

Tata Steel signs the non-binding Joint Letter of Intent with the Government of the Netherlands and the Province of North-Holland on Integrated Decarbonisation and Health measures Project

Mumbai, September 29, 2025: Pursuant to extensive discussions, the Government of the Netherlands and the province of North-Holland, Tata Steel and Tata Steel Nederland ("TSN") have agreed an intended framework for the integrated project in TSN and signed a non-binding Joint Letter of Intent (JLoI) for the first phase of transition to low CO₂ steel production and to improve the healthy living environment around the IJmuiden site.

The JLoI sets out the aims and objectives of the parties but is neither binding on the execution of the Projects or the Subsidy, nor with respect to any of the other commitments made herein by any of the Parties, with the exception of the commitment of the Parties on good faith negotiations towards a tailor-made agreement including the commitments related specifically to the period prior to the tailor-made agreement. Both parties will continue working towards the final tailor-made agreement in the coming months including after the elections and the formation of the new government in Netherlands. The final investment decision will be considered by the Tata Steel Board in the process to come to the final binding tailor made agreement.

Mr. T V Narendran, CEO & Managing Director, Tata Steel and Chairman of the Supervisory Board of Tata Steel Nederland said, "We would like to thank Minister Hermans, her colleagues in the Cabinet and the team from the Netherlands Government and from the province of North-Holland who have engaged constructively and painstakingly with us over the last 2 years to complete this first step in our journey towards creating a sustainable long-term future for Tata Steel Nederland.

There are a lot of issues to resolve and work to be done before us. This includes work we have to do internally, including the completion of the engineering preparedness for this very complex transition & addressing statutory and regulatory aspects related to the coke and gas plants. It also involves external issues including satisfactory resolution of critical policy matters impacting the investment case, obtaining permits for the projects, and agreeing on detailed terms in the binding agreement, before we can consider proceeding towards the investment decision. We are also closely monitoring the policy developments in EU on CBAM and in the Dutch Parliament regarding the challenges of the 2030 CO₂ reduction targets. In parallel, we are also looking at prioritisation, optimisation and sequencing of the capex spend such that it is affordable for all stakeholders.

TATA STEEL LIMITED

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India
Tel 91 22 6665 8282 Fax 91 22 66657724
Corporate Identity Number L27100MH1907PLC000260 Website www.tatasteel.com

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We are committed to working with all stakeholders including the government on resolving these points before the finalisation of the tailor-made agreement. The size and scale of the project is very large, and we are working to ensure that Tata Steel Nederland is ready for it, by improving its financial and operating performance and restoring it to its position as one of the most competitive steel making sites in Europe. Our Unions have supported this transition project and their continued support is essential to secure a robust sustainable future for TSN. We also want to assure our customers that our transition plans are based on ensuring an uninterrupted supply chain across our product portfolio.”

Through the first phase of the Integrated Health measures and Decarbonisation Project, TSN aims to achieve the following:

- TSN aims to de-commission the existing Blast Furnace #7 and Coke and Gas Plant 2 and construct a DRP intended to initially be operational on natural gas and an EAF with increased scrap-intake. This would reduce annual scope 1 CO2 emissions by 5.4 Mta relative to the as-is maximum of 12.6 Mta. Subsequently, Carbon Capture and Storage will be added to the DRP to further reduce TSN's annual scope 1 CO2 emissions by 0.6 Mta. Finally, biomethane and/or hydrogen will be used when economically available at scale, to further reduce TSN's annual scope 1 CO2 emissions by 1.2 Mta on phased basis (all subject to margins of uncertainty).
- In order to improve the healthy living environment, and reduce its contribution to coarse and fine dust (PM10) immissions, annual emissions of individual substances of very high concern – NOx emissions, SO2 emissions, odour emissions and noise, TSN aims to undertake specific beyond-legal measures, beyond the de-carbonisation of its assets. TSN will cover the blending pile of the pellet plant, build a windbreak for the blending pile of the sinter plant, cover the iron ore yards, invest in dust reduction measures at slag processing facilities, and noise & odour reduction measures. These sub-projects are expected to have a shorter construction time and be delivered before the end of this decade. TSN will also cover the iron ore yards for the volume of ore needed for the new DRP-facility, and cover the steel slag cooling of the new EAF (to be completed at the same time as the respective installations).
- TSN aims to implement new processing methods with the aim to improve the application of existing Basic Oxygen Steelmaking slag and future EAF slag. It also aims to increase its intake of scrap from 17% in 2019 to 30%, to improve circularity.

Both parties have agreed, certain conditions as necessary to be completed / satisfied to arrive at the tailor-made agreement and the JLoI contains termination clauses for both Tata Steel and the Dutch government. For Tata Steel this includes policies relating to the national CO2 levy resulting in a significant cost to TSN; network tariffs significantly increasing relative to prevailing levels, indexed for inflation; and policies regarding steel slag affecting the business significantly in a negative way. For the Dutch government and for Tata Steel it is also essential that TSN adequately addresses all its

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legacy liabilities, in particular relating to the Coke and Gas Plants. The Parties have agreed to develop and finalise the project schedule in the tailor-made agreement.

TSN has not yet completed the full engineering of the integrated project and therefore not finalised the total spend. The capital expenditure spend and phasing will be finalised at the stage of signing of the tailor-made agreement and at the point of making the final investment decision, and the project execution will also be spread over several years. The Dutch government intends to support up to €2 Billion under the JLoI. Additionally, TSN has made an application to the EU Innovation Fund for ~€0.3 Billion. The remaining amount is expected to be funded by a combination of the cash generated and contributed by Tata Steel Nederland, project financing debt, and funding procured by Tata Steel Limited over the period of project spend.

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For queries and information

Sarvesh Kumar, Chief Corporate Communications, Tata Steel, sarvesh.kumar@tatasteel.com

About Tata Steel

- Tata Steel group is among the top global steel companies with an annual crude steel capacity of 35 million tonnes per annum.
- It is one of the world's most geographically diversified steel producers, with operations and commercial presence across the world.
- The group recorded a consolidated turnover of around US\$26 billion in the financial year ending March 31, 2025.
- A Great Place to Work®-certified organisation, Tata Steel Limited, together with its subsidiaries, associates, and joint ventures, is spread across five continents with an employee base of over 76,000.
- Tata Steel has announced its major sustainability objectives including Net Zero by 2045.
- The Company has been on a multi-year digital-enabled business transformation journey intending to be the leader in 'Digital Steel making'. The Company has received the World Economic Forum's Global Lighthouse recognition for its Jamshedpur, Kalinganagar, and IJmuiden Plants. Tata Steel has also been recognised with the 'Digital Enterprise of India – Steel' Award 2024 by Economic Times CIO.
- The Company has been recognised with the World Economic Forum's Global Diversity Equity & Inclusion Lighthouse 2023.

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- The Company has been a part of the DJSI Emerging Markets Index since 2012 and has been consistently ranked among the top 10 steel companies in the DJSI Corporate Sustainability Assessment since 2016.
- Tata Steel's Jamshedpur Plant is India's first site to receive ResponsibleSteel™ Certification. Subsequently, its Kalinganagar and Meramandali plants have also received the certification. In India, Tata Steel now has more than 90% of its steel production from ResponsibleSteel™ certified sites.
- Received Prime Minister's Trophy for the best performing integrated steel plant for 2016-17, 2025 Steel Sustainability Champion recognition from worldsteel for eight years in a row, CDP 2024 'Supplier Engagement Assessment' Leader, Top performer in Iron and Steel sector in Dun & Bradstreet's India's top 500 companies 2022, Ranked as the 2024 most valuable Mining and Metals brand in India by Brand Finance, 'Most Ethical Company' award 2021 from Ethisphere Institute, and 'Best Corporate for Promotion of Sports' recognition at the Sportstar Aces Awards 2024.
- Received the 2023 Global ERM (Enterprise Risk Management) Award of Distinction at the RIMS ERM Conference 2023, 'Masters of Risk – Risk Technology' recognition at The India Risk Management Awards, and ICSI Business Responsibility and Sustainability Award 2023 for its first Business Responsibility and Sustainability Report (BRSR), Excellence in Financial Reporting FY20 from ICAI, among several others.

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