

June 11, 2024

London Stock Exchange
London

Dear Madam, Sirs,

Sub: Tata Steel expresses concern at UK media reports on policy differences between the UK government and the opposition on its transformation plan

This has reference to the above captioned subject.

In this connection, we wish to inform that, **Tata Steel Limited (the 'Company'/'Tata Steel')** confirms that it will **continue with the announced closure of the heavy end assets and restructuring program at Port Talbot in the coming months.**

Over the last three years, Tata Steel, part of India's Tata Group, one of the UK's largest private sector investors and the UK Government have worked hard to develop a sustainable future for Tata Steel UK and the Port Talbot Plant.

We are therefore apprehensive reading UK media reports suggesting that the £1.25 billion investment, the largest in many decades in British steelmaking, may be put in peril due to policy differences expressed by the Conservative and Labour parties, during the ongoing election period. We urge and request the current and the incoming government post-elections, to adhere to and safeguard the agreed terms of the £500 million package of support for the Electric Arc Furnace (EAF) project announced in September 2023. This project has been developed to ensure production of low-emission high-quality steel in Port Talbot, preserving primary steelmaking in Britain and creating the potential for a future green manufacturing cluster in South Wales.

The current heavy end assets of Port Talbot are nearing their end of life, are operationally unstable and are resulting in unsustainable financial losses. The coke ovens, a critical facility for primary steelmaking, had to be closed in March 2024, as operations became infeasible and unsafe. Therefore, the Company is compelled to continue with its plans to decommission Blast Furnace #5 at the end of June, followed by decommissioning of Blast Furnace #4 by the end of September. The downstream assets will continue to service customers by utilising imported semi-finished steel till the new EAF is built and commissioned.

In April, the Company completed an exhaustive 7-month process of national-level formal and informal consultations on all options with the Unions and concluded that the multi-union plan which involved continuity of Blast Furnace #4 through the transition is not technically, operationally or financially viable, putting the EAF build at risk and delaying the transition by at least two years.

To mitigate the impact of the announced restructuring, a generous voluntary redundancy programme has been developed and is being offered to the impacted employees.

The proposed grant funding from the UK Government is ring fenced for building the new EAF, which is critical to securing long-term supply of steel for Tata Steel's UK downstream assets and protecting 5000 jobs in various Tata Steel UK sites. It is not linked to the ongoing financial losses and the instability of the existing heavy end assets, whose closure is now underway and immutable. We are therefore concerned with the UK media reports since yesterday as further political uncertainty on the timing and form of the grant will place the EAF project and the long-term future of steelmaking at Port Talbot at significant risk.

This clarification is being provided in terms of Regulation 30(11) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seeg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

