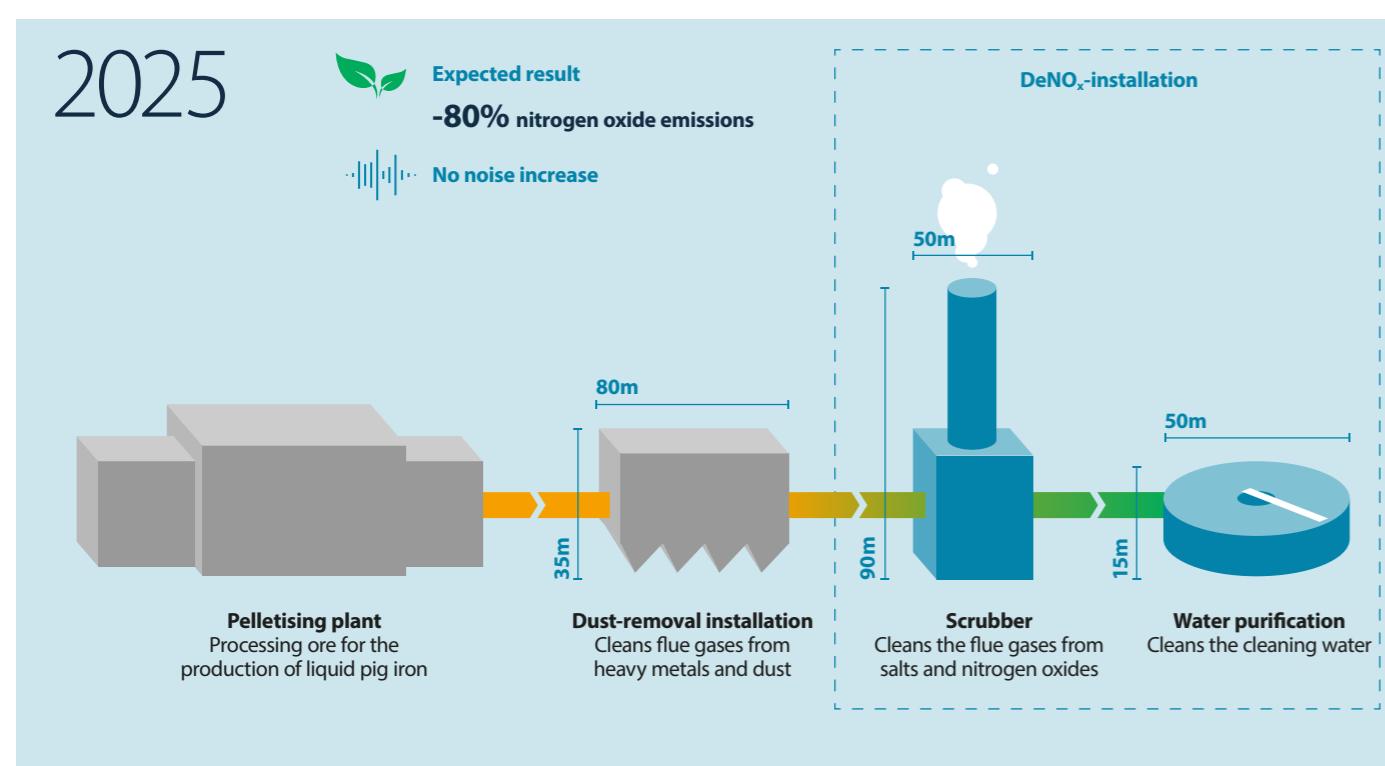
Scan the QR code for an interactive overview of our measures for a better living environment and future green steel production (select language).



Nitrogen oxide

Goal: Nitrogen oxides emissions reduced by around 30% by 2025.

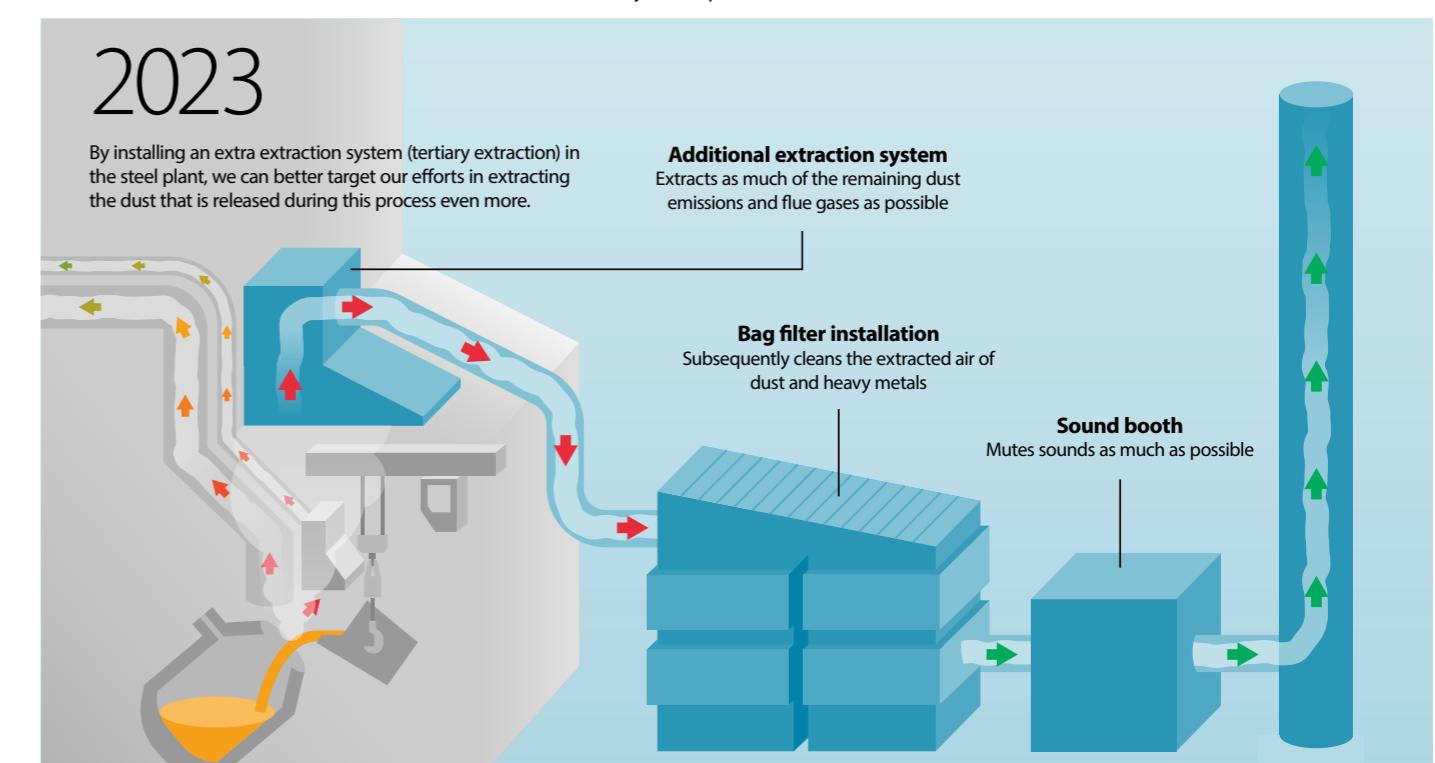
Status: In 2023, we started the construction of the new deNOx installation at the Pellet Plant. Our aim is to deliver this installation in 2025. In addition to the investments managed in the Roadmap Plus programme, other measures to reduce nitrogen oxide emissions are ongoing in the short term. These include biofuel vehicles, and shore power for inland vessels. Our transition will reduce the carbon content of our steel production and will also lead to further reductions in nitrogen oxide emissions. (Chapter 4).



Heavy metals, lead and particulate matter

Goal: Reduction by the end of 2023 by around 55% in heavy metals, around 70% in lead and around 35% in particulate matter.

Status: Emissions of particulate matter, heavy metals and lead have already been reduced thanks to the new dedusting installations at the Sinter Plant. We anticipate further positive results in the coming years now that three major installations have been commissioned: the dedusting installation at the Pellet Plant, the six additional forge hoods at the blast furnaces and the additional extraction hood at the Steel Plant. Measurements will also be carried out from 2024 onwards. This means that we can verify the expected results later in 2024.



Noise

Goal: Complete the planned noise reduction measures.

Status: Most of the noise reducing measures from 2022 have now been implemented, such as noise reduction of the alarms on our conveyor belts and measures in our train transport to avoid specific noise sources. Reducing noise remains an important point of attention but despite the many improvements in this area, sounds are still being heard in the surrounding area. Eliminating these completely will not be possible. However, we do our best to reduce disturbing noises: efforts are ongoing. For example, we do not handle scrap during the night. At places where effects could be improved further, such as near the silencers in the Steel Plant, we continue with new plans.

Light

Goal: More than 95% of lights replaced with LED light.

Status: Almost all 3,000 conventional bulbs on the site were replaced with LED lighting. Not only does this save electricity, LED also scatters considerably less light in the surroundings. The LED lamps are also individually dimmable and, thanks to their direct illumination, contribute to reducing light pollution.

Odour

Goal: Reduction of approximately 85% of the number of hours that local residents experience unpleasant odours by the end of 2023.

Status: According to measurements we have been able to reduce odour emissions at Coke and Gas Plant 2 by approximately 75%, thanks to various operational measures, for example by overhauling the coke chambers and oven pressure control. We have also reduced odour emissions by approximately 50% when heating steel ladles in the Steel Plant. The vapour scrubber at Pickling Line 22 has been installed and we are looking at additional measures to further reduce odour emissions. We will be carrying out further measurements to ensure continuous improvement.

The biggest vacuum cleaner in the Netherlands

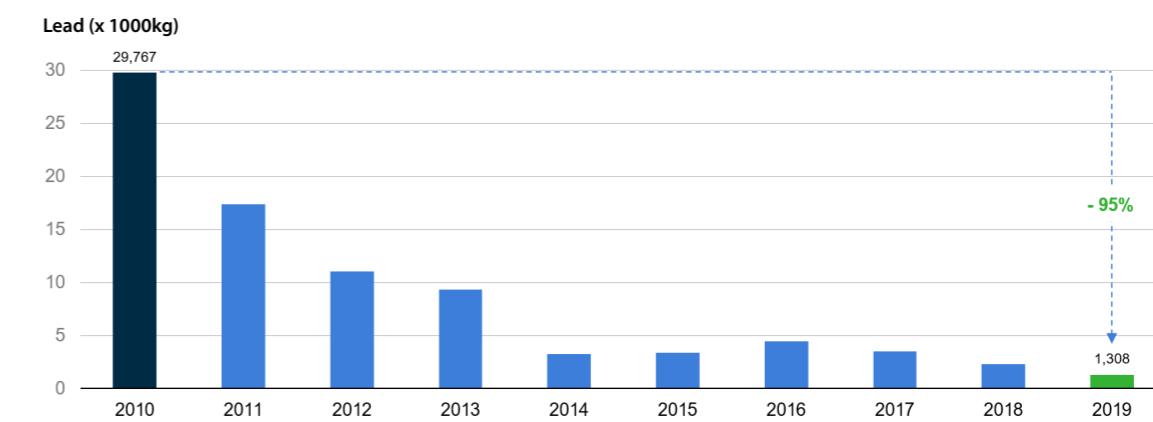
The dedusting installation at the Pellet Plant looks a bit like a vacuum cleaner, only it is bigger than a block of flats and stronger than 20,000 household vacuum cleaners combined. We commissioned it at the end of 2023, reducing our emissions of dust, lead and heavy metals by about 80%. Since completion of the dedusting installation, we followed up with the building of a deNOx installation at the Pellet Plant. We aim to connect this installation to be connected to the dedusting installation in 2025. Once installed, it will remove around 80% more nitrogen oxide from the exhaust gases from the Pellet Plant.



Lead emission

We work continuously to reduce emissions of heavy metals such as lead. Since 2010, our lead emissions have been reduced by more than 95%, mainly thanks to fabric filter installations at the Sinter Plant. The amount of lead emitted by Tata Steel in 2010 was 29,767 kg. In 2019, this emission was reduced to 1,308 kg.

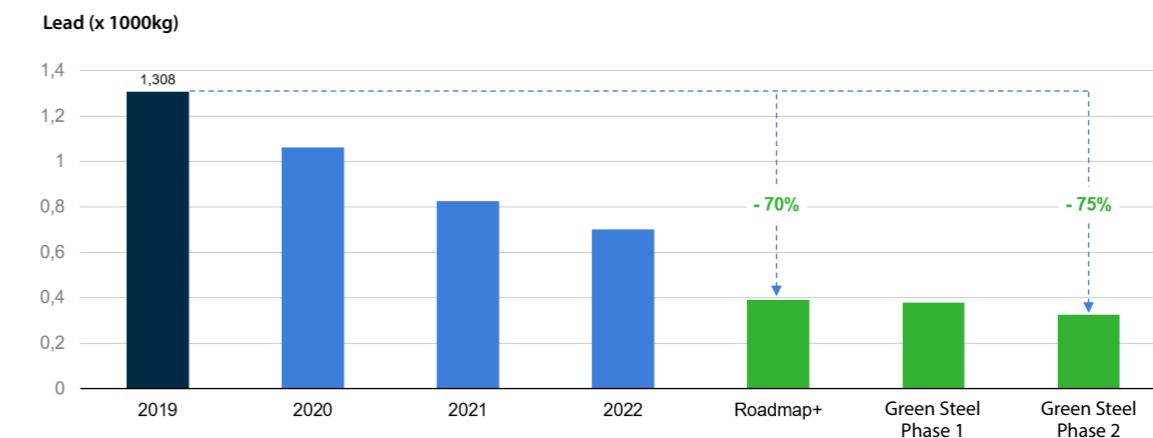
Lead emissions



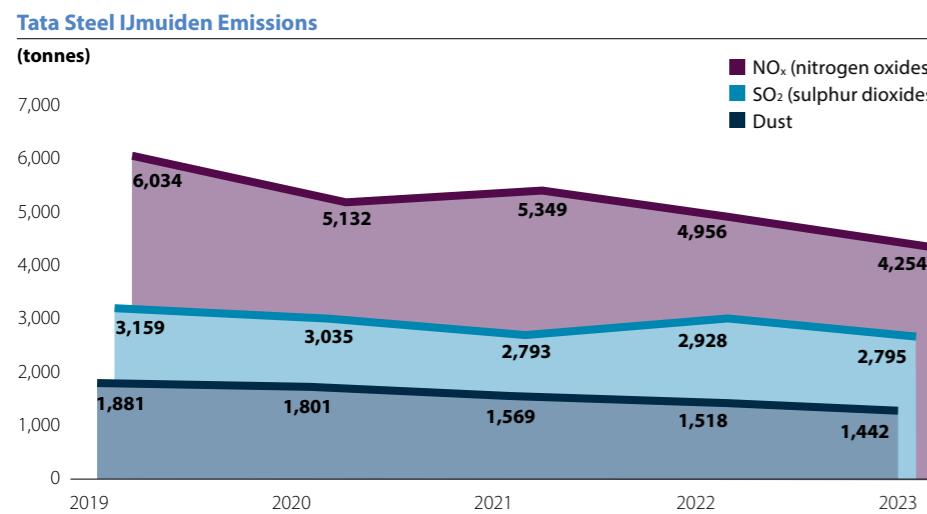
We expect our lead emissions to fall even further as a result of three environmental installations that have recently been installed as part of the Roadmap Plus programme:

- dedusting installation at the Pellet Plant
- additional environmental installation at the Steel Plant
- additional exhaust hoods at the blast furnaces

Lead emissions



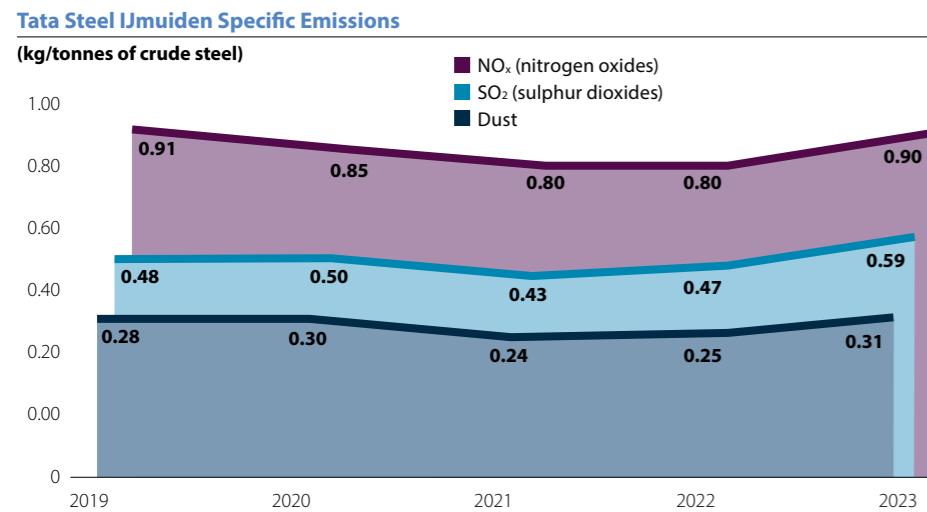
Tata Steel IJmuiden emission results



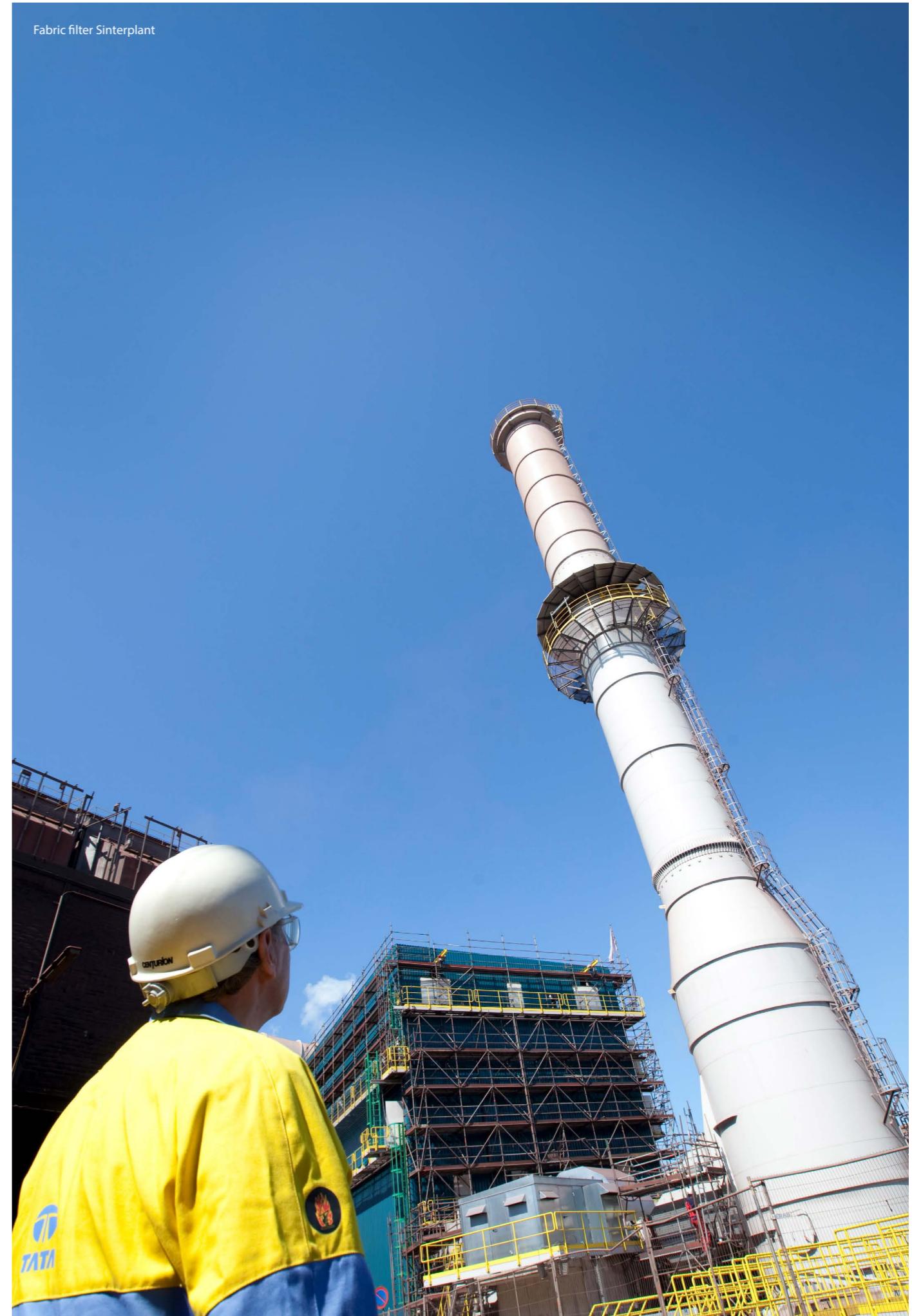
NO_x: The main decrease in total emissions is production related. This decreasing trend is due to several projects such as the replacement of one of the furnaces at the Hot Strip Mill. This trend is expected to continue, especially when the deNO_x installation of the Pellet Plant is in operation.

SO₂: This is mainly released when coke gas is used. The coke and gas plants continued to run almost constantly last year despite the relining of Blast Furnace 6. Therefore, the production of coke gas and hence SO₂ emissions are more or less the same in all years.

Dust: The main sources of dust are open raw material storages and roads. Emissions from open sources are directly related to the amount of raw material and thus production. Therefore, we see an absolute decrease in total dust emissions for 2023. Road emissions were higher last year because of more transport movements caused by the collapse of a conveyor belt. As a result more raw materials were transported by truck.



The specific emissions per tonne see an increase. This is mainly due to the lower steel production in the last year, due to the Blast Furnace 6 relining.



3.1 Roadmap Plus

Roadmap Plus: Moving faster towards a better living environment

Version: March 2024

Being investigated In preparation Being implemented Realised

	2019/2020	2021	2022	2023	2024	2025	2022	2023	2024	2025
Dust										
1 Slag processing roofing in converter slag cooling process										
2 Blast furnaces: air screen above casthouse runners										
3 Blast furnaces: new type of suction hoods										
4 Raw materials logistics: windbreaker										
5 Raw materials logistics: roofing in and exhaust system blast furnaces supply and bunker										
6 Raw materials logistics: operational measures										
7 Steelmaking plant: extra exhaust system										
8 Pelletising plant: dedusting installation										
9 Sintering plant: ESP filter installation										
Odour										
1 Coking plant 2: mechanical sealing										
2 Coking plant 2: individual furnace pressure control										
3 Coking plant 2: operational measures										
4 Steelmaking plant: operational modifications ladle drying station										
5 Steelmaking plant: new type of ladle drying station										
6 Cold strip mill: operational modifications Pickling line 22										
7 Cold strip mill: new vapour scrubber for Pickling line 22										
8 Extending E-nose network										
PAH substances										
1 Blast furnaces: closure taphole clay plant										
2 Cold mill: cleaning waste gases during annealing										
3 Sintering plant: optimize flue gas cleaning										
4 Coking plant 2: operational measures										
Noise										
1 Steelmaking plant: new silencers for primary exhaust system										
2 Scrapping park: operational modifications										
3 Raw materials logistics: new alarms for conveyor belts										
4 Northern site: reducing noise from trains										
5 Steelmaking plant: reducing noise from slab yard										
6 Cold mill: casting scrapping bin										
Biodiversity & other										
1 Pelletising plant: DeNOx plant										
2 New vegetation Northern site										
3 Reducing light scattering										

The aforementioned results are based on expected decreases compared to 2019. To verify these decreases, we will need to do several measures. Measurement will also take place in 2024 and therefore verification will also occur in the year 2024.

* We have taken measures at three sources that emitted a lot of PAHs (Auxiliary Plant, Cold Strip Mill and the Sinter Plant). PAH emissions at those three factories have decreased by more than 50% in 2022 compared to 2019.

Maximum reduction
of noise within safety margins

30%
reduction in nitrogen
emissions (NOx)

50%
less emissions of
PAH substances

85%
reduction in odour
nuisance for immediate
residential environments

35%
fine particle reduction
55%
reduction in heavy
metal emissions
65%
reduction in
dust deposition
70%
reduction in
lead emissions

How we measure emissions

Tata Steel Nederland (TSN) has measurement specialists who carry out measurements in all environmental sub-areas. Measurements are carried out for all plants within the TSN organisation. Our commitment to quality improvement of measuring is long standing; in collaboration with stakeholders and experts, we continually strive to enhance our processes and take on new initiatives.

Licensing authorities, measurement and monitoring programmes and the reporting of environmental incidents require demonstrable independence. We have therefore gone through the Council of Accreditation (RvA) process for various measurement operations. This not only signals that our measurements pass the test of independence, external clients of TSN can also use this to prove that they have their measurements carried out by an independent body. We also use external agencies to have measurements carried out. The accredited operations cover almost all environmental sub-areas.

We conduct investigations into soil, groundwater, residues, water, odour, air and noise. The results of the operations are recorded in measurement reports. The data are used in measurement and control programmes and process optimisation. Measurement reports are also required for licensing obligations and environmental incidents. We have completed the accreditation process for various operations and obtained the accreditation certificate (L595). We carry out our work according to an established quality assurance system, in accordance with NEN-EN-ISO/IEC 17025.

Soil and groundwater investigations

These investigations include plotting and identifying drilling points to carry out soil drilling. We then take samples of the drilled material and install monitoring wells. These are used for ground water level determination, sampling and simple field determinations, such as pH and conductivity measurements.

Flue gas surveys

For flue gas measurements, Tata Steel has two measuring trucks at its disposal. Dust concentration measurements are carried out with one measurement van. Another van is equipped for online determination of the concentration of O₂, CO, CO₂, NOx and SO₂ in flue gases. We can take samples with gas scrubbers to have the content of HCl, HF, Hg, H₂S, NH₃, SO₂ in flue gas determined. We also sample heavy metals and other components.

Process-, waste- and surface-water investigations

This includes measurement of COD (chemical oxygen demand), Kjeldahl Nitrogen, legionella etc. For automatic sampling, we can use a water measuring truck equipped with a flow meter, various analysers and a (volume proportional) sampling device. The water measuring truck can measure and sample unmanned.

Noise research

TSN has specialists in noise control research, industrial noise and acoustic working conditions. We carry out measurements in accordance with ISO, NEN, DIN, HR-IL-13-01 and other acoustic standards. We carry out noise measurements at installations or, if necessary, in residential areas. TSN has an advanced measurement vehicle equipped for both short and long-term measurements. We use handheld equipment, with which a complete analysis, such as 1/3 octave frequency and statistical distribution, can be carried out directly in the field. We also have several continuous measuring stations. Three fixed stations are located in/near residential areas. We also have a number of mobile measuring stations that can be deployed on the Tata Steel IJmuiden site.

Embedding and connecting nature

While we are still at an early stage of deliberately integrating biodiversity at our site in IJmuiden, numerous relevant initiatives concerning biodiversity are already in place.

The biodiversity initiatives are part of a comprehensive biodiversity management plan that is titled Staalblauwtje (Steel Blue) which has been in place for a number of years. It aims to use our site at IJmuiden as a corridor between the two Natura 2000 dune reserves that border the site, creating better connectivity between these areas.

Biotope development

A mosaic of dune environments with corresponding vegetation are being developed on the IJmuiden site. Five different dune biotopes will be developed – open dune, damp dune valley, sea buckthorn thickets, dune forest and sun-loving pioneer and grassy shrubs. Based on the characteristics of the land, a relevant biotope is chosen to develop in specific areas. For this, species inventories have been conducted across the site in 2015, 2017, 2019 and 2023, identifying the types of flora and fauna found at IJmuiden as the dune environments develop.

We also worked with local communities in Wijk aan Zee in 2021 to restore local tree species along a green strip and put-up nesting boxes and bat boxes to preserve local fauna. While gathering information on biodiversity and having conversations with our local communities, we are on a journey to embed biodiversity as a key consideration of our sustainability strategy.

Reduction of nitrogen oxide and biodiversity

The Dutch nitrogen issue concerns the decrease in biodiversity in the Dutch Natura 2000 areas due to precipitation of nitrogen compounds (NO₂ and NH₃), also referred to as nitrogen deposition. Tata Steel emits 1% of the elemental nitrogen compounds in the Netherlands and RIVM has calculated that Tata Steel is responsible for 0.12% of the total nitrogen deposition on nitrogen-sensitive nature in the Netherlands, or the Natura 2000 areas. With the delivery of the DeNOx installation at the Pelletising plant in 2025 (see Chapter 3.1), we expect this will reduce nitrogen oxide emissions by around 30%. A decrease in nitrogen oxide emissions will have a positive effect on nitrogen deposition in the nearby Natura 2000 areas, and thus also on biodiversity, and to a lesser extent on air quality (NO₂).



External research on our impact in the area

While Tata Steel Nederland (TSN) continues to monitor and measure whether actions and implementations have the desired effect, there were also several external bodies that assessed our impact (and that of the industry in general) during the reporting year. The results provide insights that are often broader or deeper than TSN's own monitoring, and serve both the development of TSN's policies and those of the relevant authorities.

In March 2023, the Dutch National Institute for Public Health and the Environment (RIVM) published a report on the deposition (precipitation) of substances in the immediate surrounding of our IJmuiden site. On this basis, RIVM concluded that, compared to the first report two years earlier, a significant decrease in iron could be demonstrated. However in the dust that settled in the vicinity of Tata Steel IJmuiden, RIVM did not see a decrease in PAH (Polycyclic Aromatic Hydrocarbons) and metals. In its study, RIVM did not investigate the origin of the precipitated dust and therefore refrains from making any statements about the effects of the various environmental measures that Tata Steel has taken in recent years.

Another report published in September 2023 by RIVM, related Tata Steel's emissions to the increased impact of nuisance and illness for IJmond residents. The report confirms that our emissions comply with legal limits. However, the report also estimated that emissions of particulate matter and nitrogen dioxides reduce the average natural life expectancy of people living in Wijk aan Zee by 2.5 months, with the detrimental effects diminishing further away from the IJmuiden site. This raises the question of whether Tata Steel IJmuiden should be subjected to stricter standards than the current legal limits, to achieve greater health benefits. In response to these findings, and also considering the community's calls for additional measures, we are already taking proactive steps, for example by implementing our Roadmap Plus programme. (See chapter 3.)

The report has highlighted key areas for reducing the health risks to residents and improving the quality of their living environment. According to the research institute, particulate matter and nitrogen oxide are the main sources of these effects to health, more so than the emissions of PAHs and metals. Therefore, according to RIVM, health benefits can primarily be achieved by targeting further reductions in the emissions of particulate matter and nitrogen dioxide. This is where our Green Steel Plan comes in, which was also adapted following these findings. (For more details, see chapter 4.)

Advisory report Expert Group

In February 2024, the Expert Group Health IJmond presented its initial advisory report to the State Secretary of Infrastructure and Water Management, Mrs. Heijnen. The expert group was established by the State Secretary following the publication of the earlier RIVM report in September 2023 (see above). The expert group subscribes to the necessity to improve the living environment, with a sense of urgency. The work done and advice provided by the expert group are important to our plans and measures. Our efforts are focused on minimising the impact of our operations on the environment and local residents as much as possible, with health being of utmost importance. To us, these recommendations are crucial as we plan for the realisation of our future transition to clean and green steel.

Protecting local residents

In April 2023, the Dutch Safety Board (OVV) published its report following thorough research into the adverse impact to human health on living near industrial complexes in general, and what can be done to protect communities from exposure to those emissions. The research, findings and recommendations are very helpful in checking against our current action plans and enhancing them further. The report also shows that certain matters have since been improved when it comes to information provision and measures against the nuisance people experience.

We too live in the IJmond region

We recognise that there's an expectation for Tata Steel Nederland to contribute to a cleaner and healthier living environment. This is a shared interest among us all, especially considering that most of our employees reside in the IJmond region, with their families and friends nearby. And, like the people living in our community, we too want to further reduce our emissions, minimise the nuisance people experience and take away the concerns they have as much as possible. We maintain ongoing dialogue with all parties involved: local residents, municipalities, the provincial authorities of North Holland and the environmental agencies, as well as experts, such as scientists and the Dutch government.

Complaints Procedure

Residents affected by disturbances from our operations in IJmuiden can report them to us through multiple channels, including the information desk in Wijk aan Zee, by phone, or by using a complaint form on our website. All complaints are investigated. We aim to trace the possible source of disturbance promptly and specifically on the premises and take necessary measures as quickly as possible.

Based on various data measurements and complaints, processes are improved wherever feasible. For instance, we've observed that noise disturbances are primarily associated with incidents such as impacts and collisions, as well as annoying sounds like whistling, humming, and buzzing. To determine possible noise sources, we install, for example, sound meters on cranes involved in scrap processing. When it comes to measures to reduce noise, we investigate the possibility of building dampers in certain installations.



Supporting local initiatives

Tata Steel is committed to maintaining a strong and lasting relationship with its community. Through our Future Generations programme, we prioritise sustainable projects that benefit the youth in our area. In this way we invest in the future of our neighbours and the environment in which we work. Additionally, we actively engage in local partnerships and involve both the local community and the business sector in our initiatives. Below we share a few of our ongoing efforts.

Founders Day 2024

Every year on Founders Day (March 3rd), all companies within Tata Group raise funds for a charitable cause. Employees of TSN enthusiastically participated and raised € 10,030 for the Brandwonden Stichting (Burn Injury Foundation) in Beverwijk. This organisation researches and develops new treatments for recovery from burns, as well as supporting victims of burn injuries. These are often children, and their families, during the often extended healing process. The money raised will be allocated towards purchasing an Active Floor learning and gaming system, to offer education and distraction to children enduring extended residential hospital stays at the nearby burns unit in the Red Cross Hospital in Beverwijk.

Women's football

For some time now, Tata Steel and Telstar Football have been working together as social partners. We think it's important that the entire region benefits from this sponsorship deal. For example, we support 'Telstar Thuis in de Wijk', a foundation that makes Telstar visible in society. Tata Steel also supports 'Playing for Success'. This is a playful, after-school programme for young people to give them more self-confidence, with a positive self-image and motivation.

In the reporting year we started working with the 'Witte Leeuwinnen' (White Lionesses). The women's footballers want to showcase themselves more in the IJmond region and, with the support of Tata Steel, will engage with a social theme that will also benefit girls in the region.



'Neighbour Tours'

On our site, we regularly organise tours for which local residents and other interested parties can register. During such a tour, we visit one or more factories and provide information about the steel making process. We also show what we do to reduce our impact on the environment and how we are planning to make lower-carbon and green steel in the future. In the reporting year, we organised 91 so-called "Burentours" and welcomed 2,250 interested guests.



Wei Yi wins Tata Steel Chess Tournament

In January 2024, the 86th edition of the Tata Steel Chess Tournament returned to Wijk aan Zee. Tournament ambassador Anish Giri defended his title, while World Chess Champion Ding Liren also returned to global chess after a long absence.

For the first time ever, seven players were still in the running for first place as they went into the final round. This led to a thrilling four-way tiebreak to decide the winner of this year's 'Wimbledon of Chess'. Former chess prodigy Wei Yi emerged as the victor, claiming his first tournament victory in Wijk aan Zee.

Alongside the top grandmasters, approximately 1,500 amateur chess players of all levels enjoyed competing in various amateur tournaments in Wijk aan Zee. There were also Youth Chess Simultaneous events, where around 125 children from the region played against well-known chess professionals. During the Tata Steel Chess Festival, a two-day family event, 3,000 visitors enjoyed activities for all ages in and around Wijk aan Zee.

DECARBONISATION AND SUSTAINABILITY



Tata Steel Nederland (TSN) is committed to reducing greenhouse gas emissions and making value chains more sustainable. The year 2023-2024 was dominated by the decarbonisation of our steel production during the coming years, as well as taking steps towards greater circularity through increased use of scrap. By making this transition we aim to contribute to the ambition of the Paris Climate Agreement as well as the Dutch climate goals.

Ambition

Lowering our carbon footprint, making the most efficient possible use of raw materials, scrap and energy, and maximising our positive impact on conditions in the value chain.

Goals

- CO₂ reduction of 40% by 2030 for Tata Steel in IJmuiden relative to 2019 by using a cleaner steel production process.
- Carbon neutrality by 2030 for our downstream locations.
- Carbon neutral steel production by 2045 at all TSN sites.
- Increased circularity: increasing scrap percentage from 17% to 30% by 2030, relative to 2019 for Tata Steel in IJmuiden.
- MAT score (Maturity Assessment Tool): achieve 75% on our internal assessment of due diligence system (chapter 4.5).

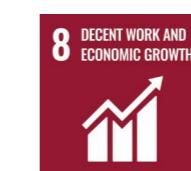
Results financial year 2023-2024

- Our German site Gelsenkirchen became carbon neutral this year. This means that three out of our 20 downstream sites are now carbon neutral.
- Energy savings: 75 million kWh at Tata Steel IJmuiden.
- Submission of Green-Steel Plan to the Dutch government, which endorsed this plan with demand for further environmental acceleration. After the end of the reporting year, negotiations were started to agree on a tailor-made package of support.

SDGs



Affordable and clean energy



Decent work and economic growth



Industry, innovation and infrastructure



Responsible consumption and production



Climate action



Partnerships for the goals

Accelerated CO₂ reduction

At Tata Steel Nederland (TSN), we work to further reduce our CO₂ emissions each year. For example, since 1990 we have already achieved a reduction of approximately 15% per tonne of steel. With this commitment, we continue to quicken our pace. On our way to green steel, we are taking major steps towards carbon neutral production. In addition, we not only reduce emissions on our sites, but also throughout the value chain - together with our suppliers and customers.

Our company accounts for 8% of all CO₂ emissions in the Netherlands. We feel a great responsibility to reduce this percentage as quickly as possible and make a relevant contribution to the Dutch climate objectives. Our steel production is responsible for over 11 million tonnes of CO₂ per year, the majority of which arises during the making of pig iron at the beginning of our production process. Half of this is emitted through the steel production itself. The other half arises from captured production gases that we route to neighbouring power plant

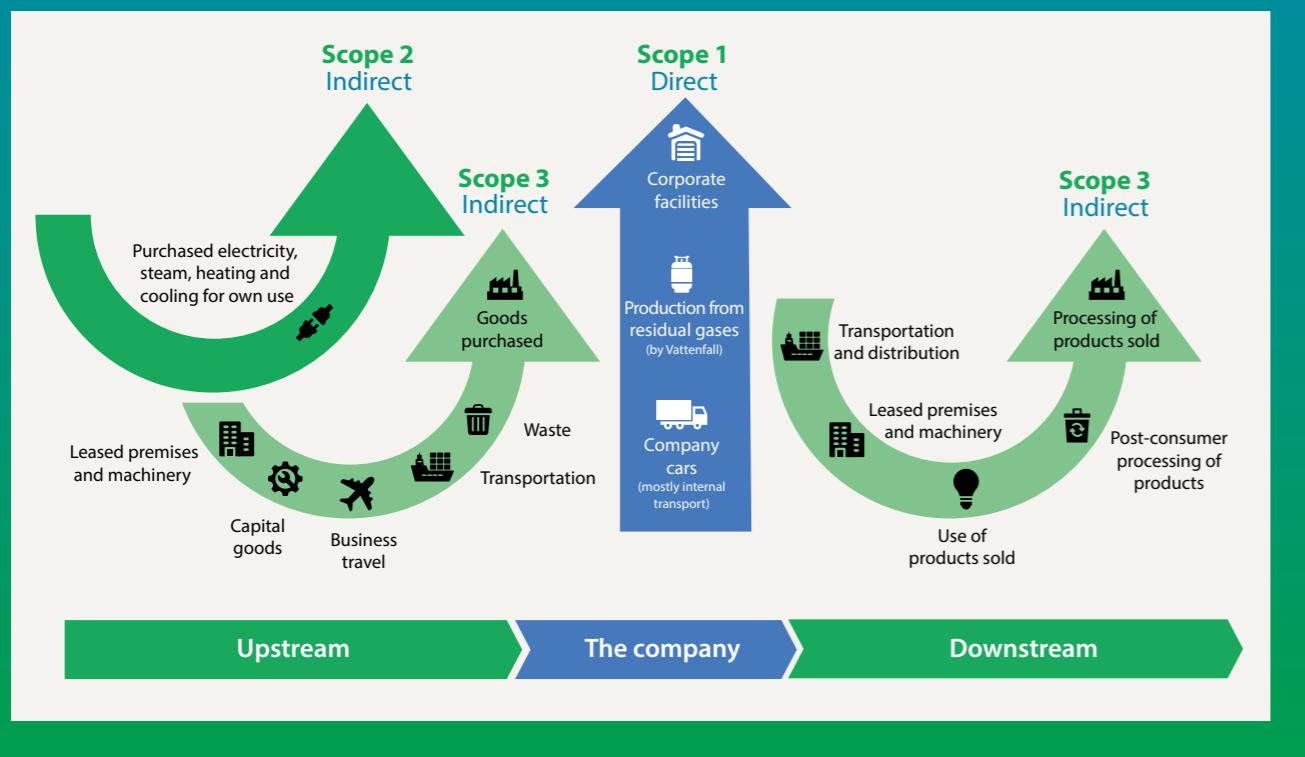
of Vattenfall. With these residual gases, Vattenfall produces electricity that is sufficient for our company's yearly average electricity needs.

To measure and manage our CO₂ emissions (for scope 1, 2 and 3), we use the Green House Gas Protocol. This indicates that approximately 70% of these emissions originate from our production processes in IJmuiden. The remaining emissions are scope 3 emissions from upstream and downstream activities.

Scope 1, 2 and 3 in brief

Each company's emissions are divided into 3 different categories. We call these scopes. Scope 1 comprises the direct emissions from our own production process; emissions that arise from using oil, coal and gas, for example. Scope 2 covers indirect emissions that take place when producing energy that

is purchased. This includes emissions from an external power plant if we purchase electricity. With scope 3, indirect emissions are mapped from activities by, for example, suppliers, customers and investments.



Reporting on scope 1

Producing steel requires a significant amount of coal as a process material, and energy: from running our factories and machinery to transporting steel coils and conducting computer calculations. Due to the relining of Blast Furnace 6, the CO₂ emissions for IJmuiden were 2.4 million tonnes lower than the previous year. Through various other initiatives, we have managed to further reduce our CO₂ emissions. This reduction has been achieved by, among other things, improving energy efficiency in our production process (see chapter 4.3) and by further electrifying our equipment and fleet. We are also exploring the possibility of transitioning from diesel to electrically powered cranes.

Reporting on scope 2

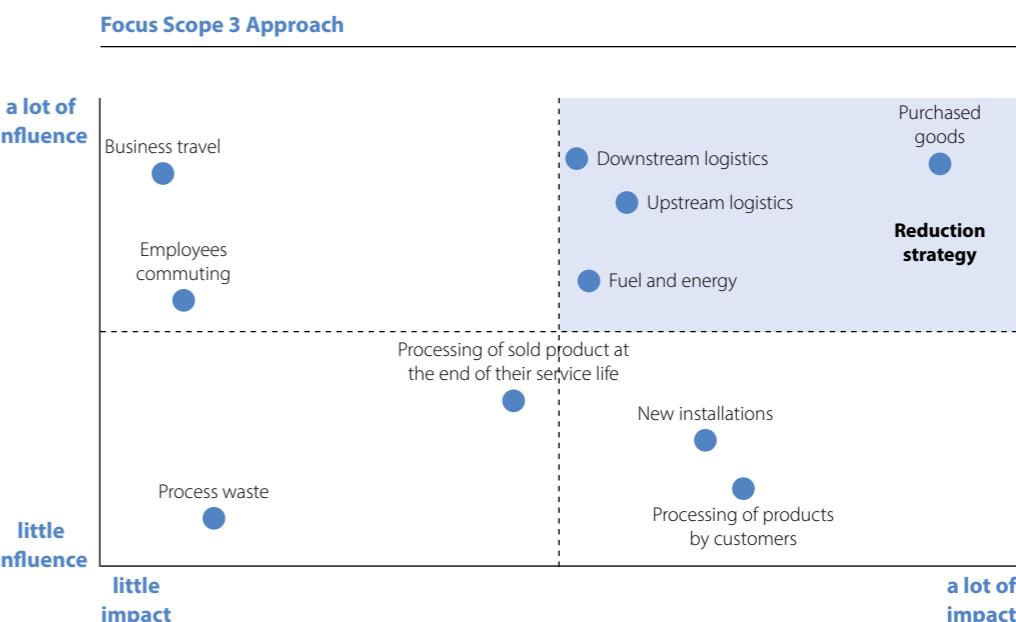
Scope 2 refers to the indirect greenhouse gas emissions that arise from the production of purchased electricity. At Tata Steel IJmuiden we have close cooperation with the nearby Vattenfall power plants where, already since 1920, the residual gases from our steel production are used to generate most (if not all) the electricity we need. As the residual gases are directly the result of our steelmaking processes, we include the emissions of the Vattenfall power plant already in our scope 1 and hence do not report a scope 2-emissions for this electricity. We do this to avoid a distorted picture of our carbon footprint. The power generation at Vattenfall also covers the electricity need for Linde's oxygen and nitrogen production on our site. Due to the repair of Blast Furnace 6, this year the production of Vattenfall could not fully cover our

electricity needs and we had to import additional electricity from the national grid. Only emissions related to this electricity are included in our scope 2.

Reporting on scope 3

Scope 3 greenhouse gas emissions are those that arise in the value chain, outside our own operations. They are therefore classified as indirect carbon emissions. Indirect emissions arise both upstream and downstream. Upstream emissions are released in producing the products or services supplied to Tata Steel, including emissions from raw material extraction, manufacturing processes and transportation of the purchased goods and services. Downstream emissions arise from the use and disposal of the products or services sold by the organisation. Scope 3 emissions are divided into 15 categories, of which 8 are upstream and 7 are downstream. The relevance of each category varies according to our operation.

Emissions related to raw material extraction are the main contributors to the total of our scope 3 emissions. For the most part coal, iron ore, alloying metals and limestone contribute to this category. Transport and investment in installations are the next main contributors (for details see overview in graph).



4.1 Current carbon footprint

Mining and smelting zinc

In September 2023 TSN has signed an agreement with Swedish metal company Boliden for the procurement of Low-carbon Zinc, zinc with one of the lowest CO₂ footprints of any refined zinc in the world. The deal covers a significant part of our zinc needs and enables our customers, such as carmakers, to make more sustainable choices by using our steel products with a lower environmental impact.

Zero Carbon Logistics

TSN has also launched the Zero Carbon Logistics programme (see chapter 2) for its European operations, which consists of several dozen logistics sustainability projects regarding improvements in the logistics network, fleet efficiency and energy efficiency. The target is to achieve 30% CO₂ reduction by 2030 compared to the 2019 baseline. Some key initiatives undertaken under the Zero Carbon Logistics programme are as below:

- TSN is the first steel company in the world to use the Global Logistics Emissions Council Framework for emissions reporting, which makes different logistics modalities comparable and enables identification and improvement of emission hotspots.
- TSN has implemented HVO100 for all the truck movements to customers within 300 kilometres from its main production sites in the Netherlands and Belgium. The transition from fossil fuel to HVO100 in this project has generated 2,500 tons of CO₂e savings in the financial year 2023-2024.
- TSN has also focused on replacing road transport with the more carbon efficient rail and barge transport, where applicable.
- TSN is working with its value chain partners to explore and pilot net-zero solutions. We are also a member of the Sustainable Freight Buyers Alliance. As an example, TSN and its barge partner PTC (Private Transport Cooperative b.a.) in partnership with ZES (Zero Emission Services) have signed a letter of intent to investigate emission-free shipping using modular energy containers.

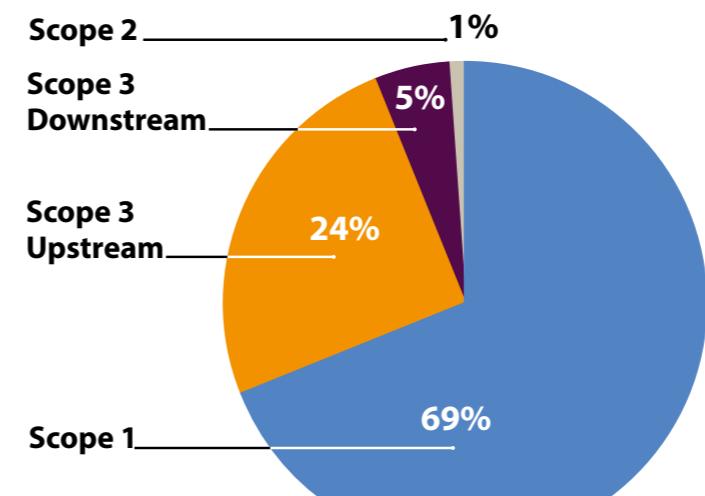
Zeremis Delivered®

In 2023, we launched our eco-friendly delivery service: Zeremis Delivered®. Now, customers located within a 300-kilometre radius of TSN locations can use our low-emission transport. In this way, we support our customers in achieving their scope 3 emission targets. See chapter 2 for more details.

The importance of scope 3

Although a company has no direct influence on scope 3 emissions, these emissions often make up quite a percentage of the total. Therefore, calculating and reporting them is important. In this way, we can take responsibility for the CO₂ footprint of our entire value chain, make it transparent and reduce it, together with our suppliers and customers. Our scope 3 accounts for 30% of the total emissions of TSN.

Tata Steel Nederland Scope 1, 2 & 3 according to Greenhouse Gas Protocol



	tonnes of CO ₂ e
TSN Scope 1	
Production location IJmuiden	4,684,739
Via Vattenfall	3,885,446
Linde	1,805
Downstream (scope 1)	102,878
Total TSN Upstream Scope 1 (69%)	8,674,868
TSN Scope 2	
Downstream	96,956
Total TSN Downstream Scope 2 (1%)	96,956
TSN Upstream Scope 3	
Purchased goods and services (including coal and ores)	2,377,126
Transport raw materials to IJmuiden	183,201
Capital goods	333,262
Fuel and energy-related activities	120,449
Waste processing	34,395
Employees commuting	1,400
Total TSN Upstream Scope 3 (24%)	3,049,833
TSN Downstream Scope 3	
Processing of products by customers	465,930
Transport to customers	115,412
Processing of the product at the end of their service life	105,364
Business travel	1,750
Total TSN Downstream Scope 3 (5%)	684,456

Data quality is key

Regarding scope 3 emissions, data quality and availability across the supply chain is quite a challenge. We encourage our supply chain partners to deliver good-quality primary data. In the absence of primary data, we accurately evaluate and improve scope 3 emissions by making use of emission measurement software, publicly available life cycle inventory databases and uniform and secure data-exchange platforms to streamline emission reporting across the value chain and to comply with disclosure standards. We encourage the acceleration of harmonisation and improvement of standards by active participation in standard committees. In this way we help reduce the room for interpretation found in many standards, which can lead to inconsistent methodologies across the value chain.

Although most businesses focus on their organisational level footprint (OCF), product-level footprints (PCF) are becoming increasingly important through regulatory developments and demand for product carbon footprint information. Furthermore, product-level footprints can enable more accurate scope 3 emissions reporting but involve different methodologies than the organisational footprint. In this report we have focussed on OCF data, but our ambition is to also report on PCF data in the future.

CARBON FOOTPRINT DOWNSTREAM SITES

As stated in chapter 1, Tata Steel Downstream Europe comprises a total of 18 production sites in Europe and two in the US. Together, these businesses process steel from IJmuiden for a vast variety of applications and products. Our ambition for all downstream sites is to be carbon neutral by 2030.

The sites of Tata Steel Downstream Europe differ greatly in size, location and activities, and thus also in their development in terms of decarbonisation.

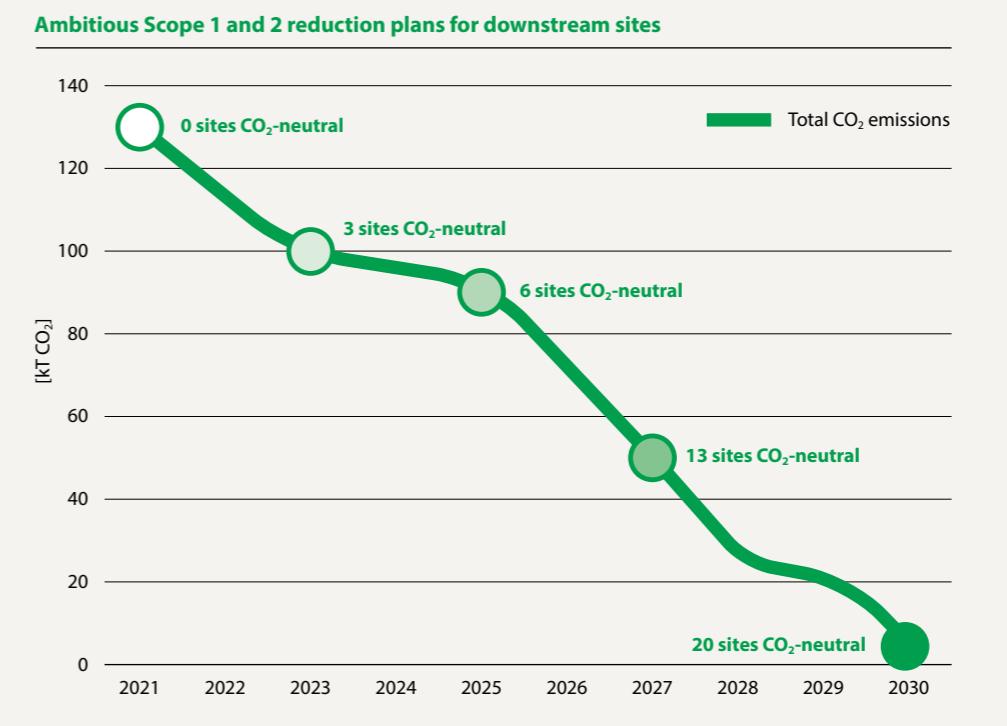
Third location CO₂ neutral

The production ovens in certain locations, such as in Maubeuge, France, and at Hille & Müller in Germany, consume a significant amount of energy, whereas other sites focus on less energy intensive processes like cutting and trimming. Nevertheless, our ambition is for all locations to operate carbon neutrally by 2030. It is anticipated that eight out of the 16 European sites will achieve this status before 2025. Last year, the facilities in Naantali, Finland, and Halmstad, Sweden, became CO₂ neutral in the first quarter of 2024 and the Gelsenkirchen site in Germany quickly followed suit.

Each location has completed an inventory of its own CO₂ emissions and has either implemented or is preparing its

own CO₂ reduction programme. This is done in various ways, including exploring the electrification of logistics, the use of HVO (vegetable fuel), and energy generation through solar panels and wind turbines. While each site has its unique programmes and challenges, best practices are shared to accelerate progress. Significant steps have already been taken in the right direction. For instance, Hille & Müller has already realised over 98% of its downstream emission reduction plans. The site at Maubeuge has reduced its CO₂ emissions by about 5% this financial year, which is 24% reduction of its original emission basis.

Another example is the pilot conducted at Unitol. There, coils are stored in heated halls to prevent material corrosion during storage. Instead of maintaining a constant temperature in the halls, the thermostat is linked to the dew point. Additionally, the dew point is further reduced by dehumidifying the halls. This results in a saving of 965 tons of CO₂ per year.



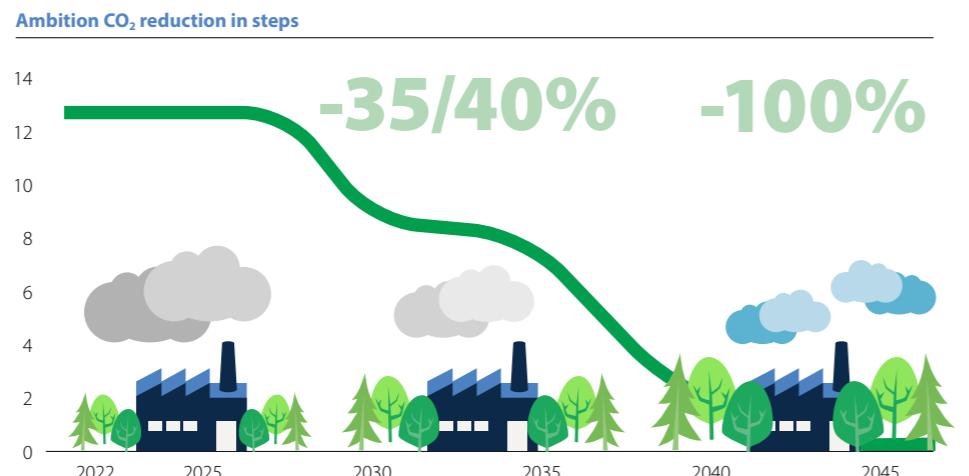
The road towards clean technology

Tata Steel Nederland (TSN) is transforming its steel production in IJmuiden to a radically different process. In doing so, the use of coal will become obsolete. In line with the Dutch Climate Agreement and the Coalition Agreement, our ambition is to achieve a CO₂ reduction of about 40% as early as 2030. This compares to a CO₂ reduction of up to 5 million tonnes per year by 2030 (relative to the 2019 baseline of 12.6 million tonnes per year).

In order to drastically reduce CO₂ emissions, TSN is switching to a radically different production process. Traditional blast furnaces and cokes and gas plants will be replaced with new DRI (Direct Reduced Iron) technology that produce pig iron using natural gas or green hydrogen when available. Not only do the new installations make green steel possible, together with the improvements from the Roadmap Plus programme (see chapter 3.1) they also reduce the burden on the environment.

Our ambition is to start producing pig iron with DRI (Direct Reduced Iron) technology for the first time from 2030 onwards. This is a proven technology that also paves the way for production based on green hydrogen, as soon as it is sufficiently available at a competitive price. Expanding the production capacity of offshore wind energy is an important factor in this endeavour.

We have started the biggest change in the history of our company. Within a few years, the IJmuiden site will look very different. An area of sixty football pitches within the terrain of Tata Steel IJmuiden will be transformed for this purpose.



We reduce our emissions in two steps. First, we aim to close the largest blast furnace (Blast Furnace 7) and Cokes and Gas Plant 2 and replace them with a DRI plant and an electric arc furnace. The plan includes additional environmental measures including a critical measure on covering a number of the IJmuiden storage yards. When we do, the use of coal can be largely discontinued. Once this step has been completed, we will also replace our last blast furnace and cokes and gas plant. We expect this second phase to be completed around 2037. We are also taking the latest additional measures, making it possible to produce carbon-neutral steel IJmuiden before 2045, provided that sufficient green hydrogen is available by then. With the decision to build DRI installations, TSN is preparing for the hydrogen economy in the Netherlands and we are giving a solid base for the production of (green) hydrogen in our country. If hydrogen is insufficiently available in the future, the new installations can initially also operate on the basis of natural gas.

Government support

To realise our decarbonisation plans and ensure the long-term success and competitiveness of TSN, support from the government, in the form of financial and energy (tax) policy support as well as permitting renewable energy and hydrogen infrastructure, is critical. Therefore, in July 2022, TSN entered into an Expression of Principles with the Dutch Government which lays down a framework for cooperation and dialogue on how the decarbonisation plans can be realised. Any

government support will be captured in a so-called 'Maatwerk' support (a tailor-made support) package. In October 2022, TSN submitted a request for Maatwerk to enable the first phase of its decarbonisation plan, which is to be completed by 2030. An improved Green Steel Plan with an enhanced focus on reducing the impact on our environment and making TSN more circular was submitted to the Dutch government in November 2023.



Independent Advice

This Green Steel Plan is contingent on receiving 'Maatwerk' support. The Ministry of Economic Affairs and Climate Policy engaged Mr. Wijers and Mr. Blom as external advisors to assess TSN's plan against alternatives viewed from the perspective and policy choices of the State.

The report of Wijers and Blom came out on March 28, 2024 and describes five alternative scenarios in which the Dutch Government can support TSN in (the first phase of) its decarbonisation. The cabinet indicated in its letter of the same date to parliament that it will investigate as quickly as possible if it can start discussions with TSN based upon the Green Steel Plan with accelerated reduction of nuisance for the vicinity.

This course of action is also based on the advice by the Expert Group IJmond, which was installed by the Ministry of Infrastructure and Water Management and which has issued a first report on February 28, 2024. In this report the Expert Group advised that health measures should be an integral part of the 'Maatwerk' agreement with TSN.

Both reports are encouraging in that they underline the broad societal acceptance and support for the IJmuiden site, provided that health effects are sufficiently addressed by taking additional measures. TSN recognises and acknowledges the call for urgency. On April 26, 2024 came the confirmation from the Dutch cabinet that it has a mandate to negotiate with TSN regarding

Steps toward government support

- July 2022: Signing of adjusted Expression of Principles with government.
- October 2022: Submitting a request for Maatwerk support to enable the first phase of the decarbonisation plan.
- February 2023: Green industrial zone agreement offered by the business community to regional politicians.
- March 2023: Approval from the North Holland provisional authorities for the Green Steel Plan production to start.
- April 2023: Kick-off of participation process with various meetings to involve local residents in the Green Steel Plan.
- June and July 2023: In-depth discussions and theme meetings with various stakeholders as part of the participation process.
- November 2023: Submitting improved Green Steel Plan to government for Maatwerk support.
- February 2024: First report of Expert Group IJmond about health measures as integral part of the Maatwerk agreement.
- March 2024: Advisors publish report on Green Steel Plan against alternatives viewed from the perspective and policy choices of the State.
- March 2024: Cabinet indicates it seeks tailor-made agreement and examines feasibility of accelerating TSN's sustainability plans.
- April 2024: Confirmation from the cabinet that it has a mandate to negotiate with Tata Steel Nederland regarding the Maatwerk support.
- May 2024: Broad support in the House of Representatives for faster transition towards Tata Steel Green Steel Plan.

the Maatwerk support. Together with the continued support from our parent company Tata Steel Limited, we hope to make great progress in the coming year towards concluding a Maatwerk support package. In the meantime, the process to obtain permits for the new facilities has started and we are actively engaging with local communities as part of the so-called 'Participatietaject' to inform on our plans and seek feedback.

Improved Green Steel Plan

In the year under review, we conducted several surveys and collected input to further improve our Green Steel Plan. These included participation meetings where local residents could share their ideas. In the adjusted plan, we have put a lot of emphasis on further reducing emissions and nuisance for the surrounding area. In addition, the plan contains important health measures, including further reduction of fine dust and nitrogen emissions. This was also one of the recommendations of the previously published RIVM report (see chapter 3). In November, we submitted this amended plan to the Ministry of Economic Affairs as part of the Maatwerk (tailor-made) approach.



Energy saving and reuse is a constant theme

We are constantly improving the energy efficiency of the countless motors, steam systems, furnaces and other assets on our IJmuiden site and in our downstream operations.

Although significant savings were realised in recent years, new energy efficiency initiatives were completed in the reporting year.

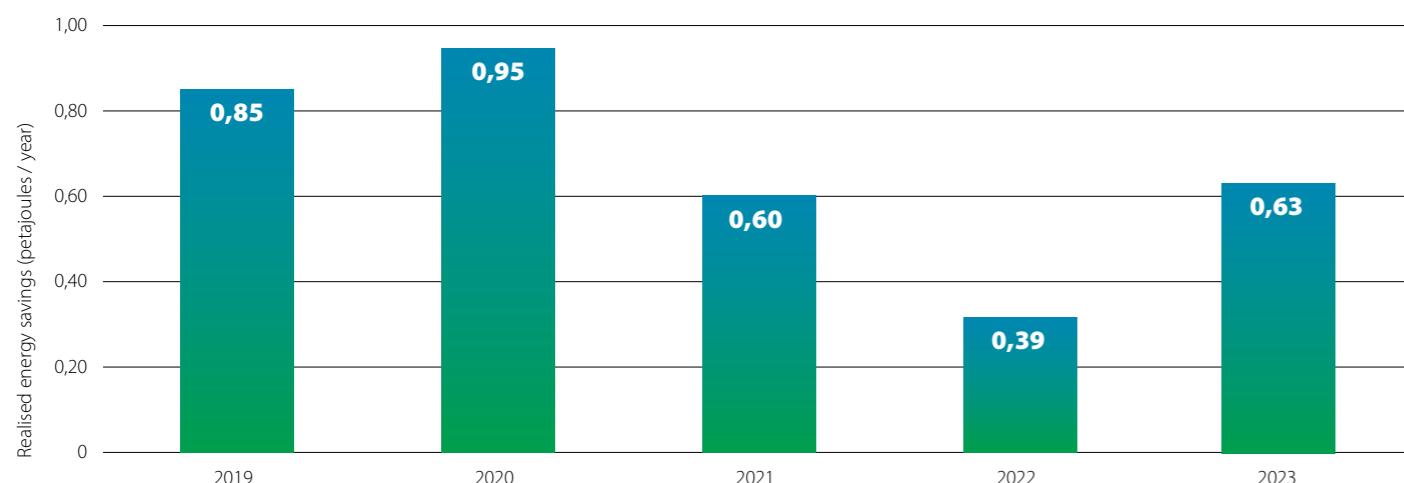
Over the past 35 years we have achieved a significant improvement in energy efficiency, with total energy consumption down 36% from the 12,046 million kWh in the reporting year 1989.

Energy conservation is a key topic in making our steel company more sustainable. We reuse nearly all the recovered waste gases, either in our own processes or at Vattenfall's power plant, which supplies electricity to the site in IJmuiden. Waste heat is recovered to increase process efficiency and generate steam, reducing the need for fuel in steam boilers.

The year 2023 marked the start of a collaboration with the provincial authorities on energy efficiency. In alignment with the local 'Noordzeekanaalgebied' Environmental Agency, we have developed an energy savings agenda for 2024-2027, yielding 50+ projects across the site. In the process, a thorough analysis of 3000+ motors was executed throughout the different business units, yielding various improvement measures.

We approach energy saving on a project basis. In the financial year 2023-2024 (and calendar year 2023), we have reported 0.63 PJ of energy savings, equivalent to 175 million kWh, or the electricity consumption of over 70,000 households. The biggest saving was achieved by a new, more efficient hot strip mill furnace, saving an annual 0.575 PJ or 160 million kWh. Another success was the optimisation of a pump system at the Direct Sheet Plant which enabled a 35% decrease in electricity use, saving 1.4 million kWh annually. Other projects include the installation of LED lighting in many of our halls (~3 million kWh) and a more energy efficient way of heating up our 'torpedo' wagons that transport liquid iron (3.6 million kWh).

Realised energy savings



Examples of major projects that contributed to energy savings:

Reducing coking gas consumption KGF2

- Improving furnace settings
- Various operational initiatives, 2017 and 2018
- Savings:** 125,000 Gj/year

New coking gas holder ENB

- New, larger coking gas holder realised in 2019
- Reducing flare losses
- Savings:** 50,000 Gj/year

Furnace cooling water ENB

- Connecting users to hot water network Hot strip mill 2
- Savings:** 80,000 GJ/year

New electric wind machine

- Reduction steam demand
- Savings:** 490,000 Gj/year

More efficient coils tunnel furnace DSP

- 17 coils installed, Nov 2022
- Savings:** 26,000 Gj/year

High-turbulent coil cooling WB2

- Improved cooling, using less water, realised summer 2022
- Reduced electricity consumption pumps
- Savings:** 75,000 GJ/year

Oven 25

- Walking beam oven
- Star programme summer 2023
- Savings:** 575,000 GJ/year

R&D: Improving Energy Efficiency

Using Artificial Intelligence we optimised our ladle logistics, minimising heat loss during the transfer of hot metal. This reduces direct CO₂ emissions and allows scrap intake to be increased. Our R&D has enhanced the control system for our new slab reheating furnace, leading to improved product quality and decreased fuel consumption and emissions.

Energy savings downstream

We are enhancing our energy efficiency efforts not only in IJmuiden but also across our downstream locations, where new initiatives to reduce energy consumption are being developed. For example, at Multisteel's production hall, there are two large doors that need to be opened and closed frequently. This is causing heat to escape from the building, which boosts the consumption of natural gas. To fix this problem, Multisteel is planning to install air curtains and interlocks. Air curtains are systems that will help keep the heat inside the building, even when the doors are opened. Interlocks prevent simultaneous opening of doors. This will reduce the heat consumption by up to 6-12%, resulting in 8,117 m³ gas reduction, equivalent to 10 tons CO₂.

Being economical with natural resources and energy

Tata Steel Nederland (TSN) strives to use raw materials and energy as efficiently as possible. Many substances released during our processes are reused. Not only does this yield business economic advantages, but we also save on natural raw materials, reduce our CO₂ emissions and prevent the generation of waste.

Residual materials are reused via an intricate and complex system of waste flows. When making steel, the residual material from one plant is often the raw material for the next. For example, the refractory material in steel ladles is used again as raw material in the blast furnaces after replacement. Our blast furnace slag finds its way to the construction and concrete industry as a high-quality raw material for cement.

For the production of 4.8 million tonnes of liquid steel in the reporting year, Tata Steel needs about 9.53 million tonnes of raw materials. In this year, Tata Steel was able to reuse more than 1,011 kilotonnes of residual material, and therefore did not have to purchase a comparable quantity of raw materials. In addition, we are using more and more scrap. Scrap from third parties contributes to the reduction of CO₂ emissions in our production. It only needs to be melted down, which requires significantly less energy than primary steel making.

R&D: Increasing circularity

The recycling of steel is an important way to save raw materials and reduce CO₂ emissions. Every tonne of scrap that we can reprocess into our steel yields 1.6 tonnes of CO₂ savings. This is why, in the coming years, we will continue to investigate how we can increase our current scrap input level of 20%.

A large part of the used scrap comes from the metal processing sector, the demolition sector, the waste processing sector and our downstream sites. In the reporting year, Tata Steel used 544 kilotonnes of this, which amounts to 12% of the total crude steel volume produced. Our aim is to increase this percentage in the coming years. Scrap also comes from our own production. This is mainly regarded as a loss of efficiency, in which scrap is loosed out earlier in the production. We make every effort to reduce this as much as possible, to recover all lost material from production and reuse it in the production of steel. In the reporting year, this amounted to 387 kilotonnes.

Heat and electricity

We reuse the captured residual gases from our own processes in order to reduce the consumption of natural gas. The rest is converted into electricity in the Vattenfall power plant in Velsen-Noord and the site in IJmuiden. Vattenfall generates a considerable amount of electricity through residual gases; about 2.0 billion kWh, which is comparable to the electricity consumption of over 823,000 households. In financial year 2024, this was 91% of our total electricity use.

Green steel changes recycling

The planned change in production of steel in the future means that the recycling of residual flows from our production processes will change. Current residuals will disappear, and new residuals will be created. Our goal is and will remain to reuse as much of these as possible within our company.

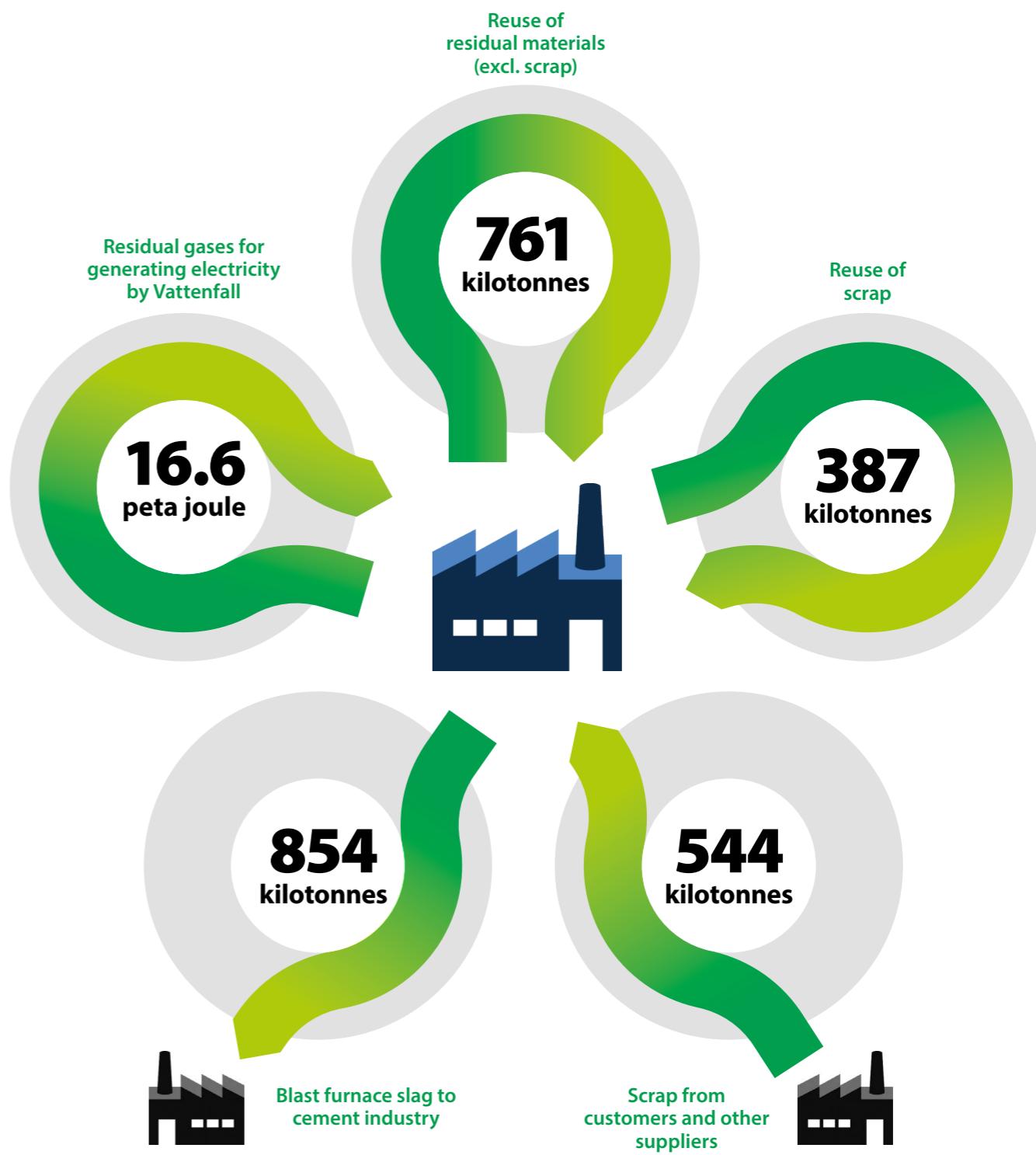
Tata Steel is working intensively with scientists, industries and other partners to predict and adapt to these changes. For example, the switch to hydrogen-based steel production could have an impact on the chemical composition of slag. That is why we also include this aspect in the basic design of the new DRI installations and electric furnaces. To this end, we regularly coordinate with the cement industry, and we are already conducting initial trials.

When the first blast furnace and cokes and gas plant shut down in 2029, the resulting residual flows of blast furnace gas and coke gas will cease as well. These gases are currently still fully used for energy production in the nearby energy plant of Vattenfall that provides electricity in return. Therefore, we will prioritise sourcing energy from renewable sources such as green electricity or, when necessary, natural gas. For example, we have concluded an agreement with TenneT for a direct connection to the national grid for green electricity.

Reuse of residuals and by-products

In 2023, a total of 97% of all residuals and by-products found useful applications, either within our own operations or by third-party entities. Only 3% could not be reused and remained in the form of waste material. Although this is already a small portion, we are still striving to further reduce this percentage.

97% of the residual material is reused



Sustainability in the chain, up to the mines

Producing high-quality steel demands a diverse range of raw materials. While iron ore is essential for the production of liquid iron in our blast furnace, we also utilise alloying elements such as manganese and chromium, to achieve the desired steel properties. Additionally, coating elements like tin, zinc and nickel are essential for meeting the requirements of our diverse customer segments. We are committed to sourcing these raw materials responsibly and sustainably.

To achieve this, we adhere to the principles of responsible sourcing referred to as International Responsible Business Conduct (IRBC). The Dutch IRBC agreement is now in its fifth and final year. The majority of participants in this multi-stakeholder initiative have expressed positive feedback regarding the collaboration between unions, NGOs, government and other stakeholders. We are currently exploring the possibility of extending the agreement.

As a member of the Metals Covenant, we actively participate in due diligence working groups, sharing insights and expertise on supply chain transparency and due diligence practices. Aligned with our values as expressed in the Tata Code of Conduct, we take responsibility for the communities we serve. As we implement the OECD guidelines, we diligently strive to identify and address adverse conditions within our value chains. Our focus is on effective risk mitigation rather than simply avoiding risks. The Metal Covenant is a collaborative initiative involving 12 companies in the metal sector, along with NGOs, the government, and the largest unions in the Netherlands.

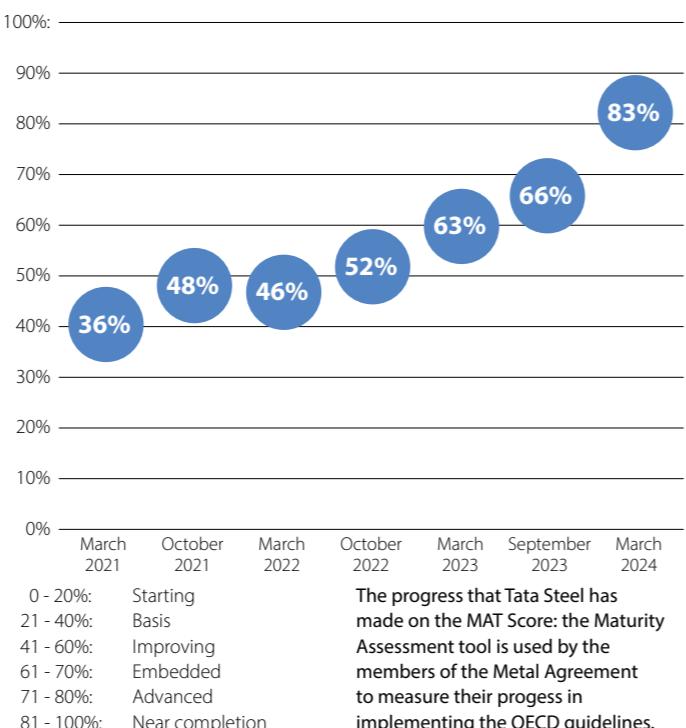
Mitigation for us entails prioritising improvements to enhance conditions throughout our supply chain, guided by our key principles: Health and Safety, Fair Business Practices, Environmental Protection, Human Rights, and Local Community Development. We prioritise actions based on the likelihood and severity of issues, in consultation with our suppliers and other relevant stakeholders, including NGOs and labour unions both within and outside the Metal Covenant. We place particular emphasis on human and labour rights, as well as significant environmental impacts.

Due diligence procedures

In recent years, we have dedicated significant effort to refining and strengthening our due diligence procedures, especially in structuring our supply chain analysis, identifying risks, and prioritising themes. We have expanded our data sources to include both public and commercial data, and have taken substantial steps to formalise our prioritisation process, considering factors like severity, likelihood, and company engagement.

To enhance the transparency and accountability of our initiatives, we are tracking our progress using the Maturity Assessment Tool within the Metal Covenant. This tool, along with its associated self-assessment, provides a so-called MAT-score that illustrates the advancement of our due diligence process. This includes the development and integration of IRBC policies, management systems, and measures taken to embed responsible business conduct into our policies and management systems.

Tata Steel Nederland MAT score



Measuring results on sourcing

In collaboration with our parent company in India, Tata Steel Limited, we are developing clear Key Performance Indicators (KPIs) for responsible sourcing to enhance transparency and establish precise targets. As part of this initiative, we require our suppliers to have sustainable sourcing procedures in place and to disclose the percentage of sustainably sourced materials. Sustainable sourcing is determined by assessing relevant ISO certifications (ISO 9001, 14001, and 45001) and/or Certificates of Origin (CoOs) to ensure responsible practices. Additionally, other KPIs focus on participation in our awareness programmes conducted for value chain partners. We measure the number of suppliers who have acknowledged either the TSN Responsible Procurement Policy (TSJ) or the TSN Responsible Supply Chain Policy (Strategic Procurement).

In terms of safety, we evaluate our suppliers based on ISO standards, specifically ISO 45001. We have informed our designated critical suppliers about the Responsible Supply Chain Policy, and we also track these figures. In the next report we plan to report the outcomes of these KPI's.

Tin sourcing

We have carefully analysed our upstream value chain for tin based on the OECD due diligence process that is outlined in our Responsible Procurement Policy. TSN uses RMI's Conflict Mineral Reporting Template (CMRT) to track the countries where our tin is smelted and the countries where the corresponding ores are mined. We have full visibility on which smelters are used, and continually engage with our suppliers for a full visibility of individual mines of origin. Based on the resulting information we have received in our process, we have found no indication that our sourcing involves mines in Conflict-Affected or High-Risk Areas in the Democratic Republic of Congo or neighbouring countries.

The five principles of our Responsible Procurement Policy

■ Fair business practices

Supply chain partners must comply with the Tata Code of Conduct in their business decisions and actions.

■ Environmental protection

Maintain effective policies, processes and procedures to manage their environmental impact.

■ Human rights

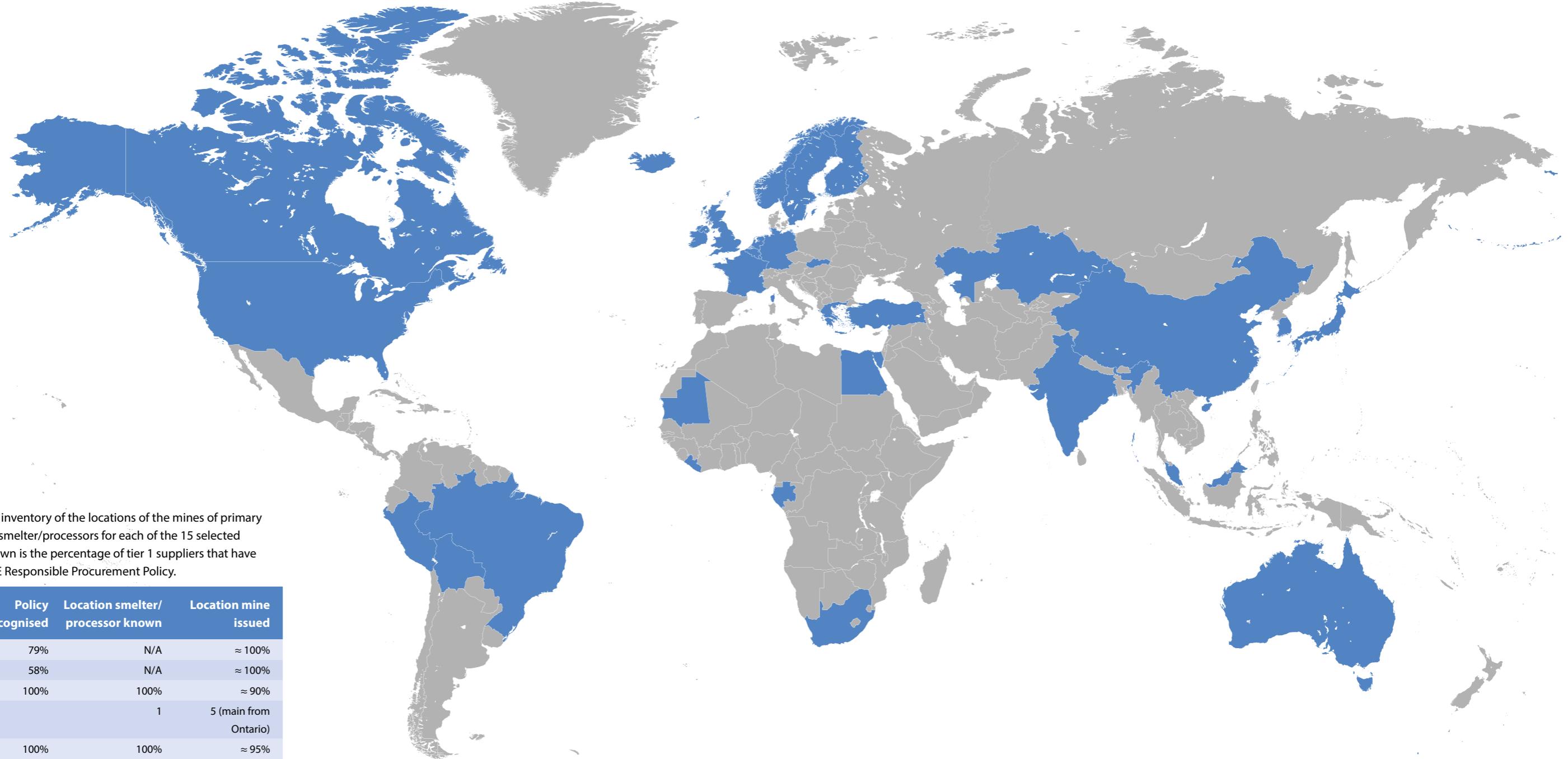
Develop and implement policies and procedures to promote and protect human rights in their business and to encourage their suppliers to do the same.

■ Local community development

Contribute to the social, economic, and institutional development of the communities in which they operate.

4.5 Responsible sourcing

Origin of 15 selected materials (mines and processors of raw materials)



Material	Policy recognised	Location smelter/processor known	Location mine issued
Iron ore	79%	N/A	≈ 100%
Coal	58%	N/A	≈ 100%
Tin	100%	100%	≈ 90%
Cobalt		1	5 (main from Ontario)
Zinc	100%	100%	≈ 95%
Fe-Mn	100%	≈ 100%	≈ 90%
Fe-Cr	100%	100%	≈ 70%
Fe-Nb	100%	100%	100%
Fe-V	100%	100%	100%
Fe-Si	100%	100%	0
EMM	100%	≈ 90%	≈ 80%
Cr (aq)	100%	100%	100%
Bentonite	100%	100%	100%
Magnesium	100%	≈ 80%	≈ 50
Scrap	≈ 95%	100%	N/A

Albania	Finland	Indonesia	Norway	Switzerland
Australia	France	Ireland	Peru	Turkey
Austria	France/Norway	Italy	Poland	Ukraine
Belgium	Gabon	Kazakhstan	Slovakia	United Kingdom
Bolivia	Germany	Kuwait	South Africa	United States
Brazil	Ghana	Liberia	South-Korea	Vietnam
Canada	Greece	Luxembourg	Spain	
China	Iceland	Malaysia	Sweden	
Colombia	India	Netherlands	Switzerland	

4.5 Responsible sourcing

At the end of January 2024, we achieved successful completion of the external audit for our BES 6001 certification. This standard assesses construction materials on various sustainability aspects, including their impact on the environment, society and the economy. The standard demands transparency regarding the origin of raw materials used in the production of construction materials, encourages the use of sustainable and responsible sources, and takes into account the social impact. Obtaining a BES 6001 certificate can demonstrate that a construction product has been produced with a focus on sustainability.

Furthermore, we have achieved Silver-rating (62 points) within the EcoVadis ESG score and passed the SMETA-audit within the Sedex platform that enables us three more years for Sedex compliant steel for packaging supply to the food industry.

As an active member of Responsible Steel, we have initiated the certification process for our IJmuiden site. We have successfully completed an initial gap analysis as part of this process. Our next objective is to prepare the site for the final Responsible Steel site audit.

Origin of 15 selected materials

In addition to our specific efforts concerning tin, we have continued our work to enhance the mapping of our supply chain. Throughout 2023, we focused on accurately identifying all partners in these value chains, assessing associated risks, and prioritising these risks to guide our actions. We consistently review the relevant areas for analysis and refine our methodologies accordingly.

We have identified 15 raw materials and semi-finished products with an elevated risk profile. Collaborating closely with our suppliers, we work to map these supply chains at least up to the relevant chokepoints, with a continued commitment to achieving full transparency down to the level of the mines.

Africa and South America

We have continued our work of mapping our supply chain to identify the community effect of manganese mining in Noordkaap, South Africa, and have started a new mission on operational health and safety in mines in the Andes, with supply chain partners in Peru and Bolivia.

In South Africa, we are engaged with our suppliers, through whom we are directly linked to the manganese mining operations in the Noordkaap region. Key areas of focus in this engagement include consulting on social labour plans and understanding the adverse effects, as highlighted by various NGOs. These effects encompass reduced access to drinking water and other impacts on local communities, and we are actively examining how these issues are linked to the mining operations in the region. We maintain regular reviews with our suppliers to monitor progress and ensure ongoing dialogue.

In collaboration with project manager CNV Internationaal and participating companies Wuppermann Staal Nederland and Nyrstar, including its parent company Trafigura, we have completed Phase 1 of our joint project focused on operational health and safety in Andean Mines.

Preserving biodiversity with our suppliers

Our Responsible Procurement Policy includes a clause dedicated to conserving biodiversity and the natural environment, with a commitment to enhancing them whenever feasible. We enforce compliance with this policy among our suppliers through our ESG Strategic Procurement Questionnaire, distributed annually to evaluate responsible business practices, including their approach to biodiversity and the natural environment. Procurement teams are also engaging in dialogue with suppliers about biodiversity, asking about their current initiatives for managing it. They are also verifying the implementation of these initiatives with NGOs and local communities in the suppliers' areas of operation, to ensure that our suppliers are delivering on the initiatives they describe.



PEOPLE AND SOCIETY



Tata Steel Nederland (TSN) is a company with a social heart. We honour our employees for their pivotal role in shaping our company's identity. As we embark on the journey towards green steel production, we uphold this legacy. Our workforce, comprising over 12,500 skilled individuals, reflects our dedication to diversity and readiness for a green, clean and circular future.

Ambition

TSN is committed to fostering a positive work environment that values cultural diversity and inclusivity. Ensuring the safety of our employees remains our utmost priority. As part of our efforts to promote sustainable well-being and employability, we invest in employee vitality programs and provide training opportunities.

Goals

- Fatalities: 0
- Lost Time Injury Frequency Rate (LTIFR) employees + contract workers: 1
- Total Recordable Injury Frequency Rate (TRIFR) employees + contract workers: 5

- An inclusive working climate: by 2027, at least 99% of employees should feel they can be themselves in the workplace.
- Cultural diversity: 25% in 2027 (CBS Netherlands: 25%).
- More women in technical vocational positions: 5% in 2027.
- More women in decision-making positions: 30% in 2027.

Results financial year 2023-2024

- Fatalities: 0
- Lost Time Injury Frequency Rate (LTIFR) Employees + Contract Workers: 1.1
- Total Recordable Injury Frequency Rate (TRIFR) Employees + Contract Workers: 9.1
- Sickness absence rate: 5.8%
- An inclusive working climate: 96.5%.
- Cultural diversity: 15%.
- Women in technical vocational positions: 2.5% of the workforce.
- Women in decision-making positions: 18.5% of the workforce.
- 444 employees followed a level-raising study to senior vocational level and 173 to bachelor level.
- We have launched a new leadership programme.

SDGs



No poverty



Health and well-being



Quality education



Gender equality

Our people at the heart of our efforts

Tata Steel Nederland (TSN) employs highly specialised and motivated staff. Many of our colleagues have long service records and many even have even trained at our own Academy. We deem it our responsibility to keep all our employees motivated and contribute to their vitality, safety and well-being.

To be able to invest in new ways of steel production now and in the future, we need to remain competitive and profitable. TSN is therefore taking tough measures, including a restructuring of our organisation that will result in the reduction of 580 jobs in IJmuiden. This mainly concerns people in management and support positions.

The redundancies are not taken lightly, and they are to be managed by applying the Employment Pact. Its objective is to guide the employees concerned from 'job to job'. Various instruments have been agreed for this process. These instruments are individually focused and used in close consultation with the employee. The core of the reduction strategy is to find good solutions for as many colleagues as possible.

Social contract

The transition to low carbon steel making activities means that in ten years' time the Tata Steel IJmuiden site will look completely different. Some installations will disappear entirely and new installations will have been built. To offer longer-term prospects to our colleagues working in installations that will be closed, TSN agreed the Green Steel Social Contract with the trade unions during the financial year 2022-2023. This created a clear outlook for employees whose jobs will eventually disappear as a result of the transition. Information sessions were held for all affected employees in which the unions and management explained the Green Steel Social Contract. The next step is to look for tailor-made solutions for every individual affected. There will also be a financial incentive for employees who continue to work at their respective installations until closure.

New collective agreement

In October 2023 members of all four unions accepted our proposal for a new collective agreement (CAO). The collective agreement runs until March 31, 2025.

Social safety high on the agenda

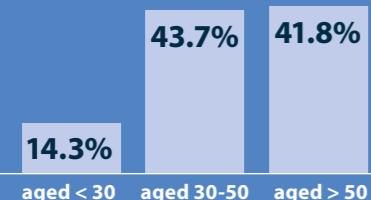
Social safety and prevention of transgressive behaviour are important themes in our organisation. We have actively managed company policies in this regard for many years. In addition, our platform of confidential advisers frequently organises team sessions within TSN on the topic of social safety, with the aim of jointly raising awareness of undesirable behaviour.

We have also started a Social Safety Taskforce; a diversely composed working group with members from various parts of our company. The group has started concrete activities on how to engage with and among colleagues and to lower the thresholds for raising undesirable behaviour.

EMPLOYEES REPORTING YEAR 2023-2024

Number of employees
12,661

Age structure



Number of female staff
1,419

New employees
972

Staff turnover
5.3%



The Confidential Reporting Policy

TSN has updated the Tata Group Code of Conduct this reporting year. The TSN Code of Conduct 2024 sets out guidelines with regards to what TSN expects from all its employees. All IJmuiden employees have received a letter at their home address with a link to the new guidelines.

The Confidential Reporting Policy has also been updated. In this policy, information can be found about how to report concerns regarding compliance with the TSN Code of Conduct 2024 and/or laws and regulations, anonymously or otherwise. The Confidential Reporting Policy is also part of our Discrimination, Intimidation, Aggression and Bullying (DIAB) policy. At Tata Steel, we think it is paramount that people can be themselves, that they are accepted and not excluded. When employees bring these values to work, they will contribute to a pleasant and safe working environment.

Information sessions on publicity

Tata Steel is often in the public eye. People are quite quick to form opinions and tend to ask all sorts of questions about the environmental performance of our company. For our employees this sometimes creates uncomfortable situations in private social gatherings and parties. In ten interactive information sessions last year, we gave employees the tools to engage in respectful dialogue, even when others disagree with them.

Green Teams

Many professionals at TSN are eager to actively contribute to our sustainability ambitions. They participate in discussions and take proactive steps within a network known as Green Teams. After carefully selecting the most viable ideas, these Green Teams work to develop them into projects within our company.

The Green Teams also have a unifying effect within our organisation. The projects involve collaboration with experts and professionals who have been working at Tata Steel for some time. In this way, knowledge is transferred, with various layers and positions in the organisation working in groups towards a common goal.

Examples of Green Team improvement projects in the year under review:

- Green employment conditions
- Sustainable packaging
- Sustainable CapEx
- Waste prevention
- Noise reductions at the raw materials logistics department
- Carpool platform
- Saving drinking water
- Preventing compressed air leakage

Arriving and leaving work, safe and in good health

The industrial conditions of our steel plant in IJmuiden and downstream sites constantly place high demands on the health and safety of our employees and contractors. Our Health and Safety management system ensures that a structural effort is made to protect people from work-related risks, thereby preventing personal injury, unsafe situations and accidents, as well as exposure to hazardous substances.

To further improve the level of safety on our sites, we are implementing an additional strategy to create a proactive safety management culture regarding unsafe behaviour. In addition to keeping an eye on incidents (safety issues), we create more focus on the positive aspects of safety: the circumstances and moments in which work runs smoothly and safely. In that way we look for causes and conditions that contribute to safe operations. As a result of this, risks are eliminated. Next to this we pay attention to role responsibility, as well as continuing to manage risks and maintaining dialogue regarding healthy and safe working practices.

An important aspect of this strategy is safety awareness among employees, regarding both themselves and their colleagues, and associated behaviours and communication. With this approach, we also link up with the three leadership principles, Care, Connect & Change, in underlining the responsibility of the individual for safety.



Occupational safety

In addition to the new strategy, in 2023 a large part of our Risk Inventory & Evaluations (RI&Es) has been transferred to a central system. Through this, it is possible to learn from each other's measures regarding common risks. The work permit system has also been improved, with more attention paid to multilingualism and role clarity. Steps have been taken in the area of safeguarding; a safeguarding app will go live in 2024.

Process safety

Process Safety Management is an important pillar in the prevention of major process safety incidents. Since 2022, we place more emphasis on the reporting of identified High Potential Incidents and their follow-up. In addition, further efforts were made to guarantee the integrity of our installations by tailoring maintenance regimes more specifically to each individual installation. The procedure for securing process installations during stoppages and shutdowns has been adapted and rolled out in the various units.

Another important part of Process Safety Management is barrier management. A key question is whether barriers placed to prevent incidents function properly and are reliable. As in the year before, a lot of energy has been put into embedding barrier management in the relevant systems in the year under review. Next to barrier management, we have also placed more emphasis on alarm management. Alarm management is a vital part of process safety management.

Health

TSN is implementing a health roadmap, with the vision: 'We work in optimal conditions to be able to live and work in a healthy and vital way'. This shared vision emphasises the importance of sustainable employability and preventive sickness absence.

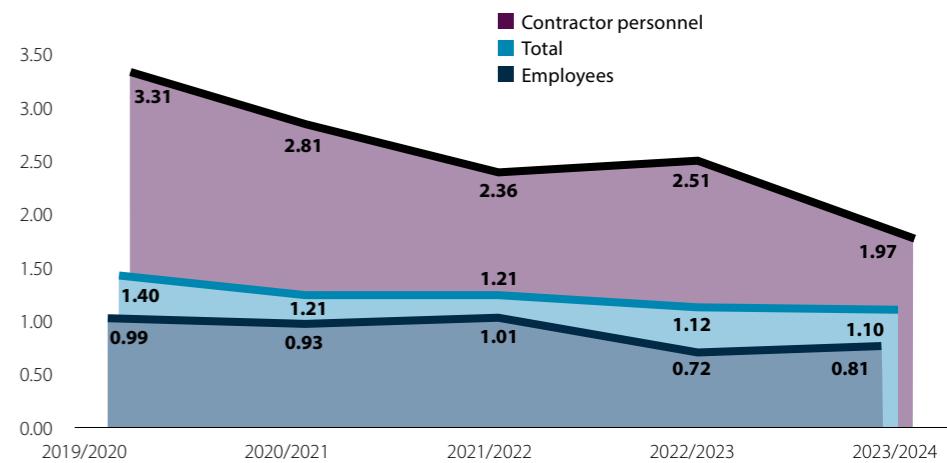
Preventing exposure to hazardous substances and conditions is one of the top priorities for the avoidance of occupational diseases. The chance that employees may experience extreme temperatures is inherent in our processes. To remove (and to list and catalogue) these risks, we are working on an app that employees can use to manage their 'heat stress'. Further efforts include a campaign to draw employees' attention to the importance of respiratory protection in specific situations. An on-site hygiene campaign to promote safe eating and drinking has also started. It will be followed up by a 'clean showering' initiative.

In the background, we are always optimising the various QHSE regulations. In the coming year, the asbestos and radiation regulations will be updated. In this way we ensure that the applicable laws and regulations are implemented in a timely and correct manner.

The number of recordable injuries saw an increase in the reporting year especially for contractor personnel. The increase resulted from contractor injuries during major renovation projects (52%), overall increase in number of eye and to a lesser extent hand injuries (26%). A change in reporting definition for recordables caused an increase of (22%). Extensive analyses are ongoing or have been made to learn from this increase and to prevent this from happening in the future. Outcomes so far have led to, for example, awareness campaigns focusing on the prevention of eye and hand injuries and falling objects in certain areas or works.

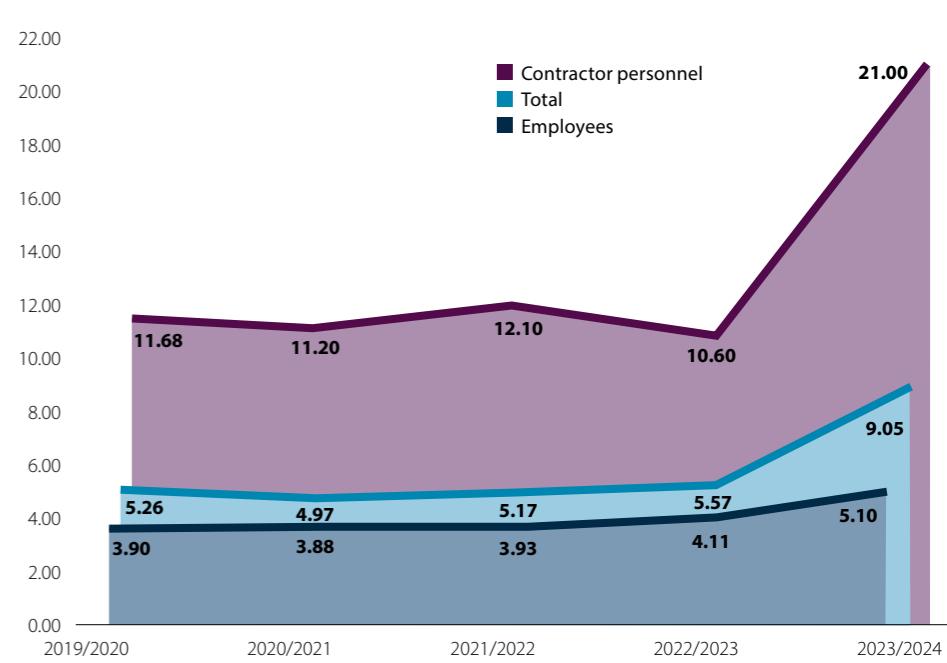
No fatal incidents incidents at Tata Steel Nederland in the past 5 years

Lost-Time Injury Frequency Rate



The Lost Time Injuries Frequency Rate (LTIFR) indicates the number of incidents resulting in sickness absence per million hours worked. The past financial year shows a drop in the number of accidents involving lost-time accidents among our own staff and a slight increase of contractor personnel.

Total Recordable Injury Frequency Rate



The Total Recordable Injury Frequency Rate (TRIFR) indicates the number of medical treatments not resulting in sickness absence per million hours worked.

From generic to specific

The IJmuiden production site is a complex place involving many processes and logistics. Anybody working on our site needs to be well informed, trained, supported and aware of their surroundings. To this end, we have procedures and processes in place which we strive to refine and improve continuously. We have included a non-exhaustive overview of training and innovation programmes below:

- To be permitted access to the company grounds, employees and contractors must complete general safety training (BVO, Basis Safety Training).
- Process Safety Training is mandatory for specific groups of employees.
- Safety awareness training is organised on a regular basis, covering various topics related to health and safety.
- To prevent exposure to hazardous substances, each substance to be supplied must be known and approved for the specific application.
- For the IJmuiden site, we have established the 'IJmond Safety Platform' in which more than 50 contractors are represented. This group discusses safety matters on a regular basis, sets priorities on safety and develops (annual) action plans.
- Employees can use a tool to assess for themselves whether physical health screening is required.
- Investigation into the use of exoskeletons when carrying out heavy work.
- Investigation into the robotisation of various tasks and activities, such as in potentially stressful or high-risk situations.
- Continuous review of moving parts and whether they can be shielded more effectively.
- The use of drones to inspect hard-to-reach places.
- In collaboration with the Veiligheidsregio Kennemerland (Safety Region Kennemerland), we enforce an Emergency Response Plan.

Broad involvement

Health and safety are broadly embedded in our company, up to and including the highest levels of management. Periodic consultations are held with the Board of Directors and the European and Central Works Councils. In addition, our specialists consult at European and national level and with the various operating units per site.

Fire safety

Fire safety is of vital importance for the IJmuiden site and our locations elsewhere. This aspect is naturally included in the preparation of changes, whether they be small or large. Fire safety continues to be a conditional element in the planning of process changes for the coming years. Continual checks and inspections are conducted on-site, in buildings and around installations. This, in addition to being reported to the relevant authority, also leads to remedial actions and measures.

The IJmuiden site has its own fire brigade made up of six teams of volunteers, all of whom are employees. A team of at least eight professionals is on standby seven days a week, 24 hours a day. On average, the brigade is called out about 100 times a year, for smaller roadside fires and fires in installations and also for assistance in the event of a traffic accident.

Underlying the deployment of the fire brigade is the Fire Prevention Policy, which is regularly updated. New knowledge and techniques are included in this policy, as are new insights from fire research and relevant legislation.

Health and safety Maubeuge

Tata Steel Maubeuge (Colors) hosted the first ever Safety Days, with three-days of safety training aimed at enhancing workplace safety for all employees. This initiative brought together different departments within Colors, including colleagues from Segal and Unitol. Various workshops focused on mitigating risks such as chemical exposure, falling and cutting hazards, slips and other health risks. In order to engage and immerse participants, the training sessions included simulations and virtual reality. The training aimed to drive behavioural changes and raise awareness with the aim of preventing accidents in the workplace. With an attendance rate of over 93%, the feedback from the participants was positive and highlighted the value of cross-team collaboration. This initiative improved safety in alignment with the company pillars of People & Society and Environment & Community.

Vital employees contribute to a future-proof steel company

Our challenges are diverse and numerous. Therefore, Tata Steel Nederland (TSN) relies on energetic, motivated and competent employees. However, we are dealing with an ageing workforce, increased flexibility in the labour market and work that is increasingly technologised. This is why sustainable employability is receiving increasing attention at all levels.

People are Tata Steel's most important asset. Tata Steel wants them to be able to do their work safely and in a healthy manner and to enjoy their work. Sustainable employability therefore is one of our spearheads, with efforts focusing on health, competencies and norms and values at an individual level.

Sustainable employability

We encourage our employees to work consciously on their own employability. For this purpose, we provide numerous tools and resources, in line with our Sustainable Employability approach. A special website provides access to resources, so that employees can respond and act independently. Managers can also introduce tailor-made activities for their team or deploy an employee from the team, in line with their own current needs. Concrete policy and modern terms and conditions of employment contribute to this as well. In the reporting year, many of these instruments have also become available for our downstream operations.

Campaigns on health and wellbeing

Tata Steel has introduced 'the issue calendar' with all relevant global or international days/weeks related to health and wellbeing subjects. Integrated with the issue calendar is a series of quarterly campaigns on specific topics, such as mental health and menopause, vitality and addiction, work stress and smoking.

Preventive medical research

On a voluntary basis, every employee gets the opportunity to once every three years participate in preventive medical research. All group results are shared and explained to the management of the relevant Work or Service Unit.

Absences

The focus of our employability coaching is shifting from a reactive approach, in the event of illness, to prevention. We are organising this shift in conjunction with the responsible HR advisors.

The majority of absences are less than two weeks in duration. Most of our efforts go into tackling this short-term absence. In 2022, a new system of absence management was introduced. The system is now more robust which gives more room for the prevention of illness. This may take the form of information meetings, training courses and workshops. Absence management is dependent on national legislation and may therefore differ by country. Across borders, we exchange best practices.



Diversity and inclusion are of strategic importance

Besides being of social significance, diversity is also of strategic importance. When our people represent a fair reflection of society and all of us feel recognised and involved, we can count on the best possible decision-making and more innovative power, as well as having greater appeal as a company on the labour market and better retention of employees.

Tata Steel IJmuiden runs a programme to encourage and promote diversity and inclusion. The aim is to make all employees feel equally important and valuable regardless of their cultural background, age, religion, gender (identity), disability, sexual orientation or any other difference. The programme sets out three main goals for the coming three years (see the beginning of this chapter).

Inclusion

The annual survey "Being Yourself Works" was conducted in February 2024, to monitor the perceived level of inclusion and cultural diversity. The survey showed that 96.5% of employees feel that they can be themselves at work. Nevertheless, a third of respondents indicate that they feel different to others at work and some also feel they are treated differently.

In our company, as in other companies, transgressive behaviour can occur in the form of discrimination, intimidation, aggression and bullying at work. Naturally, interventions take place whenever this is encountered. This may involve our platform of confidential advisors and/or training courses for managers and teams.

Cultural diversity

A second main goal is to strive for more cultural diversity in all job categories. Tata Steel applies the definition of Statistics Netherlands (CBS), namely the percentage of people not born in the Netherlands and/or of whom one or both parents were not born in the Netherlands. According to Statistics Netherlands, more than 25% of the Dutch population falls under this definition, whilst at Tata Steel IJmuiden the figure is 15%. It is our ambition to reflect society in this respect. We therefore apply the annual Statistics Netherlands figure as a target, in this case 25%.

Female technicians and managers

Our third and fourth goals are to employ more women in vocational-level technical positions and in decision-making positions. As far as technical positions are concerned, we want to employ 5% women by 2027. Tata Steel performs below the average in the Netherlands on this point and we need to work on becoming a more attractive employer for this target group. Incidentally, the Tata Steel Academy has a growing percentage of female students. By 2023, 8% of first-year students were

women. We also strive for a better balance between men and women in decision-making positions. In 2023, the share of women in these positions was 18.5%. This should be at least 30% by 2027.

Tata Steel IJmuiden has an extensive programme of activities to promote inclusivity and diversity, including communication campaigns, inspiration sessions and participation in Diversity Day.

Future Female Leadership

Future Female Leadership is a programme by nomination, for women with ambition and potential for a leadership position at Tata Steel. It helps women to develop their individual strengths and talents. This programme is one of the activities that will contribute to a more equal distribution of men and women in decision-making positions at Tata Steel. The Future Female Leadership programme attracted a total of 43 participants.

Women in engineering

Several female employees from Tata Steel IJmuiden, who have forged careers working in traditionally male-dominated professions, have featured recently in the media. These role models help raise awareness of the many opportunities for women at Tata Steel. The publications included interviews with a crane driver, a shunter and a logistics agent.

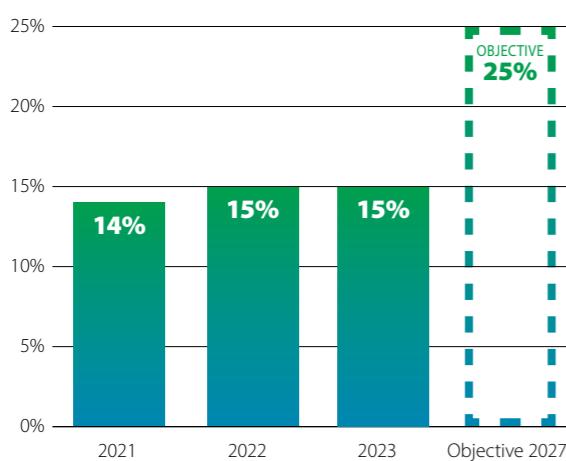
In 2023, the percentage of women in vocational-level technical positions in the areas of engineering and manufacturing has increased from 2% to 2.5% in 2021. This is a great development. Our goal is that at least 5% of vocational-level technical positions will be filled by women by 2027.

[Fe]male Network

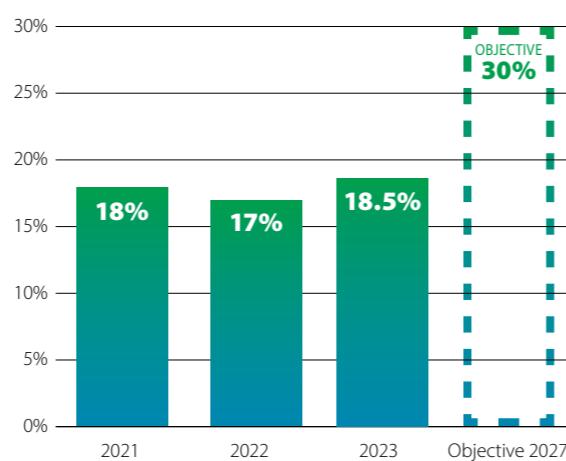
The [Fe]Male Network aims to promote equality and inclusion by increasing the visibility and involvement of women in the organisation, while also providing a platform for networking and exchanging experiences. Its goal is to create an equal and inclusive work culture for all, not to exclude men.

Diversity and Inclusion programme Tata Steel IJmuiden

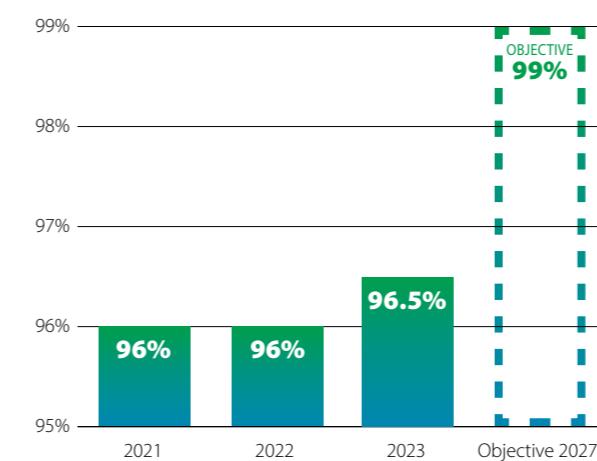
Ethnic-cultural diversity in all job categories



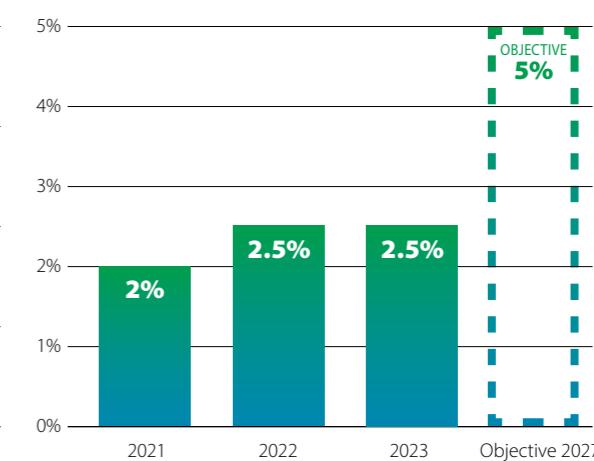
More women in decision-making positions



Inclusive working climate



More women in vocational technical positions



5.4 Equal opportunities



Iftar table during Ramadan

Ramadan is marked by Muslims as a month of fasting, worship, charity and community. In April 2024, several colleagues observing the strict fast from dawn to sunset were joined by three members of the Executive Board as they gathered to break their fast at an Iftar table in Dudokhuis. Hans van den Berg, Tom Eussen and Martijn Plaum had taken part in a day of fasting in solidarity with the Islamic community of Tata Steel. This example inspired many other employees to participate in a day of fasting, helping to foster understanding and compassion across the company during the Islamic holy month.

Iftar meal with the Board of Management

Language classes

The first language classes for a new intake of Tata Steel employees took place in the summer of 2023. The colleagues from various countries were already living in the Netherlands and first followed a two-month intensive Dutch course provided by Tata Steel. Basic knowledge of the language is important; many safety regulations and work instructions are in Dutch.



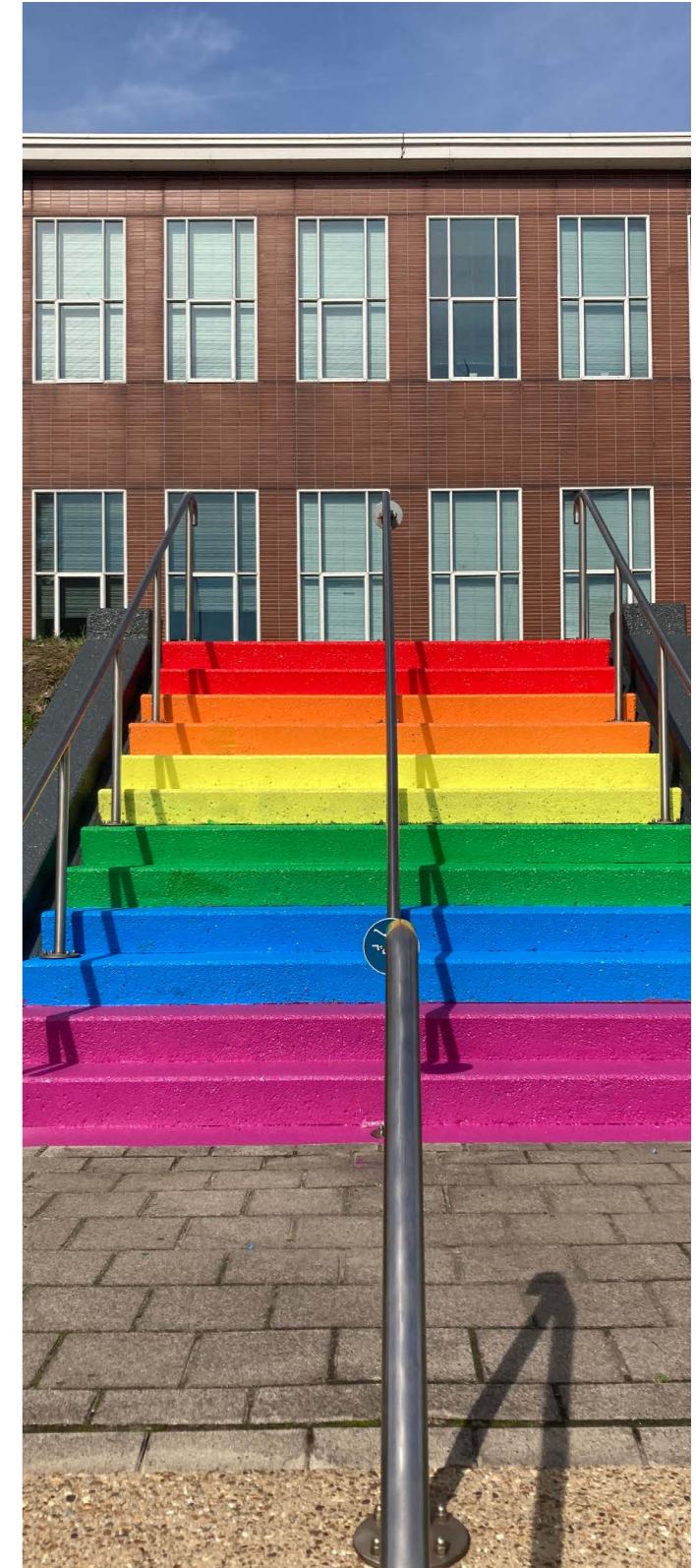
Graduates of the first language class

Rainbow community

TSN is a member of Workplace Pride, an international non-profit organisation committed to greater inclusion of the LGBTQ+ community at work. The Tata Steel Rainbow Community supports employees from the LGBTQ+ community, working to create a safe environment where everyone feels accepted and valued. In 2023, for example, the Tata Steel Academy participated once again in Purple Friday, a day when schools express their support for the LGBTQ+ community. Also in 2023, the Rainbow Community was present during Alkmaar Pride and at Coming Out Day and various employees shared personal stories, increasing visibility and awareness. Many more rainbow flags were also hoisted - from the Head Office and Academy building to manufacturing and R&D - symbolising that everyone at Tata Steel is equally important and valuable. The Rainbow community is actively supported by the Board of Directors and senior leadership in Tata Steel communications and events.

Visiting mosques

With regard to increased cultural diversity, we also have a lot of catching up to do. A practical instructor from the Tata Steel Academy, who chairs a mosque in his spare time, has increased awareness of the opportunities available at Tata Steel by promoting our vocational courses and (technical) jobs at several mosques in the region, together with our recruiters. This initiative was successful, and it has resulted in a number of new students signing up to join the Academy.



Continuously increasing the quality of our staff

Numerous training programmes are organised at Tata Steel Nederland (TSN). Our training centre, the Academy, is open to employees of all levels and we welcome 170 new technical students every year. We actively collaborate with nearby schools.

The technical vocational studies at Tata Steel Academy are highly rated by Keuzegids, an independent consumer guide that compares the quality of all further education programmes in the Netherlands. Our students' graduation rate surpasses the national average by a significant margin.

Running for almost 85 years, our company school is the oldest of its type in the Netherlands. Almost half of our technical employees working in our factories started here. The technical vocational studies continue to enjoy great popularity. Each year, the Academy receives more applicants than we have places for. Our external partner Nova College provides the theoretical tuition for the Academy students, whilst Tata Steel provides practical training. Upon achieving their vocational qualification, students are guaranteed a job at Tata Steel. In addition to secondary school students, we welcome mature candidates. More than 80% of academy graduates still work at Tata Steel after ten years.

Academy retraining employees

The Tata Steel Academy is increasingly focusing on training existing employees from a non-technical background. These lateral entrants can be trained for new positions in our production units. By 2023, 60 employees had completed the Basic Process Technology training course and another 50 are already scheduled to attend. The need for this type of training is growing and the scheme will be extended to more disciplines.

Existing employees can also participate in technical vocational level and bachelor level studies via the Academy. These studies offer motivated employees an opportunity to progress their career. In total, more than 617 employees participated in 2023: 444 at senior vocational level and 173 employees at a bachelor level.

We expect major changes to the training requirements will be needed in the near future. The production process will change drastically upon the transition to steel production using hydrogen. Retraining and further training will therefore become increasingly important. We also pay an increasing level of attention to training courses in the field of sustainability. All Academy students have followed a specially tailored sustainability module since 2018.



Hydrogen technology module

Tata Steel Academy is preparing its students for the transition to green steel produced with hydrogen as an energy source. The 'Hydrogen' learning modules are introduced for vocational training courses in Electrical Engineering, Mechanical Engineering and Process Engineering. Electrical and mechanical engineering students are developing and building a kart that runs on hydrogen. The Maintenance module will be expanded to include hydrogen as an energy carrier instead of natural gas. In addition, next school year we plan to have an Awareness practical module ready for all students.

Traineeships

The Tata Steel trainee programme in IJmuiden supplies young talent for top positions. 27% percent of the participants are female. We pay attention to competencies such as dealing with change, organisational sensitivity, collaboration and contribution to innovation. The trainee programme lasts two years. In the year under review, Tata Steel IJmuiden employed 63 trainees: Business trainees (8 women, 10 men), Technical trainees (8 women, 30 men) and International Technical Downstream Trainees (1 woman, 6 men). In recent years, it is striking to see that many of our trainees have chosen to participate in projects related to our sustainability ambitions.

The Young Professionals Programme (26% of the participants are female) is a one-year programme for employees that have completed a bachelor's or master's degree and have a maximum of three years of work experience. There are currently four groups consisting of 58 employees in the programme, of which 15 are women.

Leadership programme

The leadership programme is designed to encourage cultural change at all levels of the company. The goal is to harmoniously develop all energy, from thoughts to acts, towards a meaningful, sustainable company. In 2021, a training programme was launched under the motto 'Connect, Change, Care'.

There is a strong awareness that the strategy must be widely supported and understood to be successfully put into practice by an engaged and motivated workforce. Achieving this requires a new way of thinking and a different skillset, starting at the top. That is why the Board of Management were the first to complete an intensive training programme during the year under review. Subsequently, a group of senior managers (the so-called top 100) were trained in a similar way.

Parallel to this, a major programme for line managers has started. Over a course of five weeks, this large group of employees will be trained using e-learning modules, peer sessions and behavioural experiments. In the year under review, 478 employees completed these training courses, in addition to specific groups including HR employees. In 2023-2024, the Leadership Programme also reached shift supervisors and team leaders, albeit in an adapted form.

Sustainability Awareness Training

In the reporting year, the business unit Colors has launched its Sustainability Awareness training for Employees. A dedicated group of colleagues from IJmuiden and Maubeuge have worked on preparing the content for these training sessions. Comprising seven modules, this training is crafted to provide knowledge and insights into various aspects of sustainability. Each module is equipped with interactive questions, videos, and examples related to our business, ensuring that our employees are aware of the current state regarding sustainability and how this can potentially impact our operations.

The training aims to meet several objectives including employee engagement, risk mitigation, legislation compliance and market positioning. The core message, however, is to emphasise the role of every individual in leaving a positive legacy for future generations; highlighting the responsibility to preserve natural resources and reduce environmental footprints.



PERFORMANCE AND MACROECONOMICS

The steel industry is cyclical. The financial performance of Tata Steel Nederland (TSN) is directly affected by general macroeconomic conditions. These set the demand for steel from downstream industries, as well as by available global production capacity, raw material prices and exchange rate relativities. As integrated steel players seek to maintain high-capacity utilisation, changes in margins across regions lead to changes in the geographical sales pattern. As a result, in addition to market developments in mainland Europe, changes in the global market for steel influence our results and possibilities.

6.1 Staying on course

A year filled with challenges

The reporting period was a challenging year for TSN, with an operating loss of € 720 million (year 2022-2023: € 452 million operating profit). The downtrend in steel spreads seen in the last half of the prior financial year continued a downward trajectory in the current reporting period, reaching a bottom in October 2023 with historically low spread levels.

Low demand from the market in 2023 following the general economic slowdown in Europe resulted in lower deliveries and declining steel selling prices, while at the same time raw materials and energy prices stayed at elevated levels driving operating profit downwards. Also delays in project delivery had a significant negative financial impact.

From a broader stakeholder perspective, challenges also remained. Public concerns and enhanced supervision and enforcement by environmental regulators in relation to our activities at IJmuiden continued during the year. Public concerns mostly related to emissions from our cokes and gas plants, which resulted in pressure on our licence to operate. We do our utmost to minimise impact, because these plants are part of our transition plan towards steel making using direct reduced iron technology and electric smelting. The stricter supervision and enforcement combined with the outcome of the investigation on the possibility to revoke the permit could impact the duration of the remaining operating time of the plant until decarbonisation of the IJmuiden site.

To realise our decarbonisation plans and ensure the long-term success and competitiveness of TSN, support from the government, in the form of financial and energy (tax) policy support as well as permitting, renewable energy and hydrogen infrastructure, is critical. More information on the developments with the government over this financial year as regards Maatwerk, can be found in chapter 4.

The Roadmap Plus programme is improving the environmental performance of the IJmuiden site. Over the last couple of years more than thirty environmental investments were completed. More measures are underway. Read more in chapters 3 and 7 ('Environment').

In November 2023, TSN announced measures to reduce labour costs. The FTE reduction applies to the entire IJmuiden site and in particular concerns management, staff and support functions. For more details, see chapter 5.

TSIJ.NU: improving performance of IJmuiden operations

In the reporting year TSIJ.NU was launched, an initiative that focuses on improving the operational and financial performance of Tata Steel IJmuiden. The initiative aims to increase throughput and utilise the full product portfolio resulting from the latest investments. The measures taken consist of improving our market position, reducing various fixed costs and working towards stable production. The focus is on ensuring readiness of all assets and sectors once Blast Furnace 6 is recommissioned.

Decline in demand for steel

The slowing economic growth both in Europe and globally in 2023 has directly affected demand for our steel. It is determined by many macroeconomic factors, such as interest rates, conflicts and global production capacity.

The rise of central bank rates to fight inflation continued to negatively impact consumption and investments. Global GDP increased by 2.7% (2022: 3.1%). Inflation at 6.1% was lower than the 8.1% in 2022 but still significantly above levels seen in earlier years (2.9% in 2016-2020). In China GDP growth was 5.3% (2022: 3.0%) as economic activity increased when the Chinese economy reopened following the pandemic shutdown. Growth in China was held back during the year by a weak property market with housing prices declining, which led to issues for real estate developers.

Economic growth in the EU decreased to 0.5% (2022: 3.5%). Monetary tightening and high energy costs limited growth. Output in the manufacturing sector was particularly low, whilst services provided more support to the economy, contrary to the post-pandemic rebound in 2021 during which manufacturing was relatively strong. Growth across the EU was uneven across the individual economies. Germany experienced a mild recession with -0.1% and France and Italy grew by 0.9% and 0.7% respectively.

Steel demand and production

Global steel demand declined in 2023 for the second year in a row by 1.1%, in line with the weak macroeconomic conditions, after -3.3% in 2022. Demand in China decreased by -3.3% (2022: -2.9%). This decline was mainly driven by the downturn in the Chinese real estate sector. Steel demand from the manufacturing sectors continued to grow. Chinese steel demand is gradually shifting from construction to manufacturing and from long steel products to flat steel products. Demand in the EU decreased by 10.0% (2022: -7.9%). Activity growth in the main steel-using sectors decelerated but remained slightly positive in 2023. Although construction output was negatively impacted by the high interest rates, especially for real estate, automotive output grew strongly due to a backlog of orders arising from supply chain disruptions.

In 2023 global steel production decreased by 0.2% to 1,848Mt (2022: -3.3%). Steel production in China decreased by 0.4% to 1,015Mt (2022: -1.4%) and equated to 55% of global steel production. In the EU production decreased by 7.3% to 126Mt (2022: -10.7%) as ~20% of blast furnaces were idled in response to lower demand for steel.

Raw materials and steel prices

The principal raw materials used in TSN's carbon steelmaking processes are iron ore, metallurgical coal and steel scrap. The market reference price for iron ore fines (China CFR 62%) remained relatively stable in 2023 at US \$ 120/t (-\$1/t), with a low of US \$ 105/t in May and a high of US \$ 137/t in December. The hard coking coal spot price (Australia FOB) declined to US \$ 296/t (-\$69/t). In March of 2022 the price was at an all-time high of 594 US \$/t due to the loss of supply from Russia as a result of the war in the Ukraine. The German benchmark scrap price (Sorte 2/8) decreased to € 340/t (-€ 74/t) compared to the previous calendar year. The price of CO₂ increased in 2023 to € 84/t (+€ 3/t), reaching an all-time high in February 2023 at € 92/t. Reform of the EU Emissions Trading System led to a reduction in the supply of permits which caused the price to rise. In the second half of 2023 the price declined mainly due to the weak economy reducing the demand for carbon allowances. The European steel spot Hot Rolled Coil price (Germany, parity point) decreased in 2022 to € 713/t (-€ 193/t). In April 2022 the steel price was at an all-time high of € 1,346/t due to the loss of supply from Ukraine and Russia. In 2023 the price was relatively low due to declining demand for steel.

Trade

In 2023 imports of finished steel into the EU decreased to 25.6Mt (2022: 28.9Mt). Reduced demand and low margins made it less profitable for exporters to sell material in the EU. The market share of imports in the EU declined to 18.6% (2022: 19.6%). Steel-using sectors are increasingly sourcing steel from third countries. In 2022 the import market share was at a historical high. The EU remained a net importer of steel in 2023, which it became in 2015, with net imports of 16.0Mt (imports: 33.6Mt, exports: 17.6Mt).

Decreasing operating result because of different factors

The year under review saw a challenging external environment primarily due to a weaker market and lower steel prices, especially in Europe.

Tata Steel Nederland's revenue decreased by 17.4% from € 7,192 million in the financial year 2022-2023 to € 5,943 million in the current financial year 2023-2024. The decrease in revenue is driven by a 12.6% decrease in average revenue per tonne with the remainder, 4.8% on account of lower volume. The decline in average revenue per tonne is attributable to relatively low selling prices experienced during the reporting period.

The decrease in deliveries during the year was driven by lower demand, especially from European customers. The European economy performed weakly, affected by sharp interest rate hikes by the European Central Bank (ECB) to combat inflation. At the same time, industrial production was in decline. This economic environment led to a decline in demand, which resulted in lower deliveries and declining steel selling prices. Liquid steel production in the reporting year decreased by 1.52 MnT (24%) compared to the previous year due to the relining of the Blast Furnace 6 repair programme. The reduction in deliveries was less than the reduction in liquid steel production due to the utilisation of stock built up in the prior year in anticipation of the Blast Furnace 6 repair programme.

This, together with the delayed commissioning of Cold Mill 21 and a changed schedule in the preparation and execution of the Blast Furnace 6 repair programme due to delivery issues at third parties resulted in the operating result decreasing from a profit of € 452 million in the financial year 2022-2023 to a € 720 million loss in financial year 2023-2024.

The result before taxation decreased from a € 443 million profit in 2022-2023 to a € 743 million loss in the reporting year. The consolidated loss after taxation (including minority interests) amounted to € 556 million in this reporting period, compared with a profit after taxation of € 352 million in the prior year.

Balance sheet

Consolidated capital and reserves (including non-controlling interests) decreased by € 422 million to € 3,200 million at the end of this reporting period. This consists of:

- A loss after taxation of € 556 million.
- Other comprehensive expenses for the year is mainly attributable to: gains arising on cash flow hedges and actuarial gains arising on cash flow hedges and actuarial gains on defined benefit pensions and post-retirement plans: € 20 million.
- In December 2023, as part of an internal simplification of the TSN Group structure, the legal merger of British Steel Nederland International BV (BSNI) into Tata Steel Nederland BV (TSN) was completed. The results and balance sheet of BSNI and its subsidiaries are incorporated prospectively from the completion date onwards. The impact on consolidated capital and reserves is € 113 million (being the former equity of BSNI and its subsidiaries).

Weak financial results and significant capital expenditure resulted in a decreased cash balance of € 104 million at 31 March 2024. TSN has access to a revolving credit facility (RCF) with a maximum limit of € 200 million. As of 31 March 2024, € 75 million of this facility was drawn. An amendment and restatement agreement was concluded on 22 May 2024, increasing the RCF committed amount from € 200 million to € 400 million to help absorb peaks in cash outflow in certain periods if needed. Furthermore, the company also has non-committed overdraft facilities available amounting to € 73 million, of which € 9 million was drawn at the end of the financial year.

In addition, Tata Steel IJmuiden B.V. and certain other subsidiaries of Tata Steel Nederland continue to have access to a trade receivables securitisation arrangement, with a maximum amount of € 600 million on a non-recourse basis. At end of the financial year 2023-2024 € 463 million of this facility was utilised (prior year: € 415 million).

Net cash flow from operating activities totalled € (188) million, a decrease of € 760 million compared with the prior year. Net cash flow from investment activities amounted to € (639) million (prior year: € (351) million). The outflow during the year broadly represents capex investments made in new and refurbished assets, Roadmap Plus investments and pursuing our decarbonisation strategy. Including movements in cash flow from financing activities and working capital, the net movement in cash and cash equivalents amounted to an outflow of € (754) million (prior year: € 250 million inflow).

6.3 Financial performance

Despite the reduced cash balance TSN maintained a strong balance sheet, with only a limited level of borrowing. No dividends were paid out in the reporting period (prior year: nil) and in agreement with our parent company excess cash is retained for investments in decarbonisation.

Financial risk management at TSN is based on sound economic objectives and good corporate practice. The TSN group's main financial risks are related to the availability of sufficient funds to meet its business needs, including the ability to continue its strategic investments and meet its sustainability ambitions. To manage this risk, the TSN group continues to focus on generating positive cash flows. However, our decarbonisation transition will require additional investments and government policies to ensure a level playing field, for which TSN is in discussion with the government for so-called Maatwerk support.

Other financial risks relate to movements in interest rates, exchange rates and commodity costs. Derivatives and other financial instruments are used to manage any market exposures where deemed appropriate. Further details of its financial risks, and the way the TSN group mitigates them, are set out in chapter 7.

Capital expenditure

Capital investments in the reporting year were mostly directed towards refurbishment of the Blast Furnace 6 and reducing TSN's impact on its environment. The Roadmap Plus Program took a big step forward with the completion of the dust removal installation and the start of constructing the deNOx installation, both at the Pellet Plant. A new major Roadmap Plus investment being started this year is the windbreaker around the raw material storage, to reduce dust emissions.

In the coming years, TSN will continue targeted investments in Downstream operations to further enhance the offering to our customers and the reduction of emissions. TSN will also continue to invest in the technological shift required to enable the transition to carbon neutral, which will require significant long-term investments.

Prospects for 2024

In 2024, economic growth in the EU is expected to gradually accelerate due to a lowering of the bank rates as inflation normalises. However, the high interest rates will continue to impact the economy leading to a gradual recovery. In 2024 growth of 0.8% is expected for the EU. Economic growth is projected to return to the longer-term levels from before the pandemic by 2026. Output growth in the steel-using sectors is forecasted to be low in 2024 due to the tight monetary policy. A recovery in real demand is not foreseen in 2024, but a rebound of steel demand of 2.9% is expected due to restocking as the steel-using sectors start to anticipate higher demand for their products.



Blast Furnace 6 renovation

RISK MANAGEMENT



Measures against significant risks

In the broader context of the Tata Steel Group, risk management is an integral part of the business management processes. Tata Steel Nederland (TSN) has designed a strong and effective process to identify, prioritise and monitor significant risks. This is associated with mitigating measures for its operations and activities. The process builds upon the risk management procedures and reporting framework employed throughout the group.

The individual entities of TSN prepare risk registers, which are subsequently consolidated into an overall risk register outlining the potential impact and likelihood of occurrence of each risk. The risk register is reviewed and updated quarterly to ensure the latest information is included.

7 Risk Management

Environment

Risks

The businesses of TSN are subject to numerous laws, regulations and commitments relating to the environment and regulatory compliance in the countries in which they operate. TSN has policies, systems and procedures in place aimed at ensuring compliance with regulations and permits. There is a strong commitment from the Board of Management and Supervisory Board to continuously enforce compliance and to minimise the impact of the operations on the environment. Dedicated resources continuously drive improvement in TSN's environmental performance.

Tata Steel IJmuiden produces within the framework of its environmental permits and this is recognised by the various authorities. It is also known that the air quality in the area around the site is within the limits of Dutch regulations. Nonetheless, regular investigations in the surroundings of the site are carried out by the National Institute of Public Health and the Environment (RIVM) and the Public Health Service (GGD). The Dutch Safety Board (OVV) also conducted an investigation.

On 13 April 2023 the OVV published its report of the investigation of the situation around Tata Steel (IJmuiden), Chemours (Dordrecht) and Asfaltfabriek Nijmegen (APN). The OVV concluded that the health of people living close to industrial facilities deserves better protection from companies, local government authorities and environmental agencies. Local governments and environmental agencies lack the resources to ensure that companies are compliant with existing standards and regulations and reduce industrial emissions. They also do not systematically assess risks to health, and do not always have a full picture of the scale of emissions.

On 22 September 2023 the RIVM published its report on the investigation of the extent to which the substances emitted from the site of Tata Steel IJmuiden – at the levels they are currently being emitted into the air – affect the health of local residents. This was done by examining the effects of multiple substances and dust, noise and odour nuisance, all considered in conjunction with one another.

The RIVM concluded that the emissions from the Tata Steel site contribute to the quantities of particulate matter, nitrogen dioxide, polycyclic aromatic hydrocarbons (PAHs) and metals in the immediate surroundings and that these remain within the framework of its (environmental) permits. In particular, the emissions of particulate matter and nitrogen dioxide and dust, odour and noise nuisance increases the likelihood of adverse health effects. According to the RIVM, the current level of emissions is putting people who live in the IJmond region at an elevated risk of disease. The risk of adverse health effects is largest in Wijk aan Zee. The effects become less pronounced further away from the Tata Steel IJmuiden site.

One of the areas of concern is that the Environmental Agency has placed the cokes and gas plants under intensified supervision and expressed its intention to have investigated whether from a legal point

of view the permit of the cokes and gas plants can be revoked. In the meantime, the Environmental Agency to date imposed and forfeited six recovery decisions under the 'penalty under threat'. Under the penalty under threat a recovery decision is forfeited upon the occurrence of a so-called 'green push' at the cokes and gas plants. It is TSN's opinion that it is impossible to fully prevent green pushes even when having taken all possible measures. Therefore, it is expected that the penalty under threat cannot be fully complied with, and constitutes an unreasonable measure. The stricter supervision and enforcement combined with the outcome of the investigation on the possibility to revoke the permit could impact the duration of the remaining operating time of the cokes and gas plants until decarbonisation of the IJmuiden site.

Mitigating factors

According to the RIVM report of September 2023 the greatest health gains can be achieved by reducing emissions of dust, odour, noise, particulate matter and nitrogen oxides, thus reducing exposure in the living environment. Further health concerns can be addressed by reducing the emissions of PAHs, lead and SO₂.

TSN's Roadmap Plus investment programme which started in 2019 is aimed at improving the local environmental performance in areas such as dust, noise and odour. Construction of the dedusting installation for the Basic Oxygen Steelmaking and Pellet Plant has been finalised. These, among other installations, will reduce the emission of lead, heavy metals and dust significantly. The erection of a windshield (18 metres high) to prevent dust from spreading beyond the premises of Tata Steel IJmuiden has started. Phasing out the CGPs is part of TSN's decarbonisation strategy. In the meantime, the risks of green pushes are being mitigated as much as possible by applying every possible measure including tight operational controls, the use of advanced data analytics and ongoing refurbishing of oven walls.

TSN's Green Steel Plan is a first step in its commitment to producing green steel in a clean environment in the Netherlands. To address local environmental and health concerns, several measures have been included in the Green Steel Plan, which is subject to the granting of Maatwerk by the Dutch government. Specifically, TSN aims to reduce its emissions in the RIVM priority areas by 2030:

- **Particulate matter and dust:** covering the raw material field related to Green Steel route to reduce dust and particulate matter emissions
- **Noise:**
 - Covering the scrap yard to reduce noise emissions
 - Adress tonal and peak noises.
 - Extend the noise measuring system.
- **Nitrogen dioxide:** achieving reduction in alignment with the government's ambitions for the Dutch industry.
Implementing the measures for particulate matter and noise will help TSN exceed current legal requirements, with progress depending on government support for the Green Steel Plan. Regarding other environmental emissions (e.g., on PAHs, heavy metals (lead) SO₂), TSN will structurally reduce these emissions through implementation of its planned measures and phase 1 of decarbonisation strategy.
For further detail on these matters, see Chapter 3.1 Roadmap Plus.

Climate change and decarbonisation

Risks

TSN is subject to a wide range of government policy measures to incentivise the reduction of greenhouse gas emissions. The most important is the European Union Emissions Trading System (EU-ETS), a cornerstone of the EU's policy to combat climate change and its key tool for reducing greenhouse gas emissions cost-effectively. Under the EU-ETS, industrial installations such as those of TSN, considered to be at significant risk of CO₂ leakage are allocated a higher share of free allowances to safeguard competitiveness. These free allowances decrease every year, and hence the cost of EU-ETS compliance increases.

The steel industry is a hard-to-abate sector because it is highly capital-intensive and highly competitive on a global scale. An important factor is that coal is not used as a fuel (a heating agent) but as a reductor. In the process of steelmaking, carbon is necessary for the chemical reaction to produce the iron that will be further processed to create steel. Therefore, efficiency gains cannot sufficiently reduce CO₂; the required reduction can only be reached through an entirely new process with another reductor (natural gas and, when sufficiently available at competitive cost, hydrogen). This requires significant capital investments that the steel industry cannot make on its own, as is evidenced by the fact that TSN's EU competitors all receive significant state aid for their decarbonisation programmes.

The steel industry is one of the sectors with the highest risk of carbon leakage. The Netherlands Environmental Assessment Agency (PBL) has expressed clearly that "to avoid carbon leakage, internationally harmonised policy is an important ingredient of successful mitigation in the hard to-abate sectors, specifically in industry, aviation and shipping". Therefore, steel-producing companies under the EU-ETS receive free allowances up to the level of the relevant benchmarks. This creates a level playing field with importers that do not have a similar cost as EU steel producers.

In addition, current Dutch policies (fiscal and other) are deviating from those of other member states, resulting in a significant cost disadvantage for TSN versus its European competitors. Furthermore, there is significant public and political pressure to reduce the amount of these tax exemptions and the degressive tax system discounts ("fossil subsidies") related to coal, gas, and electricity production and consumption, as well as discounts on electricity network costs for the Dutch industry. The impact of these changing policies on TSN's competitive position and future earnings can be significant.

Mitigating factors

The EU Carbon Border Adjustment Mechanism (CBAM) will help protect European steel producers from imports by countries that are not subject to the same level of CO₂ taxes. However, CBAM in its current form will adversely affect the competitiveness of exports outside Europe.

TSN has the ambition to reduce its CO₂ footprint significantly by 2030 and become CO₂ neutral by 2045. This is embedded in TSN's strategy to become a 'clean, green and circular' steel company and involves the replacement of Blast Furnace 7 and Cokes and Gas Plant 2 by 2029 as a first major milestone.

As a result, CO₂ emissions from the steelmaking process will reduce considerably. Also, increased levels of recycled scrap metal will be used to enable steelmaking in IJmuiden to become more circular, thereby further reducing CO₂ emissions.

TSN is working with the government on the shared objective of creating an achievable, long-term plan to support the steel sector's transition to a competitive, sustainable and low CO₂ future. This was evidenced by the signing of the Expression of Principles with the Dutch Government. In this process TSN continues to re-emphasis that, in the initial energy transition phase and within that specifically in the shift to increased natural gas usage for the DRP (Direct Reduced iron Plant), TSN could be impacted significantly by the new fiscal policy of the Dutch government.

The ability to realise TSN's ambition to become a clean, green and circular steel producer within the envisaged timelines, is critically dependent on adequate and timely support from the government in terms of financial support, granting of permits and maintaining a level playing field for European steelmakers and hence we continue to work closely with all relevant stakeholders.

The Ministry of Economic Affairs and Climate Policy engaged Mr. Wijers and Mr. Blom to advise the Ministry on the best decarbonisation scenario for the IJmuiden site. In the report, sent to the Dutch Parliament on 28 March 2024, various decarbonisation scenarios, including TSN's Plan of Record of EAF-DRP, were researched. Wijers and Blom note the importance of TSN for the Dutch economy and the strategic autonomy in Europe. They also note the need for speed as regards TSN coming to an agreement with the Dutch government.

The Ministry of Infrastructure and Water management installed the Expert Group IJmond, which under the leadership of Professor Marcel Levi has assessed to what extent the Green Steel Plan will contribute to further reduction of emissions in the IJmond region and has advised that stricter regulatory measures will be needed. The Expert Group IJmond report shows that there is a licence to operate for Tata Steel in IJmuiden, if the health effects are addressed sufficiently with additional measures. With these reports, TSN and the Dutch government can move forward in their ambition to decarbonise circular steel making, noting that as part of the tailor-made government financial support, a further reduction of emissions beyond the current regulatory framework is necessary.

The process to obtain permits to build the new installations for the first phase of decarbonisation of the IJmuiden site has started and we are actively engaging with local communities as part of the participation process.

TSN's workforce

Risks

Over the last years, the labour market has become increasingly tight in several European countries, including the Netherlands. This is mainly caused by the impact of an ageing population on the labour market. Staff shortages are therefore also a risk to TSN throughout all function areas in the organisation, and in particular in those areas of expertise, such as engineering and IT, in which demand for qualified personnel is high. TSN's transition will further increase the need for engineers and other specialists.

Mitigating factors

TSN's human resources strategy is directed at having the right workforce to successfully operate the current assets, and for the construction and operation of the future decarbonisation assets. TSN's strategy to transition to carbon neutral production makes TSN an employer of choice for those wishing to contribute to a cleaner and more sustainable living environment and who want to be part of one of the largest and most advanced sustainability projects in the Netherlands. Active communication strategies are deployed explaining that steel is part of the solution to reduce CO₂ emissions. To improve quality and retention, strategic collaborations continue with universities of technology and other relevant schools and talent programmes for graduates, functional trainees and apprentices.

The Tata Steel Academy plays a major role in the recruitment and education of TSN's employees. Through the Tata Steel Academy, TSN provides training programmes and vocational education for future technical and engineering employees. The Academy offers management and other training courses as well as position-oriented training. It is also a company school for vocational training. After having obtained a diploma, employees are offered a position at TSN.

Trading in the global steel market

Risks

Over the past few years, there has been an observable trend towards increased protectionism on a global scale, with countries around the world increasingly looking to protect their own economies from external threats and competition. In addition, the world has witnessed a surge in instability and conflict, particularly in regions such as Ukraine and the Middle East. These conflicts have contributed to a sense of unease and uncertainty in the markets.

The prevailing trend of protectionism is predominantly reflected in the imposition of tariffs and anti-dumping measures. In addition to the European market, TSN has a longstanding presence in the US steel market where the U.S. Section 232 tariffs are still in place. Selling steel to the US market implies that trade cases may occur.

The persistent overcapacity in China and emerging excess capacity in the countries part of the Association of Southeast Asian Nations combined with the slow-down in the global economy and more closed markets result in carbon-intensive steel exports increasingly being redirected towards the European market. TSN operations are predominantly based in Europe, which is a relatively high-cost area where growth of demand for steel products is lower than in developing parts of the world. This, combined with increasing costs from climate change requirements and raw materials and competition from alternative materials, challenges TSN's long-term competitiveness. Fair trade principles and a level playing field are of critical importance for TSN in general and certainly in the (costly) transition to decarbonise its steelmaking activities. Whilst the current EU Trade Defense Instruments (TDI) were improved, the mechanism still works too slowly to effectively protect the industry against unfair prices.

Mitigating factors

TSN's commercial strategies aim to identify and pursue opportunities to focus on less import-sensitive sectors/markets, on differentiated products and on a strong customer focus that will foster longer-term relationships. Furthermore, TSN is developing several initiatives, including cost-reduction measures and business specific improvement plans to maintain cost effectiveness.

TSN continues to monitor import activity (volume and prices) and works with Eurofer (European Steel Association) to monitor the need for additional trade defense measures to protect the European steel industry from being hurt by dumped steel imports. In addition, TSN sees a continuation of current EU safeguards measures beyond June 2024 as an absolute necessity.

The European Union developed the CBAM mechanism to put a fair price on the carbon emitted for the production of carbon intensive goods. TSN recognises the importance of CBAM in ensuring a level playing field for EU steel and welcomes its implementation. However, the uncertainty surrounding the exact functioning of CBAM remains a concern.

Raw materials and supply chain

Risk factors

TSN has no captive iron ore and coal supplies, therefore access to and pricing of raw materials supplies depend largely on worldwide supply and demand relationships, notably in respect of iron ore, metallurgical coal and scrap. Geopolitical developments, changes in market dynamics and volatility in raw material prices may pose risks to availability of raw materials that may lead to higher costs/cash outflows and working capital.

Supply delays or disruptions of raw materials come and go continuously due to production backlogs at mines and load ports. Major incidents such as derailments and fatalities can stop a supply chain completely once or twice a year and issues with vessels such as quarantine or engine failure can also occur. Cargo timing adjustments and additional purchases are made on a weekly basis. Finally, emerging ESG norms may have an adverse impact on supply chain performance.

Mitigating factors

To guarantee a reliable supply of coal, the company sources from a diverse range of locations. This helps to mitigate the risk of geographical concentration. TSN has implemented a Responsible Supply Chain Policy Framework, which is enforced to ensure that suppliers throughout the supply chain adhere to ethical and sustainable standards. Coal and iron ore prices are closely linked to steel prices. Therefore, when there are changes in the prices of coal and/or iron ore, adjustments are made to steel prices. To manage the risks associated with commodity price fluctuations, TSN employs financial instruments for commodity hedging. This practice is restricted to underlying exposure across the entire group.

Digital resilience

Risks

There is an ongoing threat of cyber-attacks from large-scale criminal organisations that target major businesses across all industries. The ever-changing cyber environment requires new and constantly evolving mitigation and controls to manage an increasing risk exposure, thus employing new technologies and maintaining existing hardware at all levels. For existing hardware and operating systems, maintenance is required to address identified vulnerabilities via adequate and timely maintenance.

Mitigating factors

TSN has a dedicated Information Security Department that monitors its IT estate and drives a continuous focus on cyber risk awareness and education. Protection against viruses, malicious software and external hacking is in place and continuously improving, as well as contingency planning for digital business-critical and core network components.

A top-10 cybersecurity risk programme has been executed to address the Life Cycle Management backlog of the IT estate (including OT – Operational Technology Systems) and fast-track the implementation of the required network architecture. The activities from the program will continue under business as usual operations where the focus will be extended to improve the response capabilities.

For new and obsolete hardware and operating systems, processes are in place to constantly liaise with IT service providers regarding continued availability of support and skills for databases and programming languages, resulting in the decrease of high impact incidents in IT. Increased IT support from TSN's external IT partners in both capacity and capability is used to mitigate the risks to business continuity because of obsolete IT systems.

Operations

Risks

The disruption of TSN's and its subsidiaries' manufacturing processes caused due to various factors such as equipment failures, natural disasters or extreme weather events, could adversely affect operations and customer service levels.

Mitigating factors

To mitigate these risks, best practices in asset management, enhancing technical knowledge and skills, improving process safety, targeted capital expenditure and focused risk management are priorities for the business. Corporate Asset Management Framework (CAMF) activities are accelerating and delivering improved insight into the assets in relation to reliability, failure and risk. Under the improvement programme TSIJ.NU structural improvements to IJmuiden Operations are undertaken.

Legal and Compliance

Risks

TSN and its relevant subsidiaries are involved in a number of legal proceedings, both civil and administrative in nature and subject to a criminal investigation. The most relevant of them are listed below.

Proceeding 1

In January 2022 MOB (Mobilisation for the Environment) requested the province Noord-Holland to revoke the nature permit of Tata Steel IJmuiden. This request was denied; the province ruled that the nature permit had been granted to Tata Steel IJmuiden on justified grounds and there is no infringement of legal provisions in general or of the Nature Protection Act specifically. The Province of North Holland did tighten Tata Steel IJmuiden's nature licence by reducing the permitted nitrogen oxide emissions by 8%.

Proceeding 2

In a protracted infringement case initiated by a competitor of Tata Steel IJmuiden, a court in Germany decided on 9 May 2023 (after the reporting period) that Tata Steel IJmuiden had infringed on a valid German utility model as of July 2015 by selling a specific low-waviness steel grade which may lead to a financial claim. Tata Steel IJmuiden no longer produces or sells this specific steel grade.

Investigation

Tata Steel IJmuiden is subject to an investigation by the Public Prosecution Service into the alleged introduction of hazardous substances into the soil, air or surface water that could affect public health. The Public Prosecution Service visited the premises of Tata Steel in IJmuiden on 29 November and 6 December 2022 as part of this investigation. The investigation is led by the Functional Public Prosecutor's Office and the visits were carried out by a team composed of several investigative authorities. The investigation of the Public Prosecution Service is continuing. It is unknown when a decision will follow.

Claim

By letter dated 23 August 2023 the foundation Frisse Wind.nl holds (the directors of) Tata Steel IJmuiden B.V. liable on behalf of a large group of persons, claiming damages based on tort, whereby reference is made to art. 8 of the ECHR (European Convention on Human Rights). A meeting took place where on behalf of Tata Steel IJmuiden liability was rejected.

Mitigating factors

Proceeding 1

The nature licence remains in place. MOB has appealed the province's decision not to (partially) revoke Tata Steel's nature licence and Tata Steel has appealed some of the conditions which the province has decided to add to the nature permit.

Proceeding 2

Tata Steel IJmuiden has appealed against this ruling. The hearing will take place on 11 July 2024.

Risks

TSN is subject to a wide range of changing legislation and regulations. This concerns two focus areas: energy at the national level, and the Carbon Adjustment Border Mechanism (CBAM) at the European level.

The risk of deteriorating energy legislation can be attributed to several factors, including increased network costs, phasing out of energy tax exemptions, loss of CO₂ credits and tax increases for electricity, coal and natural gas usage. These measures are aimed at helping the Dutch government recover its heavy investments in grid connections and incentivising end-users to reduce their greenhouse gas emissions. It is important to note that these measures may materialise over the next few years and TSN as an energy-intensive industry player, is highly sensitive to energy legislation. The implementation of local measures, such as outlined above, may negatively impact on TSN's profitability and lead to an uneven playing field within the European Union. Therefore, it is crucial for TSN to closely monitor developments in energy legislation and take appropriate mitigating actions accordingly.

The European Union has committed internationally to its 55% reduction target for emission of greenhouse gases in 2030. The "Fit for 55" amends several pieces of legislation, including the CBAM. As part of the European steel industry, TSN is exposed to EU Emission Trading System (EU-ETS) regulations, which prices CO₂ emissions. To limit disadvantages against global competition in relevant sectors that are impacted by the EU-ETS regulations, the European Commission has imposed CBAM. However, the effect of CBAM regulation and design adjustments are uncertain, which could affect profitability through deterioration of the competitiveness of the European steel industry in the global context.

Mitigating factors

TSN is actively engaging in conversations with government institutions to adjust the development of energy legislation in a way that could be favourable to its operations. In addition, TSN is implementing internal organisational optimisations in collaboration with internal and external stakeholders. This includes closely engaging with Transmission System Operator and internal operational optimisation.

TSN actively lobbies to influence the design of CBAM implementation in a way that is most effective for TSN's operations and profitability. This may involve providing feedback to both the European Commission and industry organisations and engaging in discussions with other industry players to advocate for a more favourable CBAM design.

TSN includes CBAM in negotiations with customers to ensure that it can maintain profitable pricing levels. TSN is actively engaging with government agencies to address design adjustments that support the effectiveness of CBAM implementation.

Fraud

Risks

Unethical behaviour, loss of integrity and non-compliance with legislation by TSN employees leading to significant fines and damaged reputation of TSN.

Mitigating factors

The risk of fraud is captured by the Risk Management Process, which is reported quarterly to the TSN Board of Management.

TSN has a compliance management framework in place to manage the key legal compliance risks, such as bribery and corruption. In the financial year TSN's Audit & Assurance department organised a series of Business Ethics and Fraud Awareness trainings and has been supporting TSN Legal in a number of cases. All compliance and integrity investigations are reported to the TSN board of management on a quarterly basis and to the TSN Audit Committee every six months.

A confidential reporting line – Integrity Line – is in place, operated by an independent external company, that offers employees, suppliers, contractors and visitors the opportunity to report their concerns, amongst other things, about fraud, bribery, corruption and other breaches of policies or the Tata Code of Conduct.



GOVERNANCE

Tata Steel Nederland (TSN) has a mitigated structure regime with a two tier board structure: the Board of Management (BoM) and the Supervisory Board (SB). The TSN BoM is responsible for day-to-day management and determining TSN's strategy. The SB supervises the policies pursued by the BoM and the general course of affairs of TSN and advises the BoM.

Daily management and supervision

The members of the Board of Management are appointed by the General Meeting of Shareholders of TSN and indirectly by its ultimate parent company (Tata Steel Limited). During the reporting period, the Board of Management consisted of Hans van den Berg (CEO and Chairman), Tom Eussen (Managing Director of Tata Steel IJmuiden), Martijn Plaum (Chief Financial Officer) and Gunilla Saltin (Managing Director of Tata Steel Downstream Europe) who was appointed as of November 1, 2023.

The members of the Supervisory Board are appointed by the General Meeting of Shareholders in TSN, at the nomination of the Supervisory Board itself. Every third member of the Supervisory Board is appointed considering the enhanced right of recommendation of the Central Works Council of TSN. The Supervisory Board has drawn up a profile regarding the required knowledge, diversity and independence of its members. The profile is leading in the selection and nomination of the members of the Supervisory Board as determined by the General Meeting of Shareholders of TSN.

Diversity

TSN, being a private large company, has drawn up appropriate and ambitious target figures for the supervisory board, the board of management and the sub-top of the company in order to reach gender diversity. For the Supervisory Board, the target is that at least 50% of the SB members that are not in any way involved in the management or supervision of companies that belong to the Tata Steel Group, should be female. This target was met. For the Board of Management, the target is to have a female board member appointed before 2024. With the appointment of Mrs. Gunilla Saltin in November 2023, this target was met. With regard to the sub top of the company, the target is that 33% of TSN's sub top leaders will be female by 2027.

Remuneration

The nature and amount of the remuneration for the Board of Management is determined by the shareholder. The remuneration is a combination of a Base Salary, a short-term incentive plan linked to safety performance and financial results, and a long-term incentive plan linked to relative competitive performance and sustainability targets.

The remuneration of the members of the Supervisory Board of TSN is determined by the General Meeting of Shareholders. The level of remuneration does not depend on the result of TSN. The Supervisory Board annually evaluates and assesses its own performance and that of the members of the Board of Management. The Supervisory Board may be assisted in this by an external party.

Board of Management



Hans van den Berg
CEO, Chairman of the Board of Management and Head of Sustainability
Hans van den Berg started his career at Tata Steel (then Koninklijke Hoogovens) in 1990. He has since held various positions at Research & Development, the Blast Furnaces, Basic Oxygen Steel Plant 2, the Cold Strip Mill and the Direct Sheet Plant. Hans holds a PhD in physics and completed his MBA at both Nijenrode University and Rochester University (NY).



Martijn Plaum
CFO
Martijn Plaum joined as CFO and member of the Board of Directors on 1 September 2022. Martijn is a business economist and obtained his master's degree in Business Economics and International Tax Law at Erasmus University. Over the past 19 years, he has held various finance positions at Shell, most recently as Vice President of Finance in Gas, Power and Environmental Products Trading.



Tom Eussen
Managing Director of Tata Steel IJmuiden
Tom Eussen joined Koninklijke Hoogovens in 1996 and held various strategic, operational and general management positions. In recent years he was responsible for Downstream Operations at Tata Steel Europe. Tom Eussen graduated in industrial engineering from the University of Twente and completed his EMBA at IMD in Switzerland.



Gunilla Saltin
Managing Director of Tata Steel Downstream Europe
As at 27 November 2023, Gunilla was appointed MD Tata Steel Downstream Europe and Member of the Board of Directors of TSN. Prior to joining TSN, Gunilla held various executive positions in the pulp and paper industry, most recently as CEO of Mondi Uncoated Fine Paper.

Part 2

SUPERVISORY BOARD REPORT

Supervisory Board report

The Supervisory Board of Tata Steel Nederland (hereafter: 'the Supervisory Board') supervises the policies pursued by the Board of Management (hereafter: 'the BoM') and the general course of affairs of Tata Steel Nederland B.V. (hereafter: 'TSN' or "Company"). The Supervisory Board takes into account the interests of all the Company's stakeholders, and advises the BoM thereon. The Supervisory Board regards good corporate governance as an essential foundation for the long-term success of TSN and the Tata Steel Group, and an essential element to the delivery of its strategy.

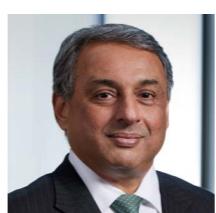
Composition of the Supervisory Board and its committees

The members of the Supervisory Board are appointed by the General Meeting of Shareholders of TSN, at the nomination of the Supervisory Board itself. The Supervisory Board and its members are not bound by any instructions and shall not receive a binding mandate. At least half of the members of the Supervisory Board are not in any way involved in the management or supervision of companies belonging to the Tata Steel Group. A quarter of the members of the Supervisory Board is female. The Supervisory Board appoints its chair from among its members. The chair does not have a casting vote. Every third member of the Supervisory Board is appointed considering the enhanced right of recommendation of the Central Works Council of TSN.

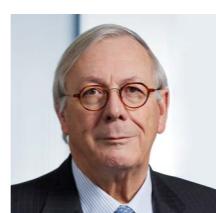
As per 1 November 2023, Mrs. Leni Boeren stepped down as member of the Supervisory Board after having been a member of the Supervisory Board for more than nine years. The Supervisory Board herewith expresses its gratitude to Mrs. Boeren, who with her wealth of experience has made an invaluable contribution to the Supervisory Board and the Company.

Mrs. Boeren was succeeded by Mrs. Claudia Zuiderwijk, who was appointed as member of the Supervisory Board as of 1 January 2024. Thereafter, the Supervisory Board consisted of Mr. T.V. Narendran (chair), Mr. Marius Jonkhart (vice-chair), Mr. Henrik Adam and Mrs. Claudia Zuiderwijk. Mr. T.V. Narendran fulfils the role of CEO and Managing Director of Tata Steel Limited and Mr. Adam fulfils the role of Vice President European Corporate Affairs of Tata Steel Limited. Mr. Jonkhart and Mrs. Zuiderwijk are not in any way involved in the management or supervision of companies belonging to the Tata Steel Group.

The Supervisory Board installed an Audit Committee as a standing committee of the Supervisory Board. At least half of the members of the Audit Committee are not in any way involved in the management or supervision of companies belonging to the Tata Steel Group. The chair of the Audit Committee will not be the chair of the Supervisory Board and will not in any way be involved in the management or supervision of companies belonging to the Tata Steel Group. At least one member of the Audit Committee will have competence in accounting or auditing. During the year, the Audit Committee consisted of Mr. Jonkhart (chair) and Mr. Adam.



T.V. Narendran
TSL MD & CEO
Member since 2021



Marius Jonkhart
Chairman of the Board
Netherlands Economic Institute (NEI)
Member since 2006



Claudia Zuiderwijk
CEO Public transport company Amsterdam
Member since 2024



Henrik Adam
Vice President European Corporate Affairs TSL
Member since 2019

Meetings and activities

Supervisory Board

The Supervisory Board held 8 regular meetings during FY24, 2 extra meetings and 2 SB-only meetings. With the exception of one meeting, all Supervisory Board members were present at each of these Supervisory Board meetings. In addition, members of the Supervisory Board by rotation attended Central Consultative Meetings of the BoM and the Central Works Council, providing information on the meetings of the Supervisory Board. They interacted regularly with management and members of the Central Works Council outside the formal meetings, both collectively and individually.

During the year, TSN's environmental performance was an important subject on the agenda of the Supervisory Board. The Supervisory Board monitored the progress of the implementation of the Roadmap Plus Programme, a €300M investment programme aimed at improving local environmental performance by realising significant reductions of dust emissions, noise and odour pollution. TSN successfully commissioned the dedusting installation at the pellet factory, by which TSN aims to reduce dust and heavy metal emissions at the pellet factory by 80%. In addition, TSN progressed well on the construction of the deNOx installation, which will be commissioned in 2025 and which has the objective to reduce TSN's total nitrogen oxide emissions by 30%. The Supervisory Board discussed the report by the Dutch Safety Board on the health effects of industry on local residents and the recommendations made by the Dutch Safety Board to the industry. These recommendations are, in essence, increasing transparency on the effect of emissions on health and further reducing emissions.

The Supervisory Board was also informed on the report by the Expert Group IJmond, which, on instruction of the Ministry of Infrastructure and Water Management, investigated the impact of TSN on health in the local communities with an eye on TSIJ's Green Steel plan, sustainability plans and custom support request to the Dutch Government. Further to the recommendations made in the report and in view of the measures already taken by TSN to improve its environmental performance, the Supervisory Board advised that clarity is needed as soon as possible on an environmental framework in which the company will be expected and will be able to operate.

The decarbonisation strategy of the IJmuiden site was frequently discussed by the Supervisory Board. The decarbonisation strategy is focused on applying hydrogen-based Direct Reduced Iron as the pathway to realise TSN's CO₂ reduction ambition, to decrease CO₂ emissions by 40% by 2030 and to have carbon neutral steel production before 2045. The Supervisory Board and Board of Management extensively discussed the plan to realise the first phase of decarbonisation, which was subsequently submitted to the Dutch Ministry of Economic Affairs and Climate for tailor-made support. The Supervisory Board was informed on the report published by

Mr. Wijers and Mr. Blom, confirming that TSN's green steel plan is well founded and that further to this report, the Dutch Government will progress in discussing with TSN its request for tailor-made support.

Moreover, the Supervisory Board was briefed on specific operational matters, including but not limited to:

- the revocation of force majeure, after the delayed commissioning of Cold Mill 21;
- the preparation and execution of the Blast Furnace 6 Repair Programme, for which the schedule had to be changed subject to certain delivery issues at third parties; and
- the increased supervision at the cokes and gas plants and the measures taken to prevent 'green cokes pushes' from occurring.

The Supervisory Board was informed by the Board of Management on the improvement programme aimed at TSN remaining competitive and profitable in the future. The Board of Management informed the Supervisory Board that, despite all efforts to improve TSN's market position and reduce costs, a reduction of personnel costs unfortunately cannot be avoided. The Supervisory Board supported the Board of Management's intended decision to decrease TSN's workforce by approximately 580FTE.

As of 27 November 2023, Mrs. Gunilla Saltin was appointed by the shareholder as member of the Board of Management and Managing Director Tata Steel Downstream Europe, upon the Supervisory Board's positive advice.

In addition, recurring subjects on the agenda included Safety, the overall licence-to-operate, HR, legal, integrity and compliance matters, TSN's business and financial performance, and IT and IT-related risks. The Supervisory Board approved the FY23 Annual Accounts and discussed the FY24 Annual Plan.

Audit Committee

The Audit Committee met four times during FY24. The Audit Committee undertakes preparatory work for the Supervisory Board's decision-making regarding the supervision on the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.

The Audit Committee discussed the external auditor's FY24 audit plan, the external auditor's audit report and the audit findings. Furthermore, the Audit Committee reviewed the internal Audit and Assurance reports, the risk reports, the Annual Report & Accounts FY24 and the Audit & Assurance audit plan for FY25. In addition, the Audit Committee discussed TSN's subsidiary report and TSN's compliance structure and anti-fraud policy.

Financial statements

For FY2024, the consolidated income statement shows a net profit after taxation of €(556)m compared to a net profit after taxation of €352m for the financial year 2022-2023, due to [adverse market conditions and the delay of the completion of the BF6 reline].

Pursuant to Article 29 of the Articles of Association, we hereby present the Annual Accounts for adoption by the General Meeting of Shareholders of TSN. The members of the BoM and the Supervisory Board, after discussion with the external auditors, have approved these Annual Accounts. The auditors, PricewaterhouseCoopers N.V., have examined the Annual Accounts for 2023-2024 and have issued an unqualified auditor's opinion, with an emphasis of matter referencing note 9 "Property, plant and equipment" of the annual accounts which describes that certain assumptions in relation to the decarbonisation plans of Tata Steel Nederland B.V. have been applied in relation to the impairment testing, which has been used to assess the valuation of property, plant and equipment.

We recommend that the General Meeting of Shareholders adopts the Annual Accounts for FY2024 as presented, and discharges the members of the BoM and the Supervisory Board of responsibility in respect of their management and supervision respectively.

The Supervisory Board thanks the BoM and all TSN employees for all their efforts during the FY2024.

Supervisory Board

T.V. Narendran, Chair

IJmuiden, 27 June 2024

Part 3

ANNUAL ACCOUNTS

Consolidated income statement

For the year ended March 31, 2024

	Note	2024	2023
		€m	€m
Revenue	1	5.943	7.192
Total income		5.943	7.192
Changes in inventory of finished goods and work in progress		(420)	299
Raw materials and consumables	2	(2.974)	(3.861)
Maintenance and other external charges	2	(1.467)	(1.353)
Employee benefits expense	2/4	(1.214)	(1.128)
Depreciation and amortization expense	2	(264)	(210)
Other expenses	2	(324)	(487)
Total expenses		(6.663)	(6.740)
Finance costs	5	(41)	(21)
Finance income	5	14	6
Share of post-tax results of joint ventures and associates	10(iii)	4	6
Profit/(Loss) before taxation		(743)	443
Taxation	6	187	(91)
Profit/(Loss) after taxation		(556)	352
Attributable to:			
Owners of the company		(556)	352
Non-controlling interest		-	-

All references to 2024 in the Financial Statements, the Presentation of accounts and accounting policies and the related Notes 1 to 35 refer to the financial year ended 31 March 2024 or as of 31 March 2024 as appropriate (2023: the financial year ended 31 March 2023 or as at 31 March 2023).

Consolidated statement of comprehensive income

For the year ended March 31, 2024

	Note	2024	2023
		€m	€m
Profit/(Loss) after taxation		(556)	352
Items that will not be reclassified to profit or loss:			
Actuarial gains on defined benefit pension and other post-retirement plans	1	14	
Income tax relating to items not reclassified	(1)	(4)	
		-	10
Items that may be reclassified subsequently to profit or loss:			
(Losses)/Gains arising on cash flow hedges	18	27	(71)
Change in consolidation* and Exchange rate movements on currency net investments	114	-	
Income tax relating to items that may be reclassified	18	(7)	18
		134	(53)
Other comprehensive income / (expense) for the year net of tax		134	(43)
Total comprehensive income / (expense) for the year		(422)	309
Attributable to:			
Owners of the company		(421)	309
Non-controlling interest		(1)	-

* Change in consolidation includes € 113m related to the legal merger of British Steel Nederland International BV into Tata Steel Nederland BV.

Notes and related statements forming an integral part of the consolidated accounts appear from page 109.

Consolidated balance sheet

As at 31 March

	Note	2024	2023
		€m	€m
Non-current assets			
Goodwill	7	8	8
Intangible assets	8	66	70
Property, plant and equipment	9	2,810	2,433
Equity accounted investees	10	47	42
Other investments	11	2	2
Other non-current assets	12	2	2
Retirement benefit assets	31	3	3
Deferred tax asset	23	78	86
		3,016	2,646
Current assets			
Inventories	13	1,621	2,018
Trade and other receivables	15	426	580
Current tax assets	14	233	41
Cash and short-term deposits	16	104	849
Assets classified as held for sale	17	5	-
		2,389	3,488
Total assets		5,405	6,134
Current liabilities			
Borrowings	19	130	70
Trade and other payables	18	1,529	1,828
Current tax liabilities	14	136	132
Retirement benefit obligations	31	2	1
Provisions for liabilities and charges	22	35	110
Liabilities classified as held for sale	17	-	-
		1,832	2,141
Non-current liabilities			
Borrowings	19	113	82
Deferred tax liabilities	23	3	3
Retirement benefit obligations	31	61	69
Provisions for liabilities and charges	22	146	151
Other non-current liabilities	20	48	65
Deferred income	24	2	1
		373	371
Total Liabilities		2,205	2,512
Net assets		3,200	3,622
Equity			
Called up share capital	25	388	388
Share premium account		17	17
Other components of equity		2,795	3,216
Equity attributable to owners of the Company		3,200	3,621
Non-controlling interests		-	1
Total equity		3,200	3,622

Consolidated statement of changes in equity

	Called-up share capital	Share premium account	Retained earnings	Hedging reserve	Translation reserves	Total	Non-controlling interests	Total equity
	€m	€m	€m	€m	€m	€m	€m	€m
Balance as at 1 April 2022	388	17	2,856	35	16	3,312	1	3,313
Profit/(Loss) after taxation	-	-	352	-	-	352	-	352
Other comprehensive result for the year	-	-	10	(53)	-	(43)	-	(43)
Total comprehensive result for the year	-	-	362	(53)	-	309	-	309
Balance as at 31 March 2023	388	17	3,218	(18)	16	3,621	1	3,622
Profit/(Loss) after taxation	-	-	(556)	-	-	(556)	-	(556)
Other comprehensive result for the year	-	-	113	20	2	135	(1)	134
Total comprehensive result for the year	-	-	(443)	20	2	(421)	(1)	(422)
Balance as at 31 March 2024	388	17	2,775	2	18	3,200	-	3,200

The authorised share capital of the Company at 31 March 2024 amounts to €1,300,000,000 (31 March 2023: €1,300,000,000) and consists of 130,000,000 Ordinary shares of €10.00 each of which 38,760,710 Ordinary shares were issued and fully paid up. All the outstanding Ordinary shares were held by TSNH.

Consolidated statement of cash flows

For the financial year ended 31 March

	Note	2024	2023
		€m	€m
Operating activities			
Profit/(Loss) after taxation		(556)	352
Adjustments for:			
Tax	6	(187)	91
(Profit)/Loss on disposal of property, plant and equipment	2	(3)	1
(Profit)/Loss on disposal of group companies and classification as held for sale	32	-	(3)
Interest income	5	(14)	(6)
Interest expense	5	41	21
Share of results of joint ventures and associates	10(iii)	(4)	(2)
Depreciation and amortisation including impairments (net of grants released)	2	264	208
Movement in pension prepayments and provisions		(5)	(10)
Movement in insurance and other provisions		(42)	(42)
Movement in loose plant, tools and spares		(6)	(9)
Movement in inventories		482	(281)
Movement in receivables		122	384
Movement in payables		(257)	(80)
Rationalisation costs provided	22	23	4
Utilisation of rationalisation provisions	22	(4)	(5)
Cash (used in) / generated from operations		(146)	623
Interest paid		(35)	(17)
Interest element of lease rental payments		(5)	(4)
Taxation paid		(2)	(30)
Net cash flow (used in) / generated from operating activities		(188)	572
Investing activities			
Purchase of property, plant and equipment	9	(655)	(377)
Sale of property, plant and equipment	9	5	1
Purchase of other intangible assets	8	(4)	(2)
Disposal of subsidiaries	32	-	6
Disposal of JV	10	-	4
Dividends from joint ventures and associates	10	1	12
Interest received		14	5
Net cash flow used in investing activities		(639)	(351)
Financing activities			
Repayment of loans to / from Group companies	30	(21)	53
Movements in other loans		72	(1)
Capital element of lease rental payment	30	(19)	(23)
Net cash flow generated from/(used in) financing activities		32	29
Increase / (Decrease) in cash and cash equivalents		(795)	250
Change in consolidation*		41	-
Total cash movement		(754)	250
Cash and cash equivalents at beginning of period		849	599
Cash and cash equivalents at end of period		95	849
Cash and cash equivalents consist of:			
Cash and short-term deposits	16	104	849
Bank overdrafts	30	(9)	-
		95	849

* Change in consolidation includes € 41m cash as part of the legal merger of British Steel Nederland International BV into Tata Steel Nederland BV.

Presentation of consolidated accounts and accounting policies

I Introduction

Tata Steel Nederland BV ('TSN') having its registered office (statutaire zetel) in IJmuiden officiating at Wenckebachstraat 1, 1951 JZ Velsen-Noord, the Netherlands, and forms part of the Tata Steel Group. Its registration number at the Chamber of Commerce is 34005278. The ultimate parent company is Tata Steel Limited ('TSL'), which is a company incorporated in India with shares listed on the BSE Ltd (formerly the Bombay Stock Exchange Ltd, Mumbai) and the National Stock Exchange of India, and with global depository receipts listed on the London and the Luxembourg Stock Exchanges. The shares of TSN are held by Tata Steel Netherlands Holdings BV ('TSNH').

TSN and its subsidiaries ('the Group') form an international steel group that manufactures, processes and distributes steel products.

The 2024 Annual Accounts of TSN were authorised for issue by the Board of Management on 27 June 2024.

II Basis of preparation

TSN is a private limited company incorporated in the Netherlands. The consolidated financial statements of the Group for the year ended 31 March 2024 comprise the Company and its subsidiaries and the Group's interest in its joint venture and associated undertakings.

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU') and interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC'). The functional and presentational currency of the Company is the Euro.

The financial statements have been prepared under the historical cost convention, unless otherwise stated.

The Group has prepared the financial statements under the IFRS accounting policies set out below and these policies have been applied consistently to all the periods.

Legal merger TSN - BSNI

As a result of the corporate simplification program, British Steel Nederland International B.V. (BSNI), the disappearing company, legally merged into Tata Steel Nederland BV, the remaining company, on 2 December 2023. This merger reduces the number of legal entities and results in a more straight forward and transparent group structure.

The legal merger is accounted for on the basis of predecessor accounting. Accordingly, the carrying value of the assets, liabilities and reserves pertaining to BSNI are recognized in the combined financial statements of the merged entity (TSN) and no fair value measurement is required. The results and balance sheet of BSNI are incorporated prospectively from the completion date onwards. The merger resulted in an increase of TSN's equity of €113 million, being the former equity value of BSNI and its subsidiaries.

Going concern

The TSN Group is mainly centred in the Netherlands, but includes manufacturing assets elsewhere in mainland Europe ('MLE') and the United States, along with other international sales offices. The directors have assessed the future funding requirements of the Group and have compared these funding requirements to the level of borrowing facilities which are assumed to be available, including working capital facilities.

The directors have considered a number of possible scenarios for the financial position of TSN, with reference to the Group's Annual Plan and the mitigating actions the Group could take to limit any adverse consequences to liquidity.

The steel industry is cyclical and TSN starts FY25 in a challenging market. However, TSN also starts with a strong, almost debt free, balance sheet, a positive cash balance of € 104m and unutilised financing facilities of € 189m. Given that the reline of the blast furnace has been completed and specific actions to improve business performance are being undertaken, the liquidity position of TSN is expected to improve in the 2024/25 financial year.

In addition, TSN has access to a revolving credit facility ('RCF') with a maximum limit of € 200 million. As of 31 March 2024 € 75 million of this facility was drawn. An amendment and restatement agreement was concluded on 22 May 2024 increasing the RCF committed amount from € 200m to € 400m to help absorb peaks in cash outflow in certain periods if needed. Furthermore, the company also has non-committed overdraft facilities available amounting to € 73 million, of which € 9 million was drawn at the end of the financial year.

Furthermore, Tata Steel IJmuiden B.V. and certain other subsidiaries of TSN continue to have access to a trade receivables securitization arrangement, with a maximum amount of € 600 million on a non-recourse basis. At end of the financial year 2023/2024 € 463 million of this facility was utilized (prior year: € 415 million). The Board of Management considered carefully TSN's ability to meet its liabilities as they fall due, based on the cash flow and profit forecasts. The future funding requirements of the Group in the near term are assessed, based on financial forecasts covering 12 months from the date of this report. Under all scenarios, including severe but plausible downside scenario's and mitigating actions the Company could take to limit any adverse consequences to liquidity, the directors of the Company believe that TSN has access to adequate liquidity.

For these reasons, the directors have concluded that it is appropriate to prepare the accounts on a going concern basis.

III New standards and interpretations applied

The following new International Accounting Standards ('IAS') and new IFRSs have been adopted in the current year:

Change	Standard	Effective Date*
Implementation (New standard)	IFRS 17	01-jan-23
Disclosure of accounting policies (Amendments)	IAS 1	01-jan-23
Definition of accounting estimates (Amendments)	IAS 8	01-jan-23
Deferred tax related to assets and liabilities from a single transaction (Amendments)	IAS 12	01-jan-23
International tax reform (Amendments)	IAS 12	01-jan-23

* periods commencing on or after

TSN has adopted the above amendments. In accordance with the transition provisions, the amendments have been adopted retrospectively to financial statements. Comparative amounts have not been restated, and there was no impact on the current opening reserves amount on adoption. Neither of these amendments had a material impact on the TSN financial statements.

IV New standards and interpretations not applied

The International Accounting Standards Board ('IASB') has issued the following Standards, which are relevant to the Group's reporting but have either not been applied as they have not been adopted for use in the EU in the year ended 31 March 2024, or have an effective date after the date of these financial statements:

Standard	Change	Effective Date*
IFRS 16	Liability in a Sale and Leaseback (Amendment)	01-jan-24
IAS 1	Classification of Liabilities as Current or Non-Current (Amendment)	01-jan-24
IAS 1	Non-Current liabilities with Covenants (Amendments)	01-jan-24
IAS 7 and IFRS	Supplies Finance Arrangements (Amendments)	01-jan-24
IAS 21	Lack of Exchangeability (Amendments)	01-jan-25

* periods commencing on or after

Management have performed a review of the expected impact from other standards and interpretations not applied as shown above. Management do not expect a material impact because of other new standards and interpretations not applied.

V Use of estimates and critical accounting judgements

In the application of the Group's accounting policies, which are described in section VI, the Board Of Management are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The critical judgements, apart from those involving estimations (which are presented separately below), that the Board of Management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are presented below.

Definition of cash generating units ('CGU')

A significant part of the Group's capital is invested in property, plant and equipment and intangible assets (including goodwill). Determining whether these assets are impaired requires an estimation of value in use or fair value less cost of disposal of the CGU to which the asset relates. A CGU is the smallest identifiable group of assets that generates cash inflows that are independent of the cash inflows from other assets or groups of assets. For the Group these are usually taken to be individual businesses or legal entities, although these are combined or split into base entities, where deemed appropriate to reflect the specific economic risks or operational inter-dependence of locations and operations based on the governance structure and lines of reporting. This process of defining CGUs requires the exercise of significant judgement.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting period end that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below. This includes assumptions in respect of the transition to a low carbon economy, which may impact critical judgements and key estimates, disclosure, recognition or derecognition of assets and liabilities and measurement of such assets and liabilities.

1) Provisions

Estimates in calculating provisions for environmental remediation, legal claims and employee benefits are based on previous experience and third-party advice and are reassessed on a regular basis. Judgement is required in assessing the costs and the timing of these costs. Further details on the Group's provisions can be found in note 22.

2) Recognition of deferred tax assets

The recognition of deferred tax assets is subject to estimations of the future available taxable profits that the directors consider to be more likely than not to occur based on the Group's annual plans and future forecasts. Further information can be found in note 23.

3) Post-retirement benefits

The Group's retirement benefit obligations are assessed by selecting key assumptions. The selection of inflation, salary growth, and mortality rates are key sources of estimation uncertainty which could lead to a material adjustment in the defined benefit obligations within the next financial year. The Group sets these judgements with close reference to market conditions and third-party actuarial advice. The Group's defined benefit obligations are discounted at a rate set by reference to market yields at the end of the reporting period on high quality corporate bonds. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded.

4) Impairment of non-current assets

Value in use and fair value less cost of disposal calculations requires an estimation of future cash flows expected to arise from the CGU and a suitable discount rate to calculate present value. The present value is sensitive to changes in the discount rate used in the value in use models, the forecast profitability of the Group in the third year of the Group's Annual Plan, and the expected impact of decarbonisation on the Group. Further details on the Group's impairment review, key assumptions, and sensitivity analyses are set out in note 9. In respect of impairment of investments in the Company accounts, judgement is required around the relevant enterprise value of the TSN Group.

The detailed accounting policies for each of these areas, are outlined in section VI below.

Property, plant, and equipment

TSN continues to develop its assessment of the potential impacts of climate change and decarbonisation strategy and has considered such impacts when preparing its consolidated financial statements.

TSN has a public commitment to reduce its CO₂ emissions by 5 Megatons by 2030. In the previous year, TSN submitted a request to the Dutch government for 'Maatwerk' support (a tailor-made support package) to enable the first phase of its decarbonisation plan. An improved Green Steel Plan with an enhanced focus on reducing the impact on our environment and making TSN more circular was submitted to the Dutch government in November 2023. The Company is committed to transitioning in a phased manner out of blast furnace operations to steel making using direct reduced iron technology and electric smelting, with an eventual transition to Green Hydrogen depending on availability and economics. It is currently engaged with multiple technology and engineering partners to complete detailed

evaluation and engineering, implementation planning and costing of the project.

TSN is also undertaking a comprehensive project to reduce dust and other fugitive emissions from its plant to make it future ready. It has committed to spend €300m in Roadmap Plus investments. Over the last couple of years more than thirty environmental investments from the Roadmap Plus Programme were completed and during the year efforts continued to reduce dust and other fugitive emissions. New major Roadmap Plus investments being under development are the de-NOX installation at the Pellet Plant and the windbreaker around the raw material storage. These projects are currently under implementation and part of the planned capital expenditure in the company.

Assumptions in respect of climate- and regulatory change and the transition to a low carbon economy may impact the Company's key estimates and result in changes to estimated useful lives. Climate-related risks, in particular those arising from transitioning to a lower-carbon economy, are considered when estimating the useful lives of the assets affected. As a result of the shift towards decarbonization, TSN decreased estimates of residual useful lives of items of property, plant and equipment affected.

VI Critical accounting policies

a) Property, plant, and equipment

Property, plant, and equipment are recorded at original cost less accumulated depreciation and any recognised impairment loss, except for land. Cost includes professional fees and, for assets constructed by the Group, any related works to the extent that these are directly attributable to the acquisition or construction of the asset. This includes borrowing costs capitalised in respect of qualifying assets in accordance with the Group's policy. Amounts incurred in connection with capital projects that are not directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended (which the Group refers to as 'commissioning costs' and which include expenses such as initial operating losses incurred while technical deficiencies on new plant are rectified and incremental operating costs that are incurred while the new plant is operating at less than full capacity) are written off to profit and loss as incurred. Assets during construction are depreciated from the date on which they are ready for their intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit and loss.

Included in property, plant and equipment are loose plant and tools which are stated at cost less amounts written off related to their expected useful lives and estimated scrap value and spares, against which impairment provisions are made where necessary to cover slow moving and obsolete items.

Subsequent costs are included in the carrying value of an asset when it is probable that additional future economic benefits will flow to the Group and the cost of the item can be measured reliably. All other repairs and renewals are charged to profit and loss as incurred.

VII Other accounting policies

b) Depreciation, amortisation and impairment of property, plant and equipment and other intangible assets (including goodwill)

Depreciation or amortisation is provided to write off, on a straight-line basis, the cost of property, plant and equipment and other intangible assets, including right-of-use assets, to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period if shorter.

Useful lives: the estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. Accelerated depreciation or amortisation is provided where an asset is expected to become obsolete before the end of its normal useful life or if events or changes in circumstances indicate that an impairment loss needs to be recognised, as discussed below. No further charges are provided in respect of assets that are fully written down but are still in use.

Impairment: Value in use and fair value less cost of disposal calculations includes assumptions related to the decarbonization strategy of TSN. Key assumptions made represent the most likely impact from decarbonization now. However, assumptions may change over time, which could result in changes to value in use and fair value less cost of disposal calculations in future periods and affect impairment assessments.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

	Life Years
Land and buildings:	
Freehold and buildings that house plant and other works buildings	25
Other freehold and buildings	50
Plant and machinery:	
Iron and steelmaking (maximum)	25
IT hardware and software (maximum)	8
Office equipment and furniture	10
Motor vehicles	4
Other (maximum)	15
Patents and trademarks	4
Product and process development costs	5

At each reporting period end, the Group reviews the carrying amounts of its property, plant, and equipment and other intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use.

If any such indication exists, the recoverable amount of the asset is reviewed to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. Other intangible assets (including goodwill) with indefinite useful lives are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing value in use and fair value less cost to sell, the estimated future cash flows are discounted to their present value using a pre-tax discount rate for value in use and a post-tax discount rate for fair value less cost of disposal, based upon the Group's long term weighted average cost of capital ('WACC'), which also recognises the comparative WACCs of its European peers, with appropriate adjustments for the risks associated with the relevant units. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised as income immediately, although impairments of goodwill are not subject to subsequent reversal.

c) Taxation

The tax expense represents current tax and deferred tax.

Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Liabilities are not recognised for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse soon.

Both current and deferred tax items are calculated using the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. This means using tax rates that have been enacted or enacted by the end of the reporting period. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and they are in the same taxable entity, or a group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

d) Retirement benefit costs

The group operates a number of defined benefit and a number of defined contribution pension plans for its employees. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting period end. The Group applies IAS 19 'Employee Benefits' to recognise all actuarial gains and losses directly within retained earnings, presenting those arising in any reporting period as part of the relevant statement of comprehensive income. In applying IAS 19, in relation to retirement benefits costs, the current service cost and net interest cost have been treated as a net expense within employment costs. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit liability recognised in the balance sheet represents the fair value of scheme assets less the present value of the defined benefit obligation as adjusted for unrecognised past service cost. Any asset resulting from this calculation is limited to unrecognised past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

e) Provisions

Provisions for rationalisation and related measures, environmental remediation and legal claims are recognised when the Group has a present legal or constructive obligation because of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. This involves a series of management judgements and estimates that are based on experience of similar events and third-party advice where applicable. Where appropriate and relevant those provisions are discounted to take into consideration the time value of money.

Redundancy provisions are made where the plans are sufficiently detailed and well advanced, and where appropriate communication to those affected has been made at the end of the reporting period. These provisions also include charges for any termination costs arising from enhancement of retirement or other post-employment benefits for those employees affected by these plans.

Provisions are also created for long term employee benefits that depend on the length of service, such as long service and sabbatical awards, disability benefits and long-term compensated absences such as sick leave. The amount recognised as a liability is the present value of benefit obligations at the end of the reporting period, and all movements in the provision (including actuarial gains and losses or past service costs) are recognised immediately within profit and loss.

TSN participates in the EU Emissions Trading Scheme, initially measuring any rights received or purchased at cost, and recognises a liability in relation to carbon dioxide allowances if there is any anticipated shortfall in the level of allowances received or purchased when compared with actual emissions in each period. Any surplus is only recognised once it is realised in the form of an external sale.

a) Basis of consolidation

The consolidated income statement, statement of comprehensive income, balance sheet, statement of changes in equity and statement of cash flows include the Company and its subsidiaries. They also include the Group's share of the profits, net assets and retained post-acquisition reserves of joint ventures and associates that are consolidated using the equity method of consolidation.

The profits or losses of subsidiaries, joint ventures and associates acquired or sold during the period are included from the date of acquisition or up to the date of their disposal. All intra-group transactions, balances, income and expenses are eliminated on consolidation, including unrealised profits on such transactions.

For the company only financial statements TSN makes use of the exemption in DCC art. 2:402.

b) Revenue

The Group's revenue is primarily derived from the single performance obligation to transfer steel products under arrangements in which the transfer of control of the products and the fulfilment of the Group's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Group has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Group will collect the consideration to which it is entitled to in exchange for the goods.

The group manufactures and sells a range of steel products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred, and either the customer has accepted the products in accordance with the sales contract, or the group has objective evidence that all criteria for acceptance have been satisfied.

When steel is sold with volume discounts based on aggregate sales over a 12-month period, revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts.

Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term of 60 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, the group does not adjust any of the transaction prices for the time value of money.

c) Government grants

Grants related to expenditure on property, plant and equipment are credited to profit and loss over the useful lives of qualifying assets. Grants related to revenue are credited to the income statement in line with the timing of when costs associated with the grants are incurred. Total grants received less the amounts credited to profit and loss at the end of the reporting period are included in the balance sheet as deferred income.

d) Insurance

Most of TSN's insurances are arranged by Tata Steel Europe ('TSE'). Insurance premiums in respect of those insurances placed by TSE on behalf of TSN and those arranged directly by TSN with insurers are charged to the income statement in the period to which they relate.

e) Financing items

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Interest expense, excluding that related to financing the construction of qualifying property, plant and equipment is expensed as incurred. Dividend income is recognised when the right to receive payment is established.

f) Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into euros at the quoted rates of exchange ruling at the end of each reporting period. Income statement items and cash flows are translated into euros at the average rates for the financial period. To hedge its exposure to certain foreign exchange transaction risks, the Group enters into forward contracts and options (see (h) below for details of the Group's accounting policies in respect of such derivative financial instruments). In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions.

Exchange differences on the retranslation of the opening net investment in foreign enterprises and the retranslation of profit and loss items from average to closing rate are recorded as movements on reserves. Such cumulative exchange differences are transferred to profit and loss on subsequent disposals of the foreign enterprise and for other substantial reductions in capital in these enterprises during the period.

Under IAS 21, cumulative translation differences on the consolidation of subsidiaries are only being accumulated for each individual subsidiary from the date of acquisition.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

g) Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. The detailed accounting treatment for such items can differ, as described in the following sections:

i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Where the Group transfers substantially all the risks and rewards of ownership of a financial asset, the financial asset is derecognised, and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities. This includes the Group's €600m non-recourse debtor securitisation facility.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ('FVTOCI'):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ('FVTPL').

Where the group purchases emission rights from an emission trading scheme, it recognises these as an asset, and values the asset at cost. No amortisation is recognised, provided that the group intends to utilise the asset to settle emission rights liabilities.

ii) Impairment of financial assets

The Group recognises a loss allowance for Expected Credit Losses ('ECL') on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables.

For all other financial instruments and in the case of the company intercompany receivables, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months of ECL.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Even when credit losses are recognised, amounts are only fully written off once all possibility of recoverability has been extinguished.

iii) Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

iv) Derivative financial instruments and hedge accounting

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange, base metal prices and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, forward rate agreements, interest rate swaps and London Metal Exchange ('LME') contracts. The instruments are employed as economic hedges of transactions included in the accounts or forecast for firm contractual commitments. Contracts do not extend beyond 6 months, except for certain interest rate swaps and commodity contracts.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is taken out. Following this, at each subsequent reporting period end the derivative is re-measured at its current fair value. For forward currency contracts, interest rate swaps and commodity contracts the fair values are determined based on market forward rates at the end of the reporting period. The Group seeks to adopt -hedge accounting for these currency, interest rate and commodity contracts. At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The methodology of testing the effectiveness and the reliability of this approach for testing is also considered and documented at inception. This effectiveness is assessed on an ongoing basis throughout the life cycle of the hedging relationship. Only forecast transactions that are highly probable are subject to cash flow hedges. Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in profit and loss in the same period in which the hedged item affects profit and loss.

For an effective hedge of an exposure to changes in fair value, the hedged item is adjusted for changes attributable to the risk being hedged with the corresponding entry in profit and loss. Gains or losses from re-measuring the associated derivative are also recognised in profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is reclassified to net profit or loss for the period.

h) Other intangible assets

Patents, trademarks and software are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the Group. In this case they are measured initially at fair value on acquisition or purchase cost and then amortised on a straight-line basis over their estimated useful lives. All other costs on patents, trademarks and software are expensed in profit and loss as incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Costs incurred on individual development projects are recognised as intangible assets from the date that all the following conditions are met:

- (i) completion of the development is technically feasible;
- (ii) it is the intention to complete the intangible asset and use or sell it;
- (iii) it is clear that the intangible asset will generate probable future economic benefits;
- (iv) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (v) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Costs are no longer recognised as an asset when the project is complete and available for its intended use, or if these criteria no longer apply.

The approach to amortisation and impairment of other intangible assets is described in section VI (b) above.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred.

i) Leases

As a lessee, the Group assesses if a contract is or contains a lease at the inception of the contract. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less, leases for which the underlying asset is low value and leases of intangible assets, which are expensed in the consolidated income statement on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate. The incremental borrowing rate is calculated with reference to the businesses cost of funding, length of the lease and the suitability of the assets to leasing.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date and extension options, if the Group is reasonably certain to exercise the option. Lease liabilities are classified as part of borrowings.

The associated right-of-use asset is capitalised equal to the lease liability and disclosed together with property, plant and equipment. The right-of-use asset is subsequently depreciated on a straight-line basis over the lease term. Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment.

Variable lease payments not included in the measurement of the lease liabilities are expensed in the consolidated income statement in the period in which the events or conditions which trigger those payments occur.

j) Joint ventures, joint operations and associates

The results and assets and liabilities of joint ventures and associates are incorporated in the accounts using the equity method of accounting, except where classified as held for sale (see section (l) below).

Investments in joint ventures and associates are initially measured at cost. Any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets acquired, being goodwill, is included within the carrying value of the joint venture or associate and is subsequently tested for impairment on an annual basis.

Any deficiency of the cost of acquisition below the Group's share of the fair values of the identifiable net assets acquired is credited to profit or loss in the period of acquisition. The Group's share of post-acquisition profits and losses is recognised in profit and loss, and its share of post-acquisition movement in reserves are recognised directly in reserves. Losses of associates more than the Group's interest in those associates are not recognised, unless the Group has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions with joint ventures or associates are eliminated to the extent of the Group's interest in those entities and, where material, the results of joint ventures and associates are modified to conform to the Group's policies.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. Joint operations are accounted for by recognising the share of assets, liabilities, expenses and income relating to the joint operation.

k) Non-current assets and disposal groups held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal, when the sale is highly probable.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. An impairment loss is recognised for any initial or subsequent write-down of a disposal group to fair value less cost of disposal.

l) Inventories

Inventories of raw materials are valued at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Inventories of partly processed materials finished products and stores are individually valued at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution. Provisions are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their local product lines and market conditions.

m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

n) Equity

Share capital: Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's annual accounts in the period in which the dividends are approved by the Company's shareholders. Where dividends are paid in kind the asset transferred is measured at fair value and any difference between the fair value and the carrying value of the asset is recognised in the income statement.

o) Cash flow statement

The Cash flow statement has been prepared using the indirect method. Cash flows in foreign currencies have been translated into euros using average exchange rates, approximating the foreign exchange rate at transaction date. Exchange rate differences on cash items are shown separately in the Cash flow statement.

Receipts and payments with respect to income tax and interest are included in the Cash flows from operating activities. The cost of acquisition of subsidiaries, associates and joint ventures, and other investments, as far as it was paid for in cash, is included in Cash flows from investing activities. Acquisitions or divestments of subsidiaries are presented net of cash balances acquired or disposed of, respectively. Cash flows from derivatives are recognized in the Cash flow statement in the same category as those of the hedged item.

Notes to the consolidated accounts

1. Revenue

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major geographic regions. Most revenue is derived from the sale of goods.

	2024	2023
	€m	€m
Revenue by destination		
Netherlands	827	1,123
Europe excluding the Netherlands	3,919	4,658
North America	899	1,037
Rest of the world	298	374
	5,943	7,192

2. Operating costs

	Note	2024	2023
		€m	€m
Cost by nature:			
Raw materials and consumables		2,974	3,861
Maintenance costs (excluding own labor)		507	486
Other external charges (including fuels and utilities, hire charges and carriage costs)		960	867
Employment costs	4	1,214	1,128
Depreciation, amortization and impairments		264	210
Regional development and other grants released		(1)	(1)
Other operating items (including rents, rates, insurance and general expenses)		413	545
Changes in inventory of finished goods and work in progress		420	(299)
Own work capitalized		(85)	(58)
Loss/(Profit) on disposal of property, plant and equipment	(3)	1	
		6,663	6,740

The above costs include €40m (2023: €3m) in respect of restructuring and impairment, which relate to Employment costs of €22m (2023: €4m) and depreciation and amortisation of €18m (2023: €(1)m). Further analysis of restructuring and impairment costs is presented in Note 3.

	2024	2023
	€m	€m
The above costs are stated after including:		
Amortization of other intangible asset (Note 8)	8	6
Impairment losses related to other intangible fixed assets (note 3)	3	-
Impairment losses related to property, plant and equipment (Note 3)	15	9
Reversals of impairment related to property, plant and equipment (Note 3)	-	(10)
Depreciation of owned assets (Note 9)	220	195
Depreciation of leased assets (Note 9)	18	10
Low value lease costs	4	3
Variable lease costs	20	20
Costs of research and development (gross)	65	64
Recoveries on research and development	(4)	(4)
Impairments against trade receivables (Note 15(iii))	-	-
Net exchange rate results	-	-
Emission rights costs	(9)	72

3. Restructuring and impairment costs

	2024	2023
	€m	€m
Provision for restructuring and related measures:		
Redundancy and related costs (Note 4)	22	4
Impairment losses related to intangible assets (Note 8)	3	-
Impairment losses related to property, plant and equipment (Note 9)	15	9
Reversals of impairment related to property, plant and equipment (Note 9)	-	-10
	40	3

4. Employees

	2024	2023
	€m	€m
The total employment costs of all employees (including directors) in the Group were:		
Wages and salaries	933	886
Social security costs	145	130
Pension costs (Note 31)	114	108
Redundancy and other related costs (Note 3 and 22)	22	4
	1,214	1,128

The average number of the Group's employees during the year was 12,379 (2023: 11,631).

The analysis by business area and by country was:

	2024	2023	2024	2023	
BU IJmuiden	9,640	9,347	The Netherlands	10,228	9,774
BU Downstream	2,739	2,284	France	554	567
			Germany	641	639
			Other	956	651

Other pension costs can be further analysed as follows:

	2024	2023
	€m	€m
Defined benefit schemes (Note 31)		
	3	4
Defined contribution schemes (Note 31)		
	111	104
	114	108

5. Financing items

	2024 €m	2023 €m
Interest expense:		
Bank and other borrowings	(7)	(3)
Finance leases	(5)	(4)
Discount on disposal of trade receivables within purchase agreement with external companies	(29)	(14)
Finance costs	(41)	(21)
Interest income:		
From Group companies	-	1
From Other sources	14	5
Finance income	14	6
	(27)	(15)

6. Taxation

	2024 €m	2023 €m
Dutch corporation tax	191	(34)
Dutch prior year corporation tax	6	6
Other corporation tax	(5)	(8)
Other prior year corporation tax	(2)	-
Current tax	190	(36)
Dutch deferred tax	1	(62)
Other deferred tax	(4)	7
Taxation	187	(91)

In addition to the total taxation (credited)/charged to the income statement, an amount of €8m is charged in other comprehensive income in the year (2023: a credit of €14m).

The total (credit)/charge for the year reconciles to the accounting profit/(loss) as follows:

	2024 €m	2023 €m
Profit/(loss) before taxation	(743)	443
Profit/(Loss) before taxation multiplied by the Applicable corporation tax rate of 25.75% (2023: 25.83%)	191	(114)
Effects of:		
Adjustments to current tax in respect of prior periods	4	6
Adjustments to deferred tax in respect of prior periods	-	(3)
Changes in unrecognised losses and other tax benefits	(7)	17
Non-taxable income	2	5
Other differences	(3)	(2)
Total taxation	187	(91)

The applicable corporation tax rate of 25,75% for 2023-24 is the average tax rate weighted in proportion to the accounting profits/(losses) earned in each geographical area.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which TSN Group operates.

The legislation will be effective for the Group's 2025 financial year. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the potential exposure to Pillar Two income taxes. The assessment of the potential exposure is based on the most recent tax filings, country-by-country reporting, and financial statements

for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour may not apply. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

Since the Pillar Two legislation was not effective at the reporting date, the group has no related current tax exposure. The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

7. Goodwill

	2024 €m	2023 €m
Net book value	8	8

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units that are expected to benefit from that combination. TSN tests goodwill annually for impairment, or more frequently if there are any indications that goodwill might be impaired.

The outcome of the Group's goodwill impairment test as at 31 March 2024 resulted in no impairment of goodwill, refer to note 9 for disclosure on impairment test (2023: no impairment).

8. Intangible assets

	Computer software €m	Development costs €m	Patents and trademarks €m	Total €m
2024				
Cost at beginning of the period	151	39	1	191
Additions	5	-	-	5
Disposals	-	-	-	-
Change in consolidation*	7	-	-	7
Cost at end of the period	163	39	1	203
Amortization at beginning of the period	81	39	1	121
Charge for the period	11	-	-	11
Change in consolidation*	5	-	-	5
Amortization at end of the period	97	39	1	137
Net book value at the end of the period	66	-	-	66

* Change in consolidation*include €7m related to the legal merger of BSNI int TSN.

	Computer software €m	Development costs €m	Patents and trademarks €m	Total €m
2023				
Cost at beginning of the period	150	39	1	190
Additions	2	-	-	2
Disposals	(1)	-	-	(1)
Reclassification	-	-	-	-
Cost at end of the period	151	39	1	191
Amortization at beginning of the period	76	39	1	116
Charge for the period	6	-	-	6
Disposals	(1)	-	-	(1)
Amortization at end of the period	81	39	1	121
Net book value at the end of the period	70	-	-	70

9. Property, plant and equipment

	Land and buildings	Plant and machinery	Assets under construction	Right-of-use assets	Total
2024	€m	€m	€m	€m	€m
Cost or valuation at the beginning of the period	1,138	7,329	730	243	9,440
Additions	6	87	489	56	638
Exchange rate movements	1	1	-	-	2
Change in consolidation* and Reclassifications	60	120	-	(26)	154
Transfers to/(from) assets under construction	10	703	(713)	-	-
Transfers to held for sale	(6)	(18)	-	-	(24)
Disposals	(2)	(70)	-	(73)	(145)
Cost or valuation at the end of the period	1,207	8,152	506	200	10,065
Depreciation at the beginning of the period	917	5,949	4	137	7,007
Charge for the period	20	200	-	18	239
Impairment charge for the period	-	15	-	-	15
Reversal of impairment losses for the period	-	-	-	-	-
Exchange rate movements	-	1	-	-	1
Change in consolidation* and Reclassifications	17	104	-	9	130
Transfers to held for sale	(4)	(15)	-	-	(19)
Disposals	(1)	(43)	-	(73)	(118)
Depreciation at the end of the period	949	6,211	4	91	7,255
Net book value at the end of the period	258	1,941	502	109	2,810

* Change in consolidation includes €116m (cost) and € 89m (accumulated depreciation) related to the legal merger of British Steel Nederland International BV into Tata Steel Nederland BV.

Impairment charge for the period relates to accelerated depreciation of assets where the carrying value will not be recovered through continuing use.

	Land and build- ings	Plant and ma- chinery	Assets under con- struction	Right-of-use assets	Total
2023	€m	€m	€m	€m	€m
Cost or valuation at the beginning of the period	1,130	7,112	596	225	9,063
Additions	5	89	414	24	532
Exchange rate movements	1	4	-	(1)	4
Reclassifications	(1)	6	-	-	5
Transfers to/(from) assets under construction	4	276	(280)	-	-
Transfers to held for sale	-	-	-	-	-
Disposals	(1)	(158)	-	(5)	(164)
Cost or valuation at the end of the period	1,138	7,329	730	243	9,440
Depreciation at the beginning of the period	903	5,898	4	128	6,933
Charge for the period	20	175	-	10	205
Impairment charge for the period	-	9	-	-	9
Reversal of impairment losses for the period	(6)	(4)	-	-	(10)
Exchange rate movements	-	2	-	-	2
Reclassifications	1	-	-	4	5
Transfers to held for sale	-	-	-	-	-
Disposals	(1)	(131)	-	(5)	(137)
Depreciation at the end of the period	917	5,949	4	137	7,007
Net book value at the end of the period	221	1,380	726	106	2,433

Consistent with the annual test for impairment of goodwill as at 31 March 2024 (see note 7) property, plant and equipment was also tested for impairment at that date where indicators of impairment existed. This involves the Group estimating the recoverable amounts of individual Cash Generating Units (CGU). See the Critical Judgements in Applying the Group's Accounting Policies on page 28 for further information with regards to the definition of CGU's.

European countries including the Netherlands have legal requirements to reach net zero by 2050 and whilst these requirements may not place any obligation on TSN to contribute to those goals, the increased focus and clear direction from politicians and society means that TSN may face these legal obligations at some point in time. As such, decarbonisation is central to the long-term strategy of TSN which has set out its ambitions to be carbon neutral by 2045.

In the previous year, TSN submitted a request to the Dutch government for 'Maatwerk' support (a tailor-made support package) to enable the first phase of its decarbonisation plan. An improved Green Steel Plan with an enhanced focus on reducing the impact on our environment and making TSN more circular was submitted to the Dutch government in November 2023. Irrespective of the choice of technology, TSN still aims to be producing a combined c. 7mt of steel post decarbonisation, is not currently envisioning any changes to their downstream steel making capability and aims to continue to serve the same markets by offering its customers the low carbon steel products they require. Further progress in the current year between TSN and the Dutch government, resulting in the confirmation from the Dutch government in April 2024 to start negotiations for tailor-made-support.

However, the technological shift required to enable the transition to carbon neutral steel will require significant long-term investments that will be conditional upon national energy infrastructure, requirements for a global level playing field for the steel industry (e.g., EU Carbon Border Adjustment Mechanism), and other government legislation. TSN expects that the cost for decarbonisation are not borne by the steel industry alone, but also by society, either through higher steel selling prices or through government intervention whereby investments in decarbonisation are enabled through government assistance.

CGU Business Unit Tata Steel IJmuiden

The recoverable amount of Business Unit IJmuiden CGU has been determined from a fair value less costs of disposal ('FV') calculation.

The FV calculation involves estimating future cash flows that TSN expects to derive from the CGU using the three-year Annual Plan for the period FY25-FY27 and, for the period FY28 onwards, assumptions on cash flows during, and after, the transition to the DRI route of production. TSN is committed to transitioning in a phased manner out of blast furnace operations to steel making using direct reduced iron technology and electric smelting, with an eventual transition to Green Hydrogen depending on availability and economics. Updated plans for phase 1, replacing one of the blast furnaces and one of the cokes and gas plants with the first DRI plant and Electric Arc Furnace (EAF), and which is to be completed by 2030, were submitted to the Netherlands government in

November 2023 and are part of the so called "Maatwerk" discussions. The FV calculation includes assumptions with respect to capital expenditure regarding the amounts necessary to pursue decarbonisation, as well as an assumption of government grants for Phase 1. The cash flows are further adjusted for business improvement initiatives and for the future expected benefits on account of the capital expenditure. For the FV calculation, a set of inflation assumptions is used to extrapolate the cash flow projections beyond the three-year period of the financial budgets up until the terminal year at which point a 2.0% (2022-23: 2%) growth rate is used on future cashflows into perpetuity. The post-tax discount rate of 8.2% (March 31, 2023: 7.9%) is derived from the Group's weighted average cost of capital (WACC) and the WACCs of its main European steel competitors. The outcome of the Group's goodwill impairment as at March 31, 2024 for BU IJmuiden CGU resulted in no impairment of property, plant and equipment (2022-23: Nil).

Key assumptions for the FV model are expected changes to selling prices and raw material costs, EU steel demand, energy costs including network costs, the timing and availability of permits required, the ability to successfully deliver the business improvement initiatives identified in the Annual Plan, the amount of capital expenditure needed for decarbonisation, the changes to EBITDA resulting from producing and selling low carbon steel, levels of government support for decarbonisation, the commissioning of new carbon free production facilities and a post-tax discount rate of 8.2%. In particular, whilst TSN has submitted its Green Steel Plan to the Dutch government, there is not yet any commitment or guarantee that support from the Dutch government would be forthcoming. However, a significant step was taken as part of the tailored (Maatwerk) trajectory for accelerated sustainability based on the Green Steel Plan of TSN.

Whilst the best view of the directors is that government support would be provided on a similar level to recent commitments seen by other national governments within Europe to the steel producers operating in those countries. If the support from the Dutch government would not be as expected, then there would be a material impact on the valuation of property, plant and equipment. This could also have a significant impact on how the current decarbonisation plans can be realised. The Group believes the key assumptions made, represent the most likely impact from decarbonisation at this point in time. These key assumptions will be kept under review in future years especially if investments in decarbonisation capital expenditure become committed. These key assumptions will also remain part of the active dialogue with the Dutch government.

The Group has conducted several sensitivity analysis on the impairment test of the carrying value of the BU IJmuiden CGU. Sensitivity analysis are performed related to (i) an increase in discount rate of 100 basis points would not imply any impairment, (ii) a decrease in profitability, (iii) early closure of plants affected by the decarbonisation strategy (e.g. cokes and gas plants), (iv) negative impact of a non-level playing field in the EU steel industry regarding climate measures and network costs, and (v) lower government support for long-term investments required to enable the transition to carbon neutral. The Board of Management, believes that none of the above sensitivities, individually, would cause the carrying value of property, plant and equipment to materially exceed its fair value less costs of disposal.

Other CGU's

For other CGU's, a value in use (VIU) calculation has been prepared to consider the recoverable amount and assess whether this exceeds the carrying value. This VIU calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which cover a period of three years and future projections taking the analysis out to perpetuity based on a steady state, sustainable cash flow reflecting average steel industry conditions between successive peaks and troughs of profitability. Key assumptions for the value in use calculation are those regarding expected changes to selling prices and raw material costs, EU steel demand, energy costs, exchange rates, and a pre-tax discount rate of 11.0% (2022-23: 10.6%). Changes in selling prices, raw material costs, exchange rates and EU steel demand are based on expectations of future changes in the steel market based on external market sources.

In preparing the value in use calculation TSN has considered the effect that climate related risks may have on its future cash flow generation. Included within the cash flow forecasts are estimates for costs of compliance under the EU Emissions Trading Scheme based on the Group's estimated shortfall between free allowances under the scheme and actual emissions.

The outcome of this test indicated that, using a pre-tax discount rate of 11.0% (2022-23: 10.6%), none of the CGUs in the TSN group had a recoverable amount which was lower than its carrying value. In the prior year an impairment reversal of €10m was recognised, to reverse impairments charged against Tata Steel Maubeuge SAS in previous financial years.

The Group has conducted sensitivity analysis on the impairment tests of the carrying value of the Group's CGUs and property, plant and equipment. The Board of Management, believe that no reasonable possible change in any of the key assumptions used in the value in use calculations would cause the carrying value of property, plant and equipment in any CGU to materially exceed its value in use.

There were no borrowing costs capitalised during the year (2023: €nil).

10. Equity accounted investments

As at 31 March

	Interest in joint ventures	Investments in associates	2024 Total	2023 Total
	€m	€m	€m	€m
Cost at beginning of the period	7	9	16	15
Change in consolidation*	1	-	1	-
Cost at end of the period	8	9	17	15
Share of post-acquisition reserves at the beginning of period	17	9	26	37
Share of results in period retained	2	3	5	(10)
Dividends	(1)	-	(1)	-
Share of post-acquisition reserves at end of the period	18	12	30	27
Net book value at end of the period	26	21	47	42
Net book value at beginning of the period	24	18	42	52

* Change in consolidation of €2 million relates to Tata Steel Ticaret AS as part of the legal merger of BSNI in TSN, and the reclassification of Norsk Stål Tynnplater AS.

(i) Summarised information in respect of the Group's joint ventures is presented below:

As at 31 March

	2024	2023
	€m	€m
The share of assets and liabilities of the Group's joint ventures is as follows:		
Non-current assets	10	9
Current assets	28	26
Current liabilities	(10)	(11)
Non-current liabilities	-	-
Group's share of net assets	28	24

The share of revenue and expenses of the Group's joint ventures are as follows:

Revenue	71	106
Expenses	(69)	(105)
Group's share of joint ventures' profit/(loss) for the period		
Dividend received	-	(5)
Group's share of retained profit/(loss) for the period	2	(4)

(ii) Summarised information in respect of Group's associates is presented below:

As at 31 March

	2024	2023
	€m	€m
Summarised balance sheet information		
Total assets	91	90
Total liabilities	(29)	(37)
Net assets	62	53
Group's share of net assets	19	18
Summarised income statement information		
Revenue	289	376
Profit/(loss) for the period	5	3
Group's share of associates profit/(loss) for the period	2	1
Dividend received	-	(7)
Group's share of retained profit/(loss) for the period	2	(6)

(iii) The share of post-tax profits of joint ventures and associates as disclosed in the income statement arose as follows:

	2024	2023
	€m	€m
Group's share of joint ventures' profit/(loss) for the period	2	1
Group's share of associates profit/(loss) for the period	2	1
	4	2
Profit/(loss) on disposal of joint venture(iv)	-	4
Total profit/(loss) on joint ventures and associates for the year	4	6

(iv) On 2 December 2023 the legal merger between BSNI and TSN resulted in the addition of Tata Steel Ticaret AS as joint venture.

Refer to note 34 for an overview of subsidiaries and investments.

11. Other investments	Other loans and receivables	Other investments	2024		2023	
			€m	€m	€m	€m
	Carrying value at beginning and end of period	-	2	2	2	2
12. Other non-current assets	2024					
	€m	€m	2024	2023	€m	€m
	Other receivables		2	2		
13. Inventories	As at 31 March					
	2024	2023	€m	€m	2024	2023
	Raw materials and consumables		644	701		
	Work in progress		465	839		
	Finished goods and goods for resale		512	478		
			1,621	2,018		

The value of inventories above is stated after impairment of €72m (2023: €52m) for obsolescence and write-downs to net realisable value. Work in progress includes semi-finished and partly processed materials.

14. Current tax

	2024	Assets	Liabilities
	€m	€m	€m
Dutch corporation tax – Current	231	(134)	
Other corporation tax – Current	2	(2)	
		233	(136)
	2023	Assets	Liabilities
	€m	€m	€m
Dutch corporation tax – Current	31	(129)	
Other corporation tax – Current	10	(3)	
		41	(132)

As at 31 March 2024 the Dutch corporation tax balances contain a €97m net receivable from TSNH (2023: net payable of €98m).

15. Trade and other receivables

	As at 31 March	2024	2023
	€m	€m	€m
Trade receivables	296	299	
Less provision for expected credit losses	(4)	(4)	
	292	295	
Amounts owed by other Tata Steel companies (Note 33)	21	116	
Amounts owed by joint ventures (Note 33)	10	3	
Amounts owed by associates (Note 33)	15	13	
Derivative instruments (Note 21)	7	19	
Other taxation	24	29	
Prepayments	18	17	
Other receivables	39	81	
Loans to other Tata Steel companies (Note 33)	-	7	
Loans to joint ventures (Note 33)	-	-	
	426	1,094	

(i) Trade receivables are further analysed as follows:

As at 31 March 2024	Gross amount	Subject to credit insurance cover	Impairment provision	Net credit risk	
	€m	€m	€m	€m	
Amounts not yet due	264	(229)	-	35	
One month overdue	20	(19)	-	1	
Two months overdue	4	(3)	-	1	
Three months overdue	1	(1)	-	-	
Greater than three months overdue	7	(3)	(4)	0	
	296	(255)	(4)	37	
As at 31 March 2023	Gross amount	Subject to credit insurance cover	Impairment provision	Net credit risk	
	€m	€m	€m	€m	
Amounts not yet due	284	(234)	-	50	
One month overdue	10	(8)	-	1	
Two months overdue	-	-	-	-	
Three months overdue	1	(1)	-	-	
Greater than three months overdue	4	(1)	(4)	-	
	299	(244)	(4)	51	

The Group considers its maximum exposure to credit risk with respect to third party customers at 31 March 2024 to be €37m (2023: €51m), which is the fair value of trade receivables (after impairment provisions) less those that are subject to credit insurance cover as shown in the table above. The other classes of financial assets within trade and other receivables do not contain impaired assets. There is no concentration of credit risk with any particular third-party customer.

Credit risk management is discussed further in Note 21(d).

(ii) Movements in the provision for impairment of receivables are as follows:

	2024	2023	
	€m	€m	
At beginning of the period	4	4	
Impairments in the period (Note 2)	-	-	
Amounts utilised, exchange rate translation and other movements	-	-	
At end of the period	4	4	

(iii) The loans to other Tata Steel companies include a loan to BSNI of €nil (2023: €7m). This loan was settled due to the merger of BSNI BV with Tata Steel Nederland BV in December 2023.

(iv) The loans to other Tata Steel companies at 31 March 2024 is €nil (2023: €7m).

(v) Amounts owed by other Tata Steel companies include trade receivables of €15m (2023: €33m) owed by TSUK and €6m (2023: €83m) owed by other Tata Steel companies.

16. Cash and short-term deposits

As at 31 March

	2024	2023
	€m	€m
Cash at bank and in hand	104	449
Short-term deposits	-	400
Cash and short-term deposits	104	849

The currency and interest exposure of cash and short-term deposits of the Group is as follows:

As at 31 March

	2024	2023				
	Cash	Short-term deposits	Total	Cash	Short-term deposits	Total
	€m	€m	€m	€m	€m	€m
Sterling	16	-	16	14	-	14
Euros	29	-	29	353	400	753
US Dollars	32	-	32	61	-	61
Other	27	-	27	21	-	21
	104	-	104	449	400	849

Short-term deposits are highly liquid investments with original maturities of three months or less. No deposits were outstanding as per 31 March 2024. The weighted average interest rate across these types of investment in prior year (2023) was 1.9% based on fixed interest rates. Earned interest is based on EURIBOR or other official local rates.

17. Assets and liabilities classified as held for sale

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

	2024	2023
	€m	€m
Property, plant and equipment	5	-
Total assets classified as held for sale	5	-

On 25 January 2024, the Group announced it is terminating the activities of Tata Steel Istanbul Metal Sanayi ve Ticaret AS (TSIM) in Turkey. Accordingly, as at 31 March 2024, the TSIM Property, Plant and Equipment was classified as held for sale.

18. Trade and other payables

As at 31 March

	2024	2023
	€m	€m
Trade payables	618	766
Amounts owed to other Tata Steel companies	350	338
Amounts owed to associates	3	4
Amounts owed to joint ventures	-	-
Other taxation and social security	67	64
Capital expenditure creditors	141	244
Interest payable	-	-
Derivative financial instruments (Note 21)	8	19
Derivative financial instruments owed to group companies (Note 21 + Note 33)	-	-
Other payables	342	393
Total	1,529	1,828

Other payables include amounts provided in respect of insurances, holiday pay, other employment costs and sundry other items.

19. Borrowings

	2024	2023
	€m	€m
Current:		
Bank and other loans	91	1
Loans from other Tata Steel companies	23	51
Lease liabilities	16	18
Total	130	70
	2024	2023
	€m	€m
Non-current:		
Bank and other loans	22	1
Lease liabilities	91	81
Total borrowings	113	82
	243	152

(i) The currency and interest rate exposure of gross borrowings of the Group at the end of the period is as follows:

	2024			2023				
	Fixed rate borrowings	Floating rate borrowings	Zero rate borrowings	Total	Fixed rate borrowings	Floating rate borrowings	Zero rate borrowings	Total
	€m	€m	€m	€m	€m	€m	€m	€m
Euros	207	32	-	239	96	31	13	140
USD	1	-	-	1	2	-	-	2
Other	3	-	-	3	3	7	-	10
Total	211	32	-	243	101	38	13	152

	2024		2023	
	Weighted average fixed interest rate %	Weighted average time for which rate is fixed Years	Weighted average fixed interest rate %	Weighted average time for which rate is fixed Years
Euros	6.9	4.1	4.2	4.3

The weighted average interest rate on short-term borrowings from other Tata Steel companies was nil% (2023: nil%).

(ii) The maturity of borrowings is as follows:

	2024	2023
	€m	€m
In one year or less or on demand	138	73
Between one and two years	32	25
Between two and three years	20	14
Between three and four years	18	11
Between four and five years	17	12
More than five years	69	26
Total	294	161
Less: amounts representing interest in future minimum lease payments	(51)	(9)
	243	152
Analysed as:		
Current liabilities	130	70
Non-current liabilities	113	82

(iii) Amounts payable under leases are as follows:

	Minimum lease payments		Present value of minimum lease payment	
	2024	2023	2024	2023
	€m	€m	€m	€m
Not later than one year	24	21	16	18
Later than one year but not more than five years	73	61	50	53
More than five years	62	26	42	28
Total	159	108	108	99
Less: future finance charges on leases	(51)	(9)	-	-
Present value of lease liabilities	108	99	108	99

The lease portfolio of the Group consists of leases of land, building, machinery, and vehicles.

(iv) The maturity of undrawn committed borrowing facilities of the Group is as follows:

	2024	2023
	€m	€m
Not later than one year	125	-
Later than one year but not more than five years	-	200
	125	200

TSN has exclusive access to a revolving credit facility of €200m. Each advance would bear interest equal to EURIBOR + 1.50% per annum. As of 31 March 2024, €125m was undrawn (31 March 2023: €200m facility undrawn). See Financial Review on page 8 for further details.

(v) Furthermore, the Group has uncommitted short-term bank facilities in various countries (the Netherlands, France, Germany, Belgium, and Switzerland) mostly within the framework of daily treasury operations such as cash pooling but also to have guaranteed facilities available related to commercial transactions.

20. Other non-current liabilities

As at 31 March

	2024	2023
	€m	€m
Other taxation and social security	47	64
Other creditors	1	1
	48	65

Other taxation and social security relate to deferred payroll taxes and are due for repayment within five years. These payroll tax deferrals were granted in response to the COVID 19 pandemic.

21. Financial instruments and risk management

(i) Financial assets and financial liabilities recognised in the balance sheet

The carrying amounts of the Group's financial assets and financial liabilities (excluding derivative assets and liabilities) are:

	2024	2023
	€m	€m
Financial assets		
Trade and other receivables (Note 15) ¹	377	515
Cash and cash equivalents (Note 16)	104	849
Other non-current assets (Note 12)	2	2
	483	1,366
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables (Note 18) ²	(1,454)	(1,745)
Current borrowings (Note 19)	(130)	(70)
Non-current borrowings (Note 19)	(113)	(82)
	(1,697)	(1,897)
	(1,214)	(531)

¹ Excludes derivatives, other taxation and prepayments

² Excludes derivatives, other taxation and social security, and advances from customers

The carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values apart from current and non-current borrowings. The fair value of these are €128m (2023: €68m) and €111m (2023: €79m) respectively. The fair value of borrowings would be classified as Level 3 within the fair value hierarchy. The fair value is based on discounted cash flows and reflects the credit risk of counterparties.

(ii) Fair value measurements recognised in the balance sheet

The following table categorises the Group's financial instruments held at fair value by the valuation methodology applied in determining this value. Where possible, quoted prices in active markets for identical assets and liabilities are used (Level 1). Where such prices are not available, the asset or liability is classified as Level 2, provided all significant inputs to the valuation model used are based on observable market data (this includes the Group's forward currency and commodity contracts). The Group's derivative financial assets and liabilities are categorised as Level 2 and their valuation is based on future cash flows (estimated from observable data such as forward exchange rates and yield curves) which are, where material, discounted at a rate which reflects the credit risk of counterparties. If one or more of the significant inputs to the valuation model is not based on observable market data, the instrument is classified as Level 3.

	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
Financial assets at fair value through other comprehensive income:				
Commodity contracts	-	3	-	3
Forward foreign currency contracts	-	4	-	4
	-	7	-	7
Financial liabilities at fair value through other comprehensive income:				
Commodity contracts	-	(7)	-	(7)
Forward foreign currency contracts	-	(1)	-	(1)
	-	(8)	-	(8)

	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
Financial assets at fair value through other comprehensive income:				
Commodity contracts	-	15	-	15
Forward foreign currency contracts	-	4	-	4
	-	19	-	19
Financial liabilities at fair value through other comprehensive income:				
Commodity contracts	-	(3)	-	(3)
Forward foreign currency contracts	-	(16)	-	(16)
	-	(19)	-	(19)

There were no transfers between any of the levels during the periods represented above.

(iii) Financial risk management and financial instruments

The Group uses certain financial instruments to reduce business risks arising from its exposure to fluctuations in exchange rates, EU emissions allowance and base metal prices. The instruments used, which are confined principally to forward foreign exchange contracts, EU Emission Allowance Forward Transactions, and London Metal Exchange contracts, involve elements of credit and market rate risk more than the amount recognised in the accounts.

Risk management is carried out by a central Treasury department and by a central commodity derivative trading team under policies approved by the Board of Management. The treasury department as well as the central commodity derivative trading team identify, evaluate, and hedge financial risks in close cooperation with the Group's operating units.

a) Market risk: Foreign exchange risk and management

It is the Group's policy that substantially all the net currency transaction exposure arising from contracted sales and purchases over an approximate 6-month time horizon is hedged by selling or purchasing foreign currency forwards. At 31 March 2024, the notional amounts of outstanding foreign currency contracts were €543m (2023: €931m) with a net fair value asset of €8m (2023: €12m liability).

As at 31 March 2024, a 10% appreciation of the Euro against the US dollar would decrease the net assets of TSN by approximately €3m (2023: €5m), decrease equity by approximately €3m (2023: €5m) and have no impact on the operating profit (2023: no impact). The sensitivity analysis has been based on the composition of the dollar denominated financial assets and liabilities of the Group on 31 March, excluding trade payables, trade receivables, other non-derivative financial instruments not in debt, and financial lease obligations, all of which do not present a material exposure.

As of 31 March 2023, a 10% appreciation of the Euro against the Sterling would decrease the net assets of TSN by approximately €1m (2023: €1m), decrease equity by approximately €1m (2023: €1m) and have no impact on the operating profit (2023: no impact).

The net positions of the Euro versus other currencies are of less importance and the sensitivity of a 10% weakening/strengthening of the Euro is therefore not significant.

b) Market risk: Commodity risk and management

The Group makes use of commodity futures contracts to manage its purchase price risk for certain commodities. Forward purchases are made for zinc, tin and nickel to cover sales contracts with fixed metal prices and for carbon emission rights based on predicted future emission deficit. At 31 March 2024, the Group had commodity contracts with a total notional value of €93m (2023: €131m) and a net fair value liability of €5m (2023: €12m asset).

As at 31 March 2024, a 10% decrease of the market prices of zinc, tin, nickel and carbon emission rights would decrease the equity of TSN by approximately €7m (2023: €10m). There was no significant market risk relating to the income statement since most commodity derivatives are treated as cash flow hedges with movements being reflected in equity and the timing and recognition in the income statement depending on the point at which the underlying hedged transactions are also recognised.

c) Market risk: Interest rate risk and management

The financial structure of the Group includes only a small percentage of net assets that have been financed by loans. During 2024 and 2023, most of the Group's borrowings were denominated in Euros. The Group did not enter into interest rate swap contracts or forward rate agreements. For further details of the borrowings, such as maturity and interest rates, see Note 19.

As of 31 March 2024, the Group had fixed rate borrowings of €211m (2023: €101m), floating rate borrowings €32m (2023: €38) and zero rate borrowings of €nil (2023: €13m).

Based on the composition of net debt on 31 March 2024, a 100 basis points increase in interest rates over the 12-month period would decrease the Group's net finance expense by approximately €1m (2023: €7m) and increase equity by approximately €1m (2023: €7m).

d) Credit risk

Cash deposits, trade receivables and other financial instruments give rise to credit risk for the Group arising from the amounts and obligations due from counterparties. The credit risk on short-term deposits is managed by limiting the aggregate amount and duration of exposure to any one counter party, depending on its credit rating

and other credit information, and by regular reviews of these ratings. The possibility of material loss arising in the event of non-performance is considered unlikely.

Sector sales teams are responsible for controlling the credit risk arising from the Group's normal commercial operations, although they must act within a series of centrally agreed guidelines. Trade receivables are, where appropriate, subject to a credit insurance programme, and regular reviews are undertaken of exposures to key customers and those where known risks have arisen or persist. The Group's non-recourse debtor securitization facility amounts to €600m, of which €463m is used per 31 March 2024. Any expected credit losses are reflected in the income statement.

Credit risk also arises from the possible failure of counterparties to meet their obligations under currency and commodity hedging instruments. However, counter parties are established banks and financial institutions with high credit ratings and the Group continually monitors each institution's credit quality and limits as a matter of policy the amount of credit exposure to any one of them. The Group's theoretical risk is the cost of replacement at current market prices of these transactions in the event of default by counterparties. The Group believes that the risk of incurring such losses is remote and underlying principal amounts are not at risk.

e) Liquidity risk

Liquidity risk is defined as the risk that the Group could not be able to settle or meet its financial liabilities on time and at a reasonable price. The Treasury department is responsible for liquidity and funding and manages the liquidity risk by maintaining sufficient cash resources and by maintaining the availability of funding through available committed and uncommitted credit facilities, for further information on the credit lines see Note 19. The management of the liquidity risk is based on the calculation of the future net liquidity which results from the expected cash outflows and inflows.

The following table is a maturity analysis of the anticipated contractual cash flows including interest payable for the Group's derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differs from both the carrying value and fair value. Floating interest rate is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates on 31 March 2024.

Liquidity risk

Maturity of contractual undiscounted cash flows At 31 March 2024

	Contractual cash flows	In one year or less or on demand	Between one and five years	More than five years
	€m	€m	€m	€m
Non-derivative financial liabilities				
Trade and other payables 1	(1,454)	(1,454)	-	-
Borrowings				
Repayment	(234)	(120)	(68)	(46)
Fixed interest	(51)	(8)	(20)	(23)
	(1,739)	(1,582)	(88)	(69)
Derivative financial assets/ liabilities				
Foreign currency contracts				
Payables	(538)	(538)	-	-
Receivables	546	546	-	-
Derivatives commodities: net settlement	(5)	(5)	-	-
	3	3	-	-
Total	(1,736)	(1,579)	(88)	(69)

1 Excludes derivatives, other taxation and social security and advances from customers

Maturity of contractual undiscounted cash flows At 31 March 2023

	Contractual cash flows	In one year or less or on demand	Between one and five years	More than five years
	€m	€m	€m	€m
Non-derivative financial liabilities				
Trade and other payables 1	(1,745)	(1,745)	-	-
Borrowings				
Repayment	(152)	(70)	(54)	(28)
Fixed interest	(9)	(4)	(5)	-
	(1,906)	(1,819)	(59)	(28)
Derivative financial assets/ liabilities				
Foreign currency contracts				
Payables (restated)	(905)	(905)	-	-
Receivables (restated)	892	892	-	-
Derivatives commodities: net settlement	12	12	-	-
	(1)	(1)	-	-
Total	(1,863)	(1,776)	(59)	(28)

1 Excludes derivatives, other taxation and social security and advances from customers

(iv) Derivative financial instruments

The Group utilises currency and commodity derivatives to hedge significant future transactions and cash flows. These items gave rise to the following fair values that have been recognised in the balance sheet:

	2024	2023		
	Assets	Liabilities	Assets	Liabilities
	€m	€m	€m	€m
Current:				
Commodity contracts	3	(7)	15	(3)
Forward foreign currency contracts	4	(1)	4	(16)
	7	(8)	19	(19)

The fair value of derivative financial instruments that were designated as cash flow hedges at the balance sheet date was:

	Forward foreign currency contracts	Commodity contracts	Taxation	2024
	€m	€m	€m	€m
Cash flow hedge reserve net of taxation at beginning of period	(26)	2	6	(18)
Fair value recognised	33	(6)	(7)	20
Cash flow hedge reserve net of taxation at end of period	7	(4)	(1)	2

Amounts recognised in the cash flow hedge reserve, excluding deferred tax, are expected to affect profit or loss within one year.

At the balance sheet date, the notional amount of outstanding foreign currency and commodity contracts that the Group has committed to is as follows:

	2024	2023
	€m	€m
Commodity contracts	93	131
Forward foreign currency contracts (FY22 restated)	543	931

During the year, no ineffectiveness from foreign currency hedges was recognised in the income statement (2023: nil).

22. Provisions for liabilities and charges

	Rationalisation Costs (i)	Environmental Provisions (ii)	Guarantee commitments (iii)	Employee Benefits (iv)	Other (v)	2024 Total	2023 Total
	€m	€m	€m	€m	€m	€m	€m
At beginning of period	3	142	8	84	24	261	305
Charged to income statement	23	-	-	14	3	40	111
Released to income statement	-	(23)	(2)	(1)	(1)	(27)	(35)
Reclassification	-	-	-	-	-	-	(1)
Utilised during the period	(4)	(91)	-	-	2	(93)	(119)
At end of period	22	28	6	97	28	181	261

Analysed as:

Current liabilities	22	-	1	5	7	35	110
Non-current liabilities	-	28	5	92	21	146	151

(i) Rationalisation costs include redundancy provisions as follows:

	2024	2023
	€m	€m
At beginning of period	3	4
Charged to income statement (Note 4)	22	4
Utilised during the period	(3)	(5)
At end of period	22	3

(ii) The environmental provisions consist of remediation and clean-up activities that are likely to be undertaken soon and of which the costs can reasonably be estimated, together with provisions for CO₂ emission rights.

(iii) Guarantee commitments relate to the anticipated cost of any warranties offered to customers.

(iv) Provisions for employee benefits include long-term benefits such as long service and sabbatical leave, disability benefits and sick leave. All items are subject to independent actuarial assessments.

(v) Other includes other miscellaneous provisions of €28m.

The following are the major deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and prior period.

2024	Accelerated tax depreciation	Pension	Inventory	Provisions	Losses	Other	Total
	€m	€m	€m	€m	€m	€m	€m
At beginning of period	26	8	11	4	19	15	83
Credited/(charged) to income statement	2	(1)	(6)	5	(3)	-	(3)
(Charged) to other comprehensive income	-	-	-	-	-	(7)	(7)
Acquisitions	2	-	-	-	-	-	2
At end of period	30	7	5	9	16	8	75

2023	Accelerated tax depreciation	Pension	Inventory	Provisions	Losses	Other	Total
	€m	€m	€m	€m	€m	€m	€m
At beginning of period	24	15	2	74	10	(1)	124
Credited/(charged) to income statement	2	(3)	9	(70)	9	(2)	(55)
Charged to other comprehensive income	-	(4)	-	-	-	18	14
At end of period	26	8	11	4	19	15	83

Deferred tax assets of €78m (2023: €86m) have been recognised at 31 March 2024. In evaluating whether it is probable that taxable profits will be earned in future accounting periods, all available evidence was considered, including TSN Supervisory Board approved budgets and forecasts. Following this evaluation, it was determined there would be sufficient taxable income generated to realise the benefit of the deferred tax assets. Deferred tax assets have not been recognised in respect of total tax losses of €273m (2023: €163m) which have no expiry date. Deferred tax assets have also not been recognised on deductible temporary differences of €27m (2023: €19m) which have no expiry.

At the balance sheet date there are temporary differences associated with undistributed earnings of subsidiaries. No liability has been recognised in respect of these differences because most of these differences occur in the Netherlands, for which the participation exemption applies.

Of the deferred tax asset of €78m as at 31 March 2024 (2023: €86m), €5m is expected to be utilised within the next 12 months (2023: €2m).

23. Deferred tax

The following is the analysis of the deferred tax balances for balance sheet purposes:

	2024	2023
	€m	€m
Deferred tax assets	78	86
Deferred tax liabilities	(3)	(3)

24. Deferred income

	2024	2023
	Grants relating to property, plant and equipment	Grants relating to property, plant and equipment
	€m	€m
At beginning of the period	1	2
Additions	2	-
Released to income statement (Note 2)	(1)	(1)
At end of the period	2	1

25. Called-up share capital

For more detailed information on called-up share capital, see Parent Company Accounts, Note 8.

26. Future capital expenditure

	2024	2023
	€m	€m
Contracted but not provided for	128	165
Authorised but contracts not yet placed	191	318

27. Exposure for cash outflows relating to leases

	2024	2023
	€m	€m
Future exposure for cash outflows to the Group at the end of the period are:		
Future cash outflows relating to termination and extension options	-	1
Future cash outflows relating to leases committed but not yet commenced	23	26
	23	26

28. Contingencies

	2024	2023
	€m	€m
Guarantees given under trade agreements	-	33
Others	-	21

Tata Steel Nederland is party to a number of individual administrative proceedings on environmental matters and contingent claims which result from ordinary activities that are pending as of 31 March 2024 or can potentially be exercised against Tata Steel Nederland in the future. The related risks were analysed with a view to their probability of occurrence.

No amounts are recorded in these financial statements if the Group does not consider it virtually certain that an amount will be received or no reliable estimate can yet be made for amounts to be paid (if any).

29. Reconciliation of net cash flow to movement in net funds

	2024	2023
	€m	€m
Movement in loans to other Tata Steel companies	-	(10)
Movement in cash and short-term deposits	(754)	250
Movement in debt	(33)	(21)
Change in net debt resulting from cash flows in period	(787)	219
Effect of other non-cash movements	(58)	(91)
Movement in net debt in period	(845)	128
Net funds at beginning of period	705	577
Net funds at end of period	(140)	705

30. Analysis of changes in net funds

	1 April 2023	Cash Flow	Other non-cash movements	31 March 2024
	€m	€m	€m	€m
Loans to other Tata Steel companies	7		(7)	
Cash at bank and short-term deposits	849	(745)		104
Bank overdrafts	-	(9)		(9)
Cash and cash equivalents	849	(754)		95
Borrowings	(53)	(52)	(22)	(127)
Lease liabilities	(98)	19	(29)	(108)
Total debt excluding bank overdrafts	(151)	(33)	(51)	(235)
Total net funds	705	(787)	(58)	(140)

Other non-cash movements include lease liability additions in 2024 of €56m (2023: €23m).

31. Pensions and post-retirement benefits

Defined contribution schemes

TSN participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by TSN at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting period. The total cost charged to the income statement in 2024 amounted to €114m (2023: €104m). Of the total cost of €114m, €104m (2023: €100m) related to payments to the Stichting Pensioenfonds Hoogovens ('SPH') pension scheme.

Defined benefit schemes

TSN operates a number of defined benefit pension and post-retirement schemes. There are multiple plans, the most significant of which are in Germany and the USA. Benefits offered by these schemes are based on pensionable pay and years of service at retirement. Apart from plans in Germany and France, the assets of these schemes are held in administered funds that are legally separated from the company. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders of the scheme and are responsible for the investment policy with regard to the assets of the fund.

Within Germany, there are three types of defined benefit pension schemes, two of which are closed to new entrants. All schemes are unfunded. The scheme for active members in Germany is a pension commitment based on a percentage of the yearly income paid via the

pension organisation 'Essener Verband'. The defined benefit schemes in the USA are closed for future accrual. TSN makes sufficient contributions required to fund the cost of benefits provided by the USA schemes and to increase the funding ratio to 100% over a period of 15 years. Pension provision for new entrants in the USA is by means of a defined contribution scheme. During the year, Apollo Metals Limited, closed its defined benefit scheme.

TSN accounts for all pension and post-retirement benefit arrangements using IAS 19 'Employee Benefits' with independent actuaries being used to calculate the costs, assets and liabilities to be recognised in relation to these schemes. The present value of the defined benefit obligation, the current service cost and past service costs are calculated by these actuaries using the projected unit credit method. However, the ongoing funding arrangements of each scheme, in place to meet their long-term pension liabilities, are governed by the individual scheme rules and national legislation. The accounting and disclosure requirements of IAS 19 do not affect these funding arrangements.

Actuarial assumptions

A range of assumptions must be used to determine the IAS 19 amounts and the values to be included in the balance sheet and income statement can vary significantly with only minor changes in these assumptions. Furthermore, the actuarial assumptions used may vary according to the country in which the plans are situated.

The key assumptions applied at the end of the reporting period for the purposes of the actuarial valuations were as follows:

2024

	Germany	USA	Other
	%	%	%
Salary growth	2.50	0.00	1.50 to 3.00
Pension increases	2.25	0.00	0.00
Discount rate	3.50	5.00 to 5.20	1.60 to 3.50
Inflation	2.75	3.00	1.20 to 2.00

2023

	Germany	USA	Other
	%	%	%
Salary growth	2.75	0.00	1.50 to 3.00
Pension increases	2.25	0.00	0.00
Discount rate	3.45	4.50 to 5.00	2.20 to 3.80
Inflation	2.75	3.00	2.00 to 2.10

The discount rate is set with reference to the current rate of return on AA rated corporate bonds of equivalent currency and term to the scheme liabilities. Projected inflation rates and pension increases are long-term predictions based on the yield gap between long-term fixed interest and government bond securities.

Demographic assumptions are set having regard to the latest trends in life expectancy, plan experience and other relevant data, including externally published actuarial information within each national jurisdiction. The assumptions are reviewed and updated as necessary as part of the periodic actuarial funding valuations of the individual pension and post-retirement plans.

Variations from expected costs, arising from the experience of the plans or changes in actuarial assumptions, are recognised immediately in the statement of comprehensive income. Examples of such variations are differences between the discount rate used for calculating the return on scheme assets and the actual return, the remeasurement of scheme liabilities to reflect changes in discount rates, changes in demographic assumptions such as using updated mortality tables, or the effect of more employees leaving service than forecast.

Income statement costs

Under IAS 19 costs in relation to pension and post-retirement plans arise as follows:

- The current service cost is the actuarially determined present value of the pension benefits earned by employees in the current period.
- It excludes any charges or credits in respect of any deficit or surplus in the scheme respectively and so the cost is unrelated to whether, or how, the scheme is funded.
- Net interest cost / (income) on the liability or asset recognised in the balance sheet. These items are treated as a net operating cost in the income statement within employment costs.

Income statement pension costs arose as follows:

2024

	Netherlands	Germany	USA	Other	Total
	€m	€m	€m	€m	€m
Current service cost	-	-	-	1	1
Net interest cost	-	2	-	-	2
Defined benefit schemes	-	2	-	1	3
Defined contribution schemes	105	-	1	5	111
Total charge for the period	105	2	1	6	114

2023

	Netherlands	Germany	USA	Other	Total
	€m	€m	€m	€m	€m
Current service cost	-	1	-	1	2
Net interest cost	-	1	1	-	2
Defined benefit schemes	-	2	1	1	4
Defined contribution schemes	100	-	1	3	104
Total charge for the period	100	2	2	4	108

Plan assets

The asset classes of plan assets of the Groups' defined benefit schemes include national and international equities, fixed income government and non-government securities and real estate. The pension funds invest in diversified asset classes to maximise returns while reducing volatility. The percentage of total plan assets for each category of investment was as follows:

2024

	USA	Other¹
	%	%
Quoted:		
Equities		
	12.7	58.8
Bonds – Fixed Rate		
	84.8	-
	97.5	58.8
Unquoted:		
Real estate		
	-	23.2
Cash and cash equivalents		
	2.5	2.9
Other ¹		
	-	15.1
	2.5	41.2
Total		
	100.0	100.0

2023

	USA	Other ¹
	%	%
Quoted:		
Equities	35.8	31.0
Bonds – Fixed Rate	60.7	25.5
	96.5	56.5
Unquoted:		
Real estate	-	25.2
Cash and cash equivalents	3.5	4.8
Other ¹	-	13.5
	3.5	43.5
Total	100.0	100.0

¹Other relates to Montana Bausysteme AG.**Balance sheet measurement**

In determining the amounts to be recognised in the balance sheet the following approach has been adopted:

- Pension scheme assets are measured at fair value (for example for quoted securities this is the bid-market value on the relevant public exchange).
- Pension liabilities include future benefits that will be paid to pensioners and deferred pensioners, and accrued benefits which will be paid in the future for members in service considering projected earnings. As noted above, the pension liabilities are discounted with reference to the current rate of return on AA rated corporate bonds of equivalent currency and term to the pension liability.

Amounts recognised in the balance sheet arose as follows:

2024	Germany	USA	Other	Total
	€m	€m	€m	€m
Fair value of plan assets at end of period	-	85	29	114
Present value of obligation at end of period	(54)	(91)	(29)	(174)
Defined benefit liability at end of period	(54)	(6)	-	(60)
Disclosed as:				
Defined benefit asset	-	-	3	3
Defined benefit liability - current	-	(2)	-	(2)
Defined benefit liability - noncurrent	(54)	(4)	(3)	(61)
Defined benefit liability at end of period	(54)	(6)	-	(60)

2023	Germany	USA	Other	Total
	€m	€m	€m	€m
Fair value of plan assets at end of period	-	89	23	112
Present value of obligation at end of period	(54)	(102)	(23)	(179)
Defined benefit liability at end of period	(54)	(13)	-	(67)
Disclosed as:				
Defined benefit asset	-	-	3	3
Defined benefit liability - current	-	-	(1)	(1)
Defined benefit liability - noncurrent	(54)	(13)	(2)	(69)
Defined benefit liability at end of period	(54)	(13)	-	(67)

The movements in the present value of plan assets and defined benefit obligations in 2024 and 2023 were as follows:

2024	Germany	USA	Other	Total
	€m	€m	€m	€m
Plan assets:				
As at 1 April 2023				
Return on plan assets less than the discount rate	-	(1)	-	(1)
Change in effect for asset ceiling	-	-	2	2
Interest income on plan assets	-	4	1	5
Contributions from the employer	-	6	2	8
Settlements	-	(6)	-	(6)
Benefits paid	-	(8)	-	(8)
Exchange rate movements	-	1	1	2
As at 31 March 2024	-	85	29	114

2024	Germany	USA	Other	Total
	€m	€m	€m	€m
Benefit obligations:				
As at 1 April 2023				
Current service cost	(54)	(102)	(23)	(179)
Interest cost on the defined benefit obligation	(2)	(5)	(2)	(9)
Settlements	-	6	-	6
Contributions from the employees	-	-	(1)	(1)
Actuarial loss due to financial assumption changes	-	-	(1)	(1)
Actuarial gain due to actuarial experience	-	2	-	2
Benefits paid	2	8	-	10
Exchange rate movements	-	-	(1)	(1)
As at 31 March 2024	(54)	(91)	(29)	(174)

Included within other schemes above are post-retirement medical and similar net obligations of €4m (2023: €4m).

2023

	Germany €m	USA €m	Other €m	Total €m
Plan assets:				
As at 1 April 2022	-	92	25	117
Return on plan assets (less than)/greater than the discount rate	-	(9)	-	(9)
Change in effect for asset ceiling	-	-	(2)	(2)
Interest income on plan assets	-	4	-	4
Contributions from the employer	-	10	2	12
Benefits paid	-	(10)	(3)	(13)
Exchange rate movements	-	2	1	3
As at 31 March 2023	-	89	23	112
Benefit obligations:				
As at 1 April 2022	(67)	(113)	(27)	(207)
Current service cost	(1)	-	(1)	(2)
Interest cost on the defined benefit obligation	(1)	(5)	-	(6)
Actuarial gain due to financial assumption changes	14	9	4	27
Actuarial (loss) due to actuarial experience	(1)	(1)	-	(2)
Benefits paid	2	10	3	15
Exchange rate movements	-	(2)	(2)	(4)
As at 31 March 2023	(54)	(102)	(23)	(179)

Actuarial gains recorded in the Statement of Comprehensive Income for the period were €1m (2023: gain of €14m).

32. Disposal of Group companies

No disposal of Group companies occurred during the financial year 2023-2024.

(i) On 1 April 2022, the Group completed the sale of its wholly owned subsidiary Tata Steel France Bâtiments et Systèmes SAS ('TSFBS'). As of 31 March 2022, TSFBS had been classified as held for sale.

The net assets disposed were as follows:

	2024 €m	2023 €m
Assets held for Sale	-	29
Liabilities held for Sale	-	(23)
Net assets disposed	-	6
Gross consideration	-	6
Profit/(loss) on disposal (note 2)	-	6

Of which net cash flow arising on disposal was as follows:

	€m	€m
Gross consideration	-	6
Net cash flow	-	6

33. Related party transactions

The table below sets out details of transactions and loans between TSN, other Tata Steel companies, joint ventures and associates.

	2024 €m	2023 €m
Sales to joint ventures	95	144
Sales to associates	109	153
Sales to other Tata Steel companies	429	577
Purchases from joint ventures	-	3
Purchases from associates	37	35
Purchases of raw materials from other Tata Steel companies, acting as an agent	1,397	2,268
Other purchases from other Tata Steel companies	347	364
Net recharges to other Tata Steel companies	(14)	(58)
Amounts owed by other Tata Steel companies (Note 15)	21	116
Amounts owed by joint ventures (Note 15)	10	3
Amounts owed by associates (Note 15)	15	13
Amounts owed to other Tata Steel companies (Note 18)	350	338
Amounts owed to associates (Note 18)	3	4
Tax payable/(receivable) to TSNH (Note 14)	(97)	98
Loans to other Tata Steel companies (Note 15)	-	7
Loans from other Tata Steel companies (Note 19)	23	51

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

Details of transactions with key management personnel are given in 'Further notes to and signing of the annual accounts' on page 155.

34. Subsidiaries and investments

The subsidiary undertakings, joint ventures, joint operations and associates of TSN on 31 March 2024 are set out below. Country names are countries of incorporation. Undertakings operate principally in their country of incorporation except where otherwise stated.

Unless indicated otherwise, subsidiary undertakings owned by TSN, and TSN holding comprises ordinary shares and 100% of the voting rights.

Subsidiary undertakings

Steel producing, further processing or related activities:

Belgium

Société Européenne de Galvanisation (Segal) SA
Tata Steel Belgium Packaging Steels N.V.
Tata Steel Belgium Services NV

Czech Republic

Tata Steel International (Czech Republic) S.R.O.

France

Corbeil Les Rives SCI (67.3%)
Tata Steel France Holdings SAS
Tata Steel International (France) SAS
Tata Steel Maubeuge SAS
Unitol SAS

Finland

Naantali Steel Service Centre OY

Germany

Degels GmbH
Fischer Profil GmbH
FP Produktions und Vertriebs GmbH
Hille & Müller GmbH
S A B Profil GmbH
Service Center Gelsenkirchen GmbH
Tata Steel Germany GmbH
Tata Steel International (Germany) GmbH

Italy

Tata Steel International (Italia) s.r.l.

The Netherlands

C.V. Bénine
Demka B.V.
Grijze Poort B.V.
Huizenbezit Breesaap B.V.
S.A.B. Profiel B.V.
Service Centre Maastricht B.V.
Tata Steel IJmuiden B.V.
Tata Steel Nederland Consulting & Technical Services B.V.
Tata Steel Nederland Services B.V.
Tata Steel Nederland Technology B.V.
Tata Steel Nederland Tubes B.V.

Norway

Norsk Stål Tynnplater AS

Poland

Tata Steel International (Poland) Sp.Zo.o

Republic of Ireland

Corus Ireland Ltd

Spain

Layde Steel slu
Tata Steel International Iberica SA

Sweden

Halmstad Steel Service Centre AB
Norsk Stål Tynnplater AB
Tata Steel International (Sweden) AB

Switzerland

Montana Bausysteme AG

Turkey

Tata Steel İstanbul Metal Sanayi ve Ticaret AŞ

USA

Apollo Metals Ltd
Hille & Müller USA Inc.
Hoogovens USA Inc.
Oremco Inc.
Rafferty-Brown Steel Co. Inc.
Tata Steel USA Inc.
Apollo Metals Ltd
Thomas Processing Company
Thomas Steel Strip Corp.

Joint ventures, joint operations and associates

	Classification	Products	2024 Turnover	Issued capital	% held
			€m	Number of shares	
Mexico	Joint Venture	Inactive company (in liquidation)	-	-	50
Hoogovens Gan Multimedia SA de CV					
The Netherlands	Associate	Maintenance of parts of direct sheet plant	14	Shares of €454	100 50
GietWalsOnderhoud Combinatie B.V.					
Hoogovens Court Roll Surface Technologies VOF	Joint Operation	Processing chrome deposit on rolls	3	-	50
Laura Metaal Holding B.V.	Joint Venture	Trading and processing of non-prime metal	128	Shares of €454	5,600 49
Wupperman Staal Nederland B.V.	Associate	Purchase, process, refine and sale of steel products and other metal products	274	Shares of €1,000	8,000 30
Tata Steel Ticaret AS	Joint Venture	Sales office	2*	Shares of TL1	80,000 50

*started at legal merger of BSNI in TSN (December 2023).

35. Ultimate and immediate parent company

Tata Steel Netherlands Holdings B.V. is the company's immediate parent company, which is incorporated and registered in the Netherlands.

Tata Steel Limited, a company incorporated in India, is the ultimate parent company and controlling party.

Copies of the Report & Accounts for TSL may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai, 400-01.

36. Subsequent events

Tata Steel Nederland increased its revolving credit facility in May 2024 with an additional €200 million, to a total facility of € 400 million.

Company income statement

For the financial period ended 31 March

	2024	2023
	€m	€m
Profit/(Loss) subsidiaries	(535)	359
Other income and charges, after taxation	(21)	(7)
Net profit/(Loss) after taxation	(556)	352

Company balance sheet

At 31 March

	Note	2024	2023
		€m	€m
Before appropriation of the result for the year			
Non-current assets			
Financial fixed assets	1	3,409	3,886
		3,409	3,886
Current assets			
Receivables	2	347	112
Cash and short-term deposits	4	14	709
		361	821
TOTAL ASSETS		3,770	4,707
Current liabilities			
Borrowings	5	(545)	(1,033)
Other payables	6	(23)	(50)
		(568)	(1,083)
Provisions	7	(2)	(2)
		(2)	(2)
TOTAL LIABILITIES		(570)	(1,085)
NET ASSETS		3,200	3,622
Equity			
Called-up share capital	8	388	388
Share premium account	8	17	17
Legal Reserves	8	18	(2)
Other components of Equity	8	2,777	3,219
Total Equity		3,200	3,622

Notes to the Company accounts

Significant accounting policies

Basis of preparation

The company financial statements have been prepared according to the provisions of Part 9 Book 2 of the Dutch Civil Code. The accounting policies used are the same as those used for the consolidated financial statements in accordance with the provisions of article 362.8 of Part 9 Book 2 of the Dutch Civil Code. Participations in consolidated entities are accounted for using the asset value method applying the same accounting policies as those used in the consolidated financial statements.

Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are measured at net asset value (equity method of accounting). Net asset value is based on the measurement of assets (including goodwill), provisions

and liabilities, and determination of profit, as described in Note 10 to the consolidated financial statements for equity accounted investments. Goodwill is subsumed in the carrying amount of the net asset value if an investment in a subsidiary is acquired through the Company's intermediate subsidiary.

Presentation of Company accounts and accounting policies

The company statement of income has been prepared in accordance with Art. 2:402 DCC, which allows a simplified Statement of income in the Company financial statements if a comprehensive Statement of income is included in the consolidated Group financial statements.

Information on the use of financial instruments is provided in Note 21 of the consolidated report and accounts.

Notes to the company accounts

1. Financial non-current assets

	Investments in group companies	Loans to own group companies	Total
	€m	€m	€m
Balance sheet value at 1 April 2023	3,812	74	3,886
Movements in 2023/24:			
Loss subsidiaries	(535)	-	(535)
Other comprehensive loss	(44)	-	(44)
Additions ¹⁾	9	47	56
Provision for impairment	(10)	-	(10)
Change in consolidation ²⁾	75	36	111
Loan redemptions	-	(55)	(55)
At 31 March 2024	3,307	102	3,409

¹⁾ Additions relate to the acquisition of Grijze Poort B.V. (ownership: 100%) and a capital injection in Tata Steel Istanbul Metal Sanayi ve Ticaret AS (ownership: 100%).

²⁾ Change in consolidation include the legal merger of British Steel Nederland International BV into Tata Steel Nederland BV.

The maturity of the Loans to own group companies is as follows:

	2024	2023
	€m	€m
In one year or less or on demand	-	-
Between one and two years	5	45
Between two and three years	-	-
Between three and four years	-	-
Between four and five years	77	-
More than five years	20	29
At 31 March 2024	102	74

The average interest rate is 4.5% (2023: 3.7%).

2. Receivables

	2024	2023
	€m	€m
Receivables from subsidiaries	326	64
Derivative financial instruments	12	33
Other debtors	2	3
Loans from other Tata Steel companies	-	8
	340	108

All receivables fall due within one year.

Derivative financial instruments comprise forward foreign currency contracts and emission rights contracts.

3. Current tax assets

	2024	2023
	€m	€m
Dutch corporation tax assets	7	4
	7	4

4. Cash and short-term deposits

	2024	2023
	€m	€m
Cash at bank and in hand	14	309
Short-term deposits	-	400
	14	709

The cash balances disclosed above and in the statement of cash flows are not subject to regulatory restrictions and are therefore available for use.

5. Borrowings

	2024	2023
	€m	€m
Borrowings		
Borrowings from subsidiaries	443	982
Borrowings from other Tata Steel companies	22	48
Borrowings from joint venture	5	3
Bank and other loans	75	-
Total	545	1,033

The borrowings from TSN group companies bear interest rates based on EURIBOR or official local rates. These rates are fixed for periods up to six months.

6. Other payables

	2024	2023
	€m	€m
Amounts owed to subsidiaries	9	8
Derivative financial instruments	12	33
Other payables	2	9
	23	50

Derivative financial instruments comprise forward foreign currency contracts and emission rights contracts.

7. Provisions

	2024	2023
	€m	€m
Environmental Provision	2	2
Total Provisions	2	2

The environmental provision relates to clean up costs of the Demka wharf.

8. Capital and reserves

	Called-up share capital	Share premium account	Legal reserve	Retained earnings	Total
	€m	€m	€m	€m	€m
Balance as at 1 April 2022	388	17	51	2,857	3,313
Profit/(Loss) after taxation	-	-	-	352	352
Actuarial gains	-	-	-	10	10
Translation reserve	-	-	-	-	-
Hedging reserve	-	-	(53)	-	(53)
Balance as at 31 March 2023	388	17	(2)	3,219	3,622
Profit/(Loss) after taxation	-	-	-	(556)	(556)
Actuarial gains	-	-	-	1	1
Translation reserve	-	-	-	-	-
Other	-	-	-	113	113
Hedging reserve	-	-	20	-	20
Balance as at 31 March 2024	388	17	18	2,777	3,200

The authorised share capital of the Company on 31 March 2024 amounts to €1,300,000,000 (31 March 2023: €1,300,000,000) and consists of 130,000,000 Ordinary shares of €10.00 each of which 38,760,710 Ordinary shares were issued and fully paid up. All the outstanding Ordinary shares were held by TSNH.

Legal reserves include the cash flow hedge reserve of € 2m (2023 € (18)m) and the translation reserve of € 16m (2023: € 16m).

9. Commitments and contingent liabilities

	2024 €m	2023 €m
Guarantees and securities on behalf of group companies	120	123

The amount outstanding relates to bank guarantees, guarantees for lease obligations and other obligations of subsidiaries. No contingent liabilities are outstanding per 31 March 2024.

Tata Steel Nederland BV has provided a declaration of liability, as referred to in Article 403, Book 2, of the Dutch Civil Code, for the debts of its subsidiaries Tata Steel Nederland Technology BV and Tata Steel Nederland Services BV.

Since 1 January 2008 Tata Steel Nederland BV and most of its Dutch subsidiaries are part of the fiscal entity "Tata Steel Netherlands Holdings BV", which is the ultimate parent within the fiscal entity. Under the Dutch Collection of State Taxes Act, the company and its fellow fiscal unity members are jointly and severally liable for any taxes payable (e.g., VAT and Corporate Income Tax) by the group. Subsidiaries settle tax positions within the fiscal unity as if it were an autonomous taxpayer, according to the subsidiary's fiscal result.

The Company has provided letters of support to Tata Steel Germany GmbH and Degels GmbH to enable these companies to continue their operations until the approbation by the shareholder of the financial statements for the year ending 31 March 2025, and for Tata Steel Germany GmbH for the year ending 31 March 2026.

10. Audit fees

2024	PricewaterhouseCoopers Accountants N.V.	Other PwC network	Total PwC Network
	€m	€m	€m
Audit of the financial statements	1.5	0.7	2.2
Other audit procedures	0.2	-	0.2
Tax services and other non-audit services	-	-	-
Total Audit fees	1.7	0.7	2.4

2023	PricewaterhouseCoopers Accountants N.V.	Other PwC network	Total PwC Network
	€m	€m	€m
Audit of the financial statements	0.9	0.5	1.4
Other audit procedures	0.2	-	0.2
Tax services and other non-audit services	-	-	-
Total Audit fees	1.1	0.5	1.6

The fees listed above relate to the procedures applied to the company and its consolidated group entities by accounting firms and external auditors as referred to in article 1(1) of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta) as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups.

These fees relate to the audit of the 2023/24 financial statements, regardless of whether the work was performed during the financial year.

Other audit procedures relate to the quarterly review procedures performed for Tata Steel IJmuiden B.V.

11. Other

No employees are employed by the Company, unchanged from the previous reporting period.

Further notes to and signing of the annual accounts

Group and affiliated companies and other capital interests

A list forming part of the Annual Accounts with names and other particulars of companies in which Tata Steel Nederland BV directly or via group companies participates or holds capital interests in other ways has been filed with the Trade Register in Amsterdam.

Remuneration of and loans to members of the Board of Management and of the Supervisory Board

	2024 €k	2023 €k
The total employment costs of the Board of Management of Tata Steel Nederland BV were:		
Short term employee benefits	2.489	2.349
Long term employment benefits	233	233
Post-employment benefits	372	284
Termination benefits	-	556
Total emoluments of current and former members	3.094	3.419

Employment costs relate to all activities within the Group of the members of the Board of Management.

There were no loans outstanding to members of the Board of Management as of 31 March 2024 or 31 March 2023.

The Annual General Meeting of Shareholders determines the remuneration of the members of the Supervisory Board. This was last done in 2024.

	2024 €k	2023 €k
Remuneration of current and former members of the Supervisory Board*	167	171

* Borne by the Company and its subsidiaries

The members of the Supervisory Board do not own any securities in the Company's capital or rights thereto.

Appropriation of the result for the financial year 2024

We propose to add the loss of €556m over the financial year 2024 to the Retained Earnings.

During the year ended 31 March 2024 no dividend was paid.

Signing of the Annual Accounts

The 2024 Annual Accounts of Tata Steel Nederland BV have been signed by all the members of the Board of Management and by all the members of the Supervisory Board.

IJmuiden, 27 June 2024

Board of Management

J. van den Berg, Chair
T.A. Eussen
M. Plaum
G.E. Saltin

Supervisory Board

T.V. Narendran, Chair
M.J.L. Jonkhart
C. Zuiderwijk
H. Adam

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report

Reference is made to the Independent Auditor's Report as included hereinafter.

Appropriation of result according to Articles of Association

Article 36, of the Articles of Association stipulates that, the profit for the year is at the disposal of the General Meeting of Shareholders.

Independent auditor's report

To: the general meeting and the supervisory board of Tata Steel Nederland B.V.

Report on the audit of the annual accounts 2023-2024

Our opinion

In our opinion:

- the consolidated accounts of Tata Steel Nederland B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 March 2024 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted in the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company accounts of Tata Steel Nederland B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 March 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying annual accounts 2023-2024 of Tata Steel Nederland B.V., Velsen-Noord. The annual accounts comprise the consolidated accounts of the Group and the company accounts.

The consolidated accounts comprise:

- the consolidated balance sheet as at 31 March 2024;
- the following statements for 2023-2024: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes to the consolidated accounts, including material accounting policy information and other explanatory information.

The company accounts comprise:

- the company balance sheet as at 31 March 2024;
- the company income statement for the year then ended; and
- the notes to the company accounts, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the annual accounts is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated accounts and Part 9 of Book 2 of the Dutch Civil Code for the company accounts.

NLE00024306.1.4

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'PwC' is the brand under which PricewaterhouseCoopers Accountants N.V. (Chamber of Commerce 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (Chamber of Commerce 34180284), PricewaterhouseCoopers Advisory N.V. (Chamber of Commerce 34180287), PricewaterhouseCoopers Compliance Services B.V. (Chamber of Commerce 51414406), PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V. (Chamber of Commerce 54226368), PricewaterhouseCoopers B.V. (Chamber of Commerce 34180289) and other companies operate and provide services. These services are governed by General Terms and Conditions ('algemene voorwaarden'), which include provisions regarding our liability. Purchases by these companies are governed by General Terms and Conditions of Purchase ('algemene inkooptooverwaarden'). At www.pwc.nl more detailed information on these companies is available, including these General Terms and Conditions and the General Terms and Conditions of Purchase, which have also been filed at the Amsterdam Chamber of Commerce.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the annual accounts' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Tata Steel Nederland B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the annual accounts as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the annual accounts due to fraud. During our audit we obtained an understanding of Tata Steel Nederland B.V. and its environment and the components of the internal control system. This included the management's risk assessment process, management's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section 7 of the annual report for management's fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, and whistleblower procedures. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of management, as well as legal affairs and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

Tata Steel Nederland B.V. - NLE00024306.1.4

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks

Risk of management override of controls

Inherently, management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent annual accounts by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:

- the appropriateness of journal entries and other adjustments made in the preparation of the annual accounts;
- possible management bias in management's significant estimates; and
- significant transactions, if any, outside the normal course of business for the Company.

Management is in the process of starting negotiations on 'Maatwerk' support with the Dutch government for the decarbonisation of the Tata Steel plant in IJmuiden, which is crucial for the future of the plant. In this context, this could lead to pressure on management to underestimate the future financial results and cashflows to obtain more government support or overstate the current financial results to showcase the Company's added value to Dutch society.

Our audit work and observations

Where relevant to our audit, we evaluated the design and implementation of the internal control system, that is intended to mitigate the risk of management override of controls and assessed the effectiveness of those measures in the processes of generating and processing journal entries and making estimates.

We selected journal entries based on risk criteria and conducted specific audit procedures for these entries, including inspection of the source documentation to assess the validity of the business rationale and substantiation of corroborating evidence. In this context, we also tested the consolidation and elimination entries.

We performed specific audit procedures related to significant estimates and judgements applied by management, such as listed in the section V 'Use of estimates and critical accounting judgements' of the chapter 'Presentation of consolidated accounts and accounting policies' in the annual accounts.

These procedures include assessing management's ability to make reasonable estimates, by assessing previous estimations with actual outcomes, performing sensitivity analyses, test the underlying models, methodology and inputs to supporting evidence and challenge managements' assumptions as applicable. Specifically, for the judgements and estimations applied as part of the impairment testing of non-current assets, we engaged our valuation experts to develop independent range estimates of the discount rate and long-term growth rate.

We verified that there were no significant transactions or events that were outside the normal course of business for the Group.

Our audit procedures did not lead to specific indications of fraud with respect to management override of controls.

The risk of fraudulent financial reporting in revenue recognition

With regard to the risk of fraud in revenue recognition, based on our risk assessment procedures, we concluded that this risk relates to the existence and occurrence (through recording of fictitious revenue transactions) and cut-off after year-end (through improperly shifting revenues to a later period) of revenue transactions.

We evaluated the design and implementation of the internal control system and assessed the effectiveness of relevant controls in the processes related to revenue recognition.

Through data analysis, we tested unexpected journal entries based on revenue recognition criteria. We also performed relevant testing on revenue transactions throughout the year and the receivable balances at year end. Our audit procedures included inspection of the source documentation to assess the validity of the business rationale and substantiation of corroborating evidence, testing the occurrence and cut-off of the related revenue.

Our audit procedures did not lead to specific indications of fraud with respect to revenue recognition.

Inadequate disclosures of the Tata Steel Nederland B.V.'s energy transition journey

Tata Steel Nederland B.V. has made a public commitment on the decarbonisation strategy. This could lead to an incentive to present inadequate disclosure of its energy transition journey.

Through inquiry with management, we have obtained an understanding of the feasibility of the Group's decarbonisation strategy/energy transition journey. We reviewed management's assessment on the accounting implications of such journey.

Our procedures also included the assessment of the adequacy of the related disclosures in the annual report and accounts as made by the board of management. Our audit procedures did not lead to specific indications of fraud with respect to the disclosures of the Group's energy transition journey.

We incorporated an element of unpredictability in our audit and reviewed lawyer's letters. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

As disclosed in the section II 'Basis of preparation' of the chapter 'Presentation of consolidated accounts and accounting policies' of the annual accounts, the board of management identified the following events or conditions that may cast significant doubt on the Company's ability to continue as a going concern (hereafter: going-concern risk): challenging market conditions and decline in the business performance caused by operational issues. In order to mitigate such events and conditions the board of management assessed the future funding requirements of the Group and obtained additional borrowing facilities.

Our procedures regarding the evaluation of the appropriateness of the board of management's use of the going-concern basis of accounting, including the board of management's plans to address the identified going-concern risk, included, among others:

- considered whether the board of management's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquired with the board of management regarding the most important assumptions underlying its going-concern assessment;
- evaluated the board of management's current budget, including cash flows for at least twelve months from the date of preparation of the annual accounts, taken into account current developments in the industry and all relevant information of which we were aware as a result of our audit;
- evaluated the board of management's sensitivity analysis of the cash flow forecast to determine the liquidity need;
- analysed whether the current and the required financing has been secured to enable the continuation of the entirety of the Group's operations;
- performed inquiries of the board of management as to its knowledge of going-concern risks beyond the period of the board of management's assessment.
- assessed whether in section II 'Basis of preparation' of the chapter 'Presentation of consolidated accounts and accounting policies' of the annual accounts, the board of management adequately disclosed the going concern risk and the board of management's plans to deal with these.

Based on our procedures performed, we concluded that the board of management's use of the going-concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. We found the disclosure in section II 'Basis of preparation' of the chapter 'Presentation of consolidated accounts and accounting policies' of the annual accounts to be adequate.

Although management expects no direct impact in the short term, the impact and consequences of climate change, requiring the Company to decarbonise its operations and make significant investments, may well impact the longer-term viability of the Company. In section 7 'Risk management' of the annual report, the board of management disclosed the uncertainties associated with this longer-term risk as well as the mitigating actions taken by amongst others executing its decarbonisation plans.

Emphasis of matter – Assumptions underlying the impairment assessment of Property, plant and equipment

We draw attention to note 9 'Property, plant and equipment' of the annual accounts which describes the key assumptions in relation to the decarbonisation plans of Tata Steel Nederland B.V. that have been applied to the impairment testing, which has been performed to assess the valuation of property, plant and equipment. One of the key assumptions relating to the decarbonisation plans is that the Dutch government will provide support in the decarbonisation of the IJmuiden plant, on a similar level to recent commitments seen by other national governments within Europe to steel producers operating in those countries. In case the Dutch government will not (fully) support the decarbonisation, then this may have a material impact on the valuation of property, plant and equipment. Our opinion is not modified in respect of this matter.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the annual accounts and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the annual accounts and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the annual accounts or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the annual accounts.

Management is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the annual accounts and the audit

Responsibilities of the board of management and the supervisory board for the annual accounts

The board of management is responsible for:

- the preparation and fair presentation of the annual accounts in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of management determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of management should prepare the annual accounts using the going-concern basis of accounting unless the board of management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of management should disclose in the annual accounts any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the annual accounts

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual accounts.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 1 July 2024
PricewaterhouseCoopers Accountants N.V.

Original has been signed by E.M.W.H. van der Vleuten RA MSc

Appendix to our auditor's report on the annual accounts 2023/2024 of Tata Steel Nederland B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the annual accounts and explained what an audit involves.

The auditor's responsibilities for the audit of the annual accounts

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the annual accounts, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Concluding on the appropriateness of the board of management use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the annual accounts as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the annual accounts, including the disclosures, and evaluating whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated annual accounts, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the annual accounts as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Part 4

APPENDICES

Tata Steel Nederland - Non financials

Key figures

Key Performance Indicator	Units	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Basic Information ⁽⁷⁾						
Crude Steel production	million tonnes	6.62	6.07	6.43	6.16	4.66
Liquid Steel production	million tonnes	6.78	6.21	6.61	6.33	4.81
Environmental						
TSIJ GHG emissions (based on worldsteel user guide V9.5) ⁽¹⁾						
CO ₂ eq. emissions - Total (ws scope 1) ^(3,4)	million tonnes	11.82	10.88	11.55	10.93	8.55
CO ₂ eq. emissions - Total (ws scope 2) ^(3,4)	million tonnes	-0.13	-0.06	-0.10	-0.31	0.10
CO ₂ eq. emissions - Total (ws scope 3) ^(3,4)	million tonnes	0.16	0.17	0.27	0.33	-0.21
CO ₂ eq. emissions - Total (ws scope 1+2+3) ^(3,4,12)	million tonnes	11.62	10.77	11.48	10.95	8.44
CO ₂ emission intensity (ws scope 1+2+3) ⁽³⁾	tCO ₂ /tonnes of crude steel	1.76	1.77	1.79	1.78	1.81
TSN CO ₂ emissions (based on worldsteel user guide V9.5)						
CO ₂ eq. emissions - Total (ws scope 1) ^(3,4)	million tonnes	11.82	10.88	11.55	11.03	8.66
CO ₂ eq. emissions - Total (ws scope 2) ^(3,4)	million tonnes	-0.13	-0.06	-0.10	-0.21	0.22
CO ₂ eq. emissions - Total (ws scope 3) ^(3,4)	million tonnes	0.16	0.17	0.27	0.36	-0.19
CO ₂ eq. emissions - Total (ws scope 1+2+3) ^(3,4,12)	million tonnes	11.85	11.00	11.72	11.17	8.69
CO ₂ emission (for all entities) - (ws Scope 1+2+3) per unit revenue	kgCO ₂ /€	2.52	2.53	1.70	1.55	1.46
TSN GHG emissions (based on GHG protocol)						
Absolute CO ₂ eq. emissions - Scope 1	million tonnes				11.2	8.67
Absolute CO ₂ eq. emissions - Scope 2	million tonnes				0.03	0.10
Absolute CO ₂ eq. emissions - Scope 3	million tonnes				3.8	3.7
Total absolute CO ₂ eq. emissions (Scope 1 +2 + 3) ⁽¹²⁾	million tonnes				15.0	12.5
Energy ⁽¹⁾						
Total electricity consumption ⁽⁵⁾	PJ	9.41	9.83	9.03	9.29	9.98
Total self-generation of non renewable electricity ⁽⁶⁾	PJ	9.85	9.30	10.92	10.95	8.36
Total on-site renewable electricity generation	PJ			0.01	0.01	0.01
Total use of renewable electricity (inc. REGOs)	PJ	0	0	0	0.01	0.12
Renewable energy in relation to total electricity consumption	%	0	0	0.1	0.1	1.2
Total use of natural gas	PJ					13
Total use of coal	PJ					98
Total energy consumption	PJ					116
Energy intensity ⁽³⁾	GJ/tonnes of crude steel	20.09	20.41	19.37	19.04	20.95
Energy ⁽⁸⁾						
Total electricity consumption	PJ	0.46	0.46	0.52	0.48	0.79
Total self-generation of non renewable electricity	PJ	0.00	0.00	0.00	0.00	0.05
Total on-site renewable electricity generation	PJ	0.00	0.00	0.00	0.01	0.01
Total use of renewable electricity (inc. REGOs)	PJ	0.00	0.09	0.09	0.11	0.12
Renewable energy in relation to total electricity consumption	%	0%	19%	18%	23%	17%
Raw materials						
Iron ore consumption for iron / steelmaking ⁽⁹⁾	million tonnes	8.83	8.31	8.56	8.19	6.12
Specific iron ore consumption	t/tonnes of crude steel	1.33	1.37	1.33	1.33	1.31
Coal and purchased coke consumption (inc. coking coal and injection)	million tonnes	4.19	3.91	4.06	3.90	3.41
Specific coal consumption	t/tonnes of crude steel	0.63	0.64	0.63	0.63	0.73
Scrap consumption (internal and external)	million tonnes	1.15	1.02	1.14	1.08	0.93
Total raw material consumption (iron ore, scrap plus coal/coke)	million tonnes	14.18	13.23	13.76	13.17	10.46
Specific raw material consumption	t/tonnes of crude steel	2.14	2.18	2.14	2.14	2.24
Management						
Share of TSN staff and contractors working at ISO14001-certified locations	%	100	100	100	100	100

Key figures

Key Performance Indicator	Units	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Scrap recycling^{(1),(10),(11)}						
Externally recycled steel	1,000 tonnes	640	566	670	624	544
Internally recycled steel	1,000 tonnes	511	453	468	458	387
Recycled steel – Total	1,000 tonnes	1,150	1,020	1,137	1,082	931
Recycled steel – ⁽¹³⁾	%	17.4	16.8	17.6	17.6	20.0
CO ₂ reduced by externally recycled steel ⁽²⁾	1,000 tonnes	1,030	912	1,078	1,004	875
Recycling⁽³⁾						
Material reused by our process (excluding scrap steel)	1,000 tonnes	1,155	933	954	1011	761
Volume of by-products sold (excluding granulated blast furnace slag (GBS))	1,000 tonnes	855	251	226	260	251
Slag to cement industry (i.e. GBS sales)	1,000 tonnes	1,285	1,110	1,239	1,203	854
Recycling⁽⁸⁾						
Volume of by-products sold (excluding scrap)	1,000 tonnes	9.03	8.76	11.05	7.95	7.51
Spend on climate change and environment						
CAPEX Expenditure on climate change and environment	€ million	55.6	57.3	39.4	136.2	168.3
Complaints⁽¹⁾						
Environmental complaints	#	3,519	4,148	2,336	4,285	4,514
Complaints⁽⁸⁾						
Environmental complaints	#	2	3	0	0	2

(1) Production site IJmuiden.

(2) The CO₂ saved from the recycling of external steel scrap (i.e. steel products recovered at their end-of-life) is based on a calculation of the avoided emissions related to the making of an equivalent amount of iron from virgin ore via the blast furnace route⁽⁴⁾.

(3) Total (scope 1+2+3): based on Worldsteel methodology, including credits for the supply of slag to the cement industry.

(4) Scope 1 includes direct emissions from the IJmuiden site and emissions resulting from the combustion of our flue gases at Vattenfall. Scope 2 includes the emissions related to the purchase of heat and electricity and credits for delivery of energy to Vattenfall. Scope 3 includes a limited set of upstream emissions related to the production of purchased raw materials (coke, pellet DRI, etc for the production of purchased argon, oxygen, nitrogen and hydrogen) and is reduced by credits for the cement industry's use of our granulated blast furnace slag. Worldsteel's scope 3 does not include emissions related to mining and transportation of raw materials to the site, nor transportation of products from our site to our customers.

(5) Excludes power used by external companies located on the site IJmuiden.

(6) Includes power generated by Vattenfall from our waste gases.

(7) Liquid- and crude steel production decreased in FY23/24 due to relining of Blast Furnace 6.

(8) Downstream Europe.

(9) For this indicator, iron includes fines, purchase pellets and debris.

(10) Recycled steel is higher than usual in FY23/24 due to blast furnace re-line.

(11) These numbers include increases from assured Zeremis projects.

(12) The CO₂ eq. emissions includes CO₂ reductions from assured Zeremis projects.

(13) Not to use as recycled content number by customers. For recycled content to contact Tata Steel Nederland.

Key Performance Indicator	Units	CY2019	CY2020	CY2021	CY2022	CY2023
Basic Information						
CO₂ emissions⁽¹⁾						
CO ₂ eq. emission - (audited EU ETS emissions) ⁽⁴⁾	million tonnes	6.35	5.79	5.96	5.82	4.54
CO ₂ emitted by Vattenfall due to combustion of our waste gases ⁽⁴⁾	million tonnes	5.50	4.98	5.62	5.26	4.05
Air emissions⁽¹⁾						
Dust	tonnes	1,881	1,801	1,569	1,518	1,442
Dust intensity	kg/tonnes of crude steel	0.28	0.30	0.24	0.25	0.31
NOx (Nitrogen Oxides)	tonnes	6,034	5,132	5,349	4,956	4,254
NOx (Nitrogen Oxides) intensity	kg/tonnes of crude steel	0.90	0.84	0.81	0.80	0.90
SO ₂ (Sulphur dioxide)	tonnes	3,159	3,035	2,793	2,928	2,795
SO ₂ (Sulphur dioxide) intensity	kg/tonnes of crude steel	0.47	0.50	0.42	0.47	0.593
Air emissions⁽²⁾						
Dust	tonnes	1.73	1.57	1.76	1.86	11.32
NOx (Nitrogen Oxides)	tonnes	49.95	54.69	47.47	43.16	93.87
SO ₂ (Sulphur dioxide)	tonnes	0.86	0.90	0.74	0.46	1.04
Water⁽¹⁾						
Water consumption	million m ³	32.6	32.3	32.5	32.2	30.4
Specific water consumption	m ³ /tonnes of crude steel	4.93	5.20	4.89	5.21	6.52
Waste water discharge ⁽³⁾	million m ³	194	185	213	212	187
Waste water discharge intensity	m ³ /tonnes of crude steel	29.0	30.4	32.1	34.3	40.1
Water⁽²⁾						
Water consumption	million m ³	3.13	2.81	2.81	2.50	3.59
Waste water discharge volume	million m ³					0.29
Waste⁽¹⁾						
Waste - externally processed	1,000 tonnes	218	201	170	211	214
Waste - material reused, recycled by third parties	1,000 tonnes	170	159	127	151	145
Waste - material sent to landfills	1,000 tonnes	42	36	38	52	62
Waste - total utilisation	%	99	99	99	98	97
Waste⁽²⁾						
Waste	1,000 tonnes	58	64	73	82	113
Waste - material reused, recycled by third parties	1,000 tonnes	55	60	69	80	111
Waste - material sent to landfills	1,000 tonnes	0.44	0.58	0.66	0.81	0.82
Waste - utilisation	%	95	94	96	98	99
Emission to water⁽¹⁾						
Mass emissions into water, hydrocarbons	tonnes	1.4	1.7	1.1	1.2	1.1
Mass emissions into water, suspended solids	tonnes	285	302	203	259	338
Mass emissions into water, COD	tonnes	557	584	532	599	516
Emission to water⁽²⁾						
Mass emissions into water, hydrocarbons	tonnes	0.28	0.11	0.40	0.61	0.12
Mass emissions into water, suspended solids	tonnes	1.79	1.55	2.13	2.11	2.96
Mass emissions into water, COD	tonnes	15.32	9.85	12.16	10.29	12.25

(1) Production site IJmuiden

(2) Downstream Europe

(3) Including 156 million m³ of seawater for indirect cooling

(4) Direct emissions scope 1: formal and audited emissions according ETS. These figures relate to calendar years.

Key figures

Key Performance Indicator	Units	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Social						
Safety						
Fatalities - Employees	#	0	0	0	0	0
Fatalities - Contractor personnel	#	0	0	0	0	0
Fatalities - Total	#	0	0	0	0	0
Lost Time Injury (LTI) - Employees	#	18	17	19	13	15
Lost Time Injury (LTI) - Contractor personnel	#	13	9	8	13	12
Lost Time Injury (LTI) - Total	#	31	26	27	26	27
Lost Time Injury Frequency Rate - Employees	Index	0.99	0.93	1.01	0.72	0.81
Lost Time Injury Frequency Rate - Contractor personnel	Index	3.31	2.81	2.36	2.51	1.97
Lost Time Injury Frequency Rate - Total	Index	1.40	1.21	1.21	1.12	1.10
Recordables (employees)	#	71	71	74	74	94
Recordables (contractors)	#	46	36	41	55	128
Recordables (total)	#	117	107	115	129	222
Total Recordable Injury Frequency Rate - Employees	Index	3.90	3.88	3.93	4.11	5.10
Total Recordable Injury Frequency Rate - Contractor personnel	Index	11.68	11.20	12.10	10.60	21.00
Total Recordable Injury Frequency Rate - Total	Index	5.26	4.97	5.17	5.57	9.05
Sites with ISO45001	#	6	7	9	9	14
Sites with ISO45001 as a percentage of all TSN sites	%	24	28	36	36	74
Human Resources Management⁽⁴⁾						
Number of employees	#	11,669	11,480	11,608	12,299	12,661
Number of female employees	#	1,284	1,252	1,249	1,265	1,419
Percentage of female employees	%	11.0	10.9	10.8	10.3	11.2
Number of permanent employees by gender	#M/#F	9,999/1,214	9,853/1,198	9,777/1,188	10,245/1,265	11,242/1,419
Number of agency employees by gender	#M/#F/#not recorded	386/70	375/54	582/61	718/41/101	599/45/64
Number of full-time employees by gender	#M/#F	9,359/659	9,216/656	9,315/654	9,717/775	9,825/780
Number of part-time employees by gender	#M/#F	1,021/624	1,012/596	1,044/595	1,197/610	1,417/639
Number of new employees by gender	#M/#F/#not recorded	404/59/0	372/39/0	523/46/46	935/173/0	846/126
New female employees as a percentage of the total	%	12.7	9.4	7.5	15.6	13.0
Total labour costs	€ million	1.017	1.008	1.170	1.128	1.214
Employee productivity (steel volume) - IJmuiden site	tonnes of liquid steel/employee/year	768	708	739	677	494
Number of retirements	#			104	74.2	295
Turnover rate (incl. superannuation)	%	2.2	2.8	3.1	4.8	7.6
Turnover rate (excl. superannuation)	%				4.1	5.3
Turnover of female employees	%	3.5	3.5	4.9	4.6	5.1
Average age	#	46.3	46.2	45.9	46.0	45.3
Employees aged over 50 (i.e. 51 and above)	#	5,332	5,212	5,138	5,366	5,293
Employees aged between 30 and 50 (i.e. 30-50)	#	4,849	4,840	4,945	5,346	5,536
Employees under the age of 30 (i.e. 29 and under)	#	1,476	1,428	1,525	1,532	1,814
Age distribution of the workforce (>50)	%	46	45	44	43.8	41.8
Age distribution of the workforce (30-50)	%	42	42	43	43.7	43.7
Age distribution of the workforce (<30)	%	13	13	13	12.5	14.3
Percentage of female managers	%	8.6	8.3	8.0	19.8	17.5
Percentage of female TSN Board members	%			25	14	25
Employees who are members of a trade union ⁽¹⁾	#	4,339	4,759	4,585	4,466	4,085
Percentage of employees who are members of a trade union ⁽¹⁾	%	48.4	54.3	51.6	48.3	42.0
Percentage of employees who are covered by a collective agreement ⁽¹⁾	%	98.0	98.0	98.1	98.3	98.3

Key Performance Indicator	Units	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Economics & Governance						
Financial						
Gross Turnover	€ million	4,709	4,347	6,904	7,192	5,943
Ethics⁽²⁾						
Whistleblower reports - Received in year	#	51	48	34	19	22
Whistleblower reports - Closed during the year	#	51	48	34	17	20
Ethics training or Tata Code of Conduct - number of persons	#	180	135	105	0	55
Supply chain						
Active suppliers ⁽⁶⁾	#	3,462	3,129	3,329	3,389	3,004
Active suppliers made aware of Responsible Procurement Policy	%	88	90	91	100	32
Intellectual capital						
Patents granted	#	133	142	202	161	191
Patents filed	#	36	19	15	22	26
Collaborations/memberships of academia and technical institutes	#			158	162	148
R&D Expenditure	€ million	57	54	62	64	65
R&D Expenditure - % of revenue	%	1.20	1.24	0.90	0.89	1.03
New products developed and launched	#	19	12	10	10	11
Share of new products assessed with sustainability assessment tool	%	100	100	100	100	91
" annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees ^{(5)w}				7.6	8.4	
Investment in new processes and products: CAPEX + R&D	€ million	111	56	66	74	34
Investment in new processes and products: CAPEX. % of turnover	%	2.36	1.29	0.96	1.03	0.57
Community⁽¹⁾						
Number of applications received for financial or in-kind support	#	69	24	30	78	93
Number of approved applications for financial or in-kind support	#	23	17	24	51	51
Number of youngsters attending Tata-Kids of Steel events	#	3,090	1,363	4,683	4,337	3,825
Number of Tata-Kids of Steel events	#	6	2	6	5	6
Number of Events	#	25	13	59	50	93
CSR expenditure	€ million	0	0	0.16	0.25	0.27
Legal⁽¹⁾						
Cases for which fines have been imposed	#	4	4	1	17	7
Cases for which non-monetary sanctions have been imposed	#	1	6	6	9	5
Fines for cases of non-compliance	€	228,037	87,625	302,000	135,021	620,953

(1) Production site IJmuiden

(2) Tata Steel Europe results until FY22/23. TSN results for FY22/23 and later.

(3) Scope broadened compared to previous years. Now as % of the entire Business Senior Manager and Group Senior Manager population.

(4) FY24 scope increase. e.g. including people on leave before pension. academy graduates working at HTD & Energy department. employees in mobility pool.

(5) Calculation according to definition GRI 2-21. IJmuiden Payroll data only.

(6) TSN procurement spent in financial year > €0

GRI 2: General Disclosures

Personnel information per region(Employee information region)

Employee information by region FY23/24	Number of employees (head count)	Number of permanent employees (head count)	Number of non-guaranteed hours employees (head count) i.e. Temporary contract	Number of full-time employees (head count) i.e. >=0.95 FTE	Number of part-time employees (head count) i.e. <=0.95 FTE
Netherlands	10,505	10,505	0	8,630	1,875
Germany	655	655	0	593	62
France	546	546	0	511	35
USA	288	288	0	288	0
Belgium	193	193	0	173	20
Spain	156	156	0	134	22
Switzerland	125	125	0	92	33
Sweden	73	73	0	68	5
Turkey	54	54	0	54	0
Finland	43	43	0	43	0
Poland	8	8	0	8	0
Italy	7	7	0	4	3
Czech Republic	4	4	0	3	1
Norway	3	3	0	3	0
China	1	1	0	1	0

Standards	Disclosure	Reference
1. The organization and its reporting practices		
2-1	Organizational details	Chapter 1 – Tata Steel Nederland, Priorities, Value Creation and Governance
2-2	Entities included in the organization's sustainability	Chapter 1 – Tata Steel Nederland, Priorities, Value Creation and reporting - Appendix – List of subsidiarie
2-3	Reporting period, frequency and contact point	- Contents – About the report
2-4	Restatements of information	- Contents – About the report
2-5	External assurance	- Contents – About the report
2. Activities and workers		
2-6	Activities, value chain and other business relationships	Chapter 1 – Tata Steel Nederland, Priorities, Value Creations and Governance - 1.1 About Tata Steel Nederland
2-7	Employees	Key Figures - Social – Human Resources Management
2-8	Workers who are not employees	Chapter 5 – People & Society - 5.2 Health and Safety at work Key Figures - Social – Safety - Social – Human Resources Management
3. Governance		
2-9	Governance structure and composition	Chapter 8 – Governance
2-10	Nomination and selection of the highest governance body	Part 2. Supervisory Board Report - Composition of the Supervisory Board and its committees
2-11	Chair of the highest governance body	Chapter 8 – Governance
2-12	Role of the highest governance body in overseeing	Part 2. Supervisory Board Report - Composition of the Supervisory Board and its committees
2-13	Delegation of responsibility for managing impacts	Chapter 8 – Governance
2-14	Role of the highest governance body in sustainability	Part 2. Supervisory Board Report - Composition of the Supervisory Board and its committees
2-15	Conflicts of interest	Chapter 8 – Governance
2-16	Communication of critical concerns	Key Figures - Economics & Governance - Ethics
2-17	Collective knowledge of the highest governance body	Chapter 8 – Governance
2-18	Evaluation of the performance of the highest governance body	Part 2. Supervisory Board Report - Composition of the Supervisory Board and its committees
2-19	Remuneration policies	Chapter 8 – Governance
2-20	Process to determine remuneration	Part 2. Supervisory Board Report - Composition of the Supervisory Board and its committees
2-21	Annual total compensation ratio	Key Figures - Social – Human Resources Management

Topic Specific Standards

Standards	Disclosure	Reference
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.3 Our Strategy
2-23	Policy commitments	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.2 Purpose, Mission, Vision – Tata Code of Conduct
2-24	Embedding policy commitments	- Key Figures - Economics & Governance - Ethics
2-25	Processes to remediate negative impacts	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.4 Stakeholder dialogue – Intensive coordination and collaboration at all levels Chapter 3 – Environment & Community - 3.4 Investigating our impact – external research on our impact in the area - 3.5 Sustainable relationship with the community
2-26	Mechanisms for seeking advice and raising concerns	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.4 Stakeholder dialogue – Intensive coordination and collaboration at all levels Chapter 3 – Environment & Community - 3.4 Investigating our impact – external research on our impact in the area - 3.5 Sustainable relationship with the community
2-27	Compliance with laws and regulations	Key Figures - Economics & Governance – Legal
2-28	Membership associations	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.4 Stakeholder Dialogue Appendix - Advisory bodies, industry organisations and/or networks
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.4 Stakeholder Dialogue
2-30	Collective bargaining agreements	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.4 Stakeholder Dialogue Chapter 5 – People and Society - 5.1 Employees make the company - Key Figures - Social – Human Resources Management
GRI 3: Material topics		
3-1	Process to determine material topics	- Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.3 Our Strategy – Materiality analysis
3-2	List of material topics	- Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.3 Our Strategy

Standards	Disclosure	Reference
Material topic: Governance and involvement		
3-3	Management of material topics	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.3 Our strategy -
Own indicator	Cases for which fines or non-monetary sanctions have been imposed	- Key Figures - Economics & Governance – Legal
Material topic: Health and Safety		
3-3	Management of material topics	Chapter 5 – People & Society - 5.1 Employees make the Company - 5.2 Health and Safety at work - 5.3 Health and Vitality
Own indicator	Number of fatalities, lost time injuries and recordables	Chapter 5 – People & Society - 5.2 Health and Safety at work Key figures - Safety
Own indicator	Sickness absence rate	Chapter 5 – People & Society - 5.3 Health and Vitality Key figures – Human Resources Management
Material topic: Equal opportunities		
3-3	Management of material topics	Chapter 5 – People & Society - 5.4 Equal Opportunities
Own indicator	Percentage of employees experiencing inclusive working climate	Chapter 5 – People & Society - 5.4 Equal Opportunities
Own indicator	Ethnic-cultural diversity in all job categories	Chapter 5 – People & Society - 5.4 Equal Opportunities
Own indicator	% women in vocational technical positions	Chapter 5 – People & Society - 5.4 Equal Opportunities
Own indicator	% women in decision-making positions	Chapter 5 – People & Society - 5.4 Equal Opportunities
Own indicator	Number and % of female employees	- Key Figures - Social - Human Resources Management
Own indicator	New female employees as a percentage of the total	- Key Figures - Social - Human Resources Management
Material topic: Local community		
3-3	Management of material topics	Chapter 3 – Environment & Community - 1.4 Stakeholder Dialogue - 3.5 Sustainable relationship with the community
Own indicator	Number of Events	- Key Figures - Economics & Governance - Community

Standards	Disclosure	Reference
Material topic: Air emissions		
3-3	Management of material topics	Chapter 3 – Environment & Community
Own indicator	Reduction of lead, dust, heavy metals, dust deposition, nitrogen, odour nuisance and PAH's	Chapter 3 – Environment & Community - 3.1 Roadmap Plus - 3.2 Monitoring and Measuring - 3.4 Investigating our Impact
Material topic: Biodiversity		
3-3	Management of material topics	Chapter 3 – Environment & Community - 3.3 Biodiversity at our site IJmuiden
Material topic: Decarbonisation (GRI 305: EMISSIONS 2016)		
305	Management of material topics	Chapter 4 – Decarbonisation & Sustainability
305-1	TSN GHG emissions (based on the Green House Gas Protocol) - scope 1	Chapter 4 – Decarbonisation & Sustainability - 4.1 Current Carbon Footprint - Key Figures - Environmental - TSN GHG emissions (based on the Green House Gas Protocol)
Material topic: Decarbonisation (GRI 305: EMISSIONS 2016)		
305-2	TSN GHG emissions (based on the Green House Gas Protocol) - scope 2	Chapter 4 – Decarbonisation & Sustainability - 4.1 Current Carbon Footprint - Key Figures - Environmental – TSN GHG emissions (based on the Green House Gas Protocol)
305-3	TSN GHG emissions (based on the Green House Gas Protocol) - scope 3	Chapter 4 – Decarbonisation & Sustainability - 4.1 Current Carbon Footprint - Key Figures - Environmental – TSN GHG emissions (based on the Green House Gas Protocol)
305-4	CO2 emission intensity (ws scope 1+2+3)	Chapter 4 – Decarbonisation & Sustainability - 4.1 Current Carbon Footprint - Key Figures - Environmental – TSII GHG emissions (based on worldsteel user guide V9.5)
305-5	TSN GHG emissions (based on the Green House Gas Protocol) - scope 1+2+3	- Key Figures - Environmental – TSN GHG emissions (based on the Green House Gas Protocol)
305-7	NOx (Nitrogen Oxides) & SO2 (Sulphur dioxide)	- Key Figures - Environmental - Air emissions
Material topic: Circularity		
3-3	Management of material topics	Chapter 4 – Decarbonisation & Sustainability - 4.4 Raw materials efficiency
Own indicator	Material reused by our process (excluding scrap steel)	Chapter 4 – Decarbonisation & Sustainability - 4.4 Raw materials efficiency - Key Figures - Environmental - Recycling - Environmental - Waste

Standards	Disclosure	Reference
Material topic: Responsible sourcing		
Own indicator	Scrap recycling - Externally recycled steel, internally recycled steel, recycled steel (%)	- Key Figures - Environmental - Recycling
Own indicator	Volume of by-products sold (excluding granulated blast furnace slag (GBS))	- Key Figures - Environmental - Recycling
Own indicator	Slag to cement industry (i.e. GBS sales)	- Key Figures - Environmental - Recycling
Material topic: Long-term profitability		
3-3	Management of material topics	Chapter 6 – Performance and Macroeconomicse - 6.3 Financial Performance
Own indicator	Gross Turnover	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.1 Tata Steel Nederland - Key Figures - Economics & Governance - Financial
Own indicator	Investments in installations	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.1 Tata Steel Nederland
Material topic: Involving customers in sustainability		
3-3	Management of material topics	Chapter 2 – Customer & Value - 2.1 The Added Value of Steel - 2.2 Sustainability in our Steel
Own indicator	Number of memberships of industry bodies	Chapter 1 – Tata Steel Nederland, Priorities and Governance - 1.4 Stakeholder Dialogue Appendix - Advisory bodies, industry organisations and/or networks
Material topic: Quality and innovation		
3-3	Management of material topics	Chapter 2 – Customer & Value - 2.3 Investing in the Future
Own indicator	R&D expenditure	Chapter 2 – Customer & Value - 2.3 Investing in the Future - Key Figures - Economics & Governance - Intellectual capital
Own indicator	New products developed and launched	- Key Figures - Economics & Governance - Intellectual capital

Advisory bodies, industry organisations and/or networks

Tata Steel Nederland is affiliated with or participates in, among others, the following advisory bodies, industry organisations and/or networks:

Advisory bodies:

Advisory Committee on Customised Agreements for Making Industry More Sustainable

This independent advisory committee will advise whether the agreements made by companies and the government are ambitious enough to be further elaborated into concrete customised agreements. (link)

GGD Kennemerland monitors health risks and aims to promote people's health. www.ggdkennemerland.nl

Netherlands Organisation for Applied Scientific Research (TNO) This is an independent research organisation. TNO's mission is to connect people and knowledge to create innovations that strengthen the competitiveness of companies and the well-being of society in the long term. www.tno.nl

Dutch Safety Board (OVV) The Dutch Safety Board carries out independent investigations. The aim is to formulate lessons learned to make processes and organisations safer. www.onderzoeksraad.nl

Netherlands Enterprise Agency (RVO) has the task of encouraging entrepreneurs in sustainable, agricultural, innovative and international business practices. www.rvo.nl

National Institute for Public Health and the Environment (RIVM) is a knowledge and research institute in the Netherlands, aimed at promoting public health and a healthy and safe living environment. www.rivm.nl

Industry organisations:

Association of European Producers of Steel for Packaging (APEAL) unites all producers of packaging steel. www.apeal.org

Bioenergy Europe is a European trade association open to national biomass associations and bioenergy companies active in Europe. Its aim is to promote energy generation from biomass in all its forms: biopower, bioheat, or biofuels for transport. <https://bioenergypeople.org/>

Bouwkennis offers structured market data on the built environment. <https://bouwkennis.nl/>

Bouwen met Staal is active in promotion, advice and information, knowledge transfer and research for the use of steel in construction. www.bouwmetstaal.nl

Euroconstruct is an independent forecasting network for the construction market. The mission is to provide current, accurate and comparable forecasts for the European construction markets. www.euroconstruct.org

The European Steel Association (EUROFER) represents the entire steel production in the European Union. www.eurofer.eu

Eurometal is the European federation of steel tubes and metals distribution and trade. <https://eurometal.net/>

The Sheet Metal Federation (FDP) is a chain organisation in the field of sheet metal and tube. The FDP is responsible for the development, bundling, distribution and exchange of knowledge between companies from the sheet metal chain, research institutions and education. www.fdp.nl

The FEhS Building Materials Institute in Duisburg is a service provider for research, testing and consulting in relation to ferrous slag, construction materials and fertilisers. www.fehs.de

FME is the entrepreneurial organisation for the technology industry. Its 2,200 members are tech-starters, trading companies, small and medium-sized industry and large industry/multinationals that are active in the metal industry, electronics, electrical engineering and plastics sectors. www.fme.nl

Metaal Nederland defends the interests of the Dutch metal industry, including base metal and foundries. www.metaalnederland.com
The Dutch Aerosol Association (NAV) represents the entire chain of the aerosol industry. www.nav-aerosol.nl

NLHydrogen is the trade association that connects, strengthens and represents the hydrogen sector, with the aim of achieving a CO₂-free society. <https://nlhydrogen.nl/>

The Dutch Packaging Centre (NVC) is the association of companies that recognise the importance of packaging as an activity within the entire supply chain of packaged products. www.nvc.nl

The Netherlands Wind Energy Association (NWEA) is the trade association for the wind sector. NWEA promotes the development of wind energy with a view to a sustainable Dutch energy supply. www.nwea.nl

Stichting Materiaalorganisaties (StiMo) is committed to optimising the life cycle of household and commercial packaging.

Steel Institute VDEh is a techno-economic organisation of the German steel industry. The association supports the development of steel technology and steel as a material through the technical, techno-economical and scientific co-operation of engineers. www.vdeh.de

VNO-NCW represents the interests of companies of various sizes across all sectors. www.vno-ncw.nl

WorldAutoSteel, the automotive group of the World Steel Association, consists of 20 major steel producers from around the world. WorldAutoSteel's mission is to promote and communicate steel's unique ability to meet the needs and challenges of the automotive industry in a sustainable and environmentally responsible manner. www.worldautosteel.org

Worldsteel, is an industry association, with members in every major steel-producing country. worldsteel represents steel producers, national and regional steel industry associations, and steel research institutes. Members represent around 85% of global steel production. www.worldsteel.org

Networks, rating agencies and others:

Amsterdam Economic Board is a network of hundreds of organisations that are decisive on the way to a new economy: companies, knowledge and educational institutions, municipalities, provincial authorities and social organisations. <https://amsterdameconomicboard.com/>

Amsterdam IJmuiden Offshore Ports (AYOP) is an active association of companies, regional governments and knowledge and educational institutions that are active in the offshore oil & gas and wind energy sector in the North Sea Canal area. <https://ayop.com/>

BetterBusiness is an entrepreneurial platform in the Amsterdam Metropolitan Area. www.beterbusiness.nl

Bre is a network of experts to contribute to responsible sourcing, such as via BES 6001 for substantiation of the origin of materials. www.bregroup.com

CDP is a not-for-profit organisation that operates the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. www.cdp.net

Economic Forum Holland above Amsterdam This forum brings together regional business associations, employers' organisations and industry organisations above the North Sea Canal for an optimal business climate. <https://economischforumhba.nl>

Ecovadis is a ratings platform for the assessment of Corporate Social Responsibility and sustainable procurement. www.ecovadis.com

European Clean Hydrogen Alliance (ECH2A) is an alliance aimed at developing the hydrogen economy in Europe. link <https://techport.nl/>

IGC (Koninklijke Industriële Groote Club) is a business club in the Amsterdam metropolitan area. www.igc.nl

Metal Agreement is a partnership between industry, government, trade unions and NGOs to work to improve conditions in the supply chains of the metals sector. www.imvoconvenanten.nl

NQC is a global supply chain risk management & compliance partnership. <https://nqc.com/>

ORAM (Ondernemend Amsterdam) is the largest network of businesses in the Amsterdam Metropolitan Area. Working for a strong entrepreneurial and business climate for more than 100 years. ORAM makes influence and impact as an advocate, network partner and by informing, inspiring and activating the regional business community. <https://www.oram.nl/>

Port of Amsterdam manages and develops the Amsterdam port region. www.portofamsterdam.com

The North Sea Canal Area Programme Office (NZKG) supports regional cooperation in the North Sea Canal area. The office is responsible for the implementation of various programmes in the field of space and energy. www.noordzeekanaalgebied.nl

Responsiblesteel is a non-profit global standards and certification initiative for multiple stakeholders. It strives to be a driving force in the socially and environmentally responsible production of net-zero steel worldwide. www.responsiblesteel.org

Techport is a network of more than 70 schools, companies and governments and is active in the Amsterdam Metropolitan Area, with the IJmond region as its core. <https://techport.nl/>

Vigeo Eiris supports organisations in ESG ratings and assessments. vigeo-eiris.com

Zeehaven IJmuiden NV is the owner and operator of the ports, sites and fish auction hall of IJmuiden. www.zeehaven.nl

How we embrace the SDGs

The Sustainable Development Goals (SDGs) comprise a set of 17 global goals established by the United Nations. They are designed to address the world's most pressing challenges. Each goal has specific targets and indicators. The SDGs form a framework that supports countries (and organisations) in policies and actions to boost sustainable development.

As the SDGs were developed specifically for countries, the targets are sometimes difficult for companies to apply. Within this annual report, we have therefore used the UN Business Actions. The UN Business Actions are based on the targets and indicators of the original SDGs for countries but make the development issues for businesses more realistic. Each SDG is linked to a number of concrete actions that make it easier for businesses to commit to the SDGs.

All SDGs are equally important and should be met before 2030. Currently, only 12% of the SDGs are following the right course. The goals therefore deserve extra attention. In this chapter, we elaborate on initiatives of Tata Steel Nederland (TSN) on the most relevant SDGs. As a company, we do not have equal impact on each SDG, but we are committed to making our contribution in as many areas as possible.

Our initiatives



WHY Goal #1 matters

Poverty hinders people from participating in society and the economy. A society without poverty is more peaceful, stable, and innovative. Tata Steel respects fundamental human and labour rights, including providing decent work and a safe working environment.

Wenckebach Fund

Since 1926, our company has had the Wenckebach Fund, a social fund that provides assistance to (former) employees in connection with costs incurred as a result of serious illnesses or accidents (and circumstances resulting therefrom) and other special situations where help is needed.

Business action 2: Empower disadvantaged groups



WHY Goal #3 matters

Businesses wield considerable influence on health, both locally and sometimes globally. Their activities can negatively impact the environment and their employees. Tata Steel is committed to extensive reduction efforts.

Absence due to illness

We take utmost care of our employees to keep absenteeism as low as possible. This is achieved through our focus on safety, working conditions, (collegial) behaviour, and sports activities. Employees also have access to a collective health insurance, mental support, debt counselling, addiction programs, and more. Additionally, regular (voluntary) medical checks are conducted among our staff. See also chapter 5.

Business action 1: Ensure health of employees and communities

Safety

Safety is highly valued at Tata Steel. It is a core value that guides everything we do. We believe that all work-related illnesses should be prevented. Therefore, efforts are dedicated to this cause, with every employee required to pass a safety assessment every two years. See also chapters 4 and 5.

Business action 1: Support decent working conditions



WHY Goal #4 matters

Companies can support by providing training and offering employees opportunities for further education. Tata Steel offers numerous opportunities to its employees and is involved in promoting and developing technical learning programs in schools.

Tata Steel Academy

The Tata Steel Academy welcomes approximately 170 students and career changers annually. The company school increasingly focuses on retraining our non-technically skilled employees. Additionally, existing employees can participate in technical vocational training or skill enhancement programs at the Tata Steel Academy. See also chapter 5.

Business action 1: Provide access to training

Traineeship

Tata Steel IJmuiden's trainee program provides a pipeline of young talent for top positions. This two-year program includes various training sessions to further develop competencies. See also chapter 5.

Business action 3: Implement programmes to support education



WHY Goal #5 matters

All companies have the responsibility to respect the rights of women and girls, according to the UN Guiding Principles on Business and Human Rights. Tata Steel contributes to this in various ways.

Rainbow Community

All our employees should be able to be themselves, even at work. Within the Rainbow Community, efforts are made to create a diverse and inclusive working environment, not only for people with an LGBTQI+ background, but for everyone. See also chapter 5.

Business action 1: Prevent gender-based discrimination

Female Network

The Female Network is our platform where everyone, regardless of gender, can join to increase awareness about gender balance, embrace differences, and support the development and empowerment of women in all positions within our company. See also chapter 5.

Business action 2: Support women's employment

Girls' Day

Girls' Day aims to promote science and technology among girls. It's important for more girls and women to explore these sectors, as the representation of women in the industry remains low. Through Girls' Day, girls have the opportunity to develop their interest in these fields. Additionally, Girls' Day raises awareness about gender diversity in STEM (science, technology, engineering, and mathematics) fields. See also chapter 5.



WHY Goal #7 matters

Companies play a crucial role in promoting the financing and development of new technologies, and Tata Steel is a great example. We have the opportunity to increase energy efficiency and promote the use of energy from renewable sources.

Halogen to LED

One of our various energy saving projects involves replacing 7,000 conventional lamps with LED lamps on our site. This replacement not only reduces energy consumption but also makes maintenance more user-friendly. See also chapter 4.

Business action 1: Increase energy efficiency and renewables use

New Cokes Gas Holder

At the end of 2022, the new cokes gas holder was officially put into operation. It collects the coke gas from two coke and gas plants, which is then used later in the process to save natural gas. Because the new coke gas holder is twice as large, it can be utilised more effectively, resulting in less flaring and a reduction in natural gas usage.

Business action 1: Increase energy efficiency and renewables use

Installation of Dry Rolls Tunnel Oven

The Direct Sheet Plant has replaced the last twelve water-cooled rolls with dry rolls. This has resulted in a 60% decrease in energy consumption of the pendulum section, equivalent to 26,000 GJ/year.

Business action 1: Increase energy efficiency and renewables use



WHY Goal #9 matters

Industry, infrastructure, and innovation are significant drivers of economic growth and the creation of social value. Sustainable industrialisation has the potential to lift communities out of poverty but must be carefully managed to avoid additional pressure on people and the planet. In this regard, large companies like Tata Steel can play a crucial role.

Zero Carbon Logistics

Zero Carbon Logistics focuses on reducing CO₂ emissions in the transportation of our products to customers. We achieve this through various projects, including transitioning to trucks running on HVO100 and electric trucks. Additionally, we are working on making our sea transportation more sustainable. See also chapter 2.

Business action 1: Support the development of sustainable infrastructure

Green Teams

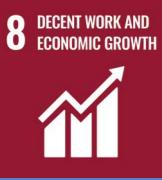
Green Teams form a network of diverse employees within Tata Steel who join forces in sustainability for the sustainable transition. Within these teams, small projects are undertaken to drive incremental improvements/innovations. Examples of teams from the past fiscal year include: feasibility of hydrogen-powered ships, solar parking, dust removal from lime trains, and sustainability investments for employees. See also chapter 5.

Business action 3: Create innovation systems for sustainable development

Development of new installations

Starting from 2030, we will emit five million tonnes less CO₂ annually. This transition involves switching from coal to natural gas and later to hydrogen (once available in sufficient quantities). By doing so, we reduce our CO₂ emissions by 40% and contribute to achieving Dutch climate goals. Implementing these plans leads to a more sustainable industry and fosters sustainable innovations. See also chapter 4.

Business action 3: Create innovation systems for sustainable development



WHY Goal #8 matters

Sustainable and fair economic growth, coupled with low unemployment and decent work, is at the top of the agenda for most, if not all, countries. A significant portion of a company's impact is related to its business relationships in the supply chains. Tata Steel actively contributes in various ways to increasing and ensuring respect for fundamental human rights and labour rights throughout the supply chain.

Projects mines Peru and Bolivia

Within the framework of the Metal Covenant, we collaborate with Wuppermann Staal Nederland B.V. on a collective project to improve health and safety conditions in mining in Peru and Bolivia. This starts with mapping the risks faced by workers in this metal supply chain. See also chapter 4.

Business action 4: Drive economic growth sustainably

Responsible Procurement Policy

Tata Steel expects its suppliers to comply with our Responsible Procurement Policy. Additionally, it is expected that they have similar policies within their supply chain. Suppliers are required to meet certain standards regarding health and safety, environmental impact, human rights, and the like. See also chapter 4.

Business action 3: Create decent formal-sector jobs



WHY Goal #11 matters

Companies are essential for the development of cities, livelihoods, and the provision of services to urban populations. Companies like Tata Steel can contribute through research and development aimed at improving transportation, electricity provision, water, and waste management services.

Local community commitment

Tata Steel invests in community engagement, including a partnership with the local football club Telstar. Programs like "Thuis in de Wijk" and "Playing for Success" aim to engage young people from the immediate area. These programs also focus on supporting children with learning difficulties through sports activities. See also chapter 5.

Business action 3: Support access to essential services

Cultural heritage

The Foundation Industrieel Erfgoed Hoogovens (Industrial Heritage Hoogovens) keeps the industrial history of the steel company in IJmuiden alive. The foundation aims to provide insight into the development of the Dutch iron and steel industry in general, with a special focus on the history of the company, and to increase interest in the company. The foundation operates the Hoogovens Museum and Hoogovens Steam IJmuiden in Velsen Noord with volunteers.

Business action 2: Protect cultural and natural heritage.



WHY Goal #12 matters

Companies play a central role in promoting responsible production and consumption. Tata Steel can manage the sustainability of its own activities by improving efficiency, using more sustainable raw materials, and providing transparent sustainability information.

Recycling of steel

Steel recycling is one way to make the steel process more sustainable. It saves raw materials and reduces CO₂ emissions. For example, every ton of scrap steel recycled directly saves 1.6 tonnes of CO₂. The new installations use a larger amount of scrap, so by 2030, the proportion will be equivalent to 30%. See also chapter 4.

Business action 2: Close material and energy loops

Sustainability Reporting

In addition to compiling this report, Tata Steel shares information about its sustainable initiatives through various channels. Progress reports for the Roadmap Plus are available, and tools like EcoVadis are used to compare sustainability data with other companies.

Business action 4: Conduct sustainability reporting



WHY Goal #13 matters

Climate change is caused by the emission of greenhouse gases. Tata Steel, like other companies, plays a crucial role in preventing the rise in average global temperature. Urgent and decisive action is needed to fundamentally reduce the emissions associated with products and processes in order to achieve climate goals.

Zeremis

Zeremis® Carbon Lite is a certificate-based solution that can reduce the CO₂ intensity of steel by up to 90%. Recent CO₂ savings achieved by Tata Steel are certified by an independent institution and recorded in our CO₂ bank. Carbon Lite draws credits from this bank in the form of certificates, enabling customers to achieve specific CO₂ reduction targets. See also chapter 2.

Business action 3: Develop products with negligible emissions

Maatwerk agreement

In 2030, we aim to reduce our emissions by 40%, and we will also increase the use of scrap metal. These and other measures are included in our Green Steel Plan, which has been submitted to the Dutch government. This significant step was taken as part of the tailored (Maatwerk) trajectory for accelerated sustainability in the Dutch industry. This demonstrates our unwavering commitment to the production of clean, green, and circular steel. See also chapter 6.

Business action 2: Reduce operational emissions



WHY Goal #15 matters

Companies must comply with applicable environmental legislation regarding pollution, land use, and life on land. Understanding, valuing, and enhancing natural ecosystems is important. Tata Steel aims to contribute to the protection of ecosystems.

Ecosystem and Nature

In its environmental policy statement, Tata Steel has included a focus on striving for the highest possible natural value on its premises, within the constraints imposed by its operations. To implement this ambition, the Steel Blue Plan has been developed, in which an integrated assessment has been made of the various interests, parties, and ecological values present on the site and in the surrounding area. An evaluation of this plan took place in May 2023. See also chapter 3.

Business action 2: Prevent degradation of natural ecosystems

Light Pollution

Light is necessary to safely carry out our activities in the dark. We understand that the light emissions from our premises may be perceived as bothersome by our surroundings and may also disrupt the local ecosystem. Therefore, we have replaced all lights and lighting poles on the premises with LEDs, totalling approximately 3,000 lamps. Because the LEDs can be individually switched and have a directed light emission towards the road surface, this measure reduces light emissions at night. See also chapter 3.

Business action 2: Prevent degradation of natural ecosystems

Roadmap Plus

Roadmap Plus is developed to reduce our impact on the environment. With this environmental investment program, we have been addressing emissions of dust, heavy metals, odour, noise, and PAHs since 2019. It involves a package of measures, many of which have already been implemented. The goal is to have implemented all measures by 2030. See also chapter 3.

Business action 1: Ensure health of employees and communities



WHY Goal #17 matters

Companies are crucial players among the stakeholders of the Sustainable Development Goals (SDGs), providing expertise, experience, resources, access to knowledge, and opportunities for innovation. However, companies cannot drive the transition individually. Partnership and collaboration are essential for achieving the Global Goals.

Metal Covenant

Tata Steel Nederland is a member of the Metal Covenant. In this initiative, companies, industry associations, trade unions, government, and civil society organizations collaborate to transition towards a responsible metal supply chain. The goal is to promote international responsible business conduct and to reduce human rights and environmental abuses in the metal sector. See also chapter 4

Business action 3: Partner to share knowledge

Techport

Techport is the public-private partnership of more than 90 companies, educational institutions, and governments with the goal of becoming the first green industrial zone in the Netherlands. Active in the IJmond region, a dynamic area where the industry faces significant challenges in sustainability, Techport promotes lateral entry, accelerates technological innovation, and develops regional educational offerings for future jobs. As a partner of Techport, we have a connection with education and the manufacturing industry in the region.

Business action 4: Build capacity

Abbreviations and glossary

AVA	General Meeting of Shareholders	Linde	Linde-gas.nl
BES 6001	Framework Standard for Responsible Sourcing by BRE Global	LTI	Lost Time Injury
Biofuel	Fuel derived from biomass	LTIFR	Lost Time Injury Frequency Rate (LTIFR) indicates the number incidents resulting in sickness absence per million hours worked
BVO	Basic Safety Training	MAT	Maturity Assessment Tool
CAO	Collective Agreement	MoU	Memorandum of Understanding
CAPEX	CAPital EXpenditures	NEN-EN-ISO/IEC 17025	
CCS	Carbon Capture and Storage	Specifies the general requirements for the competence, impartiality and consistent operation of laboratories	
CEO	Chief Executive Officer	NGO	Non-Governmental Organisation
CFO	Chief Financial Officer	NOx	Nitrogen Oxides
CO2	Carbon dioxide	O2	Oxygen
COD	Chemical Oxygen Demand. This value indicates the amount of oxygen that would be needed to (almost) completely oxidise all organic substances. This is a measure of the amount of organic matter in water and is often used to measure the amount of pollution	OECD	Organisation for Economic Cooperation and Development
COO	Chief Operating Officer	OCF	Organisational Level Footprint
COR	Central Works Council	OVV	Dutch Safety Board
CSR	Corporate Social Responsibility	PAH	Polycyclic Aromatic Hydrocarbons
CY	Calendar 1 January t/m 31 December	pH	The pH scale measures how acidic or alkaline a substance is
DRI	Direct Reduced Iron	PCF	Product Level Footprint
DRP	Direct Reduction Plant	PJ	Petajoules
DSB	Dutch Safety Board (Onderzoeksraad voor Veiligheid)	QHSE	Quality, Health, Safety and Environment
DSP	Direct Sheet Plant	REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals (EU)
EAF	Electric Arc Furnace	RMI	Responsible Minerals Initiative
EIA	Environmental Impact Assessment	Roadmap (Plus)	
ESG	Environmental, Social and Governance	A package of measures to reduce emissions and the nuisance experienced by residents	
eMJV	Electronic Environmental Annual Report	RIVM	National Institute for Public Health and the Environment
EMM	Electrolytic Manganese Metal	RvB	Board of Management
EWC	European Works Council	RvC	Supervisory Board
EPD	Environmental Product Declaration	R&D	Research and Development
EU	European Union	SDG	UN Sustainable Development Goals
FVO	Responsible Business Fund	SER	Social and Economic Council
FY	Financial Year. At Tata Steel, the financial year runs from 1 April to 31 March	SMETA	Sedex Members Ethical Trade Audit
Generation Pact			
Workers over 60 can cut their working time by 50% while continuing to accrue their full pension rights and being paid between 77% and 90% of their normal wages			
GDP	Gross Domestic Product	SO2	Sulfur dioxide
GHG	Greenhouse Gas	TCCT	Trivalent Chromium-Coating Technology (read more here)
GLEC	Global Logistics Emissions Council	TRIFR	Total Recordable Injury Frequency Rate (TRIFR) indicates the number of medical treatments not resulting in sickness absence per million hours worked
GRI	Global Reporting Initiative	TSC	Tata Steel Chess Tournament
HSSE	Health, Safety, Security & Environment in IJmuiden	TSDE	Tata Steel Downstream Europe
HVO	Hydrotreated vegetable oil	TSE	Tata Steel Europe
IMVO	International Corporate Social Responsibility	TSIJ	Tata Steel IJmuiden
ISO	International Organisation for Standardisation	TSL	Tata Steel Limited
IRBC	International Responsible Business Conduct	TSN	Tata Steel Nederland
KPI	Key Performance Indicator	TSNH	Tata Steel Nederland Holdings B.V.
kWh	Kilowatt-hour	VROM	Ministry of Housing, Spatial Planning and the Environment
LED	Ligh-emitting diode	Zeremis	(short for zero-emissions). Brand name for low carbon steel propositions

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