

Corus Group Limited S.172 statement for Financial Year 2024

This report sets out how the directors have had regard to the matters set out section 172(1)(a) to (f) when performing their duties under section 172 of the Companies Act 2006. This requires directors to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so have regard (amongst other matters) to:

- (a) The likely consequences of any decision in the long term;
- (b) The interests of the company's employees;
- (c) The need to foster the company's business relationships with suppliers, customers and others;
- (d) The impact of the company's operations on the community and the environment;
- (e) The desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) The need to act fairly as between members of the company.

Corus Group Limited (CGL) is an investment holding company and is the immediate parent of Tata Steel's principal operating company in the UK, Tata Steel UK (TSUK), and an indirect subsidiary of Tata Steel Europe Limited (TSE). During the year the UK Value Chain comprising of TSE and TSUK along with its subsidiaries, has continued to follow governance arrangements appropriate for the size and scope of the Company. Further information in relation to the governance arrangements of TSE and TSUK is contained in their Annual Reports, which are available on the Tata Steel Europe website.

The TSE Board is focused on financial governance and oversight of the consolidated results of the TSE Group. Day to day management of the Company rests with the Directors, with day-to-day management of TSUK's operations sitting with a leadership team in the UK under a Chief Executive Officer reporting to the Chairman of TSUK.

The Chairman of TSUK, the Chief Financial Officer and the Chief Legal Officer and Company Secretary of TSUK are directors of the Company. The Chairman of TSUK is also a member of the TSE Board and a director of the Company's immediate parent board, Tata Steel Netherlands Holdings BV.

The TSE Group promotes high standards of corporate governance throughout the organisation and the CGL Board supports these standards. For the year ended 31 March 2024, TSE has applied the Wates Corporate Governance Principles for Large Private Companies and TSE's statement for the year ended 31 March 2024 has been published on the Tata Steel UK website.

As it is a holding company, the CGL Board holds meetings when required to consider the impact of key proposals and material matters affecting CGL. New directors inducted into the Company are made aware of their directors' duties, including section 172(1) of the Companies Act, 2006. Induction materials are refreshed and made available to all directors via a Board portal.

During the financial year the Board has considered and approved matters of a material nature including finance arrangements and equity restructuring.

With regard to section 172(1)(a)-(f), given it is an investment holding company, CGL's has limited stakeholders as compared to its subsidiary TSUK.

Further disclosures with regard to direct stakeholder impact of group companies are included in the TSE Report and Accounts and TSUK Report and Accounts for the year ended 31 March 2024. The CGL Board is conscious of the impact business decisions relating to its Group may have on stakeholders (including shareholders, employees, pensioners, subsidiaries, banks and Government bodies) as well as the wider impact on society. The Board recognises that given the complexity of the TSE Group not all decisions taken will align with all stakeholder interests. Accordingly, the CGL Board takes decisions that it believes best support CGL's strategic objectives.

Corporate Governance

For the year ended 31 March 2024, companies in the TSE group have applied the Wates Corporate Governance Principles for Large Private Companies as an appropriate framework for their governance arrangements. Further information on how those principles have been applied by TSUK is set out on pages 25-29 of the TSUK Report & Accounts 2024. The Company supports its subsidiaries in implementing these principles in their operating businesses. Additional comments relating to CGL are set out below.

Principle 1 - Purpose and Leadership

Corus Group Limited (CGL) is an investment holding company and is an immediate parent of Tata Steel's principal operating company in the UK, Tata Steel UK Limited (TSUK), and an indirect subsidiary of Tata Steel Europe Limited (TSE). The TSE Board is focused on financial and corporate governance and oversight of the consolidated results of the TSE Group.

The CGL Board is principally concerned with assuring CGL's financial statements. The governance arrangements of the wider TSE Group are detailed in the TSE Annual Report, which is available on the Tata Steel Europe website.

Tata Steel was established in India in 1907. Sir Jamestji Tata, founder of the Tata group, believed that "in a free enterprise, the community is not just another stakeholder in business but is in fact the very purpose of its existence". The vision of the TSL Group is to strive to be the global steel industry benchmark for value creation and corporate citizenship. All of these activities are underpinned by the Tata values, which are outlined below.

There are five core values which are shared by all Tata companies worldwide and which continue to direct the growth and business of these companies and inform expected behaviours and practices. These values are Pioneering, Responsibility, Excellence, Unity and Integrity and underpin the way the Company does business.

Principle 2 - Board Composition

During the FY23/24 financial year the board comprised three Directors. Two Directors of the Company are also appointed to the board of TSUK, which is the principal operating entity in the UK.

The Board's current composition is expected to allow it to continue to meet the strategic needs of the Company and the UK Value Chain and support effective decision making to meet its future challenges. All members of the Board have extensive experience of the steel manufacturing sector, the wider Tata Steel Group and the markets in which the Company operates. The size and composition of the Board therefore remains appropriate for the size and complexity of the Company.

The Board has representation from different ethnic backgrounds although does not currently have any women directors.

CGL does not have its own Nominations Committee as this is dealt with at TSL level. The Securities and Exchange Board of India (SEBI) monitors and regulates the corporate governance of TSL, which is a listed Company in India.

Management of the Company's affairs as a holding company rests with Directors whilst the strategic and operational management of the UK Value Chain rests with TSUK and its management team.

Principle 3 - Directors responsibilities

The Board convened meetings as and when required to discuss material matters affecting the Company and its subsidiaries, including the Company's necessary compliance and governance approvals. Directors' interests are reported at each Board meeting.

Principle 4 - Opportunity and Risk

The Board has considered for approval material matters in addition to monitoring the performance of the Company and the CGL Group's longer term financial sustainability. Decarbonisation continues to be a key risk although progress has been made toward identifying proposals which would enable the Company's principal subsidiary to address its sustainability and CO2 reduction objectives for a sustainable business in the long term. As noted elsewhere in the report, decarbonisation of the UK steelmaking business is expected to include support by way of £500m in grant funding from His Majesty's Government. It is expected that CGL will guarantee performance of TSUK's obligations under those agreements.

The principal risks and uncertainties affecting CGL and mitigating actions taken in respect of them are set out in the Strategic report on page 4 of the annual report.

Principle 5 - Remuneration

Given it is an investment holding company, CGL does not have any employees and as such no director received any remuneration during the year in respect of their services to the Company as shown in note 2 of the financial statements.

The remuneration of Company Directors who hold positions in the wider TSL Group is a matter for the parent company, TSL.

In relation to gender pay gap reporting, TSUK has published its Gender Pay Gap Report for 2024. Further information in relation to the Gender Pay Gap is available on page 11 of the TSE 2024 Annual Report and on the Corporate Governance pages of the Tata Steel Europe Website ([Corporate Governance | Tata Steel in Europe \(tatasteelgroup.com\)](https://www.tatasteelgroup.com/Corporate-Governance)).

Principle 6 - Stakeholder Relationships and Engagement

As an investment holding company, CGL has limited stakeholders and stakeholder engagement is therefore primarily driven through the activities of TSUK or other members of the Tata Steel group. Directors of the Company participate in this engagement..

Statement of engagement with suppliers, customers and others in a business relationship with the company

As an investment holding company, CGL has limited business relations with third parties apart from other Group companies.

Statement of engagement with employees

The Company has no (2023: no) employees as shown in note 2 of the financial statements.

Information disclosed in the Strategic Report

In accordance with section 414C (11) of the Companies Act 2006 the directors have chosen to disclose the following information in the Company's Strategic Report:

- Principal risks and uncertainties;
- Factors likely to affect the Company's future development and position;
- Particulars of any events affecting the Company which have occurred since the end of the financial year;
- The Company's employees; and
- Going concern disclosure.

Statement as to disclosure of information to the Company's auditors

Each director in office at the date of this Directors' Report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the relevant steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.