

## NIPPON STEEL TRADING CORPORATION

Tokyo Nihonbashi Tower, 2-7-1 Nihonbashi, Chuo-ku, Tokyo 103-6025

<https://www.nst.nipponsteel.com/en/>

### Nippon Steel Trading Corporation Logo Mark



NIPPON STEEL  
TRADING

#### What we want to communicate by the logo mark

The logo mark uses four blue-based colors to express the "innovative" and "intelligent" nature of our four business areas, Steel, Industrial Supply & Infrastructure, Foodstuffs, and Textiles, and the four elements of our Employee Code of Conduct consisting of Growth, Reliability, Borderless, and Challenge.

The white parts where the colors overlap represent shining light and suggest a blooming flower, expressing the image of a blooming flower to bring greater Shine into the future.



# INTEGRATED REPORT 2023

Integrated Report 2023  
Digest Version





As the true core trading company of the Nippon Steel Group,  
**NST is beginning a new stage  
as we aim for further growth.**

In April 2023, NST became a subsidiary of Nippon Steel Corporation. Based on a high level of strategy sharing with Nippon Steel Corporation, the stage on which we act will become much larger.

### Rocky Mountains

The Rocky Mountains are a mountain range that traverses the western part of the North American continent from northwest to southeast, with a total length of more than 4,800 km. It is rich in plant life and ecosystems in all parts, and there remain many areas in which nature is untouched by human hands. It contains national parks, and natural heritage sites that are registered as World Heritage Sites. We believe that there is something in common between the Rocky Mountains with their undisturbed nature and NST as it pioneers an undiscovered future in its four business sectors.

## Corporate Philosophy

- 1 Continuing to be a corporate group driven by the aspiration of providing goods and services that offer new value to the larger society
- 2 Putting trust and reliability first, and by doing so developing together with our customers
- 3 Aiming to become the kind of organization that increasingly cultivates, utilizes, and values human resources and their talents

## Management Principles

- 1 Strengthening and expanding the four areas of business that make Nippon Steel Trading Corporation the core trading company of the Nippon Steel Group
- 2 Accelerating global strategies
- 3 Bringing to bear all of our strengths as a multiple specialty trading company
- 4 Enforcing strict corporate compliance

## Employee Code of Conduct

### “Achieve organizational strength through integration of individuality.”

We maintain a flexible mind, breaking free of the confines of existing concepts. We bring together individual abilities to demonstrate comprehensive strength in all fields.

### Borderless

### Reliability

“Be the one that can be trusted and relied upon constantly.”  
We invest time in daily communication. We establish solid relationships of reliability through mutual respect.

### “Advance to a higher stage with enthusiasm!”

We never fear failure and willingly take the first step forward with a positive attitude, enthusiasm, curiosity, and the desire to improve. We are never satisfied with the status quo, have an awareness of potential and existing problems, and generate new value.

### Challenge

### Growth

“Realize corporate growth through personal growth.”  
We constantly stay ahead of the times with a sense of professionalism. We study, conduct and take action proactively in order to achieve mutual growth.

### Priority Issues (materiality) in ESG Management of the NST Group

- Contributing to a decarbonized society and environmental conservation
- Contributing to the development of land and local communities
- Contributing to a recycling-oriented society and sustainable living
- Optimization of the entire supply chain
- Utilization of diverse human resources
- Management based on trust and reliability

## Company Outline

Corporate name	Nippon Steel Trading Corporation
Date of establishment	August 2, 1977
Representative	Shinichi Nakamura, President and Representative Director
Paid-in capital	16,389,059,776 yen
Location	Tokyo Nihonbashi Tower 23 - 26F, 2-7-1 Nihonbashi, Chuo-ku, Tokyo 103-6025, Japan
Business activities	Sales and imports/exports of steel, industrial supply & infrastructure, foodstuffs, textiles, and others

Number of employees (March 31, 2023)	Non-consolidated 1,294 (1,591 including 297 seconded employees in Japan and overseas) Consolidated 6,584
Sales bases (March 31, 2023)	Japan 24 (1 head office, 1 office, 9 branch offices, 6 sub-branch offices, and 7 others) Overseas offices and subsidiaries in 33 cities, 18 countries
Main banks	MUFG Bank, Sumitomo Mitsui Banking, Mizuho Bank, and Sumitomo Mitsui Trust Bank
Fiscal year-end	March 31

## Participation in initiatives



In May 2022, NST announced its agreement to the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), and participated in the TCFD Consortium composed of supporting companies, financial institutions, and others.

**Other initiatives** Japan Foreign Trade Council, Inc.



### SDGs (Sustainable Development Goals)

As a trading company, the NST Group operates a wide range of businesses, and we believe that we can make broad contributions to these goals. We will continue working to expand awareness of SDGs to carry out our business with attention given to contributing to SDGs, and will carry out business activities with a clear association between the NST Group materiality and SDGs.

## Evaluations by society



NST obtained the Minister of Health, Labor and Welfare certification (Kurumin certification) in 2018 as a childcare supporting company based on the Act on Advancement of Measures to Support Raising Next-Generation Children. In 2021 we were also certified as Platinum Kurumin, which is recognized for a Kurumin certified company which is an exceptional childcare supporting company that has conducted initiatives on a higher level and meets certain requirements.

In 2018, NST obtained the Eruboshi certification (2 stars) from the Ministry of Health, Labor and Welfare, making the company certified as an excellent company promoting the participation and advancement of women in the workplace.

NST was certified for the fourth consecutive year as a 2023 Outstanding Health & Productivity Management Organization (large corporation category), selected by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. The company is working together with the health insurance society and putting efforts into health management.

## Communications tools

### Integrated Report

This booklet is intended to communicate general information about company management to stakeholders.

[https://www.nst.nipponsteel.com/en/corporate/ir/integrated\\_report/](https://www.nst.nipponsteel.com/en/corporate/ir/integrated_report/)



### Website

Used to provide comprehensive disclosure of business contents, company outline, financial information, recruitment information, and sustainability information.

<https://www.nst.nipponsteel.com/en/>



# A trading company that is second to none in its areas of expertise

Nippon Steel Trading's strengths in pioneering an undiscovered future in four business sectors: Steel, Industrial Supply & Infrastructure, Foodstuffs, and Textiles

Human resources

Expertise

Combined power

Combined power

Challenging ourselves with a growth strategy involving the entire Group that goes beyond business boundaries in Japan and around the world

Implementing a growth strategy with a combination of a high level of expertise and industry-leading competitiveness in each business, a shared vision, and a sense of unity



Human resources

A group of professionals pioneering an undiscovered future

A group of professionals that is second to none in its areas of expertise; a team that always responds to customers' wishes, and creates new products and values at their own initiative

Employees (consolidated base) as of March 31, 2023

**6,580**





Steel

Meeting a wide range  
utilizing our secondary

Expertise

Ability to provide secondary  
process closer to the final product,  
range of customer requirements by



Foodstuffs

Network of coil centers

Japan



13 sites in 10 cities

Overseas



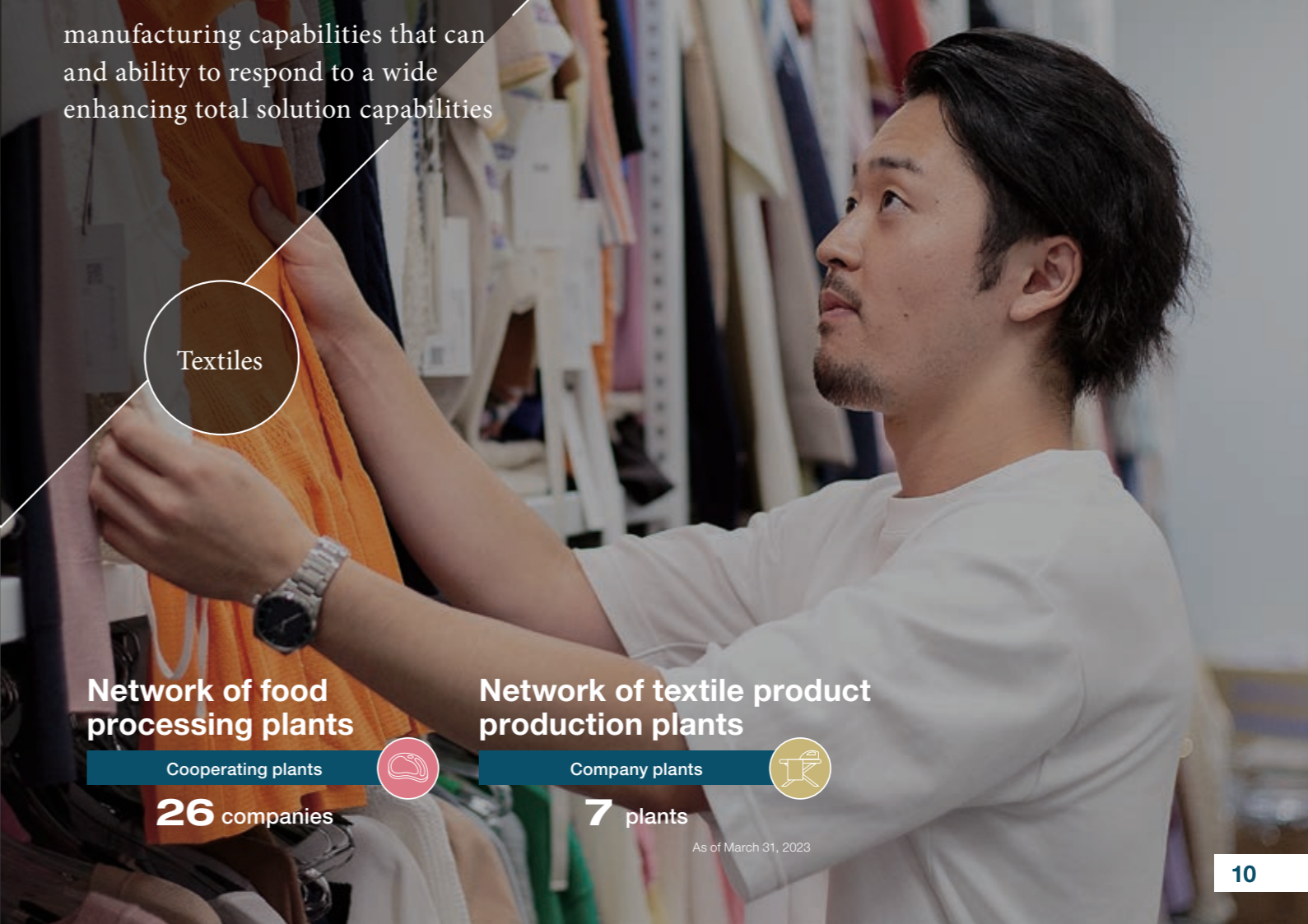
17 cities in 9 countries



Industrial  
Supply &  
Infra-  
structure

of customer needs by  
manufacturing capabilities

manufacturing capabilities that can  
and ability to respond to a wide  
enhancing total solution capabilities



Textiles

Network of food  
processing plants

Cooperating plants



26 companies

Network of textile product  
production plants

Company plants



7 plants

As of March 31, 2023

# The role of Nippon Steel Trading in connecting manufacturers and user

The primary roles of Nippon Steel Trading as a trading company are “expanding sales opportunities for the manufacturers as the sellers,” and “procurement that is suitable for the needs of the users as the buyers.” Our company links manufacturers and users, and also identifies customer (user) needs and responds quickly and accurately to those needs in order to create products and services that provide new value to society (added value).

Nippon Steel Trading will make use of our strength in secondary manufacturing capabilities, digitalizing our trading company operations to improve the level of our logistics capabilities, information capabilities, and organization capabilities, and will invest funds and human resources in strengthening business development and management capabilities for carrying out our business. At the same time, we will create organic combinations of the various capabilities that Nippon Steel Trading possesses in order to provide total solution capabilities.

In our four business sectors of Steel, Industrial Supply & Infrastructure, Foodstuffs, and Textiles, each of which has an extensive history and is competitive at the top class of the industry, our employees will operate our business with advanced levels of expertise, and will carry out our growth strategy based on a strong sense of unity.

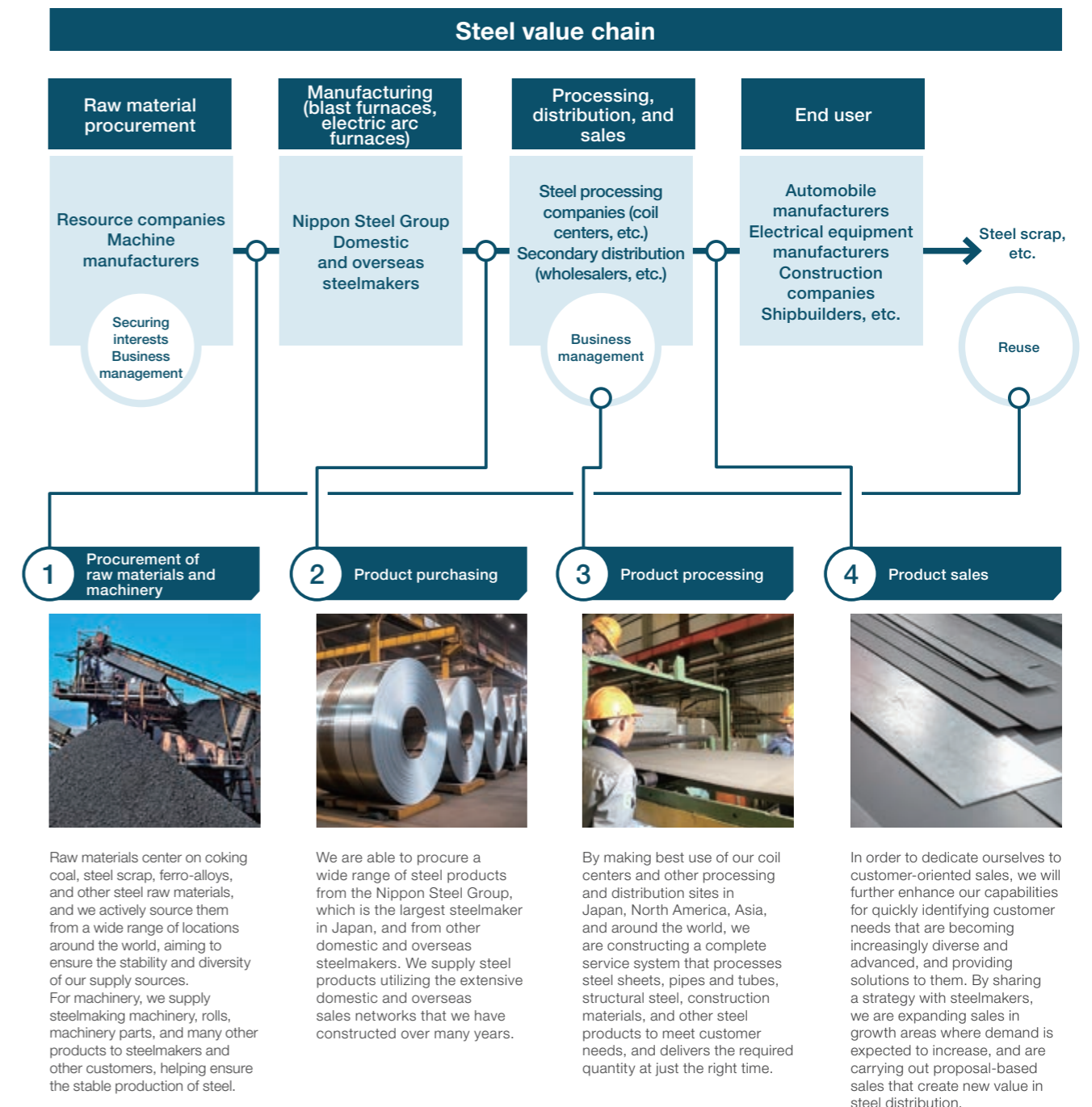


# Roles and strengths of Nippon Steel Trading in the steel value chain

The value chain is the series of processes involved in the creation of value through corporate business activities. As such, it covers a wide range of areas including procurement of raw materials and machinery, manufacturing and processing of products, shipping and delivery, sales to customers, and after-sales services.

For example, in the steel supply chain, we sell products that were produced by steelmakers to manufacturers of products such as automobiles, electrical equipment, and ships, as well as construction companies. We also supply steelmakers with the raw materials and machinery that are essential for steel manufacturing.

As the core trading company of the Nippon Steel Group, NST offers comprehensive services as a steel professional ranging from procurement of raw materials and machinery to processing and delivery. Aiming to ensure the stability and diversity of our supply sources, we procure materials from locations around the world. We have also established processing companies and sales companies for steel business in high-demand regions in Japan and overseas. In these ways, we are making further advances in our value chain. As we share strategies with the Nippon Steel Group and the Mitsui & Co. Group, we are strengthening our systems for procurement, logistics, and processing to precisely match customer needs, and are working to further expand the value chain.

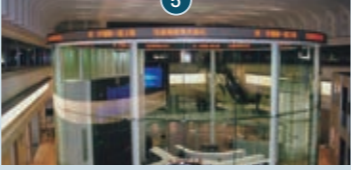


# The path that Nippon Steel Trading has traveled

In its history of more than 100 years, Nippon Steel Trading has prevailed in the top-class position in its Steel, Industrial Supply & Infrastructure, Foodstuffs, and Textiles business sectors, and has transformed itself by incorporating diverse corporate DNA in response to the changing business environment. Through the continued supply of socially valuable products and services, we will endeavor to be a strong growth company that contributes to society over the next 100 years.

## External environment

## History of NST



1870-1970

1971-1990

1991-2010

2011-

2022  
¥51.328 billion

1920 Post-war depression after World War I  
1923 Great Kanto Earthquake

1929 Great Depression  
1939 World War II

1971 Nixon Shock  
1973 First oil shock

1979 Second oil shock  
1985 Plaza Agreement

Early 1990s Economic bubble burst  
1997 Asian currency crisis  
2007 Global financial crisis

2011 Great East Japan Earthquake  
2020 COVID-19 pandemic  
2022 Russian invasion of Ukraine

2022 The Textiles Division of NST merged with Mitsui Bussan I-Fashion Ltd.

2022 Relocated the Tokyo Head Office to Nihonbashi, Chuo-ku.  
2023 Became a subsidiary of Nippon Steel Corporation.

2013 Merged to form Nippon Steel & Sumikin Bussan Corporation.

2018 Acquired a part of the Steel Division of the Mitsui & CO. Group.

2019 Changed the trade name to Nippon Steel Trading Corporation.

1993 Sumikin Bussan and Itoman merged.

2006 Sumikin Bussan was listed on the First Section of the Tokyo Securities Exchange.

2010 Nittetsu Shoji was listed on the First Section of the Tokyo Securities Exchange.

1988 Established the Rojana Industrial Park in Thailand.

1990 The first Japan-China JV coil center began commercial operation in Shenzhen.

1972 Established an import JV of beef and pork in Australia.

1981 Promoted the first female manager. Started an in-house Chinese language training program.

1983 Started the overseas representative program for female employees.

1986 Nittetsu Shoji's transaction amount reached ¥1 trillion.

1916 Opened first overseas offices in Shanghai, Tianjin, and Hong Kong.

1955 Licensed as a food import trading company.

1962 Licensed as a trading company in trade with China.

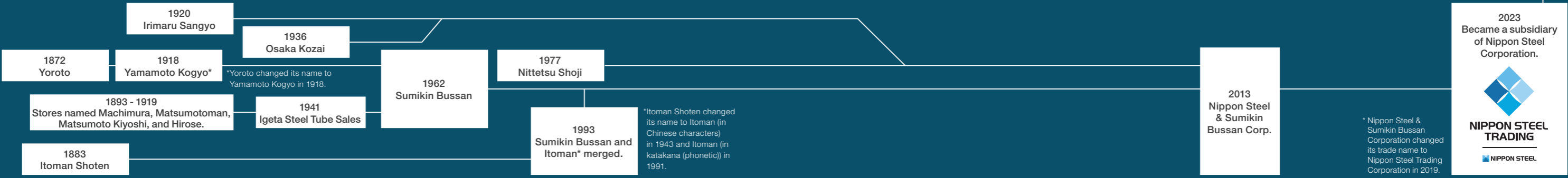
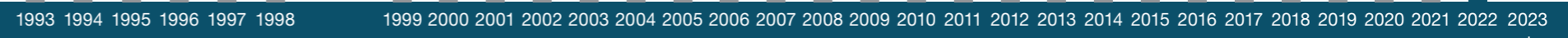
1872 Started a business selling steel and steel materials.

1896 Entered into a marine transportation business.

## Changes in ordinary profit

Prior to FY2013, the results of Nittetsu Shoji Co. and Sumikin Bussan Kaisha Ltd. were simply combined.

1993  
¥619 million



\* Nippon Steel & Sumikin Bussan Corporation changed its trade name to Nippon Steel Trading Corporation in 2019.

2023  
Became a subsidiary of Nippon Steel Corporation.

**NIPPON STEEL TRADING**

NIPPON STEEL



# Becoming the true core trading company of the Nippon Steel Group

Nippon Steel Trading was formed from the merger of Sumikin Bussan and Nittetsu Shoji in 2013, and in 2018 we acquired part of the Steel Division of Mitsui & Co. Group, creating our current position as the core trading company of the Nippon Steel Group.

Since FY2021, we established the basic concept of “becoming a strong growth company that contributes to society” through the supply of socially valuable products and services. We have carried out a Medium- to Long-Term Management Plan that is based on three strategic measures: (1) Building a robust corporate structure by implementing measures to strengthen the business foundation, (2) Achieving sustainable growth by advancing growth strategies, and (3) Enhancing ESG management.

In April of this year, NST became a subsidiary of Nippon Steel as a result of a tender offer by Nippon Steel. In the future, in addition to the three strategic measures of the Medium- to Long-Term Management Plan, we will make every effort for further growth and development of the Group through initiatives such as sharing strategies with Nippon Steel and making use of both companies’ infrastructure.

**Shinichi Nakamura**

President and Representative Director

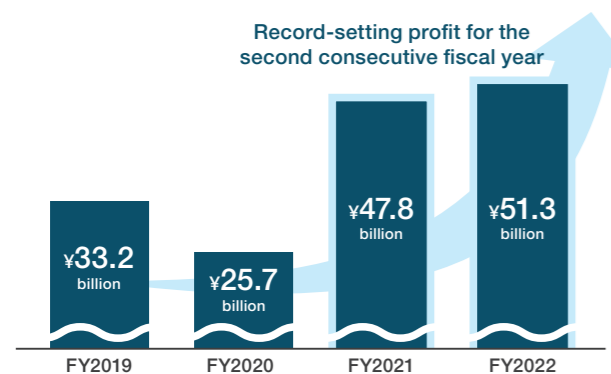


## 1 A Look Back at FY2022

The global situation in FY2022 was faced with rapid and large-scale interwoven changes including disruptions in the global supply chain resulting from the Russian invasion of Ukraine and the power struggle between the U.S. and China, growing inflation including rising prices of energy and resources, and the beginning of a full-scale movement toward achieving carbon neutrality.

In this difficult environment, this year NST made large progress in reinforcing its revenue base. By strengthening the business foundation, we have reorganized, consolidated, and eliminated our manufacturing and sales bases, and steadily carried out measures for a growth strategy tailored to each field and market. In this way, we are working to improve profitability. Despite worsening environmental factors including the quantity of steel sales, we again for the second consecutive fiscal year set a new record for consolidated ordinary profit of 51.3 billion yen, exceeding the 47.8 billion yen in the previous record-setting year, fiscal 2021. We consider this to be a result of the initiatives in our Medium- to Long-Term Management Plan.

### Ordinary profit



## 2 Environmental Recognition

Global steel demand is unlikely to recover in 2023. In the largest steel producing and consuming country China, as a result of a macroeconomic slowdown and expansion of steel exports, no improvement in the profit margin\* of the international market is expected. Domestic demand is also expected to gradually fall as a result of the declining population. More intense competition is expected in the distribution and processing fields due to expanding local production by customers, and to improving quality and larger volumes from overseas steel manufacturers. On the other hand, we expect that global steel demand centering on Asia (including India) will grow, there will be expanded demand for high-grade steel, and there will be an increase in business opportunities related to carbon neutrality.

In the Foodstuffs Division and Textiles Segment as well, we are facing a decline in domestic demand and changes in the market structure, however we expect the market to grow in Asia and other regions.

In ways such as these, we believe that we are facing a time of great competition for survival in a harsh environment where societies and industries in Japan and overseas are undergoing structural changes.

\* Profit margin (difference between the steel product sales price and price of raw materials)

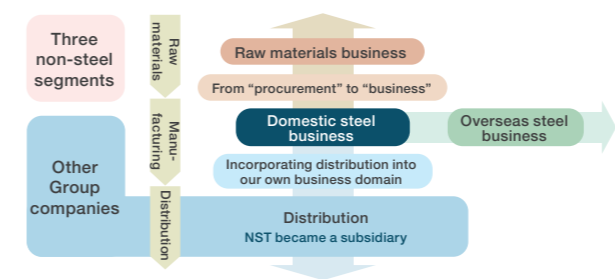
## 3 Tender Offer for NST Shares and Becoming a Subsidiary of Nippon Steel

Based on the above understanding of the environment, we believe that integrating our company with Nippon Steel, engaging in high-level sharing of information and sales strategies, making maximum use of both companies’ knowledge and infrastructure, and carrying out initiatives aimed at rapidly and appropriately achieving our strategies will contribute to expanding NST Group business, increasing competitiveness, and expanding corporate profits. For this reason, in December of last year, we accepted

the tender offer and adopted a Board of Directors resolution recommending the public offering to our shareholders. Following a series of procedures, in April of this year NST became a subsidiary of Nippon Steel.

Based on the understanding of our employees, customers, and other stakeholders, we will carry out initiatives that will help increase our competitiveness throughout the supply chain by optimizing and streamlining the entire series of processes from raw materials procurement to manufacturing, distribution, and processing in the Nippon Steel Group, and by creating new added value, thereby contributing to the Nippon Steel goal of “evolving into a vertically-integrated business structure.”

### Evolving into a vertically-integrated business structure in the Nippon Steel Group



Nippon Steel Integrated Report 2023

## 4 Management Principles

No matter what kind of changes occur in the environment, a company must not stop on its path to growth. There are many companies that stopped, became comfortable with the status quo, and ended-up following the path of organizational decline. In order to be a company that can continue to contribute to our society and grow in any environment, I believe that we must establish a corporate culture where the growth of every employee leads to company growth.

Our company’s primary business resource is its people. When people take responsibility, make their own decisions, and take independent action, they are able to deploy their maximum abilities. Since taking office as President, I have asked all employees to dedicate themselves to “think, decide, and take action” in their everyday duties. As the business environment changes dramatically, we must combine everyone’s knowledge to strengthen the business foundation for ensuring and training the human resources necessary for future growth while also preparing for risks, and also to develop a new growth strategy that will allow us to seize opportunities. These must be discussed within the organization, with organization leaders making rapid and accurate decisions, and the decisions must be carried out with the entire support of the organization. I am confident that our company can achieve further growth and be advanced

as long as every individual employee grows, the strength of the organization is improved. The dual engines of “a stronger business foundation” and “growth strategy” run autonomously and continuously. This is something that has not changed as a result of our new status as a subsidiary of Nippon Steel. I believe that the sharing of strategies resulting from becoming a subsidiary will expand the opportunities for NST employees to shine, and will lead to further advances and growth among our employees.

Since becoming President, I have at least twice a year conducted discussions with all general managers, branch general managers, and presidents of major Group companies. Following the end of the COVID-19 pandemic, beginning from the end of last year, I have also personally visited branches, offices, and business sites in Japan and overseas, and have spoken directly with the local employees. In these ways, I am endeavoring to understand the business conditions, consider them together with others, and make decisions. As President, I will be focusing on the following key issues. At the same time, I will myself carry out the same “think, decide, and take action” that I have asked of all employees, and imagine a detailed future picture of Nippon Steel Trading as a trading company that continues to contribute to society and grow in any environment.

## 5 Key Issues

Based on implementation of the past Medium- to Long-Term Management Plan, FY2023 will be a year for us to enter a new stage, and the issues which we must address are the following.

### 1. Thorough commitment to safety, quality control, and compliance

These are the basis for corporate operations. Even a single major incident could deprive employees of their happiness, cause large damage to our customers and other related parties, lose the trust of society, and put our company into a crisis that risks our survival. While we have continued to carry out various steady activities, these activities are never-ending. We will also comprehensively and across the entire Group manage a wide range of risks surrounding our Group, centering on the Risk Management Committee, and will strive to construct a corporate structure that is resistant to risks and prevents risks from becoming manifest.

### 2. Sharing strategies with Nippon Steel and utilizing synergy

We are considering a review of the Medium- to Long-Term Management Plan in order to fulfill our functions as a sales coordinator and achieve further growth as the true core trading company of the Nippon Steel Group through the sharing of strategies with Nippon Steel. We will also consider jointly with Nippon Steel the synergy resulting from acquisition of our shares, and will take action at the appropriate times.

### 3. Building a robust corporate structure by expanding our human capital and other means

Beginning from FY2021, we have implemented measures to strengthen the business foundation, including reorganizing, consolidating, and eliminating our manufacturing and sales bases, and have succeeded in improving efficiency throughout the Group. This year in particular, we recognize the great importance of securing and training the human resources who will be

responsible for the next generation and who are essential to carrying out our growth strategies in Japan and overseas. Based on this, we will actively work to expand our human capital, carry out innovations in working styles, and reinforce our diversity & inclusion initiatives by means of the following.

- (1) Securing the human resources that will support profit growth
- (2) Training professional human resources
- (3) Making active use of human resources

Item	Measures
1 Securing the human resources that will support profit growth	Continue carrying out recruitment of new graduates aimed at future growth, improve the recruitment brand strength, and expand internships for students. Carry out mid-career recruiting based on the Medium- to Long-Term Management Plan.
2 Training professional human resources	Strengthen organizational and human resource management capabilities, reinforce issue formulation abilities and issue implementation abilities, and expand training to support independent skills improvement. Carry out training for improving the level of executives and management positions aimed at producing company growth and achieving the goals of the Medium- to Long-Term Management Plan, as well as training for future management positions, mid-level employees, and young employees.
3 Making active use of human resources	Carry out career development and talent management (visualization). Implement a human resources task force and create a system for human resource rotation based on a medium- to long-term perspective.

### 4. Achieving sustainable growth by advancing growth strategies

In order to successfully achieve sustainable profit growth, we must provide products and capture new demand based on social needs such as those defined by the SDGs. We will also expand our processing facilities and sales networks in overseas markets which are projected to grow. By diversifying our supply sources in addition to expanding our networks, we aim to move more of our business operations to overseas. It is also important that we respond to changes in the global supply and demand environment, so we are carrying out a detailed growth strategy for each sector/market.

As a specific example, we established our second coil center in India, where there has been significant growth in steel demand, and it began operating in August of this year. Based on strategy-sharing with Nippon Steel, we are now constructing a coil center for electrical steel sheet in Mexico, where our supply chain for electric vehicle motors is concentrated. It is scheduled to begin operating in 2025. In addition, we are focusing efforts on expanding sales of the “NSCarbolex® Neutral” low-CO<sub>2</sub> steel that is provided by Nippon Steel, and will continue to study and implement key

## Five pillars supporting our growth strategy

- 1 **Capturing of new demand**  
Focus on businesses that respond to SDGs-related social needs
- 2 **A global strategy aimed at deepening and expanding overseas businesses**  
Accelerate the process of making overseas offices capable of independent management
- 3 **Increasing sales and improving profit by collaborating with major customers, strengthening our distribution and processing capabilities, and providing new solutions**
- 4 **M&As and alliances that will lead to more efficient distribution and new business creation**
- 5 **Digital transformation strategies**  
Increase efficiency of the entire supply chain through digitalization of our trading company operations

measures such as the establishment of a DX platform that will lead to increased distribution efficiency and new business creation, as well as M&As and alliance formation.

### 5. Enhancing ESG management

We will continue with the same initiatives to enhance ESG management following our becoming a subsidiary of Nippon Steel and a privately-owned company.

#### 1) Environment

In order to contribute to the realization of a carbon-free and recycling-based society which is increasingly demanded by society, we are working to make SDGs-related proposals to our customers through our business, in addition to our own Group’s efforts for environmental conservation and preventing climate change.

In terms of measures to deal with climate change, acting as a member of society, we have set targets of reducing carbon emissions by 30% by fiscal 2030 (compared to fiscal 2018) and achieving carbon neutrality by fiscal 2050, we aim to achieve these goals as early as possible through our Group-wide efforts to reduce CO<sub>2</sub> emissions.



In terms of our business-based eco-solution products for customers, we will make proposals including high-tensile steel sheet for automobiles, high-performance electrical steel sheet, materials for offshore wind power generation, a solar power generation business, biomass fuel, and recycled materials. We are also investing in a bio-carbon manufacturing and sales company.

#### 2) Social

As a trading company, action is required to address diversity and inclusion and to ensure employee well-being, we are committed to creating a workplace and corporate culture where employees respect each other as individuals, thereby creating an environment where employees can comfortably work and grow.

As a business person, I believe it is important to maintain a healthy work-life balance. But during work hours it is also important to focus on improving oneself and one’s skills, and



to enjoy that process of self-improvement. Every day I work alongside our employees with the hope that we will keep refining the creativity, planning skills, and practical capabilities needed to thoroughly consider issues and fully enact a variety of initiatives.

### 3) Governance

Following our becoming a subsidiary, we are working to improve the effectiveness of our corporate governance and further strengthen risk management. At the ESG Committee and Risk Management Committee which meet twice a year, we are studying the directions we should be proceeding in and the specific actions to take. In regards to risk management, we are improving the overall effectiveness of the system so that management can function systematically when responding to risks in the critical areas of safety, quality control, compliance, or any other risk to NST. For example, we are strengthening our autonomous internal controls by constructing a three-line defense and by establishing theme-specific task forces within the Risk Management Committee. These steps will ensure that the problem is quickly discovered and corrected in the event that any operation is not properly carried out.

## 6 Conclusion

We anticipate that the future will bring a variety of changes to the business environment for our company to deal with. Regardless of what changes may occur, I am determined to take the lead in implementing our Medium- to Long-Term Management Plan and to realize our Corporate Philosophy, stated as follows:

1. Continuing to be a corporate group driven by the aspiration of providing goods and services that offer new value to the larger society,
2. Putting trust and reliability first, and by doing so developing together with our customers, and
3. Aiming to become the kind of organization that increasingly cultivates, utilizes, and values human resources and their talents.

I would like to thank all of our stakeholders for their understanding and support.

# Steel Division

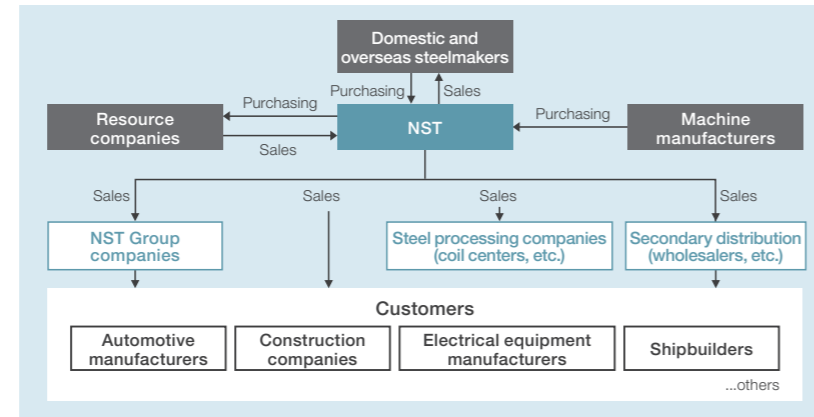
As a steel professional, we will provide optimal total solutions.

## Business activities

The Steel Division uses its domestic and overseas sales networks to provide comprehensive services, from raw material procurement to product delivery to customers.

Through thorough customer-oriented sales, we will enhance the function and ability to rapidly grasp customers' requirements, which are becoming increasingly diversified and advanced, provide solutions, and make efforts to construct a new value chain in steel distribution.

## Business flow



	Major products	Overview
Steel and steel products	<ul style="list-style-type: none"> <li>Steel sheet (hot rolled coils, cold rolled coils, coated steel sheets, plates, electrical steel sheets, tinplate, and others)</li> <li>Steel pipes and tubes (seamless pipes and tubes, welded pipes and tubes, large-diameter pipes, pipes for piling, fittings, and others)</li> <li>Structural steel (rails, section steel, wide flange shapes, light H-shaped steel, steel sheet piles, reinforcing bars, and others)</li> <li>Rods, bars, and specialty steel (bars, wire rods, bars in coils, cold finished steel bars, welding materials, and others)</li> <li>Construction materials (steel sheet piles, structural materials for civil engineering and construction, and others)</li> <li>Other types of steel and steel products, stainless steel, titanium</li> </ul>	<p>We have established a processing service organization for pressing, cutting, and machining of steel products including steel sheets, steel pipes and tubes, structural steel, and construction materials.</p>
Raw materials	<ul style="list-style-type: none"> <li>Coking coal, coke, pig iron, steel scrap, reduced-iron, ferro-alloys, blast-furnace slag, heavy oil, oil products, LPG, and others</li> </ul>	<p>We are working for stable and diverse supply sources centering on steelmaking raw materials such as coking coal, steel scrap, and ferro-alloys.</p>
Machinery	<ul style="list-style-type: none"> <li>Steelmaking machinery, machine tools, metal processing machinery, machinery parts, energy-related machinery, construction machinery, general industrial machinery, rolls, and others</li> </ul>	<p>We supply a wide range of products including steelmaking machinery, rolls, and machinery parts to steelmakers, contributing to their stable steel production.</p>

## Competitive advantages

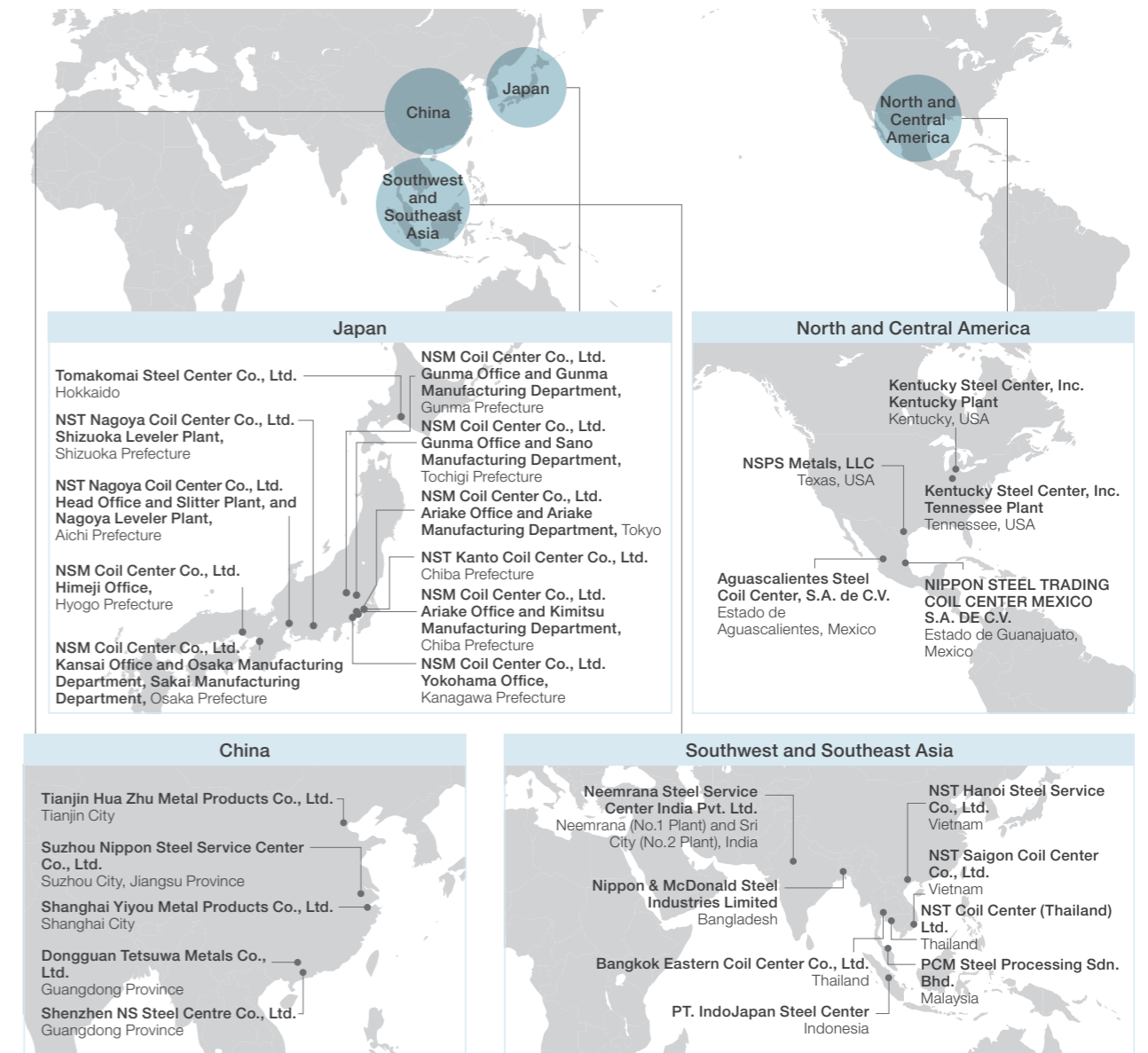
- Business development through strategic collaboration with the Nippon Steel Group**  
By integrating our company with Nippon Steel and sharing information and sales strategies on a high level, we will invest business resources focusing on new demand areas such as carbon neutrality, and overseas growth markets, where demand is expected to increase, and will pursue proposal-based sales that create new value-added distribution in the steel business.
- Total solutions capabilities that match the global needs of our customers**  
In overseas markets where steel demand is growing, with the aim of capturing demand of not only Japanese companies but also local companies, we are working to make maximum use of the business foundations and business competitiveness of the NST Group and accelerate our global strategy.
- Stable procurement capabilities based on a diverse range of supply sources**  
We are able to procure a wide range of steel products from the Nippon Steel Group, which is the largest steelmaker in Japan. As a result of diversifying our supply sources, we supply steel products utilizing the extensive domestic and overseas sales networks that we have built over many years.

## Growth strategy

- Capturing new demand that meets social needs related to SDGs**
  - Automotive field (EV motors, fuel cell materials, super-high tension steel, etc.)
  - Environmental materials (stainless steel for maritime scrubbers, materials for the renewable energy field, etc.)
  - High-performance materials for the information and communications fields (stainless steel for smartphones, etc.)
- Carrying out global strategies for deepening and expanding overseas business**
  - Expanding sales for automobiles (China hot press materials and high-tension steel, North America, etc.)
  - Working to become an integral member of overseas regions (expanding sales utilizing local mills, establishing a coil center for electrical steel sheet in Mexico, etc.)
- Cooperation with major users to improve sales and profitability**
  - Expansion of raw materials business (scrap, black pellets, etc.)
  - Expansion of sales in the construction field (marketing of TIO/NEO system construction standard products, etc.)
- M&A and alliance strategies**
- DX strategy to improve steel distribution**

## Business operations

### Coil center network



### Message from the Top Management of the Steel Division

## Beginning of a new era and aiming for further growth

**Kazuhiro Koshikawa**  
Senior Managing Executive Officer



The global economy has now reached a major turning point. Changes must be made to the strategies of globalization of pre-pandemic, and it is necessary to review the supply chains and strengthen competitiveness for all resources and products based on an economic security perspective. Steel products are no exception, and at the same time the global-scale movement toward carbon neutrality (CN) is continuing to accelerate.

NST became a subsidiary of Nippon Steel in April 2023, and will contribute to expanding the business areas as the company in charge of distribution, aiming to build a vertically-integrated business structure in the Nippon Steel Group. For this purpose, it is now possible to share information and sales strategies with Nippon Steel on a higher level than ever before, and make maximum use of both companies' knowledge and infrastructure to rapidly and correctly achieve our sales strategies, and as a result strengthen competitiveness and expand profits throughout the Group. This essentially means that NST is now standing on a new stage, and has obtained new opportunities for growth. As the true core trading company of the Nippon Steel Group, we will continue to contribute to society through sales of CN-related products. All employees will also join together and aim for new heights through initiatives such as development of new demand, investment in new business, and construction of a new supply chain.

## Strategic collaboration with Nippon Steel

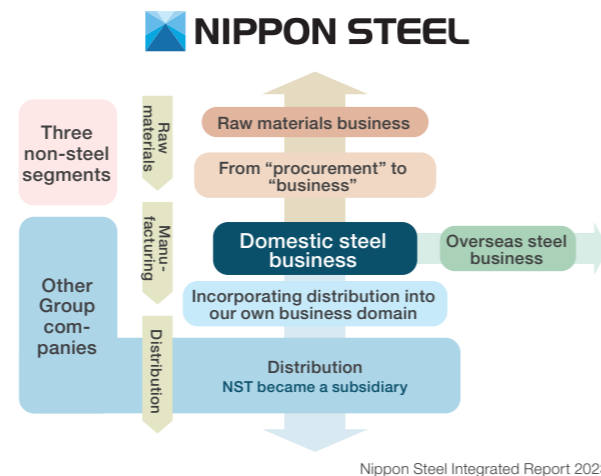
In the environment surrounding our steel business, we expect increasingly intense competition in the distribution and processing fields in the future as a result of declining domestic demand, expanding local production by customers, and improving quality and increasing production volumes at overseas steel manufacturers.

In this kind of environment, NST became a subsidiary of Nippon Steel in April 2023. As a result, it has become possible for our company to join together with Nippon Steel and share information and sales strategies on a high level. This will enable us to make maximum use of the knowledge and infrastructure of both companies, and rapidly and correctly achieve our strategies in order to expand the NST Group business, strengthen competitiveness, and expand profits.

### Nippon Steel business strategy: “Evolving into a vertically-integrated business structure”

Based on the roles that the steel industry should play in addressing the long-term structural changes in the steel demand environment, and in resolving social issues such as achieving carbon neutrality, Nippon Steel is steadily carrying out its sales strategies. As it does so, it keeps in mind the goal of continual growth aiming to be the “global No. 1 steel manufacturer in terms of overall strength” that will support the competitiveness of Japanese industry into the future.

Among these strategies, it has established the goal of “evolving into a vertically-integrated business structure,” and is constructing a business structure that integrates all stages from raw materials to manufacturing and distribution, and is strengthening the competitiveness of its entire supply chain. It is also carrying out initiatives to create a more resilient business structure, aiming to achieve carbon neutrality.



### Tender offer for NST shares and becoming a subsidiary of Nippon Steel

In order to achieve the goal of “evolving into a vertically-integrated business structure,” and to expand its business areas into the distribution field and incorporate this field into its business, Nippon Steel made a tender offer for NST shares and in April 2023, NST became a subsidiary of Nippon Steel. As a result, Nippon Steel has become able to enhance its ability to implement integrated operations related to steel business on its own, and it is now possible to strengthen the competitiveness of the entire supply chain through integrated optimizing and streamlining of all operations from manufacturing to distribution and processing, and through the creation of new added value.

### Role of NST in the Nippon Steel Group

As the core trading company of the Nippon Steel Group, NST is responsible for the distribution field in the supply chain. In the steel business that is the primary business area, we can join together with Nippon Steel and share information and sales strategies on a high level, make maximum use of the knowledge and infrastructure of both companies, and rapidly and correctly achieve our strategies.

As the core trading company of the Nippon Steel Group, we will exercise our trading company functions in order to further expand the scale of business for Nippon Steel products in Japan and overseas, and will expand our business into growing overseas markets and new fields such as carbon neutrality. In this way, we will play a role in strengthening the competitiveness of the entire supply chain and contribute to “evolving into a vertically-integrated business structure.”



#### Exercising trading company functions in the Nippon Steel Group

Expanding the scale of business for Nippon Steel products in Japan and overseas

Expanding our business into growing overseas markets and new fields such as carbon neutrality

### Making maximum use of synergy resulting from strategic collaborations

In addition to exercising the trading company functions that NST has developed over its history, we will further deepen our collaboration with the Nippon Steel Group and will apply the following synergy in order to contribute to “evolving into a vertically-integrated business structure.” We will also work to improve our corporate value in order to achieve our goal of being “a strong growth company that contributes to society.”

- 1 Streamline and reinforce our trading company functions in the Nippon Steel Group.**  
We will strengthen the cost competitiveness of the entire supply chain through means including strengthening and expanding direct sales to customers throughout the Nippon Steel Group, improving the office work efficiency of our trading business operations, and improving the operating rates and constructing optimal systems at our processing bases.
- 2 Strengthen direct sales capabilities utilizing the entire sales knowledge infrastructure.**  
We will further share sales strategies with Nippon Steel, and focus investment of the strategic sales power of both companies in new demand fields such as carbon neutrality and in overseas growth markets. We will also make maximum use of the sales information and processing knowledge possessed by NST sales bases, coil centers, and other processing bases in Japan and overseas in order to strengthen our ability to meet diversifying customer needs and strengthen our overseas sales capabilities.
- 3 Make further advances to the supply chain. (Designing a new business model)**  
We will utilize the advantages resulting from the new ability to share sales information and to coordinate the production, inventory, logistics, delivery dates, and other data of both companies, Nippon Steel as it engages in steel production and Nippon Steel Trading as we engage in distribution and processing. We will make use of the latest digital technologies to work for integrated optimization of production and logistics (optimizing inventory levels, shortening lead times throughout the supply chain, improving processing yield and other elements of manufacturing efficiency). In the future, we will also study strengthening cooperation in new expanding fields such as GX (Green Transformation).

#### Topics

### Establishment of a new coil center for electrical steel sheet in Mexico

Based on the expectations for stable growth in the North American electric vehicle market, we are collaborating with Nippon Steel to establish a new coil center, “Nippon Steel Trading Coil Center Mexico S.A. de C.V.” (hereafter, “NSTCCM”), specializing in processing of high-grade electrical steel sheet\* in Mexico, where the supply chain for electric vehicle motors is concentrated. As a base responsible for inspecting, conditioning, and slitting of high-grade electrical steel sheet, NSTCCM will function as an important supply chain for pressing manufacturers that produce motor cores and vehicle manufacturers.

This project was selected for the “Indo-Pacific and Central and South America Region Supply Chain Participation Support Project” operated by the Ministry of Economy, Trade and Industry. The project is aimed at promoting initiatives that contribute to improving supply chain resilience in Japan, the Indo-Pacific and Central and South America region. As we are seeing dramatic growth in demand for high-grade electrical steel sheet centering on North America, through this project we will construct a resilient supply chain throughout the Nippon Steel Group that can provide a high-quality and stable supply of competitive products. In this way, we will contribute to global carbon neutrality and ensuring a superior position for the Japanese manufacturing industry.

\* High-performance material used in electric vehicle motor cores



# Industrial Supply & Infrastructure Division

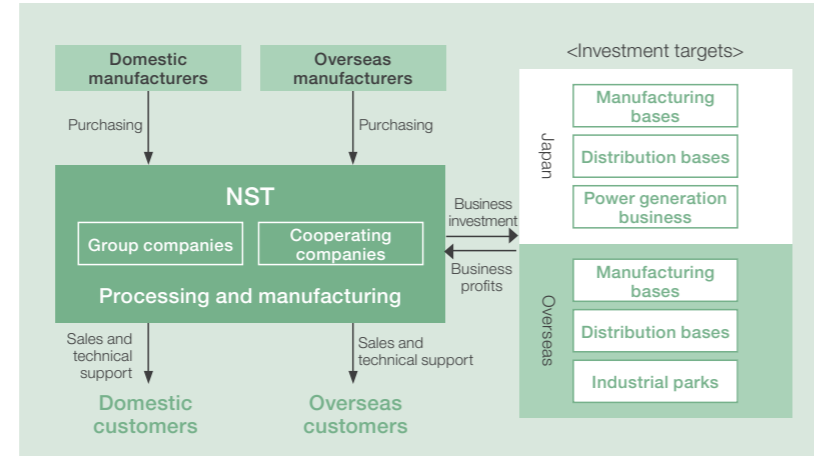
We aim to be a top player in our global niche and deepen our global consolidated management.

## Business activities

The Industrial Supply & Infrastructure Division is composed of three Departments. We provide integrated services including raw materials, machining, unit parts, and installation and sale of machine tools, as well as industrial parks with infrastructure including the electricity supply.

We are also working to establish and reinforce quality control and maintenance functions, to strengthen partnerships with other divisions and open up new areas of business, and to collaborate with partners in order to increase the added-value of our business.

## Business flow



Department	Major products	Overview
<b>Functional Materials</b>	Aluminum products, copper products, metal silicon, magnesium, carbon fibers, etc.	We sell non-ferrous metal materials, and provide proposals combining multiple materials with different characteristics for parts where a single steel material is currently used.
<b>Mobility Business</b>	Cast forged steel parts, precision machined parts, fuel tanks, automotive seat parts, etc.	We provide a variety of automotive parts including engine components and parts for low-emission vehicles.
<b>Infrastructure, Machinery &amp; Railway</b>	Operation and sales of industrial parks, electric power business, machine tools, general industrial tools, railway vehicles, railway equipment, etc.	We develop, operate, and sell industrial parks and supplies electrical power in order to provide support for Japanese companies entering overseas markets. We also engage in export of machine tools to North America and Europe, and domestic sales and exports of railway wheels, axles, and other components.

## Competitive advantages

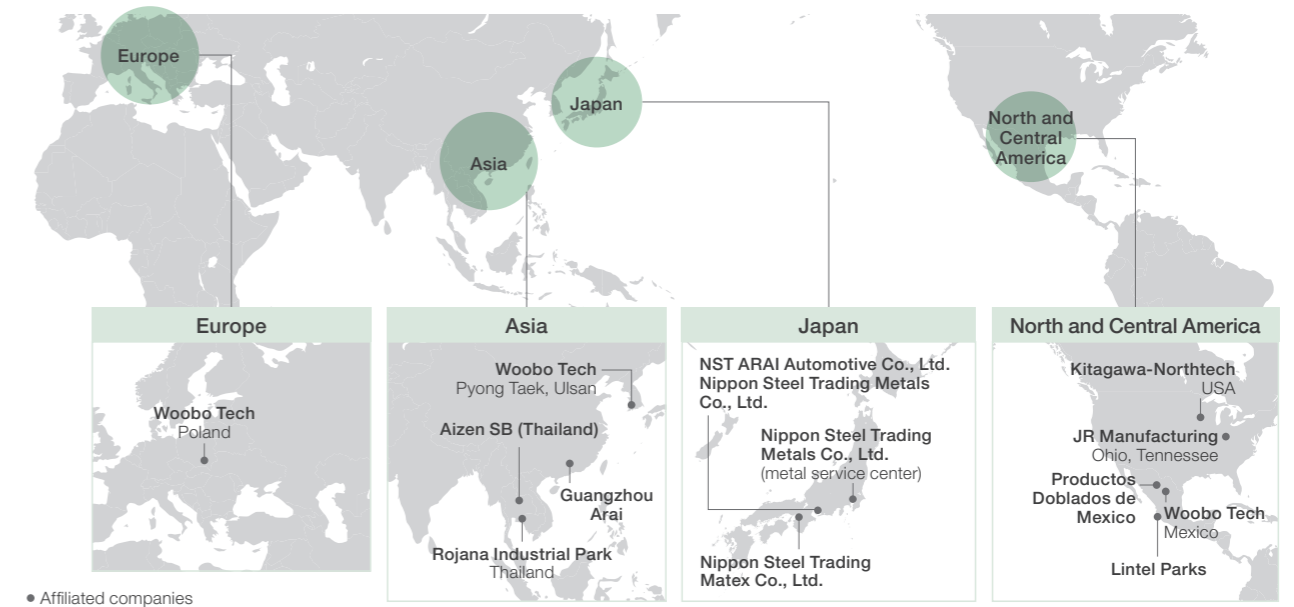
- Functional Materials Department**  
We are capable of proposing high-performance materials that meet a wide range of industry needs for lighter weights and the use of multi-materials. We also provide a supply chain fully supported by our network of branches located in Japan and around the world.
- Mobility Business Department**  
Centered on the crankshafts that we developed in our business for commercial vehicles over many years, we provide a wide range of automotive parts (primarily cast and forged products) including engine components and parts for low-emission vehicles (LEVs). We also have constructed a global supply system consisting of 12 sites in seven countries around the world that provide parts such as headrest stays and other seat components.
- Infrastructure, Machinery & Railway Department**  
Utilizing the expertise in industrial park operations that we have developed over 30 years at the Rojana Industrial Park, which is one of the largest in Thailand, we provide overseas business solutions in Thailand, Vietnam, and Mexico—three countries where Japanese companies are particularly active. We control the largest domestic share of Nippon Steel Corporation railway car wheels, axles, and other products, selling these products in Japan and also exporting them. We also sell welding machines, track maintenance equipment, instruments, and other products produced overseas to railway companies in Japan and other countries. In addition, we have created a maintenance system and provide services which contribute to improving the efficiency of customer work.

## Growth strategy

- Developing and promoting new business that meets social needs related to SDGs**
  - Construction of a closed recycling system for aluminum
  - Expanding the lineup of energy-saving devices and devices for reusing recycled materials
  - Expanding sales of carbon fibers for wind power generation and materials for storage batteries
- Further strengthening the domestic and overseas networks**
  - Utilizing the global network centering on the automotive parts business
  - Expanding the network of overseas industrial parks and power generation business
  - Expanding sales of ODA orders in the railway business
- Development and expansion of products and materials focused on the green transformation**
  - Expanding sales of EV and FCV components
  - Expanding sales of solar panel building materials, lightweight panels, roof-mounted solar power PPA business, etc.
  - Studies for bioenergy and related business

## Business operations

### Automotive parts and multi-material business network



### Overseas industrial parks business



Message from the Top Management of the Industrial Supply & Infrastructure Division  
**Understanding change as an ordinary state of affairs, and becoming a Group with high aspirations that continually accepts new challenges**

Hiroshi Tashiro  
 Managing Executive Officer



The Industrial Supply & Infrastructure Division conducts business centered on the three business areas of the Functional Materials Department which sells non-ferrous metals and high-performance materials, the Mobility Business Department which is responsible for business related to automotive parts, and the Infrastructure, Machinery & Railway Department which operates the railway and machinery business and industrial parks business. We utilize the strengths of each department and are deepening the consolidated management of the entire division in order to reinforce our business foundation.

We recognize that the business environment in Japan and overseas is entering a period of large changes, and as our future growth strategy, we intend to develop and promote new business focused on the green transformation. We will challenge ourselves in a variety of initiatives including constructing a closed recycling system for aluminum, entering the railway construction business in emerging countries, strengthening our solar, wind power, and other renewable energy business, studying a possible bio-energy business, and operating a business based on the trends toward the use of EV and FCV. Through these initiatives, we will make steady progress towards expanding the profit base and contributing to society and the environment.

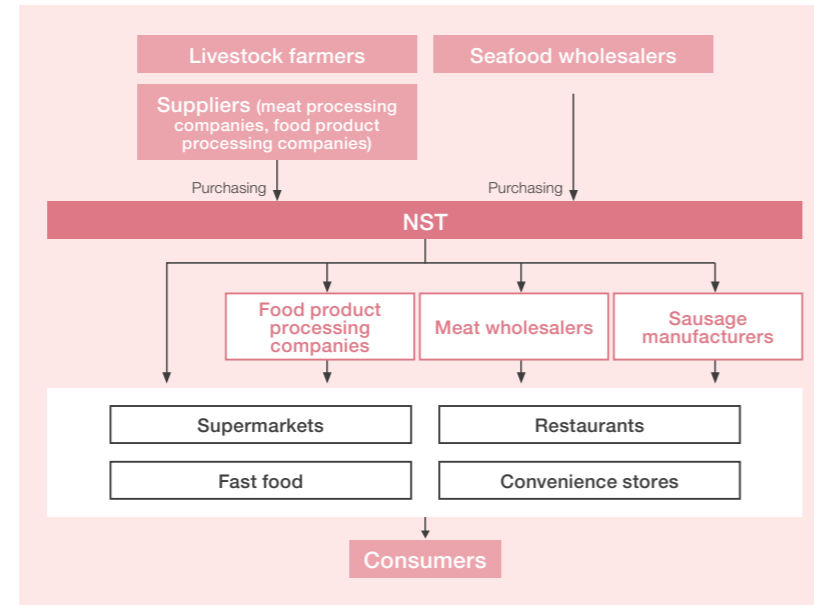
# Foodstuffs Division

As a creator of food value, we provide new food value and solutions that are environmentally friendly and prioritize reliability and safety.

## Business activities

The Foodstuffs Division is engaged mainly in the import and export and trilateral intermediate trading of beef, pork, and chicken meat, as well as processed meat and fishery products. We are promoting the development of high-value-added products, strengthening the departments dedicated to safety and quality control, and further extending our food value chain to respond appropriately to consumer needs.

## Business flow



## Major products

Beef, pork, chicken, and processed meat products

Fishery products such as shrimp and crabs, and processed fishery products

Agricultural products, processed agricultural products, and other foods



## Overview

Based on the industry knowledge, field capabilities, and pioneering efforts to food safety accumulated in our business, we provide high-quality, safe, and reliable foodstuffs that match the tastes of Japanese in food. In addition, we are contributing to the enhancement of food culture by expanding globally to the growing overseas markets. Demand for food is expected to increase further, particularly in emerging countries, and we are actively promoting business related to food SDGs.

## Competitive advantages

- A pioneer in imported meat products**  
We have an industry position and product knowledge that were developed over many years in areas of imported meats such as beef, pork, and chicken, where we became involved long before other companies.
- Top share in Japan for imports of these products**  
In coordination with major overseas suppliers, and the production plants involved in all steps from raising to processing, we carry out stable imports and have maintained our position with the top market share for sales of imported meat.
- Stable supply system and a sales network capable of adapting to changes in the environment**  
We purchase safe and reliable meat and processed foods from countries around the world, and provide the information we have collected from overseas suppliers to our customers.

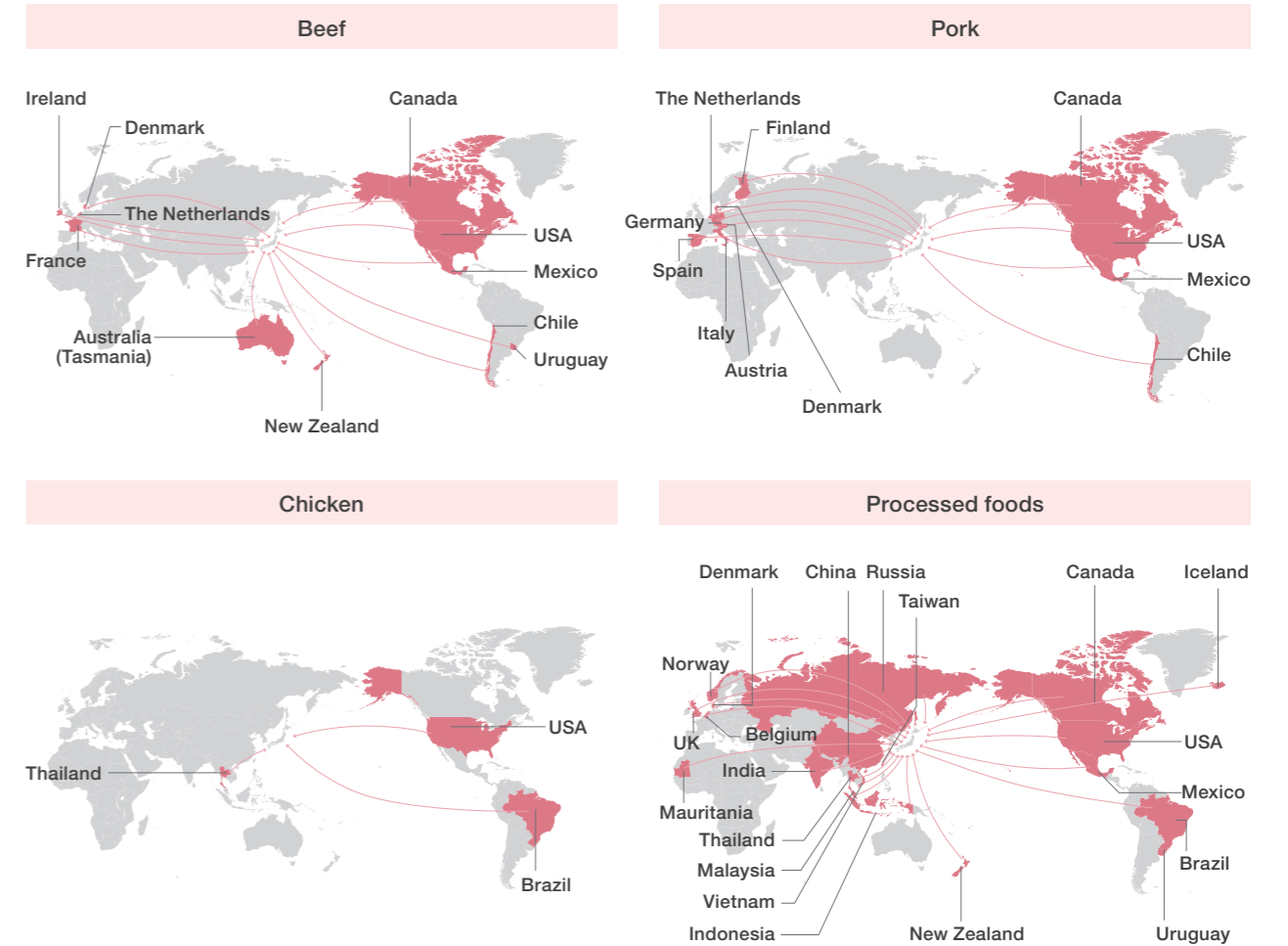
## Growth strategy

- Expanding sales of products that meet social needs related to SDGs**  
■ Fields related to ethical consumption (hormone-free pork, plant-based meat, etc.)
- Development of Southeast Asia markets and expansion of local sales overseas**
- Strengthening the value chain by carrying out M&A and an alliance strategy**
- Strengthening the personnel needed to carry out our growth strategy, assigning the most suitable personnel to each position, and hiring local staff in order to expand local sales overseas**
- Increasing the efficiency of office work through system development, and creating order receipt and placement work systems that connect with distributors and customers**

## Business operations

### Global meat purchasing network

As a pioneer in the field of importing meat products, NST imports safe, reliable, and high-quality foodstuffs from overseas, contributing to the expansion of Japanese food culture. We offer a wide lineup of foodstuffs centering on beef, pork, chicken, and processed foods from countries in North America, South America, Oceania, Asia, and Europe. We have prepared a system that can provide both proposals and products to the customers.



### Message from the Top Management of the Foodstuffs Division Overseas business expansion and SDG-compliant products at the heart of our growth strategy

**Yasuyuki Tomioka**  
Managing Executive Officer



In addition to maintaining and expanding our existing business, the Foodstuffs Division has established a growth strategy that includes expanding sales overseas and developing and expanding sales of SDG-compliant products, and we are focusing efforts on achieving our targets.

In particular, expanding overseas sales is at the heart of our growth strategy, and we are making active use of the recognition and resources of Nippon Steel around the world in order to develop and expand suppliers and sales channels.

For SDG-compliant products, we are carrying out the following initiatives, aiming to contribute to society.

- Development and sales of plant-based meat in order to avoid a shortage in the consumption of protein as a result of global population growth
- Expanding sales of pork raised without the use of antibiotics, which reduces the impact of pig excrement on the environment
- Expanding sales of chicken raised using 100% plant-based protein feed
- Product proposals and expanding sales from suppliers who are efficiently using energy at beef plants and actively working to reduce greenhouse gas emissions

By reliably carrying out these initiatives, we will play a part in the growth of the Nippon Steel Group.

# Textiles Segment

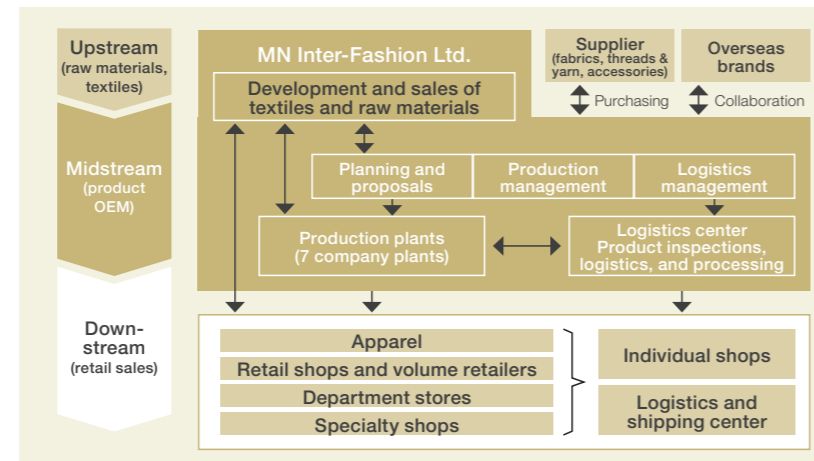
## MN Inter-Fashion Ltd.

Enriching people's hearts through fashion and delivering excitement

### Business activities

Founded as a joint venture with 50% investment from NST and 50% from Mitsui & Co., Ltd, MN Inter-Fashion is now an equity method affiliate of NST. Based on the concept, positioning, and targeting, we are reinforcing our total solution functions that provide one-stop service to meet a wide range of client needs including brand development, product planning and purchasing, investment in production equipment, logistics design, and global market deployment. We procure the optimal materials and utilize our wide network of sewing sites centering on Asia to supply high-quality fashion and textile products.

### Business flow



Business activities	Major products, brands	Overview
<b>OEM/ODM Business</b>	Fashion apparel (men's, ladies') Sports and outdoor functional apparel Home fashion (bedding, interior products) Miscellaneous fashion goods, innerwear, etc.	We propose, produce, and sell a wide range of products that are needed by the customers.
<b>Functional Textiles &amp; Materials Business</b>	PERTEX® CHIKARA (fire-retardant uniforms) TISSAVEL (eco fur piles), etc.	Using our extensive network in Japan and overseas, we continually supply materials such as high-performance textiles and materials to the markets.
<b>Brand Business</b>	HANAE MORI DEDICATED. NAILS INC Pierre Cardin, etc.	With licensed, imported, and original brands, we operate a variety of products that enrich everyday life through brands.
<b>Digital Business</b>	As one initiative for DX in textile products, we are digitalizing woven fabrics, knitted fabrics, pattern data, and other data, and are producing 3D samples using high-definition 3D computer graphic (3DCG) technologies in order to improve work efficiency and carry out eco-friendly and sustainable production.	

### Competitive advantages

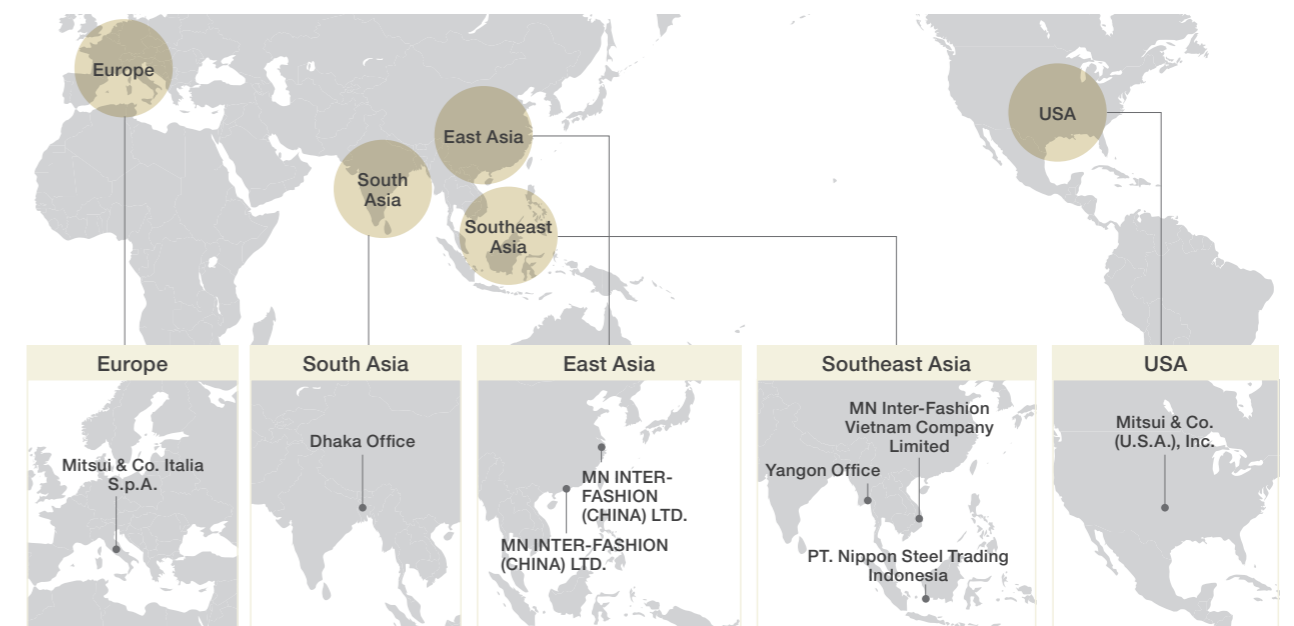
- Strength of our employees**  
The source of the company's power comes from each of its individual employees. In an open and natural corporate culture, a large number of talented individuals are working with a high professional sense and high motivation.
- Diverse portfolio (PF)**  
MN Inter-Fashion Ltd. is a company established through a merger of Nippon Steel Trading Corporation's textile business and Mitsui Bussan I-Fashion Ltd. As a result of this merger, the company's PF became increasingly diverse with OEM/ODM, exports of textiles and raw materials, brand licensing, and other business. Customer assets also largely increased, and we will conduct our business with an agile combination of a diverse business PF and customer PF.
- Comprehensive capabilities (network of global Group companies)**  
In the fashion and textiles field, the distance between industry types is small, and through collaboration and cooperation with our shareholders Mitsui & Co., Ltd. and Nippon Steel Trading, we are able to access all sectors globally.

### Growth strategy

- Rapid return to profitability and advancing to a new growth stage**  
Not limited to our existing business areas, we will challenge ourselves in new fields such as lifestyle products, and will focus on developing growing global markets. In addition to the trading business, we will also carry out an asset utilization and project type businesses, with our partner strategy in particular at the core of new business. In all business areas, we will work with sustainability and DX positioned as important themes.
- Optimizing the organization and personnel assignments**  
We will boldly shift resources to new business areas that are showing sprouts of growth.
- A limitless chain of improving employee engagement and company growth**  
We believe that improving the engagement of each individual employee will lead to company growth and expanded profits, remuneration, and welfare, thereby further boosting engagement. In order to create and operate this cycle, we will formulate and implement policies in management and personnel areas.

### Business operations

#### The globe-spanning MN Inter-Fashion network



### Corporate Philosophy (PVV)

**Purpose**  
Design the future, and deliver value and excitement to the world.

**Vision**  
We are creating the future of fashion together with a combination of diverse personalities, free thinking, and organizational strength.

**Values**

- Set No Limits**  
Go beyond borders. Take another step forward.
- Be Professional**  
Be fully polished. Carry all tasks through as a professional.
- Respect Others**  
Respect diversity. Fulfill trust.
- Be Positive**  
Failure is just another experience.

### Group companies

- Domestic**
- AGL Corporation
  - SB Knit Co., Ltd.
  - SB Planning Co., Ltd.
  - SB Living Co., Ltd.
  - SERVO Corporation
  - SUMI'SACCS Corporation
  - Fashion Net Inc.
- Overseas**
- Qingdao Home Fashion Textile Co., Ltd. (China)
  - Zhuhe Fashion Garment Co., Ltd. (China)
  - Shanghai Echo Fashion Co., Ltd. (China)
  - Shanghai ER Knitwear Ltd. (China)
  - SB Saigon Fashion Co., Ltd. (Vietnam)
  - Suitstar Garment Co., Ltd. (Myanmar)
  - PT. Bengawan Solo Garment Indonesia (Indonesia)

**Shinichi Kihara**  
President and Representative Director

**Kazumi Yoshimoto**  
Executive Vice President and Representative Director



#### Message from the Top Management of the Textiles Segment

#### Maximizing the effects of combining our strengths, and pursuing an expansion of sales through global business

Our company was started on January 1, 2022 as a new textiles trading company. In October of the same year, we established our Corporate Philosophy PVV (Purpose, Vision, Values), and are creating new added value through a global business in a wide range of business areas. We are a group of professionals that boldly and flexibly accepts challenges, aiming to maximize the effects of combining the strengths of our organization and those of our employees with diverse backgrounds. We have positioned the key fields of global, sports, and uniforms as growth areas, and are focusing on strategies for expanding sales on a net sales basis. By first setting our target level of net sales, we will produce the approach and sense of speed required for future growth. We will also actively consider investment and M&A for new business in order to achieve continual growth. A trading company is in a position where it has a bird's eye view of the entire value chain, and in that position we will propose combinations that are adapted to market changes for the supply chain from manufacturers to apparel and retail while applying our company's own originality, and will introduce fresh ideas that will generate added value and contribute to resolving issues at our partners and in society.

# 11-year Financial Summary

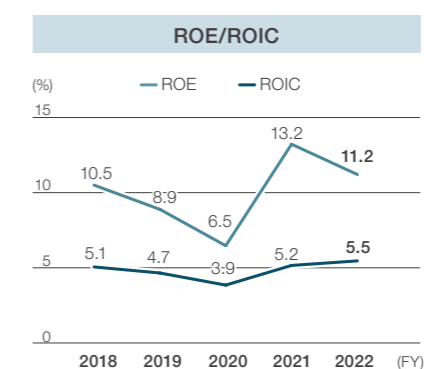
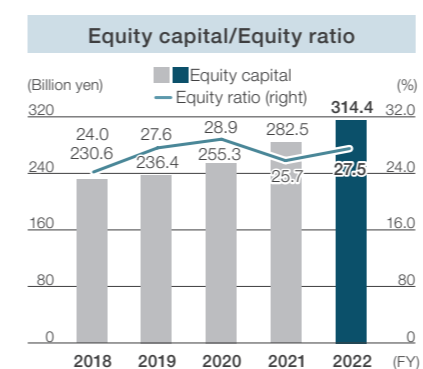
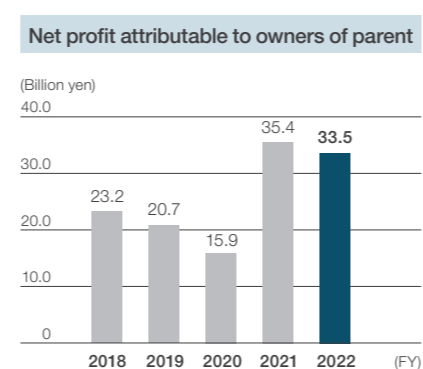
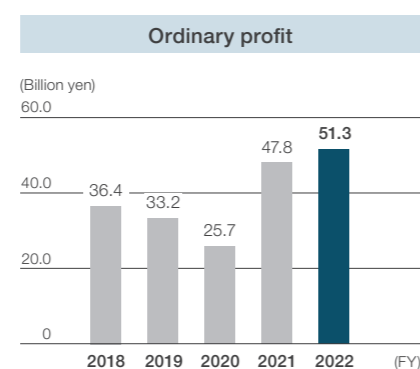
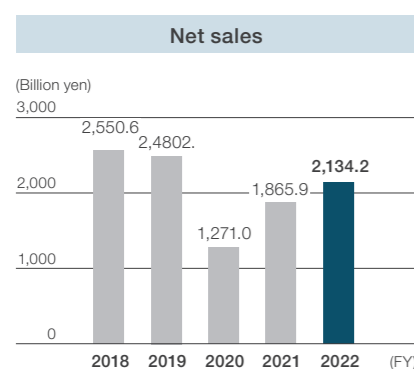
		36th term	37th term	38th term	39th term	40th term	41st term	42nd term	43rd term	44th term	45th term	46th term
	Unit	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Net sales		1,815,130	1,991,577	2,104,606	1,930,845	1,841,353	2,062,316	2,550,612	2,480,256	1,271,050	1,865,907	2,134,280
Ordinary profit		26,533	27,306	30,573	29,025	30,915	35,188	36,427	33,244	25,772	47,810	51,328
Net profit attributable to owners of parent		16,505	25,670	17,434	17,329	18,238	21,726	23,249	20,708	15,992	35,417	33,512
Comprehensive income	Million yen	23,797	37,840	29,879	11,866	21,562	28,018	19,745	14,462	21,321	39,806	47,777
Net assets		140,640	157,554	183,693	190,264	206,187	227,968	249,356	254,877	278,090	308,198	342,828
Total assets		618,423	642,304	692,899	660,664	673,078	776,395	960,173	857,744	883,285	1,100,441	1,142,057
Interest-bearing debt		160,861	189,501	206,282	205,612	196,100	247,622	329,004	300,177	298,398	415,600	425,278
Net assets per share	Yen	—	—	5,394.28	5,612.63	6,143.38	6,815.75	7,150.13	7,329.73	7,917.51	8,759.36	9,748.73
Earnings per share (EPS)		—	—	563.89	560.55	589.96	702.86	720.68	641.97	495.79	1,098.03	1,039.00
Equity ratio	%	20.6	22.2	24.1	26.3	28.2	27.1	24.0	27.6	28.9	25.7	27.5
Net interest-bearing debt ratio (Net D/E ratio)	Times	1.02	1.14	1.06	1.07	0.91	1.04	1.32	1.16	0.95	1.36	1.26
Return on equity (ROE)	%	13.8	19.0	11.2	10.2	10.0	10.8	10.5	8.9	6.5	13.2	11.2
Return on invested capital (ROIC)		5.7	5.2	5.8	5.5	5.9	6.0	5.1	4.7	3.9	5.2	5.5
Cash flow from operating activities		13,319	-16,946	5,234	146	22,282	-29,528	9,386	39,732	47,255	-113,001	6,959
Cash flow from investing activities	Million yen	-7,139	-11,889	-11,568	-3,054	-4,043	-8,842	-76,339	-5,736	-6,451	-5,327	-2,218
Cash flow from financing activities		-9,312	21,369	4,027	-4,855	-14,788	44,064	63,812	-32,679	-9,993	100,633	-9,443

## Indicators related to cash flow

	Unit	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Cash flow to interest-bearing debt ratio	Years	12.1	—	39.4	1,401.8	8.8	—	35.1	7.6	6.3	—	61.1
Interest coverage ratio	Times	5.1	—	2.0	0.1	8.3	—	2.2	9.6	19.3	—	1.2

\* The Accounting Standard for Revenue Recognition and other standards were applied beginning from the start of fiscal 2021. The important management indexes and other numbers related to fiscal 2020 that are listed here are those following retroactive application of these accounting standards.

(Note) Prior to FY2013, the results of the Nittetsu Shoji Co. and Sumikin Bussan Kaisha, Ltd. were simply combined.  
Equity ratio (%): Capital equity divided by Total assets  
Cash flow to interest-bearing debt ratio (Years): Interest-bearing debt divided by Operating cash flow  
Interest coverage ratio (Times): Operating cash flow divided by Interest payments

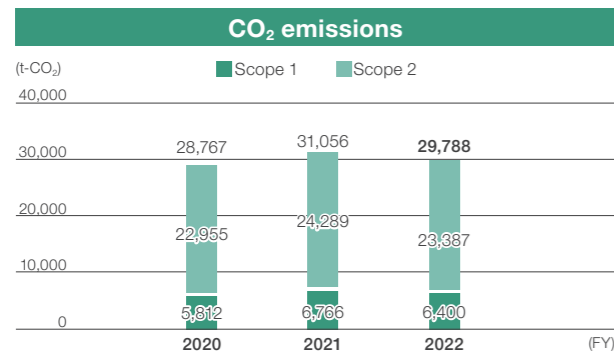




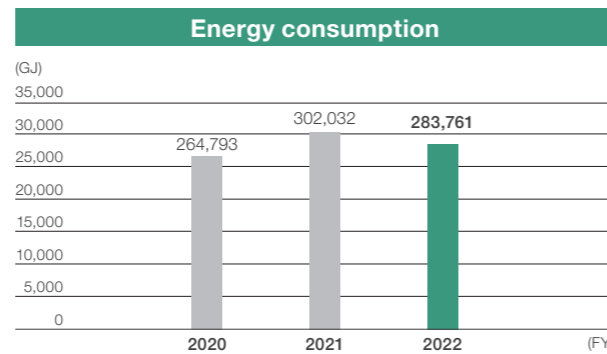
# ESG Data

Environment							
	Subject range	Unit	FY2020	FY2021	FY2022		
Scope 1+Scope 2**			28,767	31,056	29,788		
Scope 1	Consolidated		5,812	6,766	6,400		
Scope 2			22,955	24,289	23,387		
CO <sub>2</sub> emissions	2. Capital goods* <sup>3</sup>	t-CO <sub>2</sub>	416	5,814	699		
	3. Fuel and energy-related activities		257	255	152		
	4. Transport, shipping (upstream)		2,960	3,170	4,498		
	5. Waste produced from business activities		173	279	60		
	Scope 3**		Non-consolidated	419	613	1,379	
	6. Business travel			542	535	380	
	7. Employee commuting			0	0	0	
	8. Lease assets (upstream) **			0	0	0	
	13. Lease assets (downstream) **			0	0	0	
	14. Franchises * <sup>5</sup>			0	0	0	
	Amount of power used		Consolidated	MWh	46,647	50,728	49,066
	Energy consumption* <sup>6</sup>		Consolidated	GJ	264,793	302,032	283,761
	Paper usage* <sup>7</sup>		Non-consolidated	1,000 sheets	16,707	14,070	9,648
	Amount of waste produced		Non-consolidated	t	320	521	278

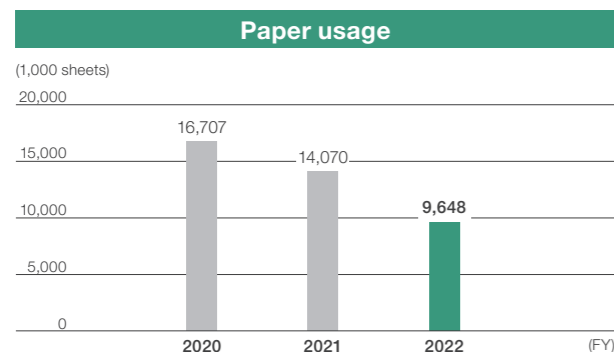
\*1 Because there were some corrections to the results, Scope 1 and Scope 2 have been retroactively corrected for the past fiscal years.  
 Fuel emission factors: (Japan) Greenhouse gas emission quantities based on "List of Calculation Methods and Emission Factors for Greenhouse Gas Emissions in the Calculation, Reporting and Publication System" from the Ministry of the Environment are used.  
 (Overseas) "2006 IPCC Guidelines for National Greenhouse Gas Inventories" are referenced for the fossil fuel unit calorific values and carbon intensity.  
 Electrical power emission factors: (Japan) In fiscal 2022, the adjusted emissions factor in the emission factors for each electrical power company is used. In fiscal 2021 and earlier, the basic emission factor is used.  
 (Overseas) The CO<sub>2</sub> emissions factor for each country as reported by the International Energy Agency (IEA) is used.  
 \*2 Scope 3 is disclosed only for limited categories where it was judged that calculation is possible.  
 \*3 Increased in fiscal 2021 due to acquisition of fixed assets resulting from the relocation of the Head Office.  
 \*4 This is 0 because it is included in Scope 1 and 2.  
 \*5 This is 0 because there is nothing which would be classified as a franchise business.  
 \*6 A unit calorific value for electrical power of 3.6 GJ/MWh is used. Consumption of power from renewable energy sources is not included. Calculations for fuel are made using the unit calorific values in the Act on the Rational Use of Energy.  
 \*7 The results for past fiscal years have been corrected due to a change in the calculation methods.



\* Subjects: NST and consolidated domestic and overseas subsidiaries



\* Subjects: NST and consolidated domestic and overseas subsidiaries



\* Subject: NST (non-consolidated)



\* Subject: NST (non-consolidated)  
 \* Emissions increased in fiscal 2021 due to relocation of the Head Office.

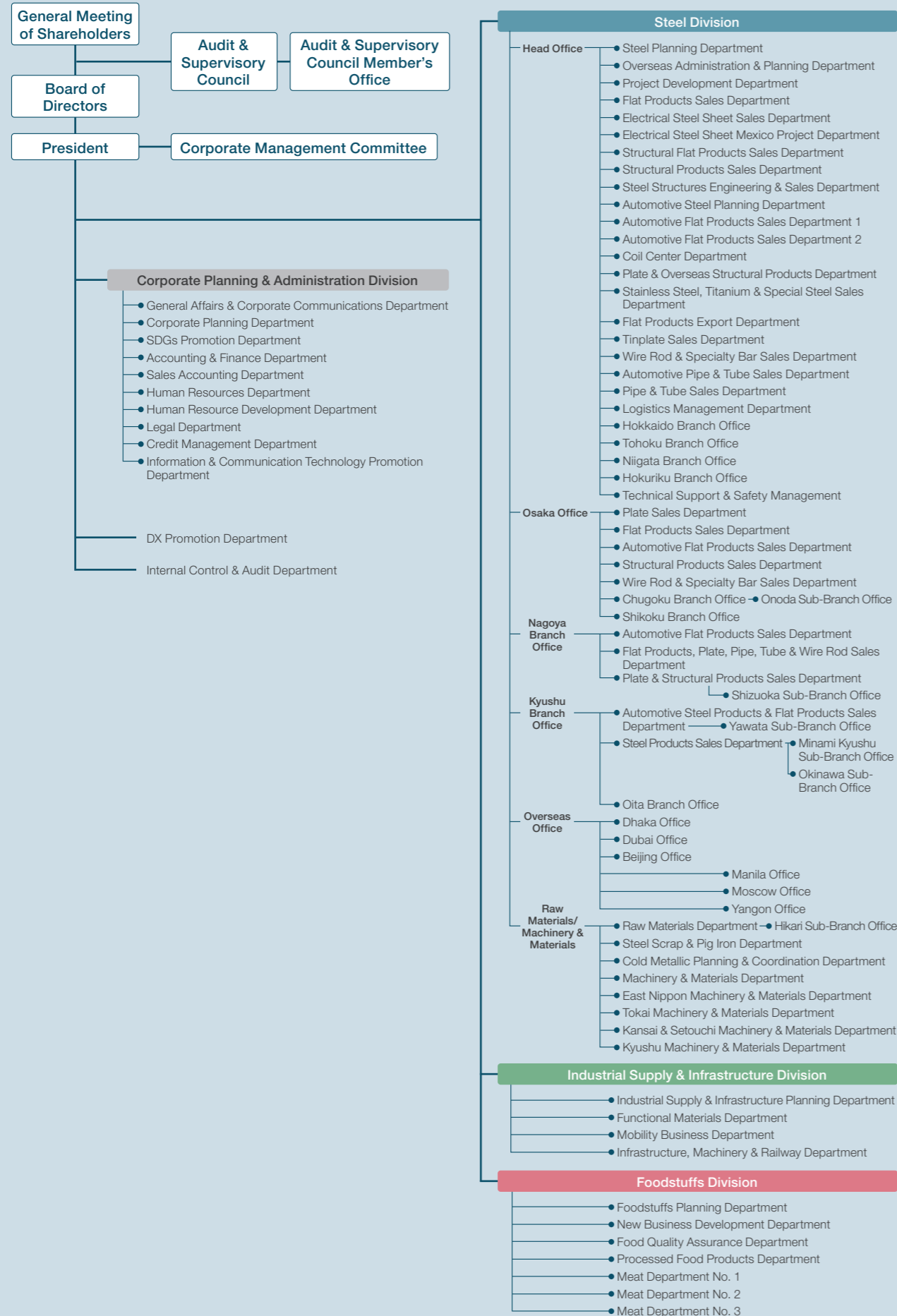
Social (personnel data)						
	Subject range	Unit	FY2020	FY2021	FY2022	
Number of employees	Consolidated	Persons	9,028	6,584	6,580	
	Non-consolidated		1,840	1,327	1,294	
Number of new graduates hired as career-track employees		Persons	48	22	10	
	Men		32	15	9	
	Women		16	7	1	
	Ratio of women		%	33.3	31.8	10.0
	Foreign nationals		5	1	1	
Ratio of foreign nationals		%	10.4	4.5	10.0	
	Men		676	591	588	
	Women		659	577	571	
Number of management positions	Non-consolidated	Persons	17	14	17	
			%	2.5	2.4	2.9
Number of foreign national employees	Non-consolidated	Persons	41	31	31	
Mid-career recruits among regular employees	Non-consolidated	%	23.8	26.7	61.5	
Employment of persons with disabilities	Non-consolidated	%	2.0	2.3	2.3	
Average years of service		Years	14.0	15.6	15.8	
	Men		15.1	16.6	16.4	
Average age		Years	12.5	14.0	14.9	
	Women		43.1	44.5	44.0	
		Years	44.5	45.7	45.1	
	Women		41.4	42.2	42.6	

Social (working styles, health)						
	Subject range	Unit	FY2020	FY2021	FY2022	
Monthly average overtime hours	All employees	Non-consolidated	Years	26.5	30.8	28.6
	Non-management positions			25.3	29.2	26.3
Average days of paid annual leave taken by employees	Non-consolidated	Days	12.0	12.1	13.2	
Percentage of paid annual leave taken by employees	Non-consolidated	%	62.9	63.2	69.0	
Absences for child care (Total days and total persons including special leave)	Total days	Non-consolidated	Days	35	36	29
	Total persons			Persons	48	42
Number of employees taking nursing care leave	Non-consolidated	Persons	0	0	1	
Number of employees taking pre- and post-childbirth leave	Non-consolidated	Persons	21	19	20	
Number of eligible employees taking childcare leave		Non-consolidated	Persons	33	40	32
	Men			13	18	17
	Women			20	22	15
Percentage of eligible employees taking childcare leave		Non-consolidated	%	61.1	58.8	64.0
	Men			39.4	39.1	57.1
	Women			95.2	100	100
Percentage of employees returning to work after childcare leave		Non-consolidated	%	96.9	100	96.8
	Men			100	100	100
	Women			94.7	100	92.8
Average days of childcare leave taken by male employees	Non-consolidated	Days	4.5	7.0	12.5	
Number of violations of the Labor Standards Act	Non-consolidated	Incidents	0	0	0	
Percentage of employees undergoing stress checks	All employees	Non-consolidated	%	95.4	93.4	96.0
Percentage of high stress employees	All employees	Non-consolidated	%	8.2	8.8	8.2
Percentage of employees undergoing regular medical check	All employees	Non-consolidated	%	100	100	100
Percentage of employees undergoing detailed health examinations	All employees	Non-consolidated	%	(No data)	86.5	89.8
Percentage of employees who smoke	Men	Non-consolidated	%	35.4	33.3	33.0
	Women			7.5	7.3	5.9

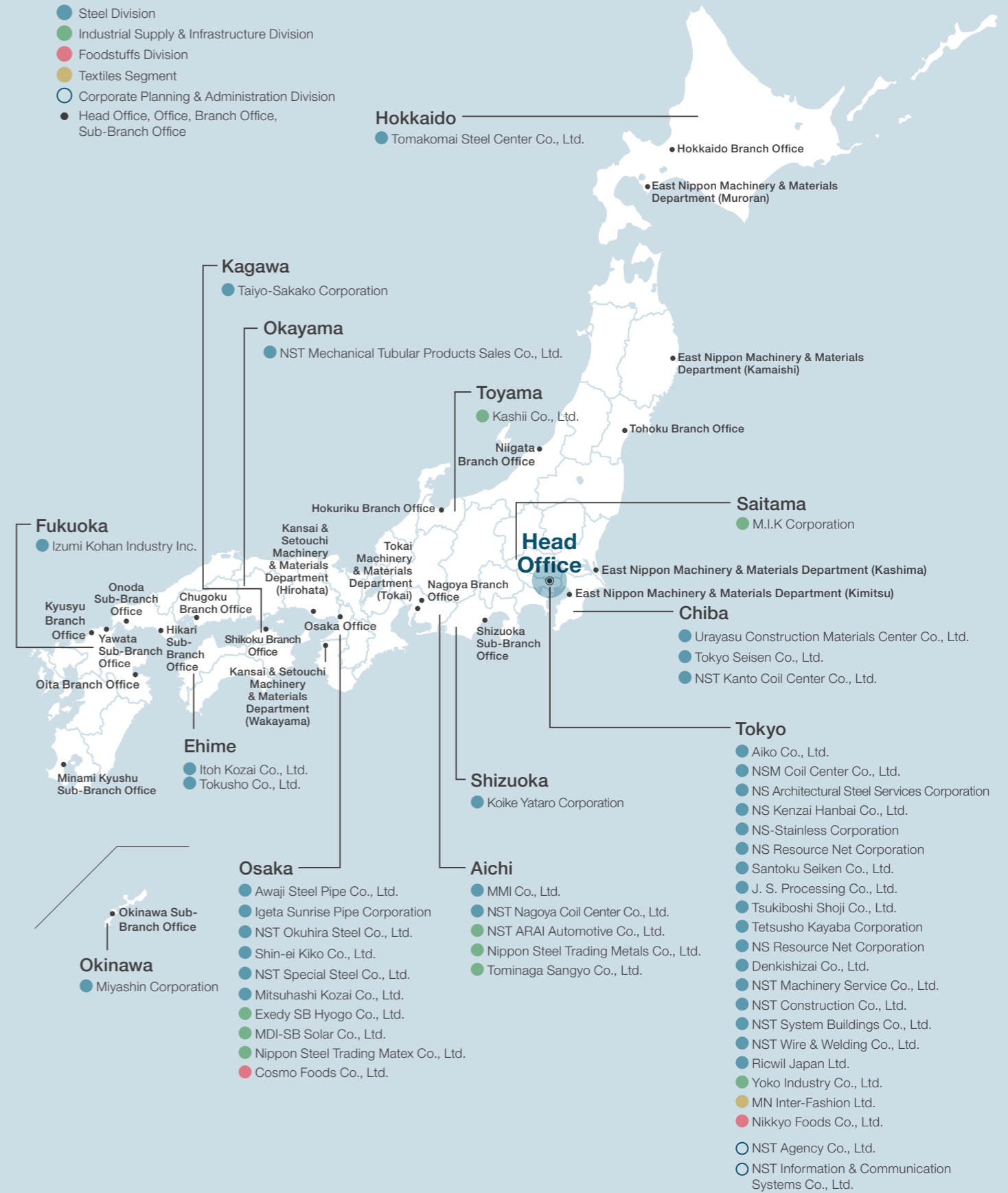
Social (human resources development)						
	Subject range	Unit	FY2020	FY2021	FY2022	
Skills development training	Total training sessions	Non-consolidated	Sessions	23	20	14
	Number of training participants	Non-consolidated	Persons	676	445	367
Number of employees posted overseas	Expatriate staff	Non-consolidated	Persons	180	167	153

\* Skills development training shows the number of training sessions and number of participants for group training.

# Organizational Chart



# Domestic Network



# Overseas Network

- Steel Division
- Industrial Supply & Infrastructure Division
- Foodstuffs Division
- Overseas subsidiaries and offices



**Russia**

- NSE Ltd.
- MOSCOW OFFICE



**Austria**

- NIPPON STEEL TRADING AUSTRIA GmbH



**India**

- Neemrana Steel Service Center India Pvt. Ltd.
- SWASTIK ARAI Tubular Pvt. Ltd.
- NIPPON STEEL TRADING INDIA PVT. LTD.
- NIPPON STEEL TRADING INDIA PVT. LTD. (MUMBAI OFFICE)



**UAE**

- DUBAI OFFICE



**Bangladesh**

- Nippon & McDonald Steel Industries Ltd.
- DHAKA OFFICE



**Myanmar**

- YANGON OFFICE



**China**

- Shanghai Yiyou Metal Products Co., Ltd.
- Tianjin Hua Zhu Metal Products Co., Ltd.
- Shenzhen NS Steel Centre Co., Ltd.
- Dongguan Tetsuwa Metals Co., Ltd.
- Shanghai Nippon Steel Trading Automotive Parts Co., Ltd.
- Suzhou Nippon Steel Service Center Co., Ltd.
- Guangzhou Arai Auto Parts Co., Ltd.
- Shenzhen Tsingtao Beer Asahi Co., Ltd.
- BEIJING OFFICE
- NIPPON STEEL TRADING (CHINA) CO., LTD.
- NIPPON STEEL TRADING (CHINA) CO., LTD. (QINGDAO BRANCH)
- NIPPON STEEL TRADING (CHINA) CO., LTD. (GUANGZHOU BRANCH)



**Korea**

- Kasco Co., Ltd.
- Korea Express SB Co., Ltd.
- Woobo Tech Co., Ltd.
- NIPPON STEEL TRADING KOREA CO., LTD.
- NIPPON STEEL TRADING KOREA CO., LTD. (BUSAN BRANCH)



**Taiwan**

- Kanpai Co., Ltd.
- TAIWAN NIPPON STEEL TRADING CO., LTD. (TAIPEI HEAD OFFICE)
- TAIWAN NIPPON STEEL TRADING CO., LTD. (KAOHSIUNG OFFICE)



**Hong Kong**

- NIPPON STEEL TRADING (HK) CO., LTD.



**Vietnam**

- NST Saigon Coil Center Co., Ltd.
- NST Hanoi Steel Service Co., Ltd.
- NIPPON STEEL TRADING VIETNAM CO., LTD. (HO CHI MINH HEAD OFFICE)
- NIPPON STEEL TRADING VIETNAM CO., LTD. (HANOI OFFICE)



**Philippines**

- MANILA OFFICE



**Malaysia**

- Associated Steel Industries (M) Sdn. Bhd.
- PCM Steel Processing Sdn. Bhd.
- Kemuning NST Sdn. Bhd.
- NST TRADING MALAYSIA SDN. BHD.



**Indonesia**

- PT. IndoJapan Steel Center
- PT. IndoJapan Wire Products
- PT. NIPPON STEEL TRADING INDONESIA
- PT. NIPPON STEEL TRADING INDONESIA (BANDUNG BRANCH)



**Australia**

- NS Resources Australia Pty. Ltd.



**Singapore**

- NST WIRE & WELDING (S) Pte. Ltd.
- NIPPON STEEL TRADING (SINGAPORE) PTE. LTD.



**U.S.A.**

- Kentucky Steel Center, Inc.
- NSPS Metals, LLC
- Kitagawa-Northtech Inc.
- JR Manufacturing, Inc.
- NIPPON STEEL TRADING AMERICAS, INC. (CHICAGO HEAD OFFICE)
- NIPPON STEEL TRADING AMERICAS, INC. (SB MACHINE TOOLS OFFICE)
- NIPPON STEEL TRADING AMERICAS, INC. (LOS ANGELES BRANCH)
- NIPPON STEEL TRADING AMERICAS, INC. (PITTSBURGH BRANCH)
- NIPPON STEEL TRADING AMERICAS, INC. (HOUSTON BRANCH)

Chicago • Pittsburg

Los Angeles • Kentucky • Tennessee

Houston

Agascalientes

Mexico City



**Mexico**

- Aguascalientes Steel Coil Center, S.A. de C.V.
- Productos Doblados de Mexico, S.A. de C.V.
- NIPPON STEEL TRADING MEXICO, S.A. de C.V.

# Group Companies

## Steel Division

Domestic	
Aiko Co., Ltd.	Sales of steel materials and contracting of reinforcement work
Awaji Steel Pipe Co., Ltd.	Processing and sales of steel pipes and accessories
Igeta Sunrise Pipe Corporation	Sales, cutting, and processing of steel pipes and tubes
Izumi Kohan Industry Inc.	Cutting and shearing of steel sheet
Itoh Kozai Co., Ltd.	Processing and sales of steel materials
Urayasu Construction Materials Center Co., Ltd.	Manufacture and sales of construction materials
NSM Coil Center Co., Ltd.	Cutting and processing of steel sheet (coil centers)
NS Architectural Steel Services Corporation	Sales of steel products, processed steel products, and construction material products
NS Kenzai Hanbai Co., Ltd.	Sales and processing of steel products
NS-Stainless Corporation	Processing and sales of stainless steel sheet and other materials
NST Okuhira Steel Co., Ltd.	Forming and sales of steel roof materials, etc., and construction of roofs and exterior surfaces
NS Resource Net Corporation	Import of raw materials
MMI Co., Ltd.	Design and production of cranes, automated transport systems, and other equipment
Koike Yataro Corporation	Forming of roofing materials and wall materials
Santoku Seiken Co., Ltd.	Processing and sales of polished bar steel
Sanwa Precious Steel Co., Ltd.	Processing of steel materials, non-ferrous metals, and other materials
J. S. Processing Co., Ltd.	Scrap processing business
Shin-ei Kiko Co., Ltd.	Cutting, processing, and sales of stainless steel, titanium, and other materials
Taiyo-Sakako Corporation	Manufacture of metal products
Tsukiboshi Shoji Co., Ltd.	Wholesale of steel primary products
Tetsusho Kayaba Corporation	Sales of steel materials, steel raw materials, industrial machinery, and other products
Denkishizai Co., Ltd.	Sales and processing of electrical steel sheet, steel sheet, and non-ferrous metals
Tokyo Seisen Co., Ltd.	Manufacture and sales of secondary products of wire materials
Tokusho Co., Ltd.	Wholesale and processing of boiler components and accessories
Tomakomai Steel Center Co., Ltd.	Cutting and processing of steel sheet (coil centers)
NST Kanto Coil Center Co., Ltd.	Cutting and processing of steel sheet (coil centers)
NST Machinery Service Co., Ltd.	Purchasing agent for materials and equipment
NST Construction Co., Ltd.	Construction and management of steel structure construction and other works
NST System Buildings Co., Ltd.	Design and construction of system architecture
NST Special Steel Co., Ltd.	Sales and machining of ordinary steel and special steel
NST Nagoya Coil Center Co., Ltd.	Cutting and processing of steel sheet (coil centers)
NST Mechanical Tubular Products Sales Co., Ltd.	Cutting, processing, and sales of steel pipes, tubes and bars
NST Wire & Welding Co., Ltd.	Sales of special steel, welding materials, and wire material products
Ricwil Japan Ltd.	Manufacture of heat insulating steel tubes
Mitsuhashi Kozai Co., Ltd.	Melt-cutting and sales of steel plates
Miyashin Corporation	Sales of steel tubes and tube materials

Overseas	
<b>U.S.A.</b>	
Kentucky Steel Center, Inc.	Cutting and processing of steel sheet (coil center)
NSPS Metals, LLC	Cutting and processing of steel sheet (coil center)
<b>Mexico</b>	
Aguascalientes Steel Coil Center, S.A. de C.V.	Cutting and processing (coil center) of steel sheet, and manufacture and sales of press molded products
<b>China</b>	
Shanghai Yiyou Metal Products Co., Ltd.	Manufacture and sales of stainless steel, non-ferrous metal, and other metal products
Tianjin Hua Zhu Metal Products Co., Ltd.	Cutting and processing of steel sheet (coil center)
Shenzhen NS Steel Centre Co., Ltd.	Cutting and processing of steel sheet (coil center)
Dongguan Tetsuwa Metals Co., Ltd.	Cutting and processing of steel sheet (coil center)
Shanghai Nippon Steel Trading Automotive Parts Co., Ltd.	Manufacture and sales of steel products for automobiles, appliances, electronic devices, and buildings
Suzhou Nippon Steel Service Center Co., Ltd.	Cutting and processing of steel sheet (coil center)
<b>Korea</b>	
Kasco Co., Ltd.	Expansion processing of steel tubes
Korea Express SB Co., Ltd.	Warehousing and delivery business
<b>Thailand</b>	
NST Coil Center (Thailand) Ltd.	Cutting and processing of steel sheet (coil center)
NST Tubular Processing (Thailand) Co., Ltd.	Processing and sales of steel pipes and tubes
NST WIRE & WELDING (Thailand) Co., Ltd.	Sales of wire material products and special steels
Bangkok Eastern Coil Center Co., Ltd.	Cutting and processing of steel sheet (coil center)
Yawata Electrode (Thailand) Co., Ltd.	Manufacture and sales of welding materials
Central Motor Wheel (Thailand) Co., Ltd.	Manufacture of steel wheels for automobiles
Nichiwa (Thailand) Co., Ltd.	Sales of weld nuts and cold-forged products
Thai Special Wire Co., Ltd.	Manufacture and sales of wire materials
<b>Vietnam</b>	
NST Saigon Coil Center Co., Ltd.	Cutting and processing of steel sheet (coil center)
NST Hanoi Steel Service Co., Ltd.	Cutting and processing of steel sheet (coil center)
<b>Indonesia</b>	
PT. IndoJapan Steel Center	Cutting and processing of steel sheet (coil center)
PT. IndoJapan Wire Products	Wire drawing of wire materials
<b>Malaysia</b>	
Associated Steel Industries (M) Sdn. Bhd.	Forming and installation of long roofs and side walls
PCM Steel Processing Sdn. Bhd.	Cutting and processing of steel sheet (coil center)
<b>Bangladesh</b>	
Nippon & McDonald Steel Industries Ltd.	Shearing and sales of steel sheet
<b>India</b>	
Neemrana Steel Service Center India Pvt. Ltd.	Cutting and processing (coil center) of steel sheet, and manufacture and sales of press molded products
<b>Singapore</b>	
NST WIRE & WELDING (S) Pte. Ltd.	Sales of wire material products and special steels
<b>Russia</b>	
NSE Ltd.	Import and sales of construction equipment, machinery, and steel products
<b>Australia</b>	
NS Resources Australia Pty. Ltd.	Australian raw material investment business

## Industrial Supply & Infrastructure Division

Domestic	
Exedy SB Hyogo Co., Ltd.	Sales of electricity through solar power generation
<b>M.I.K Corporation</b>	
Sales of kitchen equipment	
<b>MDI-SB Solar Co., Ltd.</b>	
Sales of electricity through solar power generation	
<b>Kashii Co., Ltd.</b>	
Manufacture of aluminum balconies and other exterior products and billboards	
<b>Tominaga Sangyo Co., Ltd.</b>	
Sales of non-ferrous metals and ordinary steel materials	
<b>NST ARAI Automotive Co., Ltd.</b>	
Manufacture of automotive parts such as headrests and stays	
<b>Nippon Steel Trading Matex Co., Ltd.</b>	
Sales of industrial machinery	
<b>Nippon Steel Trading Metals Co., Ltd.</b>	
Cutting, processing and sales of non-ferrous metals	
<b>Yoko Industry Co., Ltd.</b>	
Sales of non-ferrous metals	

Overseas	
<b>U.S.A.</b>	
Kitagawa-Northtech Inc.	Sales of hydraulic chucks and cylinders for NC lathes
JR Manufacturing, Inc.	Manufacture of automotive parts
<b>Mexico</b>	
Productos Doblados de Mexico, S.A. de C.V.	Manufacture of headrest stays, seat wires, etc.
<b>China</b>	
Guangzhou Arai Auto Parts Co., Ltd.	Manufacture of headrest stays and seat parts
<b>Korea</b>	
Woobo Tech Co., Ltd.	Manufacture of automotive headrests and armrests
<b>Thailand</b>	
Rojana Industrial Park Public Co., Ltd.	Creation of and lot sales at industrial parks
Rojana Power Co., Ltd.	Sales of electricity and steam from natural gas fired power generation
Rojana Energy Co., Ltd.	Sales of electricity through solar power generation
Aizen SB (Thailand) Co., Ltd.	Manufacture of automotive parts and other products
<b>Malaysia</b>	
Kemuning NST Sdn. Bhd.	Sales of electricity through solar power generation
<b>India</b>	
SWASTIK ARAI Tubular Pvt. Ltd.	Manufacture of automotive parts such as headrests and stays

## Foodstuffs Division

Domestic	
Cosmo Foods Co., Ltd.	Development and sales of processed meat products
<b>Nikkyo Foods Co., Ltd.</b>	
Sales of meat and processed meat products	

Overseas	
<b>China</b>	
Shenzhen Tsingtao Beer Asahi Co., Ltd.	Beer production
<b>Taiwan</b>	
Kanpai Co., Ltd.	Chain operation of yakiniku restaurants and other businesses

## Textiles Segment

Domestic	
MN Inter-Fashion Ltd.	Purchasing and sales of functional materials, functional textiles, industrial materials, apparel, fashion goods, home fashion, and other products; brand marketing and other business related to textiles and fashion

## Corporate Planning & Administration Division

Domestic	
NST Agency Co., Ltd.	Property insurance agency business, general travel agency business, contracting business
NST Information & Communication Systems Co., Ltd.	Contracting of computer operations, software development