

This document is an English translation of the official Japanese version of the Summary of Proceedings and Q&A of the 101<sup>st</sup> General Meeting of Shareholders (the “Official Japanese Version”). This English translation is prepared for your reference, to help you understand what is stated in the Official Japanese Version. In the event of any discrepancy between the Official Japanese Version and the English translation, the Official Japanese Version will prevail.

August 25, 2025  
Nippon Steel Corporation

## **Summary of Proceedings and Q&A of the 101<sup>st</sup> General Meeting of Shareholders**

The following is a summary of the proceedings and Q&A of the 101<sup>st</sup> General Meeting of Shareholders held on June 24, 2025.

### **1. Overview of the 101<sup>st</sup> General Meeting of Shareholders**


Date	June 24, 2025
Venue	Banquet Room Tsuru, Hotel New Otani 4-1 Kioi-cho, Chiyoda-ku, Tokyo, Japan
Opened time	10:00 a.m.
Closed time	11:56 a.m.
Number of Shareholders Attending	1,257 (690 in 2024)

### **2. Proceedings**

Representative Director, Chairman and CEO Eiji Hashimoto of Nippon Steel Corporation (the “Company”) was assigned to chair the meeting, declared that the meeting was convened and confirmed that the quorum requirements for making resolutions was satisfied. The chairman then delegated Kazumasa Shinkai (Senior Audit & Supervisory Committee Member) to deliver the audit report.

The chairman reported that the matters to be reported were as stated in the Notice of the 101<sup>st</sup> General Meeting of Shareholders (delivered document) and published on the Company’s website. Representative Director, President and COO Tadashi Imai explained the Company’s business overview and future initiatives (see the document and video titled “Presentation: Overview of Nippon Steel Business Performance and Future Initiatives at the 101<sup>st</sup> General Meeting of Shareholders”). In addition, Representative Director, Chairman and CEO Eiji Hashimoto explained the transaction of United States Steel Corporation (“U. S. Steel”) (see the document and video titled “‘Supplementary explanation on U.S. Steel’ at the 101<sup>st</sup> Ordinary General Meeting of Shareholders”).

The chairman then presented the Company Proposals (Items 1 through 3) and the



Shareholder Proposals (Items 4 through 6) and explained each item. The proposing shareholder of Items 4 through 6 requested to provide supplementary explanations, and the Company provided the shareholder the opportunity to do so. The chairman then explained that the Board of Directors of the Company opposed each of the Shareholder Proposals.

Following the explanation of each Item, as a matter from questionnaires pre-submitted by shareholders that would contribute to shareholders' deliberation and judgement, the following explanation was made with respect to the matter of the so-called Korean drafter issue: the Supreme Court of Korea ruled against the Company on October 30, 2018; the Supreme Court of Korea sentenced in two cases to dismiss the Company's final appeal on December 21, 2023 and January 11, 2024; the judgement by the Supreme Court of Korea in 2018 and a series of subsequent Korean judicial decisions violate the Agreement on the Settlement of Problem concerning Property and Claims and on Economic Co-operation between Japan and the Republic of Korea (the "1965 Japan-Korea Claims Agreement") and the Japanese Supreme Court's precedent, and this is deeply regrettable; currently, a portion of the shares in a Korean company owned by the Company has been under seizure and has been ordered to be liquidated for cash; on March 6, 2023, the Korean government announced a solution in the form where "a Korean foundation which will make a third-party payment to the plaintiffs on whom a final and binding judgment was rendered"; the Company recognizes that some plaintiffs of the lawsuit concerning the judgement by the Supreme Court of Korea have received the third-party payment from the Korean foundation, and are in the process of withdrawing their application to seize the Company's assets and liquidate them for cash; the Company recognizes that the so-called Korean drafter issue has already been resolved under the 1965 Japan-Korea Claims Agreement and has no plans to take any specific action regarding this issue, such as making an apology, contributing to the Korean Foundation, settlement, or meeting with the plaintiffs or their representatives; and the Company will continue to deal appropriately with the matter to ensure that the interests of the Company and its shareholders are not impaired.

Next, the chairman accepted questions, motions and opinions concerning the reported matters and all the proposals. The chairman and relevant officers responded to the questions (see the summary below). One shareholder submitted a motion to amend Item 1.

Following the above, voting was conducted on each proposal. All of the Company Proposals were approved (the motion to amend Item 1 was rejected) and all of the Shareholder Proposals were rejected.

Finally, the chairman declared the meeting to be adjourned and the General Meeting of Shareholders was over. After the meeting, a newly appointed director approved in Item 2



was introduced.

### **3. Summary of Q&A with Shareholders and a Motion to Amend the Company Proposal**

#### **1) Motion to amend Item 1**

##### **[Content of the motion]**

A shareholder submitted a motion to amend Item 1, proposing to reduce the year-end dividends to 79 yen per share of the Company's common stock, and to use the difference for purposes including compensation to victims of forced mobilization of Korean draftees, contribution to a fund, and payment for the expenses of bereaved families to travel to Japan. As noted above, the motion was rejected.

#### **2) Relationship with U. S. Steel stakeholders following the closing of the U. S. Steel transaction**


##### **[Reply]**

During the year and a half before the closing of the transaction, the Company and U. S. Steel engaged in continued discussions with each other. U. S. Steel is aware that the most effective approach to revitalizing and developing it in the future is to take the Company as a model case, and Union members of U. S. Steel are in favor of the transaction. We understand the Trump Administration's request to the Company is to protect steelworker jobs and to continue manufacturing and supplying high-grade steel in the United States. We also understand their request for capital investments that are necessary for such purposes. The Company has sufficient management flexibility, and without such management flexibility, the revitalization of U. S. Steel will be more challenging—an outcome that we do not believe would be desirable for the Trump Administration. Accordingly, the Company believes the perception of the future direction of the Company and that of various stakeholders are aligned. In relation to customers engagement, while Japanese style and American style are different, the Company looks forward to sharing Japanese practices and U. S. Steel will learn their merits, which will result in some changes to U. S. Steel's operations.

#### **3) Maintenance of the Company's domestic production facilities**

##### **[Reply]**

The Company is not merely reducing its domestic production facilities while expanding its overseas production facilities. With Japan's total crude steel production about to fall below 80 million tons, the Company retains sufficient domestic production capacity. In addition, the Company has robust business continuity plans for major earthquakes, and is committed to meeting steel demand during emergencies such as natural disasters.



4) Decarbonization measures for blast furnaces after the closing of the U. S. Steel transaction

[Reply]

In addition to the blast furnaces owned by U. S. Steel, the Company also has many blast furnaces in Japan, and at this stage, it does not have any plan to fully abandon the blast furnace steelmaking method. This is because high-grade steel products can only be manufactured by using blast furnaces and the blast furnace method is the only way high production capacity can be achieved. The Company and U. S. Steel both share the goal of achieving carbon neutrality by 2050. The Company intends to take the lead in research and development to realize carbon neutrality at blast furnaces. It is the Company's responsibility to tackle the decarbonation of blast furnaces including in the United States using the Company's technology that will be developed through such R&D.

5) The Company's measures to the matter of the so-called South Korean drafter issue

[Reply]

The outline of this matter and the Company's approach to it have already been explained (see 2 above), and the Company will continue to take appropriate measures.

6) Management of U. S. Steel and the Company's financing

[Reply]


The majority of the directors of U. S. Steel are appointed by the Company, and Takahiro Mori, the Company's Representative Director and Vice Chairman, will serve as Chairman of the Board of U. S. Steel. The execution of management is based on decisions made by the Board of Directors. Therefore, operations are executed by management the majority of which are U.S. citizens, in accordance with management strategies determined by the Company and decisions made by its Board of Directors, not by the U.S. government.

To maintain and strengthen its financial base after the transaction, the Company plans to float a yen-denominated hybrid loan of 500 billion yen in September 2025. The Company intends to raise funds through a hybrid loan because 50% of the borrowed amount in the hybrid loan will be recognized as equity credit, resulting in strengthening the financial position of the Company.

7) Contribution of the blast furnace business in India to the Company's earnings

[Reply]

The blast furnace business in India has contributed to the Company's earnings from year one following the acquisition of ex-Essar Steel in December 2019. Steel demand in India is growing at an annual rate of about 10%, making it the world's most vibrant steel market. In addition, due to the difficulty of acquiring land in India, the number of steel makers has



not increased, and there has been no increase in excess production capacity. The acquired steelworks are located on the west coast of India, and its production capacity, which was initially about 6.5 million tons, is expected to reach 15 million tons in about two years through expansion of its production capacity. Moreover, the acquisition of new land on the east coast of India has been completed, and we aim to establish a 30-million-ton steelworks there, which will be the world's largest single-site steelworks.

#### 8) Competitive strategy in the United States

[Reply]

In the United States, 70% of the 90 million-ton annual demand is produced domestically and the production is concentrated in four major companies. The strength of U. S. Steel is that it has both blast furnaces and electric arc furnaces, enabling it to produce high-grade steel in blast furnaces. U. S. Steel also has high-grade iron ore mines that can be used for electric arc furnaces. The Company and U. S. Steel intend to expand the U. S. Steel's business by increasing its production capacity, by promoting sales to customers who need high-grade steel, and by capturing demand for steel products that are currently imported to the United States in the form of finished products and parts.

#### 9) Impact of the Chinese steel industry on the Company and its countermeasures

[Reply]

Overall demand for steel products in China has been declining sharply due to the real estate recession, with demand in the manufacturing sector barely sustained by increased exports. Ideally, excess capacity and overproduction should be curtailed in line with the decline in demand. However, it is difficult to expect that steel supply and demand in China will be normalized easily because of its domestic circumstances. Therefore, the Company ended its joint venture for automotive steel sheets in China. Accordingly, the Company is not considering any further steel business in China. In order to avoid the negative impact of low-priced exports from China, the Company is expanding its business in India and the United States, which are less affected by China due to political and military tensions, and is also striving to secure its business in Thailand.

End