

April 1, 2025

President's Message at FY2025 Company Entrance Ceremony

In the rapidly transforming skyscrapers of Nihonbashi, the full-bloomed cherry blossoms welcome you all to this new beginning. Congratulations. I would like to warmly welcome all 63 of you as new employees of Nippon Steel Trading (NST).

During your high school and university years, you navigated through more than three years of the COVID-19 pandemic. Not only did you adapt to changes in daily life, but you also witnessed significant structural transformations in societal and economic environments. Despite these challenges, you continued to learn and grow through your studies, club activities, seminars, part-time jobs, and overseas experiences. I have read through the introduction sheets of all 63 of you and could clearly see the results of your hard work and achievements. With the experiences you've amassed, you are here today with great hopes and dreams that you wish to realize at our company. Seeing your hopeful faces, I feel very encouraged and determined to support you in achieving your dreams within the stage that NST provides.

Let me take a moment to share a brief history, current status, and future strategy of our group. Our company was established in 2013 through the merger of Sumikin Bussan Corporation and Nippon Steel Trading Co., Ltd. Though the two companies had different cultures and climates, they overcame various challenges as the business environment evolved, and continued to grow. In the fiscal year 2018, we achieved record earnings compared to the simple aggregation of the pre-merger companies. I believe it is fair to say that the integration and harmonization of the two entities has been fully accomplished. Although the fiscal years 2019 and 2020 saw declining profits due to the pandemic's impact, since the fiscal year 2021, we have been working towards achieving our Medium- to Long-Term Management Plan, which has its core concept: "Becoming a strong growth company that contributes to society" The key initiatives we have undertaken include the realization of sustainable profit growth through the promotion of our growth strategy, the advancement of human capital management, and the deepening of ESG management.

As a result, we have achieved record profits for three consecutive years starting from fiscal year 2021. Our group has steadily strengthened its capabilities, establishing a level of fundamental profit exceeding 50 billion yen, excluding one-time factors, as we reach the final year of our Medium- to Long-Term Management Plan. We are, indeed, entering a growth

phase.

Meanwhile, the business environment remains highly unpredictable. We have entered an era where rapid and significant changes come in quick succession. Factors such as U.S. diplomatic and tariff policies under the Trump administration, economic stagnation in China, political instability in major European countries like Germany and France, and the prolonged war between Ukraine and Russia are all intricately intertwined, impacting not only the global economy but also affecting the supply-demand dynamics, prices, and supply chains of the products we handle.

Despite such circumstances, a company must not halt its progress towards growth, regardless of environmental changes. This fiscal year marks the final year of our Medium- to Long-Term Management Plan. Our true potential will be tested in how effectively we can exert our capabilities amidst the drastically changing environment. We will tackle the completion of the current Medium- to Long-Term Management Plan as a unified group whilst simultaneously formulating the next Medium- to Long-Term Management Plan for the fiscal years 2026 to 2030. We aim to develop the strategies necessary for our group to continue its sustainable growth as the true core trading company of the Nippon Steel Group, showing what our group should look like in 2030. And we will walk this journey together.

I have shared the history, current status, and future strategy of our group. I hope you now understand that NST Group is steadily on the growth path and that the stage for your future performance has expanded more than ever before.

The NST Group's primary business resource is its people, or all employees of NST Group companies. Your growth through everyday work as a member of NST Group employees will lead to the further growth of our Group. Today, you became a member. I hope that you will get accustomed to life as a working adult first, learn how to do your work under the guidance of your supervisors and superiors, and play an active role as our strategic assets as soon as possible.

The keywords of NST's Employee Code of Conduct are Challenge, Growth, Reliability, and Borderless. Please act with this Code of Conduct as the guideline of your life as a working adult. I hope that by acting based on the Employee Code of Conduct, you will become a member of a group of professionals that is second to none in their fields—a group of professionals that always responds to customers' wishes and creates new products and

values on their own. For all of you to become professional human resources, we ensure on-site educational training and a wide range of opportunities for growth through a wealth of experience. I would like you to work on each task by bearing in mind of your personal growth.

I sincerely hope that each of you will develop yourself at your workplace. To support your growth, I would like to talk about the three things I value most and I always impart to young people.

The first thing is to thoroughly practice the "consider, judge, and act" process. I want you to rack your brain about how to undertake the present operations more effectively and efficiently, how to respond to risks arising from environmental changes, what chances can lead to the growth of the company, and so forth. After racking your brains, what is important is that you or the organization quickly and precisely judge and take action with conviction. If this process is established, it will improve yourself and enhance organizational capabilities, eventually leading to the further growth and development of the NST Group. In managing the Group, I value the saying: "When taking responsibility by yourself, making judgements independently, and acting autonomously, people display their full potential." I highly expect your independence and autonomy.

The second thing is to maintain a challenging spirit without any fear of failure. You will encounter various difficulties in your work. Sometimes, you may fail. What is important is how to act after such failure. It is often said that failure is the highroad to success, but this is not applicable to everyone. As well as those giving up easily or running away, those who recklessly continue to take on a challenge in the same way will not see success. What is important is to take on a challenge once again with a strong conviction after finding the key to success that is hidden in the failure.

Thirdly, I want you to treasure an encounter with people. You will meet many people from now on. In every encounter, please remember the spirit of "Ichigo Ichie," which means "once-in-a-lifetime encounter," and deal with people with sincerity. The accumulation of such wonderful encounters will surely be your asset. The first step for this is meeting employees of 63 who have joined the company with you. I hope that you will form a strong bond with your precious colleagues and aim for the realization of your dream in your future life at the company while helping each other and sometimes competing with each other.

Lastly, I once again celebrate the joining of the 63 new employees and offer my heartfelt

words of encouragement. Congratulations! Take care of your health and let's strive for the sustainable growth of the company with the motto "Together, More."