

TATA STEEL



Corus Group Limited

Report & Accounts 2026

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A. Directors and Advisors

Directors

H Adam
A J Page
K De

Company Secretary

A J Page

Registered Office

18 Grosvenor Place
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Company number

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Independent Auditors

PricewaterhouseCoopers LLP
Statutory Auditors
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Cardiff
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B1. Group's business

Introduction

The directors have pleasure in presenting their Strategic Report, together with the audited financial statements of Corus Group Limited ('CGL' or the 'Company'), and its consolidated subsidiary companies (the 'Group') for the year ended 31 March 2026.

Following the October 2021 separation of Tata Steel Europe Limited into two businesses centred in the UK and mainland Europe, all of the entities which are part of the CGL Group reflect the full extent of Tata Steel's UK business (the 'Group'). The Company has therefore chosen to present consolidated accounts for the first time in 2025/26 in order to show the extent of its operations and present a complete view of the financial position of the Group. As such, whilst the consolidated results for the current period are audited, the consolidated results for the comparative period are unaudited.

Ownership

CGL is incorporated in England and Wales and is an indirect subsidiary of Tata Steel Europe Limited. The ultimate parent company is Tata Steel Limited ('TSL'), which is a company incorporated in India with shares listed on BSE Limited (formerly the Bombay Stock Exchange Limited), Mumbai and the National Stock Exchange of India, and with global depository receipts listed on the London and the Luxembourg Stock Exchanges.

Principal activities

The principal activities of the Group are the manufacture and sale of steel products throughout the world with the majority of the Group's operations occurring in the Company's subsidiary Tata Steel UK Limited ('TSUK'). Following the closure of Port Talbot's primary steelmaking facilities in September 2024, the Group is currently operating a "re-roller" model whereby imports of purchased slab and coil are converted to finished products through mills and other downstream facilities. This model is in place whilst the Group constructs a state-of-the-art Electric Arc Furnace ('EAF') at its Port Talbot site with the support of TSL and of the UK Government which is providing a grant of up to £500m. This EAF is a critical step on the Group's transition to a sustainable, green steelmaking business.

The Group owns or has access to sales offices, stockholders, service centres and joint venture or associate arrangements in a number of markets for the distribution and further processing of steel products. Principal end user markets for the Group's steel products are engineering, construction, automotive, retail and packaging.

Further information on the Group can be obtained from either TSUK's website (www.tatasteeluk.com) and/or the TSL 2025/26 Integrated Report & Annual Accounts which may be obtained from TSL's website (www.tatasteel.com) or its registered office at Bombay House, 24 Homi Mody Street, Mumbai, 400 001.

Strategic activities

International trade developments were a key theme in the steel industry during 2025/26 and announcements of increased trade measures for steel in the USA and EU led to increased imports into the UK, where tariff free quotas exceeded domestic demand for several of the Group's product categories. This resulted in a decline in the Group's UK market share and a significant reduction in UK steel selling prices. Historically aligned with North European prices, UK selling prices experienced a sustained and substantial discount of up to approximately £96/t during the year. In March 2026 the UK Government announced proposals for new trade measures relating to steel effective from 1 July 2026 which are expected to narrow this price disparity during 2026/27, supporting the Group's path to profitability.

Responding to these market headwinds, the Group continued its turnaround plan during 2025/26 and implemented additional fixed cost savings to improve efficiency. These efforts have resulted in structural cost savings of approximately £220m compared to 2024/25, and around £450m since the cessation of primary steelmaking in 2023/24.

The EAF project represents the largest transformation undertaken in the UK steel industry in a generation. The new furnace is expected to reduce Port Talbot's carbon emissions by around 90%, equivalent to 5 million tonnes of CO₂ annually, while ensuring sustainable, high quality steel production and supporting approximately 5,000 UK jobs. As one of the world's largest EAF installations, it will melt UK-sourced scrap steel to produce approximately 3 million tonnes of steel per year and will be supported by new ladle metallurgy facilities, significant site infrastructure upgrades and advanced steelmaking technologies.

2025/26 was marked by several important milestones in the Group's transition journey. TSUK broke ground on the EAF site, formally commencing major construction activity and signalling the beginning of a new phase in sustainable steelmaking in Wales. Additional progress was made across the supply chain and supporting infrastructure, including the advancement of new processing facilities, major upgrades to site logistics and handling areas, and the commencement of large scale civil works to prepare for the installation of next generation steelmaking equipment.

B2. Principal risks and uncertainties

The principal risks and uncertainties affecting the Group and the action taken are as follows:

Risks	Mitigating factors
Health, safety, environmental and other compliance matters	
<p>The Group's priority at all times is minimising any adverse impact of its activities upon the environment and also the health, safety and wellbeing of staff and contractors. Available capital expenditure funding is therefore prioritised to this area. The Group has policies, systems and procedures in place aimed at ensuring compliance and there is a strong commitment from the leadership of the business to continuously improve health and safety performance, enforce compliance and to minimise the impact of the Group's current and future operations on the environment.</p> <p>The Group's businesses are subject to numerous laws, regulations and contractual commitments relating to health, safety, the environment and regulatory compliance in the countries in which it operates. The risk of substantial costs, liabilities and damage to reputation related to these laws and regulations are an inherent part of the Group's business.</p> <p>Improving environmental performance and its linkage to "licence to operate" is a key focus of the Group. The "licence to operate" of the Group depends on the balance which its businesses achieve between the value of their products and services to society, the jobs they create, their contributions to communities and local economies, and their environmental footprint.</p>	<p>Through its principal operating subsidiaries, the Group deploys a positive culture of managing safety, health and environmental ('SHE') risks. This includes the escalation of these risks to a TSL SHE Committee.</p> <p>A key area of focus for the Group's operations and procurement has been to minimise environmental impacts by selecting raw materials on their environmental credentials (as well as quality) in order to minimise landfill tonnages and to identify external opportunities for use/sale of by-products.</p> <p>The Group continues to engage with legislators to secure a level playing field, for example in areas such as the REACH (Registration, Evaluation, Authorisation & restriction of Chemicals) scheme. The disparities in legislation across steel producers in different countries reinforce the continued need to build brand reputation and customer loyalty.</p> <p>The Group is increasing its contact with local communities closest to its manufacturing operations to explain the measures taken by the Group to reduce emissions and avoid environmental nuisance.</p>
Digital Resilience	
<p>The cyber environment in which the Group operates requires continuous scanning of threats and constant review of controls to prevent an increasing risk exposure, utilising new technology and maintaining existing hardware at all levels. The Group is committed to having the right cyber security standards and practices to ensure it is equipped to defend itself from cyber incidents.</p> <p>The increasing threat of cyber-attacks has continued as a genuine business risk due to large scale criminal activity targeting major businesses across all industries. This risk is amplified by an increasing sophistication of attacks and significant organisational change, as well as increasing interconnectedness of systems and obsolete technologies making recovery more challenging. The profile and impact of these risks has also been widely publicised in the UK following significant outrages for JLR, Marks and Spencer and the Co-Operative. Similar attacks could lead to extended operational downtime, reputational harm, data compromise, and high recovery costs. The Group therefore has a focus on preventative measures to help maintain a low level of vulnerability.</p>	<p>Significant investment has been committed to combat the increasing global threat from cyber incidents to manufacturing companies, including continuing investment in a central Operational Security Service (including a Security Operations Centre), and both IT and process control security projects to improve resilience, manage security incidents and improve event detection.</p> <p>Specific focus and investment has been placed on awareness and education, protection from viruses, malicious software and external hacking, managing core network components, and contingency planning and resilience for digital business critical components.</p> <p>Regular vulnerability assessments and penetration testing are also key components of the UK Group's cybersecurity strategy.</p>

B2. Principal risks and uncertainties

Risks	Mitigating factors
Climate Change	
<p>Climate-related risks are central to the Group's risk register. This includes climate change-induced physical risks such as those linked to rising sea levels and extreme weather events disrupting supply chains (e.g. storms, flooding, droughts, severe winds), and transition risks which include technological, policy and market changes to adapt to a lower-carbon economy.</p> <p>For the steel industry, transition risks include increased costs within the UK Emissions Trading Scheme and a reduction in the free allocation of CO₂ allowances under this scheme. There is an expectation that in the future the allocation of CO₂ allowances is likely to be substantially lower than projected emissions which is likely to expose the Group to higher operating costs. Carbon compliance costs continue to present a competitive disadvantage to the Group over competitors in less carbon-constrained jurisdictions.</p> <p>One of the major challenges facing the steel sector is the ambition to move towards low CO₂ steelmaking with key stakeholders putting pressure on the industry to make a step change in CO₂ emissions. The Group is working in partnership with the UK government on the shared objective of creating an achievable, long-term plan to support its transition to a competitive, sustainable and low carbon future.</p> <p>In September 2024, the UK Government committed to a grant of £500m towards the announced £1.25bn investment in Electric Arc Furnace construction and enhancement of the Hot and Cold Mill operations at Port Talbot. This large capital build project comes with associated project management requirements to mitigate risks to achieving project delivery on time and within budget. Tata Steel UK Limited has built a skilled project team to manage the Electric Arc Furnace Capex build and other operational enhancements. This is supported by a selection of experienced construction management and supply partners. It is recognised that certain factors are outside of the control of the Group and may not be able to be fully mitigated and accordingly there remains a risk that the announced £1.25bn investment in the Electric Arc Furnace may end up costing significantly more than the original estimates.</p>	<p>Physical risks for which mitigations are in place include flood-risk management on TSUK sites and resilience planning in respect of raw material suppliers declaring Force Majeure because of shipping delays.</p> <p>By transitioning to an electric arc furnace, TSUK will reduce its ETS-scope CO₂ emissions by approximately 90% compared to the steady state prior to the decommissioning of integrated steelmaking. This change in technology substantially reduces TSUK's exposure to carbon costs as the emissions are so much lower. There remains an ongoing exposure to carbon compliance costs which needs to be managed, but this is much less than would have been the case had the transformation from integrated to EAF steelmaking not been implemented.</p> <p>Whilst the transition to EAF steelmaking will substantially reduce the carbon compliance costs for TSUK, these will still be substantial and for this reason ongoing carbon leakage mitigation is required.</p> <p>The UK Government has indicated that it will introduce a Carbon Border Adjustment Mechanism from the start of 2027. The Group is supportive of this as it will ensure that carbon compliance costs broadly equivalent to those borne by UK steel producers will be levied on steel imported from outside the UK where less carbon constraint currently exists. The precise details of the UK CBAM are still being consulted upon and care will be needed in its design and implementation if it is to meet its stated policy intent.</p> <p>The Group will be monitoring proposed ETS and CBAM schemes (which will not be introduced at the same time) and the impact this will have on domestic markets in terms of import volumes and price premiums for greener steel. The Group is and will continue to work with UK policy makers to ensure strong alignment between the different geographies and the effectiveness of CBAM to prevent carbon leakage into the UK, which will be critical to the success of the decarbonisation projects.</p>
Long Term Competitiveness	
<p>The Group's manufacturing facilities are mostly based in the UK which is a relatively high cost area and where demand growth for steel products is lower than in developing parts of the world. Increasing raw material costs as well as high energy and CO₂ costs challenge the long-term competitiveness of its products.</p>	<p>In order to maintain its ability to successfully compete in the long term the Group is undertaking a number of initiatives, including cost reduction measures and business specific improvement plans.</p> <p>The most significant of these initiatives is the Transformation programme, which aims to deliver operational, commercial and supply chain improvements and enable the Group's businesses to reach sustainable levels of EBITDA even in an economic downturn. As part of the Transformation programme, the Group will continue to target and grow its offering of a high value, differentiated product mix to the market.</p>

B2. Principal risks and uncertainties

Risks	Mitigating factors
Financing	
<p>The Group is financed through an external rolling credit facility (RCF) and through the support of its parent companies in the wider Tata Steel group.</p> <p>The Group is committed to long-term financial independence and in recent years significant sums outstanding as loans to the Group from TSL Group companies have been converted into equity or waived. Short term facilities have been put in place for the Group in order to help manage liquidity.</p> <p>The continued support of the Tata Steel group and the UK Government is key to ensure that the Group will continue to have access to funding to complete the construction of its EAF and to meet operational activity needs.</p>	<p>In order to effectively manage this risk, the forecast requirements of the Group continue to be closely monitored and 'downside' sensitivities are undertaken regularly to ensure the adequacy of facilities.</p> <p>As part of the wider TSL group, the Group has good relationships with external banks and has a proven ability to access sources of financing when required.</p> <p>As referenced on page 32, the Group's main operating subsidiary TSUK benefits from a letter of support from TSL Group companies in order to help refinance or repay certain of its funding facilities if required, amongst other matters.</p> <p>Following the signing of the Grant Funding Agreement with the UK Government in September 2024, there is assurance as to support from the UK Government with a grant available of up to £500m to complete the construction of the EAF.</p>
Raw materials and energy	
<p>The Group's post steelmaking transitional period of operations, prior to Electric Arc Furnace commissioning, will require the Group to be able to access imported slab and coil in order to continue to supply its customers. Global slab availability may be limited when maintenance of Blast Furnaces in other countries is occurring and the introduction of EU CBAM in 2026 could also reduce the availability of slab.</p> <p>The Group is exposed to the higher UK energy prices, UK gas storage capability, unseasonable weather variations, and geopolitical issues. These contribute to market volatility that can materially increase electricity and gas costs above annual plan and competitors.</p>	<p>The Group has secured a number of long term supply agreements from key strategic partners in order to guarantee supply and maintain flexibility in secure sourcing of required substrate. A significant proportion of the purchased slab and coil is now being sourced from Tata Steel's other operations in India and the Netherlands with over two thirds of the Group's slab requirement is planned to be sourced from Tata Steel's Indian operations.</p> <p>Within the Group's Transformation programme, opportunities are being sought with suppliers to extract greater value from contracts by strengthening of supplier relationships, negotiating better payment terms and leveraging the buying power of the TSL Group to lower costs of consumables and key raw materials.</p> <p>Exposure to energy shortages and price increases are a very relevant risk at the moment due to global market price pressures exacerbated by the Middle East conflict. These risks are closely watched and extreme volatility in the market is partly mitigated by short term price hedging. In addition, the Group continues to target measures to reduce its energy requirements, e.g. by efficiency improvements.</p>

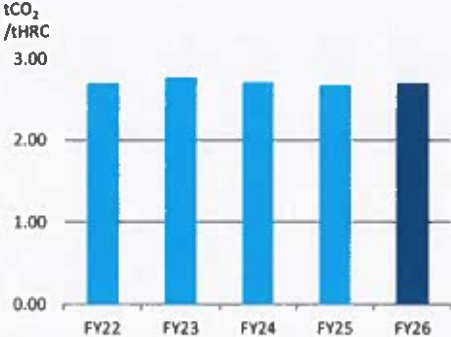
B2. Principal risks and uncertainties

Risks	Mitigating factors
Trading in global steel market	
<p>The Group's financial performance continues to be significantly shaped by the dynamics of the global steel market and the economic climate in the UK and EU, where steel producers are facing intense pressure from rising import levels and a persistent decline in demand, particularly for hot-rolled flat products.</p> <p>Intensified Market Pressures and Trade Flow Redirection The global steel market has been characterised by increased steel safeguard measures, leading to price-driven competition in the Group's main market in the UK and a reduction in prices and revenue. Significant changes in safeguard measures and a global rise in protectionism are causing a redirection of trade flows and uncertainty, amplified by persistent variability in US Trade Measures and new "melt and pour" requirements.</p> <p>Insufficient domestic protection Anti-dumping and anti-subsidy measures are currently insufficient to establish level-playing field with imports with quotas exceeding UK demand. With UK safeguards expiring on 30 June 2026, the UK Government has provisionally announced the new quota framework which provides increased protection from low cost imports for most of the Group's products compared to the current regime. TSUK continues discussions with the government on galvanised steel and hollow sections for which the new measures may not have the desired effect of establishing a level-playing field for UK producers.</p> <p>Carbon Border Adjustment Mechanism (CBAM) The introduction of CBAM in the EU poses a risk, as does proposed design differences between UK and EU CBAM, making the UK a more attractive destination for high-emission imports from third countries in 2026. The longer-term impact of CBAM, which only applies to semi-finished products, creates a risk of Original Equipment Manufacturers (OEMs) relocating manufacturing outside CBAM regions or switching to materials not covered by the mechanism (e.g. aluminium).</p>	<p>Tata Steel UK Limited actively pursues several strategies to mitigate these risks:</p> <p>Proactive Government Engagement: The Group maintains continuous communication with the UK government. This engagement aims to influence the UK steel strategy, particularly in areas concerning robust trade defence mechanisms, competitive energy costs, and supportive public procurement policies.</p> <p>Strategic Product Differentiation: To counter tariff risks and intense competition, the Group leverages a strong product portfolio, such as specialised packaging materials for the USA market. These products are difficult for local competitors to replicate due to the substantial investment, advanced technical capabilities, and long lead times required.</p> <p>UK Safeguards The UK has proposed a new, rigorous quota framework, from July 2026, to establish a level playing field for the domestic steel industry.</p>
Performance and operations	
<p>Whilst the Group seeks to increase its offering of differentiated/premium products which are less dependent on steel market price movements, it still retains focus in the UK on improving its operational reliability, product quality, and taking measures to protect against unplanned interruptions and asset failure.</p>	<p>Best practices in asset management, enhancing technical knowledge and skills, improving process safety, targeted capital expenditure and focused asset risk management remain as priorities for the business.</p>

B3. Key performance indicators (KPIs)

KPI	Rationale	Comments																														
<p>Safety:</p> <table border="1"> <caption>Safety KPI Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>LTIF</th> <th>Recordables</th> </tr> </thead> <tbody> <tr> <td>FY22</td> <td>2.4</td> <td>4.0</td> </tr> <tr> <td>FY23</td> <td>2.7</td> <td>4.2</td> </tr> <tr> <td>FY24</td> <td>2.6</td> <td>4.1</td> </tr> <tr> <td>FY25</td> <td>1.9</td> <td>4.1</td> </tr> <tr> <td>FY26</td> <td>2.3</td> <td>4.2</td> </tr> </tbody> </table>	Fiscal Year	LTIF	Recordables	FY22	2.4	4.0	FY23	2.7	4.2	FY24	2.6	4.1	FY25	1.9	4.1	FY26	2.3	4.2	<ul style="list-style-type: none"> This shows the lost time injury frequency rate ('LTIF') from continuing operations to provide a basis of comparison with industry peers. The frequency rate (as with 'recordables') is reported per million hours worked as a rolling twelve-month average. Recordables are defined as all work related incidents resulting in harm to a person or persons excluding those that require no more than first aid treatment. 	<ul style="list-style-type: none"> LTIF was 2.37 in 2025/26 compared to 1.90 in 2024/25. The recordables rate, which includes lost time injuries as well as minor injuries, increased slightly from 4.02 in 2024/25 to 4.15 in 2025/26. Refer to the health and safety section on page 11 for further information. 												
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B3. Key performance indicators (KPIs)

KPI	Rationale	Comments
Environment: 	<p>cessation of primary steel making.</p> <ul style="list-style-type: none"> Following the closure of the Group's blast furnaces in 2024, crude steel is no longer produced and the worldsteel CO₂ intensity methodology (tCO₂/tcs) is no longer applicable. The Group now measures and monitors greenhouse gas (GHG) emissions using an operationally relevant intensity metric of tonnes of CO₂ per tonne of hot rolled coil produced (tCO₂/tHRC), consistent with its current re-roller operating model. This metric provides a more meaningful indicator of environmental performance during the transition period, reflecting emissions associated with downstream steel processing activities, including electricity and fuel consumption, and supports alignment with the Group's broader decarbonisation pathway as set out in the Non-Financial Sustainability Information Statement. 	<ul style="list-style-type: none"> The Group's total greenhouse gas emission intensity in 2025/26 was 2.69 tCO₂ per tonne of hot rolled coil (tCO₂/tHRC) (2025: 2.67 tCO₂/tHRC). This reflects a broadly stable overall emissions intensity during the transition to a re-roller operating model. Scope 1 emissions intensity reduced significantly to 0.13 tCO₂/tHRC in 2025/26 (2025: 0.94 tCO₂/tHRC), reflecting the cessation of primary steelmaking following the closure of the blast furnaces at Port Talbot and the associated reduction in direct combustion emissions. Scope 2 emissions intensity decreased slightly to 0.04 tCO₂/tHRC (2025: 0.05 tCO₂/tHRC), benefiting from lower electricity consumption intensity and procurement arrangements within downstream operations. Scope 3 emissions intensity increased to 2.52 tCO₂/tHRC (2025: 1.68 tCO₂/tHRC), primarily driven by the increased reliance on imported semi-finished steel and feedstock during the re-roller phase of operations. The change in emissions profile across scopes reflects the Group's altered operating boundary and value-chain position following the transition away from integrated steelmaking. As a result, historic crude-steel-based metrics and worldsteel benchmarks are no longer relevant, and performance is now monitored using a GHG-based intensity measure aligned to hot rolled coil processed. Refer to page 29 for further information.

*FY26 – Audited; FY22-25 Unaudited

B4. Business Review

Business environment and prospects

Dynamics of the business

The steel industry is cyclical. Financial performance is affected by general macroeconomic conditions that set the demand for steel from downstream industries, as well as by available global production capacity, raw material prices and exchange rate relativities. As integrated steel players seek to maintain high capacity utilisation, changes in margins across regions lead to changes in the geographical sales pattern. As a result, in addition to market developments in the UK and Europe, changes in the global market for steel influence the financial performance of the Group.

Macroeconomic environment

Global economic growth accelerated slightly in 2025 with an increase of 3.0% (2024: 2.9%) after three years of deceleration. A gradual lowering of interest rates supported economic growth. At the same time, newly introduced US tariffs impacted global growth by affecting global trade. Consumer inflation was at 3.4% globally, lower than the 4.5% in 2024 but still above levels seen in earlier years (3.0% in 2016-2020).

In China GDP growth remained stable at 5.0% (2024: 5.0%), in line with the government target. The weakness in domestic demand and the property market continued. Chinese industrial production decelerated to 4.5% in 2025 (2024: 5.0%) with exports supporting the economy.

The EU economic growth accelerated to 1.6% (2024: 1.0%) and the UK economy to 1.4% (2024: 1.1%). The moderate growth in the EU was helped by monetary easing by the European Central Bank which implemented a series of rate cuts in the first half of the year (from 3.15% to 2.15%). Inflation remained historically high at 2.5% (2024: 2.6%). Growth varied across the sectors. Whilst activity in services grew, output in manufacturing remained low due to reduced demand from the local and global markets as well as high energy costs impacting competitiveness. Economic growth was uneven across the individual economies. GDP in France and Italy grew by respectively 0.9% and 0.7% whilst Germany grew by 0.4%.

Steel demand and production

Global steel demand decreased by -1.9% in 2025, after a decrease of -1.5% in 2024. Demand in China decreased strongly by -7.1% (2024: -5.4%) mainly due to the persistent weakness in the housing market. In the EU28, demand increased by 3.8% (2024: 1.7%) mainly due to low volumes recorded in the earlier years. In the EU, the main steel-using sectors continued to be negatively affected by weak macroeconomic conditions. Output in the automotive and machinery sectors remained in recession in 2025. The construction sector recorded low growth, with residential construction being the slowest growing subsector.

In 2025 global steel production decreased by -2.1% to 1,799 Mt (2024: -0.6%). Steel production in China decreased by -4.6% to 955

Mt (2024: -1.4%) and equated to 53% (2024: 55%) of global steel production. In the EU, the production level remained at a lower level at 126 Mt representing a decrease of -2.7% (2024: 2.6%) as more than 20% of the blast furnaces were idled in response to low demand for steel. In recent years, crude steel output in the EU has declined from 161 Mt in 2017 and 153 Mt in 2021 to 126 Mt in 2025.

Raw materials and steel prices

The principal raw materials for the Group are steel in the form of slab and coil. These prices are set by reference to benchmark indices based on prices achieved in Europe or the UK.

The European steel spot Hot Rolled Coil price (Germany) decreased in 2025 to €598/t (-€28/t). The highest price was achieved in April at €649/t due to new trade policies by the EU. After a reduction of the steel price in the summer period, the price started to recover in anticipation of the implementation of the Carbon Border Adjustment Mechanism and due to higher import offers, ending the year at €615/t in December.

Trade

Exports from China to the rest of the world were at a record high in 2025 at 119 Mt as domestic demand for steel in China decreased significantly, whereas the decline in production was more moderate. The high exports from China resulted in a growing amount of trade cases globally. In 2025 imports into the EU increased to 29.7 Mt (2024: 27.3 Mt) and imports into the UK increased to 7.2 Mt (2024: 6.4 Mt). The higher imports led to an increase in the market share of imports from 19.4% in 2024 to 20.6% in 2025. The trend where the steel-using sectors in the EU are increasingly sourcing steel from third countries continued. The EU remained a net importer of steel with net imports of 14.9 Mt (imports: 29.7 Mt, exports: 14.8 Mt). The UK too remained a net importer of steel with net imports of 4.7 Mt (imports: 7.2 Mt, exports: 2.5 Mt). The region became a net importer of steel in 2015.

Prospects for 2026

In 2026, weak global demand, stronger protectionism and geopolitical uncertainty are expected to negatively impact the economy in the UK and EU by limiting investment and exports. As a result, low economic growth of 0.4% in the UK and 1.0% in the EU is expected. Output growth in the steel-using sectors in the EU is expected to remain reduced in 2026, with construction anticipated to be the strongest sector. A modest increase of 1.3% of the demand for steel in the EU28 is forecast by worldsteel for 2026. On the policy side, from January 2026 the European Commission has introduced the Carbon Border Adjustment Mechanism, ensuring that imports face a carbon cost comparable to steel produced in the EU. From July 2026 onwards, new trade measures in both UK and EU are expected to be introduced to address global overcapacity, replacing the current safeguards. The aim of the new trade measures is to restore to a level playing field similar to market conditions in 2013-2014 by reducing the current import quotas by about half and doubling the out-of-quota tariffs.

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Both the CBAM and the new trade measures are expected to improve the competitiveness of domestic steel production in the UK and EU.

Civil society advocacy

The Group's businesses continuously engage with governments at various levels and other civil society stakeholders, such as non-governmental organisations, to inform the elements of public policy and regulation relevant to the business. The objective is to help create the right conditions for a sustainable steel industry through adoption of policies which would create a level playing field with international competitors, a competitive cost base and attractive conditions for innovation and investment, including energy prices, taxation, carbon pricing and leakage, public procurement and international trade.

Climate change and decarbonisation is the most significant area of engagement with civil society stakeholders. Engagement with the UK Government has centred on how plans for decarbonisation can be funded and ensuring the business secures the right policy environment for industrial decarbonisation.

Employees

Health and safety

The health, safety and wellbeing of employees, contractors, and all those affected by its operations remain the foremost priority for the Group as it continues to pursue its goal of zero harm. The Group's clear ambition is to be recognised as the benchmark for health and safety performance within the steel industry.

Tragically, on 13 January 2026, the Group suffered the loss of a colleague following an incident at its Corby site in Northamptonshire. At the time of publication, the incident remains under investigation by the police and the Health and Safety Executive. TSUK is fully cooperating with the relevant authorities and continues to support those affected.

The Group operates a comprehensive health and safety management system founded on 15 core principles, aligned with the Plan-Do-Check-Act (PDCA) framework that underpins the international standard ISO 45001:2018. This alignment ensures that the Group's established management system is inherently consistent with recognised best practice in occupational health and safety. During 2025/26, two additional sites successfully achieved ISO 45001 certification, bringing the total number of certified sites to five. A structured programme remains in place to complete the transition of all remaining sites over the next three years. Importantly, the strong alignment between the Group's longstanding internal framework and ISO 45001 means that both certified sites and those progressing towards certification are operating to fundamentally consistent management principles and controls. This ensures that robust and effective health and safety arrangements are applied across the business, irrespective of certification status, and supports a coherent, organisation-wide

approach to risk management, governance, and continuous improvement.

A key priority during 2025/26 was the safe management of asset transition activities at the Port Talbot site. This transition involves the move from integrated steelmaking assets to electric arc furnace-based steelmaking, forming a central part of the Group's strategy to produce lower-CO₂ steel. This significant transformation includes the decommissioning of legacy assets, their safe management, and the design and construction of new facilities.

Given the scale and complexity of these activities, the Group has adopted a structured and systematic approach to risk identification and control, underpinned by the application of formal hazard studies. These hazard studies are applied throughout the lifecycle of asset change, encompassing decommissioning, temporary safe states, and the design and construction of new assets. The process involves the detailed examination of discrete elements, or "nodes", within systems undergoing change, ensuring that hazards are identified, assessed and mitigated in a comprehensive and methodical manner.

Importantly, in the context of new asset development, the hazard study process plays a critical role in influencing design. It enables health and safety considerations to be embedded at an early stage, ensuring that risks are, wherever practicable, designed out through the application of the hierarchy of control. This includes the elimination or reduction of high-risk activities, the adoption of inherently safer design principles, and the integration of ergonomic considerations to promote safe and effective interaction between people, equipment, and processes. Human factors studies form a key component of this approach, supporting the design of systems that take account of human capabilities and limitations and reducing the potential for error.

The studies are undertaken by multidisciplinary teams comprising specialists from engineering, health and safety, and other relevant functional disciplines. This collaborative approach ensures that both operational experience and technical expertise are fully integrated into the identification and management of risk. It promotes consistency in hazard assessment and supports the implementation of effective and proportionate control measures.

Through the application of these structured hazard studies, aligned with recognised construction and engineering best practice, the Group is maintaining robust control of risk during a period of significant operational transformation, ensuring that safety is fully embedded in both the decommissioning of legacy assets and the development of future facilities.

Further priorities during the year included the further development and deployment of corporate health and safety standards and targeted improvements in the management of critical risks. These included controls relating to isolation and immobilisation, cranes and lifting operations, and mechanical

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safety. The Group also continued its planned migration to a single, integrated digital permit-to-work system across its UK operations.

During 2025/26 there was a 25% reduction in total recordable accidents compared with 2024/25 and a 10% reduction in lost workday cases. It is important to note that because of a reduction in employees and hours worked in 2025/26 compared to 2024/25, the reductions in the numbers of accidents did not translate into reduced frequency rates. There was a very marginal 3% worsening of the recordable accident frequency rate between 2024/25 and 2025/26. Whilst the time injury frequency rate in 2025/26 was ~25% worse than in 2024/25, it nevertheless represented an improvement when compared to the previous two years. Efforts are continuing to strengthen risk management and operational discipline.

A sustained emphasis was placed on occupational health, with initiatives addressing both physical and psychological wellbeing. These were supported by the delivery of comprehensive occupational health services, enabling effective support for employees experiencing ill health and promoting a proactive approach to wellbeing.

Strong safety leadership and governance continue to be demonstrated across the organisation. Leaders at all levels have undertaken a standardised programme of health, safety and environmental leadership tours, reinforcing visible leadership and engagement. In parallel, the Group has progressed the migration of health and safety data to a single IT platform (Salus), enhancing the consistency and quality of reporting, investigation, and assurance activities, including inspections and safety tours.

To further strengthen organisational culture, TSUK undertook a comprehensive Health, Safety, Sustainability and Environment (HSSE) culture programme during the year. This included a detailed survey issued to approximately 6,000 employees across the business, designed to provide insight into behaviours, perceptions, and areas for improvement. The response rate, with around 1,100 employees participating, was considered strong and provided a robust evidence base to inform subsequent actions.

The Group recognises that, while progress has been made in reducing accident rates and strengthening systems and controls, further improvement in safety performance requires a continued focus on culture and behaviours. As operations become more complex and the business undergoes significant transformation, including major construction, decommissioning and operational changes, the potential for risk is increasingly influenced by human factors, decision-making, and the consistency with which standards are applied. A strong and mature safety culture is therefore fundamental to sustaining performance, preventing serious incidents, and ensuring that risks are effectively managed in practice as well as in design.

Building on these insights, the Group has initiated a structured programme of 'Felt Leadership' safety training, aimed at enhancing leadership capability at all levels and reinforcing visible,

values-driven engagement on health and safety. This programme is designed to support progression beyond compliance-based behaviours towards a more mature, interdependent safety culture.

In this context, the Group is seeking to foster an environment in which individuals not only take personal responsibility for their own safety but are also actively engaged in looking out for the safety and wellbeing of others. This includes encouraging open dialogue, constructive challenge, and shared accountability across all levels of the organisation.

Through these initiatives, the Group is working to embed a consistent, high-performing safety culture across all operating units, ensuring that strong cultural foundations support the effective management of risk and the delivery of its ambition to be the benchmark for health and safety in the steel industry.

Employee numbers

During the financial year ended 31 March 2026 the average number of employees in the Group decreased to 5,900 (2025: 7,400).

Employment policies

There are well established and effective arrangements at each business location for communication and consultation with works councils and trade union representatives to systematically provide employees with information on matters of concern to them. Well-developed policies and procedures have been operating in all parts of the Group for a considerable time for the purpose of consulting and negotiating with trade unions and some of these are being reviewed and updated with trade union representatives to reflect the creation of the separate value-chains.

As part of a trans-national, multi-cultural group, CGL's businesses are committed to providing an environment that recognises and values the differences in employee backgrounds and skills and to provide equality of opportunity for all employees and seeks to maximise the benefits available from a diverse workforce. The Group has continued to embed flexibility and adaptive working as a part of supporting its diversity and inclusivity action plan.

The Group is committed to provide an environment that recognises and values the differences in employee backgrounds and skills. The aim is to provide equal opportunity for all employees to maximise the benefits available from a diverse workforce. The Group has continued to embed flexibility and adaptive working as a part of supporting its diversity and inclusivity action plan.

The transition towards lower CO2 steelmaking has continued safely and smoothly, bringing traditional iron and steelmaking operations to an end while supporting those directly affected by the changes. Over the past year, the Group's focus and resources have been dedicated to helping employees through this restructure and transformation, with internal and external support to ensure they are well positioned for the future.

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The year saw numerous key achievements, including the successful agreement and deployment of new multi-skill working arrangements across the business, which delivered substantial efficiency gains and a sustained reduction in employment costs. Furthermore, a skills-based manufacturing framework was designed and implemented across the Building Systems business, enhancing workforce flexibility and supporting employee development, crucial for talent attraction and retention. Organisational efficiency and alignment were significantly improved through the restructuring of Commercial and Functional organisations, with minimal individual impact.

Demonstrating a renewed commitment to employee well-being, the Wellbeing Committee was relaunched with a refreshed agenda and strategic focus.

A Global Talent Acquisition Network was established in 2025/26 under the One Tata Steel initiative which aims to foster cross-geography collaboration and the sharing of best practices. The Group also successfully launched the "Girls Get Set" programme, significantly strengthening early career attraction and STEM engagement for young women. Finally, the organisation re-entered the prestigious "Rate My Placement – Top 100 Employers" table, significantly enhancing its employer brand and visibility among early career talent.

UKSE Limited, an indirect subsidiary of CGL, helps the economic regeneration of communities affected by changes in the UK steel industry and it continues to roll out support measures to businesses across all steel manufacturing regions in the UK to help support and create new job opportunities for all steel communities.

UK Gender pay

In the UK, under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, employers with more than 250 employees are required to publish annually their gender pay gap information by reporting the percentage differences in pay between their male and female employees for the previous year. TSUK first published results in 2018 and again this year has published its results on the UK Government website.

Relative to national and industry statistics TSUK's gender pay gap for hourly pay (2.6% mean gender pay gap and 5.2% median gender pay gap) continues to be at the lower end. The Group continues to focus on steps to further enhance the diversity in its organisation because it believes having the right people in the right job is important.

Pension arrangements

The Group's historic defined benefit scheme in the UK, the British Steel Pension Scheme (BSPS), completed a successful buyout on 31 March 2026 which completes the final step on the Group's journey to successfully de-risk the BSPS and secure the best possible outcome for members of the BSPS. Pension

arrangements for employees in the UK are now provided by way of a defined contribution scheme.

Further details on these schemes are provided in Note 19.

Modern Slavery Act

Section 54 of the Modern Slavery Act 2015 requires relevant organisations carrying on business in the UK to publish a statement setting out the steps taken to ensure no slavery or human trafficking is taking place within the organisation or its supply chains. The TSUK Board has approved a statement setting out the measures taken by the Group during the prior financial year ended 31 March 2025. The statement for the financial year ending on 31 March 2026 will be issued by TSUK on behalf of the Group and will be published on the TSUK website.

Community Engagement

Tata Steel strives to enrich its local communities and contribute to their future economic and social wellbeing.

As the Group progresses its transformation of the Port Talbot site, it remains committed to putting local communities at the centre of everything it does, actively cultivating strategic collaboration and fostering meaningful community engagement. The long standing community programme continues to reach tens of thousands each year, focusing on Future Generations, Health and Wellbeing, and the Environment.

Some of the community highlights of the Group include:

- Sponsor of the Richard Burton 10K near Port Talbot which is now in its 43rd year and raised £60,000 for local charities and good causes in 2025;
- The 16th anniversary of the Aberavon Wizards League – providing an accessible football and netball tournament for every year primary school in Port Talbot, with TSUK covering the costs of kit and travel;
- The Tata Kids of Steel event in Shotton, giving thousands of kids the opportunity to try swimming, cycling and running for the first time;
- Sponsoring the Llanelli half marathon; and
- Building Systems support for the GirlsGetSet International STEM program and investment in mental health and first aid training.

Sustainability & Environment

Sustainable in Every Sense

The Group is steadfast in its determination to be sustainable in every sense. The Group understands sustainability to be a broad concept, encompassing themes of climate action and resource efficiency, environmental protection and biodiversity, good governance, ethical business practices and responsible procurement, stakeholder engagement and community relations, strong labour standards and employee relations, social equity, diversity and inclusivity. As such, the Group's sustainability approach permeates all of its business activities and is embedded

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in its policy and management systems. The Group always seeks to ensure that its decisions and its communications are underpinned by science and facts. It follows widely-accepted standards, guidelines and indicators and communicates openly about sustainability performance to the extent that third parties can assess this as well.

In order to secure 3rd party validation of its progress, the Group (through its parent company, Tata Steel Limited) became a member of ResponsibleSteel™ in 2020. This is the first globally present sustainability standard development and certification scheme for the steel industry. The Group is intent on securing certification against the ResponsibleSteel™ standard for its sites and to assess extending certification to products.

During 2025/26, the Group made further, concrete steps towards transforming its businesses in line with its sustainability goals, not least the commitment to attain net zero by 2045.

Recognition

The TSL Group remains a signatory of the World Steel Association (worldsteel) Sustainability Charter, one of 14 companies recognised by worldsteel as Sustainability Champions 2026 in recognition of outstanding sustainability efforts and performance in 2025, and one of only two to be recognised continuously since the programme began (nine times since 2018). The Steel Sustainability Champions Programme commends those worldsteel members that are most clearly demonstrating their commitment and action to sustainable development through their involvement in worldsteel sustainability activities. In order to be recognised as Sustainability Champions, companies must: (i) sign the worldsteel Sustainability Charter, providing evidence of meeting 20 criteria covering the fields of environment, social, governance and economics (ESGE), (ii) provide Life Cycle Inventory (LCI) data to worldsteel's data collection programme, ensuring that the data cover more than 60% of the Group's crude steel production and are less than 5 years old, and, (iii) be shortlisted in one of the 6 categories of the worldsteel Steelie Awards or be recognised in the worldsteel Safety and Health Recognition Programme.

In 2024, worldsteel presented Tata Steel with the Steelie award for Excellence in Life Cycle Assessment (LCA). The UK-based team secured the award on the basis of their work on supporting improvements in the consistency, accuracy, and robustness of product carbon footprints and other product environmental claims – work that is critical to developing future rules, standards, and guidelines in relation to product foot printing. This recognition makes it four times in the past eight years that Tata Steel has secured this prestigious award, consolidating its strong international reputation for LCA expertise. All of the Group's manufacturing operations continue to be independently certified as meeting the international environmental management system standard, ISO 14001:2015. The Group continues to have all of its products manufactured in the UK certified as conforming with the sustainability standard, BES6001. Certification against this

standard is increasingly being specified by customers in the construction and other market sectors.

Climate Action

Steel and climate change

Steel is a vital and familiar component of our everyday lives. It is increasingly recognised as also being fundamental to efforts by countries to transition to low-carbon economies. Indeed, there can be no low-carbon economy without steel. It is needed for renewable energy, sustainable homes, low-CO₂ transportation, infrastructure schemes for large-scale hydrogen production and distribution, and carbon capture, usage & storage. It is needed to build and power electric vehicles, as well as creating sustainable buildings and delivering major infrastructure projects which will help nations across the globe to achieve their climate goals. Steel's role in the net zero world of the future is clear, but it is also recognised that the steelmaking process itself creates substantial CO₂ emissions. The steel sector globally accounts for between 7% and 9% of man-made emissions of CO₂. It is recognised as being a 'hard to abate' sector. Given the steel sector's intrinsic importance to global development, prosperity and well-being it has become a priority for governments around the world who are committed to playing their part in achieving the goals of the Paris Agreement.

Government action

The UK Government continue to take leadership positions in global climate action. The UK are signatories to the Paris Agreement. Each party to the agreement must submit a Nationally Determined Contribution (NDC) for its emissions reduction to the United Nations Framework Convention on Climate Change (UNFCCC) every 5 years, ahead of the relevant Conference of the Parties (COP). NDCs covering the period 2031 to 2035 were submitted ahead of COP30 in Brazil in November 2025. The UK has set a 2035 NDC target to reduce all greenhouse gas emissions by at least 81% on 1990 levels. The principal policy mechanism through which the UK seek to achieve industrial decarbonisation is the UK Emissions Trading System (UKETS). Since 2024, the UKETS cap has been aligned with the UK's net zero trajectory.

Market expectations

A large proportion of the Group's customer base will not accept a supplier that does not have the plans and credentials to be a zero CO₂ supply partner. Increasingly, the ability of steel companies to demonstrate not only that they already perform to a very high standard in terms of carbon efficiency, but that they have clear and credible plans to make the transformative changes needed to become carbon neutral before 2050, are becoming part of their 'licence to sell.' Steel companies are increasingly seeking to differentiate themselves from competitors on grounds of their climate ambition and performance in addition to their product capability, reliability and service. The stakeholder expectations and pressures driving steel companies to ensure their climate credentials go beyond those of the market and the governments

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in the jurisdictions in which they operate. The Group is also intent on responding to the expectations of its parent company and its shareholders and to the strengthening public attitudes in the UK towards climate change and environmental protection. Only companies that can be seen to be making a positive contribution to climate solutions will command the support of the public and will be able to attract the best talent.

Commitment

The Group has responded to the risks and opportunities presented by a changing policy landscape and stakeholder expectations with a comprehensive suite of actions to reduce its emissions, innovate in the products and services that will enable its customers and wider society to decarbonise and to disclose its performance, plans and progress in a transparent and accessible manner to all interested parties.

In 2023, Tata Steel adopted a target to be net zero across the entire Group – including its European entities - by 2045. As part of this Group-wide ambition, Tata Steel is delivering its decarbonisation strategy under Project Aalingana, the Tata Group's flagship sustainability framework with three main pillars comprising decarbonisation, circular economy and protection of nature and biodiversity. Under the decarbonisation pillar, Aalingana sets out clear targets and commitments focused on achieving net zero by 2045, embedding decarbonisation into core business strategy, and addressing Scope 1, 2 and value-chain (Scope 3) emissions. The programme's scope for Tata Steel includes the transformation of primary steelmaking through lower-carbon technologies, increased use of low-carbon energy, application of circular-economy principles and increased recycled material use, and the protection and restoration of natural ecosystems. Through Project Aalingana, Tata Steel commits to transparent governance, interim milestones, and measurable progress across its operations and supply chain, supporting a just transition for employees, customers and the communities in which it operates.

Public Policy Environment

The Group is supportive of the strong leadership positions on climate action that the UK Government has taken. It is committed to working closely with policy-makers to make a substantial contribution to the achievement of national aspirations. The Group's emission reduction commitments, participation in global initiatives and other actions to date are evidence of this. Yet, the Group cannot achieve its decarbonisation aspirations alone. Tackling climate change is an effort that concerns the whole of society and accelerating the pace of decarbonisation of the steel sector will require a set of policy interventions that rapidly strengthen the business case for public and private investment in low-CO2 steel.

It would be counter-productive if the cost of decarbonising the Group's steelmaking operations in the UK were to give a competitive advantage to steelmakers in less carbon-constrained

jurisdictions; policy measures are thus needed to enable the Group to remain competitive whilst pioneering the steel sector transition to net-zero. These measures should take the form of public procurement and product policies that incentivise the use by society of low-CO2 steel, measures that accelerate the deployment of clean energy infrastructure, interventions that ensure that steelmakers can access low-cost finance to commercialise high-risk, innovative and first-of-a-kind technologies and protections against 'carbon leakage' in the form of import penetration from jurisdictions where steelmakers do not bear comparable carbon constraints to those prevalent in the UK. In March 2026, the UK Government published its Steel Strategy, reinforcing its intent to support a competitive, resilient domestic steel sector, including through measures to stimulate demand and address trade-related pressures.

The EU has already introduced a carbon border adjustment mechanism (CBAM) and, from 1 January 2026, the EU CBAM entered its definitive phase (moving beyond reporting-only obligations). The UK has confirmed that it will implement a UK CBAM from 1 January 2027, and primary legislation has now been enacted with secondary legislation under development.

The Group is supportive in principle of CBAMs though continued attention is required to ensure these mechanisms have the intended effect of incentivising rapid decarbonisation amongst EU and UK steelmakers whilst ensuring their adoption of a leadership position on climate action does not come at the expense of their competitiveness. The level playing field between the EU and UK must also be preserved. Key to this will be increasing the scope of the EU and UK schemes to include steel in imported goods.

In May 2025, the UK and EU announced an intention to work towards closer co-operation on emissions through linking their respective Emissions Trading Systems, including a mutual exemption from the EU and UK CBAMs. Since then, the EU Council has authorised the European Commission to open negotiations with the UK on ETS linking; any mutual CBAM exemptions would apply once a linking agreement is concluded and in force.

Decarbonisation Activities in Tata Steel UK Limited

In September 2023, Tata Steel agreed in principle with the UK Government to transition Port Talbot from blast-furnace steelmaking to electric arc furnace (EAF) steel production. Between March and September 2024 a phased shutdown of the 'heavy end' iron and steel making assets took place.

A Grant Funding Agreement was signed in September 2024 between Tata Steel and the UK Government. Under the agreement, the UK Government will contribute £500 million and Tata Steel will contribute £750 million for an initially estimated overall investment of £1.25 billion, making this the largest investment in the UK steel industry for decades. It will safeguard an important part of the UK's steel sovereignty; secure steel making in Port Talbot and preserve 5,000 jobs. The new assets will reduce the UK's entire industrial carbon emissions by 8% (and Port Talbot's direct emissions by 90%) while setting a benchmark in

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circularity. The project will bolster the UK's steel security and will be transformative in terms of the UK's progress towards a more circular economy, leveraging strategic, domestically available scrap steel and promoting value addition within the UK.

Progress since the signing of the Grant Funding Agreement has been significant. In October 2024, Tata Steel appointed major supply partners for many aspects of the transformation, including the world-leading metals technology manufacturer Tenova to supply the new furnace. In December 2024, it signed a deal with JCB for the supply of low-CO₂ steel. In January 2025, it appointed Sir Robert McAlpine as the project's main works contractor. In February 2025, following extensive public consultation on its plans, Tata Steel secured planning permission for the project to go ahead. In July 2025 Port Talbot site and Tata Steel UK's CEO hosted the Tata Steel and Tata Group Chairman, Tata Steel CEO and members of the UK, Welsh and local governments for the significant groundbreaking ceremony marking the commencement of the major construction works to be completed over the next two years. Since then TSUK has awarded major contracts for other parts of the project, including the new pickle line, caster and hot-mill life extension projects. The heavy end assets have been safely decommissioned and excellent progress made on the extensive groundworks required in preparation for construction of the new EAF.

Despite the challenges inherent in the transformation, the Group's workforce has demonstrated great commitment and resilience winding down and closing iconic iron and steelmaking processes that have been a feature of the Port Talbot community for many decades.

During the transition period and project phase, Tata Steel is seeking to ensure uninterrupted and reliable product supply to fulfil customer and market commitments, through the import of semi-finished steel products in the form of hot rolled coil and slabs, from stable and responsible supply chains, including its plants in India and the Netherlands, to feed its downstream units. A thorough and rigorous cross-functional process has been put in place to monitor the carbon footprint and other environmental attributes of incoming semi-finished steel feedstock to reassure customers that the product environmental claims the Group makes continue to be credible, robust and verifiable.

CO₂ Emissions Performance and Emissions Trading

Even with TSUK's decarbonisation activities moving forward at pace, it is nevertheless still important to ensure that its retained assets remain highly efficient in the short term. TSUK reports the CO₂ emissions from its operations using the Green House Gas protocol. The methodology comprises a number of different emission scopes, such as direct emissions only (Scope 1 emissions), direct emissions plus indirect emissions associated with imported electricity (Scope 1 + Scope 2) and a holistic scope which also takes account of the emissions associated with up-stream and down-stream supply chains (Scopes 1+2+3). It is important when comparing the emissions performance of different installations to define which methodology and which scope are being used.

In 2024/25 TSUK reported this carbon intensity metric as tCO₂/tonne of crude steel (tCO₂/tcs as per the worldsteel methodology) for data up to September 2024, after which steel production ceased and the metric was no longer relevant. During its transitional phase TSUK has developed a new measure of its carbon intensity, measured in tCO₂/tonne of hot-rolled coil processed (tCO₂/tHRC). To allow for clear comparison, this methodology has also been used to retrospectively calculate historical performance. See the non-financial data table.

TSUK met its environmental obligations for calendar year 2025, the fifth year of Phase 1 (2021 to 2030) of UK ETS.

Product innovation

Decarbonisation of its operations is only a part of the positive contribution that the Group is making, as its products are also part of the solution to climate change. The launch of Catnic's SolarSeam solution coincided with the UK Government announcing that by 2027 the majority of new homes will be required to have solar panels. Catnic SolarSeam® delivers efficient renewable energy without the traditional highly visible frames. As an innovative, lightweight solution for new and refurbishment projects it delivers excellent solar performance. Catnic SolarSeam® is bonded to the roof panel offsite, creating a low-profile and seamless finish, and it is guaranteed to produce energy for 25 years.

CO₂ emissions in steel production can be offset by reductions in direct and indirect emissions through the life-cycle of steel products, achieved through effective product development and design, and through recycling at end-of-life. The Group has developed a tool to assess the sustainability of all new products against the products they replace, in a semi-quantitative manner. The Sustainability Assessment Profiler is a unique framework supporting the Group's mission to become sustainable in every sense, by considering environmental, social and economic aspects over the complete product life cycle in a consistent manner. The Group also seeks to support the sustainability journey of its customers through product innovations such as lightweighting through thinner steel, lifespan-extending coatings, and eco-friendly food container materials.

Carbon Lite

The Group have further developed commercial propositions that allow customers to take a stake in the decarbonisation journeys, whilst demonstrating their own contribution to societal CO₂ emission reductions. Under the brand name Optemis Carbon Lite, the propositions are based on carbon 'insetting,' where actual emissions reductions are third-party verified, banked and offered to customers for off-setting their Scope 3 emissions of CO₂. As markets for low emission products have grown in 2025/26, the Group has played a leading role with worldsteel and steel companies across the globe to further develop robust guidelines (worldsteel chain of custody guidelines) & develop understanding on how CO₂ reductions can be effectively captured through chain of custody approaches. This supports customers in reducing their

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Scope 3 emissions and ensures alignment with recognised and credible reporting practices.

Transparency & Disclosure

In the last period TSUK released the Tata Steel UK Sustainability Report for the period 2023-2025. The Sustainability Report addresses non-financial disclosures related to topics often described alternatively as corporate social responsibility (CSR). These topics cover broad themes of corporate responsibility covering many aspects of operating a business. The primary intention of this report is to support disclosure and transparency relating to performance, impacts, activities, risks and opportunities.

The Group is committed to open communication of its carbon emissions and climate action. In 2025 it again provided a comprehensive disclosure as part of a consolidated TSL annual submission to CDP (formerly Carbon Disclosure Project). Separately, the Group also received the 'committed' badge and rating from EcoVadis, showing its commitment to the environment, labour and human rights, ethics, and sustainable procurement.

The Group continues to demonstrate its commitment to sustainability by means of third party assured responsible sourcing certification for construction products, BES 6001.

Increasingly, the Group is working with customers in all market sectors on all aspects of sustainability. Its knowledge and transparency about the performance of its products allows customers to understand the sustainability of steel applications, enabling them in turn to develop their approach to material usage and meet their environmental goals.

Life cycle assessment

Life cycle assessment (LCA) is a powerful tool for identifying opportunities to reduce the environmental impact of a product – whether that is a building, a vehicle, a piece of machinery or packaging – throughout its life cycle. The Group is widely recognised for its expertise in LCA. Taking a supply chain perspective allows it to demonstrate how improvements in material utilisation and right-first-time manufacturing can reduce emissions during the production phase. The Group's LCA models allow it to consider the complete value chain, for instance, the impact of the carbon intensity of regional grid electricity (gCO₂ / kWh) on the carbon footprint of a vehicle or building.

In the automotive sector, light-weighting remains a key lever for reducing the CO₂ emissions of vehicles in their use-phase. LCA can be used to demonstrate how embodied CO₂ derived from the manufacture of advanced and ultra-high strength steel can be offset by downgauging parts to make them lighter. Savings in mass means CO₂ savings: less material is required to manufacture the vehicle and a lighter vehicle produces fewer emissions in use.

In construction, the Group has been supplying life cycle data on its building envelope products for 16 years, publishing environmental declarations for its supply chain partners' cladding systems that use our Colorcoat HPS200 Ultra® or Colorcoat Prisma® prefinished steel. Work in this area has been recognised with four worldsteel awards for Excellence in LCA.

The Group continues to expand the range of products covered by verified LCA, with Environmental Profiles, produced according to ISO 14021, now being finalised for the electrical steels product range manufactured in Surahammar, Sweden.

The Group was the world's first steel manufacturer to operate an Environmental Product Declaration (EPD) programme and can produce product-specific EPDs that comply with EN 15804 and ISO 14025 standards and which are third-party validated. An EPD contains a description of the manufacturing route and a technical description of the product. Along with quantified environmental information, it covers specific aspects of the product life cycle, from raw material extraction, manufacture, and fabrication through to use and end-of-life.

Environment

Environmental Policy

The Group is committed to minimising the environmental impact of its operations and its products through the adoption of sustainable practices and continuous improvement in environmental performance.

Environmental Improvements

In 2024 the cessation of iron and steelmaking operations at Port Talbot resulted in substantial environmental improvements in terms of emissions, consumption, waste production and local air quality. Since then considerable focus has been applied to incorporating environmental excellence into the design of the new EAF and ancillary features.

The comprehensive environmental impact assessment made public as part of the planning application for the EAF set out the technologies that will be incorporated to prevent and, where that is not possible, minimise emissions from the new project. The significant transformation underway at Port Talbot steelworks will result in a step-change in environmental performance, including a 90% reduction in scope 1 CO₂ emissions, 7 million tonnes of imported iron ore and coal being replaced with 75% of raw materials sourced from within the UK including 2-2.5 million tonnes of scrap steel per year used for UK steelmaking which would otherwise be exported.

Energy and carbon emissions reporting

SECR

In April 2019, the UK Government introduced legislation called Streamlined Energy and Carbon Reporting (SECR), which mandates that defined companies include energy and carbon emissions in their annual reports. In addition, a narrative on the

B4. Business Review

principal measures taken for the purpose of increasing the business's energy efficiency is required. Both parts of the required information are provided below.

Energy Efficiency of Tata Steel's Activities

In previous periods, most of the energy use and carbon emissions associated with the Group's activities during the financial year occurred at Port Talbot integrated steelworks, where iron ore and coal were brought together in the blast furnace process. Since the cessation of steelmaking at Port Talbot in 2024 there has been a significant reduction in energy consumption and direct carbon emissions from the business. A step-change in energy and carbon intensity for steel production will occur when the EAF is fully commissioned and producing low CO₂ steel.

The Group takes part in the UK's Energy Saving Opportunities Scheme (ESOS) and has fulfilled its obligations under this regime by delivering a rolling programme of audit, assessment and continuous improvement. The Group has also developed MoniCA, a state-of-the-art monitoring and benchmarking tool for energy and CO₂ emissions from its processes.

Recent improvements include a £350,000 investment to upgrade air compressors at our Hartlepool pipe mill provided annual electricity savings of over 600 MWh.

Additionally, an extensive re-design and optimisation of our steam network in Port Talbot has taken place with reductions in system losses, identification of novel technologies to improve heating efficiencies and with the introduction of a new efficient steam generation system.

As part of a UK-wide approach on comprehensive energy management, four of the Group's sites have attained ISO50001 certification as of the end of the period 2025/26 (Shotton, Hartlepool, Catnic and Corby). ISO50001 certification will continue to be rolled out across the UK operations.

B4. Business Review

UK ¹ GHG emissions and energy use 2025-26	Scope	Units	2025 - 2026	2024 - 2025
Gaseous fuel for combustion ¹	1	kWh	1,425,797,000	3,947,308,000
Fuel for transport and business travel ²	1	kWh	11,630,000	13,629,000
Purchased electricity ³	2	kWh	564,480,000	646,619,000
Fuel for transport and business travel ²	3	kWh	14,047,000	21,865,000
Energy consumption based on above		kWh	2,015,954,000	4,629,421,000
Emissions from gaseous fuel ¹	1	tCO ₂ e	286,900	1,877,700
Emissions from fuel for transport and business travel ²	1	tCO ₂ e	2,800	3,300
Emissions from purchased electricity ³	2	tCO ₂ e	90,200	122,700
Emissions from fuel for transport and business travel ²	3	tCO ₂ e	3,500	5,600
Total gross emissions		tCO₂e	383,400	2,009,300
Total gross emissions intensity (per tonne of hot-rolled coil produced)⁴		tCO₂e/tHRC	0.170	0.788

Notes

- The UK assets were based on the organisation as covered in the Tata Steel UK entity; the derogation to exclude legal subsidiaries that did not meet the definition of "large" was applied. The reporting methodology used was based on the Green House Gas Protocol Corporate Reporting Standard and the UK Emission Trading Scheme (UK ETS), with conversion factors stated below. The financial control approach (as opposed to equity split) was used to define the organisational boundaries; deductions were made for onward 3rd party supplies. Greenhouse gas emissions are reported as CO₂e except for the combustion of natural gas and the historic combustion of works arising gases (WAGs), these only include CO₂ emissions.
- The scope 1 transport and business travel category was defined to include on-site vehicular re-fuelling and mileage/fuel claims relating to fuel used in company-owned or leased (where capitalised on balance sheet as per IFRS 16) vehicles, both on and off-site. Conversion to net energy and CO₂e was based on factors provided by UK government. Vehicle type and fuel consumption per km, were based on national averages. Fuel claims and on-site fuel use were treated as Scope 1 where they related to leased vehicles (as per IFRS 16). Since clarity on the lease status was unavailable, the fuel was divided evenly between scopes 1 and 3. The corresponding level of uncertainty in these allocations is very small compared to the total company energy use and emissions.
- UK electricity consumption was based on supplier measurements and EFs of 0.177 kg CO₂e/kWh to calculate associated CO₂e emissions; this was based on the most recent average, as provided in Government factors for Company Reporting (<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025>).
- Historically, the emissions intensity was reported in terms of tonnes of CO₂e per tonne of liquid steel produced (tCO₂e/tls). Since September 2024 liquid steel ceased to be produced at TSUK's Port Talbot site as part of the ongoing transition in steelmaking technology. For FY25 and the current reporting year, FY26, the denominator used for the disclosed annual

emissions intensity is tonnes of "first processed" hot-rolled coil (tHRC). This emissions intensity, reported in terms of tonnes of CO₂e per tonne of hot-rolled coil (tCO₂e/tHRC) is representative of the current activities of TSUK and allows a more relevant comparison to previous years. The term "first processed" includes hot-rolled coil produced at Port Talbot site, and imported material that has been processed through TSUK sites. The reduction in emissions intensity observed between the reporting years FY25 and FY26 is the result of this transition and the closure of all steelmaking assets at Port Talbot site. These closures have resulted in the elimination of works arising gases on site and a reduction in overall gas use on site.

- Part of the data was subject to 3rd party verification conforming to UK ETS rules and regulations. This covered the period April-December 2025. Natural gas consumption accounted for in the UK ETS figures represents 77.1% of the UK natural gas consumption and 100% of the consumption of works arising gases at Port Talbot.

B4. Business Review

Research & development

Research & Technology programme

Under the One Tata Steel initiative, from September 2025, the Group's R&D activities have been carved out into a new company Tata Steel Research and Innovation Limited (TSRIL), a wholly owned subsidiary of TSUK. TSRIL operates from the 'Voyager' Building, Warwick Science Park, Coventry. TSRIL provides research services enabling TSUK in the development of new and differentiated products, product solutions and provides advanced characterisation, testing and control models. TSRIL is also engaged with Tata Steel Limited through medium to long term research projects. TSRIL is asset light and has a unique model of leveraging Universities and the wider research ecosystem to incubate and innovate. TSRIL also helps TSUK to manage an extensive portfolio of patent filings and other IP on products and technologies. During the year, TSRIL has engaged with and attended various events to encourage interaction and information exchange, for example;

1. PhD seminars organised by Universities
2. Exhibitions such as Metal Expo in Birmingham, IOM3 Annual Symposium
3. TSUK Innovation Awards – highlighting and recognising the great innovators in every area of our business
4. Promotion of Innovista for global recognition
5. Events such as workshops and knowledge-sharing sessions are also organised to encourage interaction and information exchange.
6. Resident Engineers at select customer sites (JLR & JCB) to capture best practices in Innovation

TSRIL has launched a research initiative named ADAPT-EAF (Accelerating the Development of Automotive and Packaging steel Technology for EAF production) to create a new generation of high-performance steel products from EAF technology, aimed at revolutionising automotive body parts and packaging solutions like food cans. ADAPT-EAF brings together the University of Cambridge, Imperial College London, and the University of Warwick together with Tata Steel, reflecting our vision of leading green steel innovation in the UK. As the UK steel industry shifts toward EAF processes, ADAPT-EAF will tackle a critical challenge related to controlling residual elements in high-recycled-content steel which can influence the quality and performance of steels used in automotive and packaging applications. The project will develop an AI-powered platform to accurately predict how various scrap materials affect steel quality and processing. This digital tool will be combined with rapid alloy prototyping and testing to generate vital data and design new steel grades optimized for EAF production. As part of One Tata Steel approach, TSRIL benefits from Global collaboration platforms of Tata Steel Limited through its collaboration with USTB, China and MIT, USA. TSRIL also works closely with local UK and Wales Innovation Ecosystem – particularly through the WMG Catapult framework at Warwick University and more recently with the Offshore Renewable Energy Catapult.

Product market sector developments

A key element of the Group's strategy is the development of new steel products. Structured programmes are initiated for all market segments identified by strategic marketing with particular emphasis on the automotive, engineering, construction and packaging sectors.

In 2025/26, the Group retained a healthy pipeline of new product developments, each making progress in its journey, while focusing on embedding its reroller model across its existing range of new and differentiated products. The Group worked to ensure its imported substrate continued to meet its customers' needs in both the UK and export markets while maintaining the Group's commitment to sustainability, in-service performance guarantees, and rigorous product assessments.

Through 2026/27, the Group will grow its development pipeline further with aims to launch a series of new products across the Packaging, Infrastructure and the Construction sectors. Critically, the Group will work to develop its EAF product market position by developing, testing and supplying low embodied carbon versions of our existing products using third party EAF substrate. This work will underpin the transition to the Group's EAF product development as it moves towards a new EAF steel making future in the UK.

B5. Financial review

£m	2025/26 (Audited)	2024/25 (Unaudited)
Liquid steel production (mt)	-	1.1
Steel deliveries (mt)	2.2	2.5
Revenue	1,978	2,321
EBITDA	(234)	(402)
Depreciation and amortisation (net of grants)	(32)	(33)
Operating loss before restructuring, impairment and disposals	(266)	(435)
Restructuring, impairment and disposals	6	15
Operating loss	(260)	(420)
Net finance costs	(47)	(94)
Loss before taxation	(307)	(514)
Taxation credit	23	38
Loss after taxation	(284)	(476)

Profit and loss

The Group's revenue of £1,978m in 2025/26 was lower than the previous year due to a 3% decrease in average revenue per tonne and a 12% decrease in deliveries. The reduction in average revenue per tonne reflected a weaker UK steel market, with demand remaining subdued given the prevailing economic conditions, together with pricing pressure arising from increased imports of lower priced material into the UK. These imports were driven by global trade diversion following the introduction of increased trade protection measures in other markets, most notably the European Union and United States. Deliveries were lower primarily due to subdued market demand, in particular within the Automotive sector, as well as broader weakness across other end markets.

The operating result before restructuring, impairment and disposals in 2025/26 was a loss of £266m compared to a loss of £435m in 2024/25. The reduction in losses reflects both the impact of the cessation of blast furnace operations partway through the prior year, as well as the Group's continued progress in executing its turnaround plan during the year, including the implementation of additional fixed cost savings to improve efficiency. These actions delivered structural cost savings of approximately £220m compared to 2024/25, and around £450m since the cessation of primary steelmaking in 2023/24.

Restructuring, impairment and disposals was a net credit of £6m in 2025/26 (2024/25: £15m credit). This was primarily attributable to a £8m credit from disposal of property, plant and equipment, partly offset by rationalisation and redundancy cost of £1m each. The prior year credit of £15m included £34m credit arising from the release of restructuring provisions, £12m credit from disposals, partially offset by provisions for rationalisation of £19m and impairment losses of £14m.

Taxation was a net credit of £23m in 2025/26 compared to a net credit of £38m in 2024/25. The tax credit in 2025/26 includes a deferred tax credit of £35m, partly offset by a £3m current tax charge and £9m prior year tax charge.

The loss after tax in 2025/26 was £284m compared to a loss of £476m in 2024/25.

Financing

The Group has a revolving credit facility with a syndicate of lenders with a limit of £400m. As of 31 March 2026, £165m has been drawn from the RCF facility leaving an undrawn limit of £235m.

The Group continues to have access to a trade receivables securitisation arrangement. Under the uncommitted arrangement, an external bank has agreed to purchase all receivables up to a programme maximum of £450m on a non-recourse basis.

As an integral part of the wider Tata Steel group, the Group benefits from the support of its parent companies and in 2025/26 received equity proceeds of £1,041m to support the underlying business, progress with its decarbonisation plans and to repay £577m of debt. The Group's financing arrangements are such that it expects to continue to finance its business through equity support from its parent companies in 2026/27.

Acquisitions and disposals

Across the wider Tata Steel Group there is a continuing focus on simplifying the corporate structure by reducing the number of separate legal entities. This is intended to reduce costs, reduce complexity, aid in transparency and improve corporate governance. During the current year, two subsidiaries within the Group entered into voluntary liquidation out of which the liquidation process was completed for one subsidiary.

Full details of CGL's subsidiary companies can be found in Note 34 of the financial statements.

Cash flow

Net cash flow from operating activities in 2025/26 was an outflow of £352m (2024/25: £581m). This was primarily due to EBITDA loss of £234m (2024/25: £402m), utilisation of rationalisation provision mainly related to closure of heavy end steel making facilities £88m

B5. Financial review

(2024/25: £97m), a net cash outflow of £52m (2024/25: £97m) in relation to interest and £8m (2024/25: £9m) in relation to taxation, partially offset by inflows in relation to working capital and movements in other provisions.

The net working capital to turnover ratio* (excluding the impact of securitisation arrangements) increased to 16.6% in 2025/26 from 14.2% in 2024/25 mainly as a result of decrease in turnover. Refer footnote below for definition of the measure net working capital to turnover,

Net cash flow used in investing activities was an outflow of £124m (2024/25: £51m) mainly on account of investment in property, plant and equipment relating to the Group's decarbonisation project, net of the grant received from the UK Government.

There was a net cash inflow of £439m from financing activities (2024/25: inflow of £669m) comprising of mainly equity funding from the parent company £1,041m (2024/25: £866m) and net repayment of loans, including principal portion of lease payments £602m (2024/25: £197m repayment).

The net decrease in cash and cash equivalents in 2025/26 was £37m (2024/25: £37m increase).

Capital expenditure

Capital expenditure on property, plant and equipment in 2025/26 at £182m (2024/25: £70m) mainly related to spend on the Group's decarbonisation project. In accordance with the Grant Funding Agreement (GFA) with the UK Government, the Group received £43m of grant income during the year (2025: £nil).

The decarbonisation project continued its detailed engineering and enabling works during the year with an aim to deliver a state-of-the-art electric arc furnace and additional advanced steelmaking equipment for the Port Talbot site. When it is commissioned, the electric arc furnace (EAF) will reduce the site's steelmaking carbon emissions by 90%, equivalent to 5 million tonnes of CO₂ a year.

The EAF will have an annual capacity of 3.2 million tonnes of steel – similar to the output of the site's former blast furnaces – by melting scrap steel sourced from the UK. The use of scrap will also significantly reduce the UK's reliance on imported iron ore, strengthening the resilience of the UK's manufacturing supply chains. New ladle metallurgy furnaces, will then refine the molten steel to make more complex grades required by manufacturers in the UK and other countries. The project is being funded jointly with UK Government who are providing a grant of £500m.

The decarbonisation project also encompasses the construction of a new Pickle Line. The new line will process hot rolled coils to eliminate oxide scale formed during the steel rolling process, ensuring a clean surface for further processing, improving product quality, and enhancing the bonding of coatings or finishes. Within the year the contract was signed with global supplier of steel processing lines and rolling mills, Clecim, together with global technology leader, ABB, who will supply essential equipment and expertise needed to

power the site's brand new 1.8 million tonne pickle line. Detailed engineering and enabling works for this project are now being progressed.

Balance sheet

The Group's net assets at 31 March 2026 were £324m (31 March 2025: Net liabilities £446m). The increase of £770m was principally due to equity funding received from the parent amounting to £1,041m, partly offset by total comprehensive loss for the year £271m (including other comprehensive gains £13m).

Net debt at 31 March 2026 amounted to £241m (31 March 2025: £722m). This comprises of external loans of £165m (2025: £641m), lease liabilities of £117m (2025: £59m), inter-group loans of £nil (2025: £100m), £1m other short term loans (2025: £1m) and cash and short term deposits of £42m (31 March 2025: £79m). Further details on borrowings can be found in Note 17 and 29.

Financial risk management

The Group's financial risk management is based upon sound economic objectives and good corporate practice. The Group's main financial risks are related to the availability of funds to meet its business needs, movements in exchange rates, and commodity costs. Derivative and other financial instruments are used to manage any exposures where considered appropriate. Further details of its financial risks, and the way the Group mitigates them, are set out in Note 22.

**Net working capital to turnover = (Inventories+ Trade and other receivables (adjusted for trade receivables securitised under a non-recourse arrangement) + Trade and other payables)/Annualised turnover*

B6. Non-financial sustainability information statement

The Climate-related Financial Disclosure Regulations 2022 ("the Regulations") require certain UK companies to report on material climate-related matters. The regulations comprise eight climate-related financial disclosure ('CFD') requirements (A-H) based around the four pillar framework (Governance, Risk Management, Strategy, Metrics & Targets) developed by the Taskforce on Climate-related Financial Disclosures ('TCFD'). For the year ended 31 March 2026, the Group meets the relevant threshold of having 500 employees and turnover of more than £500m.

The Group's strategy, along with the wider TSL group is to become a Net Zero Organisation by 2045 with an interim target of reducing direct emissions by 30% by 2030 (compared to 2018 levels). Implementing carbon reduction across the Group's activities requires the development of various governance processes as the climate challenge permeates across CGL's strategic decision-making channels.

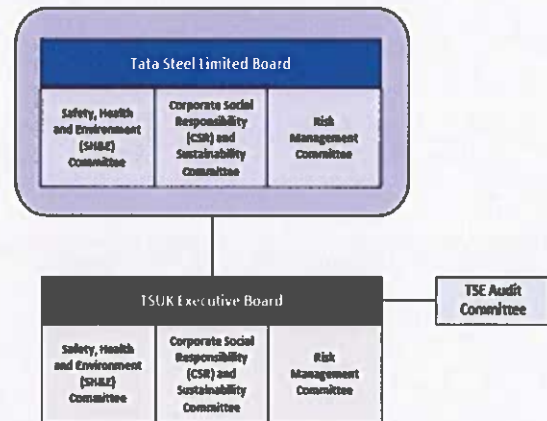
The Group recognises that climate change poses several physical (e.g. severe environmental shifts) and transition-related (e.g. demonstrably moving toward a greener economy) risks and opportunities for its business and wider industry.

The following sections set out climate-related financial disclosures covering how climate change is addressed in corporate governance; how climate-related risks and opportunities are managed; what impacts these have on strategy; and the performance metrics and targets applied in managing these issues.

Section 1: Governance

This section addresses CFD requirement (A) and outlines: (1) the climate risk governance structure, and; (2) board and management responsibilities.

1.1 Board and Committee responsibilities



The Board of Tata Steel Limited ('TSL'), the ultimate parent company of CGL, leads the climate risk assessment and identification of mitigations for the whole Tata Steel Group. The board of CGL's subsidiary, TSUK, is the main governance body for the Group's activities including in relation to climate risk governance. TSUK adopts a similar Board and committee governance structure to TSL in relation to addressing climate-related matters. While the Board of TSUK is responsible for its own environment and sustainability matters, this is done within a common framework aligned to achieve Tata Steel's Net Zero ambition of 2045.

The following TSL Board committees are responsible for and have a specific remit on climate change risk assessment and strategy on behalf of the TSL Board and the Group:

Board Committee	Key Governance and Oversight Functions in Relation to Climate-related Risks and Opportunities
Corporate Social Responsibility (CSR) and Sustainability Committee	<ul style="list-style-type: none"> Providing overall governance and oversight of CSR activities of the Tata Steel Group including recommendation of the Annual Business Plan for CSR to the TSL Board for its approval. Overseeing the response by Tata Steel entities to sustainability-related risks and opportunities, including those presented by climate change.
Safety, Health and Environment Committee (SH&E Committee)	<ul style="list-style-type: none"> Providing oversight of the policies relating to Safety, Health and Environment and their implementation across Tata Steel Group. A number of Climate-related risks and opportunities fall within the scope of the oversight this committee provides including, but not limited to, compliance with and costs of carbon trading policies.
Risk Management Committee	<ul style="list-style-type: none"> Overseeing key risks, including strategic, financial, operational and compliance risks Assisting the Board in framing, implementing and monitoring the Risk Management Plan for the Company and reviewing and guiding the Risk Policy Developing risk management policy and risk management system framework for the Company

B6. Non-financial sustainability information statement

1.2 Individual responsibilities

Tata Steel Group's Global Chief Executive Officer & Managing Director (CEO & MD) and the Executive Director & Chief Financial Officer (ED & CFO) are members of TSL's Board in an executive capacity and are also members of the CSR & Sustainability Committee and Risk Management Committee. The CEO & MD is also on the SH&E Committee.

Under the TSL Board governance arrangements, Tata Steel's CEO & MD periodically reviews the status of the action plan for long term strategy including climate change mitigation plans. While the CEO & MD set leadership direction, the team under that role evaluate various options, engage with relevant internal & external stakeholders, pursues responsible advocacy to inform policy in a proactive manner and develops & implements strategy.

This governance framework operates within the broader corporate governance structure of CGL, where the CGL Board oversees the Group's consolidated results, with management of the Company resting with its Directors and day-to-day management of the UK value chain's business and operations delegated to TSUK leadership (see Section B7). Accordingly, these roles and responsibilities align with the CGL Board's focus on stewardship, oversight and long-term value creation.

Section 2: Risk Management

This section addresses CFD requirements B and C and explains: (1) TSUK's approach to climate risk management, and; (2) how this approach is integrated into the overall risk management process.

2.1 Identifying and assessing climate risk

Enterprise Risk Management

Tata Steel uses its Enterprise Risk Management (ERM) process for managing climate change risks across the company and its subsidiaries, including TSUK, in an integrated and uniform manner. The process identifies and assesses business risks using a two-pronged approach, i.e., bottom-up and top-down, to ensure comprehensive risk identification and to minimise 'blind spots'.

Climate change related risks are assigned likelihood and impact values to arrive at the risk score. Likelihood & impact scores are assigned from a 5-point scales, as tabulated below which aids management to prioritise risks and opportunities. Scores for these parameters are assigned after a rigorous due-diligence process including scenario-analysis to stress test the assumptions and assess various pathways in which the risk may play out. The impact assessment is based on five metrics – financial, market /customer, brand / reputation, environment and business continuity and the worst-case risk scenario is considered for assigning the risk impact.

Likelihood Score			Impact Score	
Score	Category	Probability	Score	Category
5	Almost Certain	81-99%	5	Critical
4	Likely	61-80%	4	Major
3	Possible	41-60%	3	Moderate
2	Unlikely	21-40%	2	Minor
1	Rare	1-20%	1	Low

Materiality assessment

In 2023, Tata Steel undertook a detailed and systematic assessment of Physical and Transition risks in a Climate Risk assessment focusing on its key steel making sites in India, the Netherlands and the UK. The assessment was conducted by an independent third-party advisor. As part of the review, scenario analysis was conducted to evaluate the company in a base case and a low carbon range.

The risk assessment exercise complemented the pre-existing ERM process operated within Tata Steel and material risks identified were incorporated into the ERM process so that they could be managed and subject to Board oversight in accordance with the existing risk management processes in place across Tata Steel.

Further detail of the impact of these scenarios on the Group is set out in Section 4.

2.2 Managing climate risks

Appropriate early warning indicators and mitigation strategies are identified for review by the Risk Management Committees for TSUK.

TSUK's Risk Committee meets quarterly and comprises of the TSUK Chairman as its Chair and the UK Management team which is composed of cross functional senior leaders. The Risk Committee also has representation from the ultimate parent company, TSL. Its principal purpose is to assess and identify TSUK's most significant and emerging risks which are aligned to TSUK's strategy and the delivery of its objectives.

In addition, monthly risk management sub-committees are held by each of TSUK's Chief Operations Officer, Chief Financial Officer and the Chief Commercial Officer.

2.3 Integration processes for identifying, assessing and managing climate-related risks into the overall risk management process

The integration of climate risk into the overall risk management process has been enabled through:

- i) Raising awareness amongst risk owners and the operators of the ERM process of climate-related risks and opportunities through regular internal communications.

B6. Non-financial sustainability information statement

- ii) Integrating climate into the risk appetite reporting (Principal risk & uncertainties / significant risk on Risk register).
- iii) Embedding climate-related reporting into Boards and key Committees.
- iv) Integrating climate risks in scenario analysis / appraisals (incorporating climate considerations on all assessments).

Section 3: Strategy

This section addresses CFD requirements D, E and F and explores the principal climate-related risks (actual and potential) and opportunities, and their impacts on the Group's business, strategy and financial planning. It also describes methods used to understand and measure these climate-related risks, and the Group's resilience under different climate-related scenarios.

3.1 Climate-related risks and opportunities

The table below outlines the principal climate-related risks and opportunities that arise in connection with the Group's operations, alongside: (1) affected business areas; (2) time horizons, and; (3) current and future mitigating actions. A short term (S) horizon is considered to be between 0 to 5 years, Medium term (M) 5 to 20 years and long term (L) greater than 20 years.

B6. Non-financial sustainability information statement

Risks

a) Transition

Climate factor	Risk	Term	Impact	Like-likelihood score	Impact score	Mitigating actions
Policy and Legal	<p>Carbon pricing and Carbon Border Adjustment Mechanism (CBAM).</p> <p>The Group is subject to a wide range of government policy measures to incentivise the reduction of greenhouse gas emissions. The most important is the UK Emissions Trading System (UKETS). Under the UKETS, industrial installations considered to be at significant risk of CO₂ leakage are allocated free allowances based on benchmark levels of performance to safeguard competitiveness. These free allowances decrease every year, and hence the cost of UKETS compliance increases.</p>	S	Opex	5	3	<p>Structural transformation of steelmaking assets at UK to significantly reduce CO₂ emissions. (See opportunities section below for further detail).</p> <p>Systematic targeting of incremental improvements in carbon emissions and energy efficiency in downstream processing assets across the UK operational portfolios. Key measures include electrification of steel re-heating, evaluation of options to fuel switch, use of renewables (either through construction of on-site renewable projects, private wire arrangements to 3rd party developments or procurement of certificates of renewable origin).</p>
Markets	Procurement of low-carbon energy net of ability to pass on the higher costs to its customers.	S / M	Opex	4	4	<p>Systematic targeting of incremental improvements in energy efficiency in downstream processing assets across the Group's operational portfolios (see above).</p> <p>Providing innovative commercial offerings to the market that increase the willingness of customers to pay a price premium for lower-CO₂ products.</p>
		S	Market share / revenue	4	4	<p>Decarbonising production activities with a particular focus on the transformation of steelmaking activities.</p> <p>Providing innovative commercial offerings to the market ahead of the transformation.</p> <p>Providing Excellent Information to Customers on Environmental Footprint of Products.</p>
Technology	Cost of transitioning to low carbon steel making technologies. The ability to realise transformational decarbonisation of steelmaking assets is critically dependent on adequate and timely support from governments in terms of (i) financial support, (ii) granting of permits, (iii) provision of enabling infrastructure (e.g. abundant and affordable green hydrogen and green electricity), (iv) maintaining a level playing field for steelmakers, (v) creating demand and markets for 'green' steel.	S	Cash flow / Capex	2	5	<p>GHG reduction commitments</p> <p>In September 2023, the UK business announced that it had reached an agreement in principle with the UK Government on proposals that would see the two blast furnaces at Port Talbot replaced with an electric arc furnace (EAF). The EAF and associated investments are expected to cost £1.25 billion. Under the agreement, the UK Government would contribute £500 million and Tata Steel would fund at least £750 million. The project will bolster UK's steel security and would be the first major step towards decarbonisation of the UK steel industry, potentially reducing direct emissions by 50 million tonnes over 10 years.</p>
Acute & chronic	Storms and high winds	M / L	Opex / Capex	3	1	Implementation of robust asset condition management process across the Group's sites. Consideration of changing climate taken into account in all new construction design.

B6. Non-financial sustainability information statement

b) Opportunities





Climate factor	Opportunity	Term	Impact	Likelihood score	Impact score
Technology / Resource efficiency	Transition to lower CO ₂ technology (e.g. Electric Arc Furnace (EAF) steel making process) will significantly reduce carbon emissions. Steelmaking by EAF uses scrap as the main raw material instead of iron ore. The UK is currently a net exporter of scrap iron so there is a readily available source of scrap in the UK. Transition to EAF will significantly reduce the Group's input cost base, its exposure to carbon compliance costs and reduce exposure to exchange rate effects (when a bigger proportion of raw material comes from domestic sources).	S / M / L	Revenue/ operating costs/ Capex	5	4
Products & services	Enhanced demand for low carbon steel products enabling revenue uplift for 'Green-steel' premiums. Failure to respond to increased market demand for low-CO ₂ steel products. A growing number of customers across all the market sectors supplied by the Group are making procurement decisions based upon the comparative carbon and wider-ESG credentials of prospective suppliers. Inter-material competition is also increasing in some market sub-sectors. These developments present both a risk and an opportunity to the Group. They are a downside risk if the Group cannot decarbonise its operations at the pace of its key competitors but they are an opportunity if the Group can decarbonise quicker than its competitors and if it can demonstrate to the market that its commercial proposition is more attractive than that of its competitors.	S / M / L	Revenue	4	4
Products & services	Increased demand for high strength steels (which can be used to lightweight end-user products such as cars, thereby making them more carbon efficient during their operational life).	S / M	Revenue	4	3
Products & services	The Group has launched commercial propositions that allow customers to take a stake in its decarbonisation journey, whilst demonstrating their own contribution to societal CO ₂ emission reductions. Under the brand name Optemis Carbon Lite, the propositions are based on an approach described as carbon 'insetting,' in which actual emissions reductions are third-party verified, banked and then offered to customers as a way of off-setting their own Scope 3 CO ₂ emissions. The CO ₂ savings are real, part of the customer's value chain, and are subject to verification by leading assurance organisation DNV. Revenues from the sale of certificates are used to fund projects generating further CO ₂ savings to be verified by DNV, speeding up the Company's decarbonisation.	S / M / L	Revenue	3	3
Markets	Increased access to capital markets – Banks may be more willing to lend to 'Greener' companies to meet their own sustainability targets and to enhance their own green credentials. Funding may also be provided on more favourable terms	S / M	Cash flow	3	2

3.2 Resilience of the business model and strategy, considering difference climate-related scenarios

Scenario analysis has been carried out for the Group as part of a TSL Group wide materiality assessment. The objectives of the analysis were to assess materiality, prioritise key risks and opportunities and provide insight to the resilience of the business models and strategy under different climate scenarios.

B6. Non-financial sustainability information statement

The assessment was performed using a four-stage process as follows:

 1. Climate-Related Risk & Opportunity (CRRO) Assessment	 2. Transition scenarios & indicators are identified	 3. Company exposure ratings are applied	 4. Summary Heat Map
Generate a list of risks and opportunities relevant to the Group, assessed based on impact likelihood and timeframe.	Select climate scenarios and time horizons. Assign a climate scenario indicator for climate-related risks and opportunities (CRRO) to act as a proxy to explore how the CRRO may change with each scenario.	Combine scenario exposure ratings with scenario indicator deltas to calculate the risk / opportunity score.	Present the overall risk / opportunity scores for each CRRO.

A low carbon and high carbon scenario were selected for the scenario analysis.



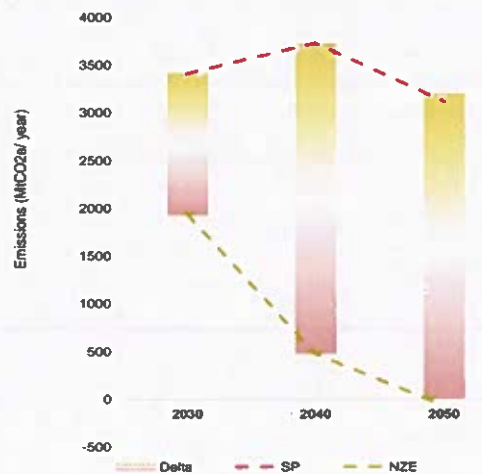
Time periods were also selected for the analysis to align with TSUK's decarbonisation targets.



Scenarios were used to evaluate the Group in a base case and a low carbon range. Accordingly, two forward-looking climate scenarios were used to do this:

- Stated Policies** – This scenario is most aligned with stated and announced policies (including those aligned with Nationally Determined Contributions (NDCs)), with an expected temperature outcome of ~2.5°C by 2100.
- Net Zero Emissions by 2050 (NZE)** – This is an ambitious scenario that limits global warming to around 1.5°C through stringent climate policies and innovation, reaching Net Zero CO₂ emissions around 2050. This scenario assumes that ambitious climate policies are introduced immediately. The global temperature rise peaks below 1.6°C around 2040, before dropping to ~1.4°C in 2100.

Scenario deltas were multiplied by exposure ratings to give a risk/opportunity score. The graph below shows indicative data for a scenario indicator under the Stated policies (SP) and Net Zero Emissions by 2050 (NZE) scenarios. The difference between the two scenarios at each time point was used to represent the inherent risk posed by a given climate-related risk or opportunity. Where there is a greater difference between the higher and lower carbon scenario, it is assumed there is a higher inherent risk or opportunity. The key risks and opportunities identified from the assessment are set out in section 3.1.



B6. Non-financial sustainability information statement

Section 4: Targets and Metrics

This section addresses CFD requirements G and H and how the Group has set climate-related targets and KPI measures to assess progress in managing climate-related risks and opportunities.

4.1 GHG emissions

The Group, along with the wider TSL group has a target to become a Net Zero Organisation for Scope 1 and Scope 2 emissions by 2045. The Group established in 2020 a target to reduce its direct (Scope 1) emissions by 30% by 2030, compared to 2018, and has since announced its plans to transition to electric arc furnace steelmaking at its UK steel plant in Port Talbot – a plan that will achieve a reduction in annual direct (Scope 1) emissions from the site of over 5 million tonnes.

Methodology

The Group calculates and reports emission intensity based on the guidelines provided by the World Steel Association (worldsteel). These were originally derived from the GHG Protocol methodology and are designed specifically for and been widely adopted by the steel sector. The Group, as part of the wider Tata Steel Group was a former participant in worldsteel's Climate Action programme and has been recognised as an accredited Climate Action member ever since.

The GHG Protocol is sector agnostic and enables investors in their capital allocation decision making across sectors. It has been prepared by World Resources Institute and World Business Council for Sustainable Development and is the world's most widely used greenhouse gas accounting standards for companies. The use of GHG Protocol has also been recommended for use by the draft standards issued by the International Sustainability Standards Boards (ISSB) under the IFRS Foundation, the Science Based Target initiative (SBTi) and CDP (formerly Carbon Disclosure Protocol).

The guidelines provide for site-wise emission reporting by steel companies based on common definitions and agreed boundaries. The data collection programme enables individual steel plants to compare themselves against both average and best performance in the sector and identify the scope for improvement.

Over time, the emission reporting landscape has evolved, and investors and global reporting standards have been coalescing behind emission reporting based on the original Greenhouse Gas Protocol (GHG Protocol) methodology. Recognising the likely changes in reporting methodologies in future, the Group is beginning to make a transition towards reporting its emission as per the GHG Protocol.

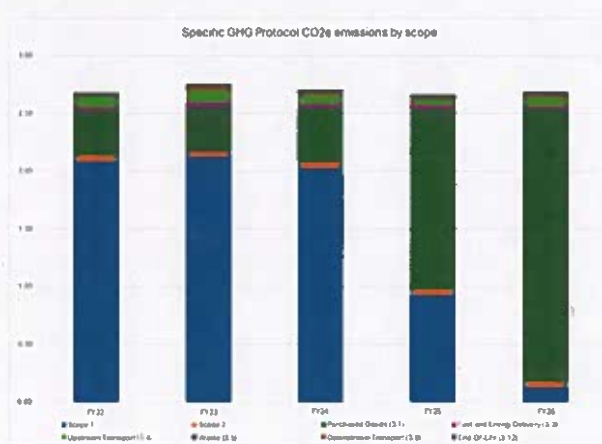
Historic trends

The table below shows the Group's CO₂ scope emissions intensity over the past five years measured under the GHG Protocol which forms the baseline against which future performance is to be measured;

GHG Protocol scope emission intensity

	UoM	FY22	FY23	FY24	FY25	FY26
Scope 1	tCO ₂ e /tHRC	2.09	2.12	2.03	0.94	0.13
Scope 2	tCO ₂ e /tHRC	0.05	0.04	0.05	0.05	0.04
Scope 3	tCO ₂ e /tHRC	0.55	0.60	0.62	1.68	2.52
Total	tCO ₂ e /tHRC	2.69	2.76	2.70	2.67	2.69

The GHG protocol emissions intensity includes scope 3 emissions i.e. those outside of the Group's operational boundary. As the Group moved to a re-rolling business model, the embedded emissions in the substrate that has been imported has taken over from the Group's scope 1 emissions. Emissions intensity recorded under SECR is primarily concerned with domestic emissions (scope 1 and 2), which have reduced significantly following the closure of the heavy-end operations.



B7. Section 172, Companies Act 2006

This report sets out how the Directors have had regard to the matters set out in 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.

CGL is an investment holding company and is the 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'). During the year, the UK value chain comprising the Company and TSUK, along with their subsidiaries, has continued to follow governance arrangements appropriate for the size and scope of their operations.

The Board is focused on oversight of the consolidated results of the CGL Group. While management of the Company rests with the Directors, day-to-day management of the UK value chain's business and operations rests with the leadership team of TSUK, under a Chief Executive Officer reporting to the Chairman of TSUK.

A senior employee in the TSL Group, the Chief Financial Officer of TSUK and the Chief Legal Officer and Company Secretary of TSUK are directors of the Company. The senior employee in the TSL Group is also a member of the TSE Board and a director of the Company's immediate parent, Tata Steel Netherlands Holdings BV.

The TSL Group promotes high standards of corporate governance throughout the organisation, and the Company supports these standards. For the year ended 31 March 2026, CGL and TSUK in the UK refer to the Wates Corporate Governance Principles for Large Private Companies as an appropriate framework for considering their governance arrangements. CGL's corporate governance statement for the year ended 31 March 2026 will be published on the Tata Steel UK website.

As it is a holding company, the CGL board holds meetings or considers matters by written resolution when required to consider the impact of key proposals and material matters affecting CGL. CGL does not have any employees, but new Directors are made aware of their directors' duties, including under section 172(1) of the Companies Act 2006.

During the year, Directors have considered and approved matters of a material nature, in particular, the financial support required to

ensure TSUK can deliver its ongoing transition to the carbon neutral production of steel.

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

Further disclosures with regards to direct stakeholder impact of group companies are included within the TSUK Report and Accounts for the year ended 31 March 2026. The CGL Board is conscious of the impact which 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, given the complexity of the Tata Steel Group, that not all decisions taken will align with all stakeholder interests. Accordingly, the CGL board takes decisions that it believes best support the strategic objectives of the UK value chain. CGL's ultimate parent company is TSL, a listed company in India. Connections are in place for engaging with parent boards.

Section B of this Annual Report comprises a strategic report for the Group which has been prepared in accordance with, and in reliance upon, applicable company law, in particular Chapter 4A of the Companies Act 2006, and the liabilities of the directors in connection with this report shall be subject to the limitations and restrictions provided by the law. It should be noted the strategic report has been prepared for the Group as a whole, and therefore gives greater emphasis to those matters which are significant to the Company and its subsidiaries when viewed as a whole

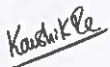
Approved by the Board of Directors and signed on behalf of the Board by:


K De
Director
8 June 2026

B8. Approval of strategic report

Section B of this Annual Report comprises a strategic report for the Group which has been prepared in accordance with, and in reliance upon, applicable company law, in particular Chapter 4A of the Companies Act 2006, and the liabilities of the directors in connection with this report shall be subject to the limitations and restrictions provided by the law. It should be noted the strategic report has been prepared for the Group as a whole, and therefore gives greater emphasis to those matters which are significant to the Company and its subsidiaries when viewed as a whole.

Approved by the Board of Directors and signed on behalf of the Board by:



K De
Director
8 June 2026

C. Directors' report

The Board

The directors of the Company are listed on page 2.

Directors' indemnity

The Company's articles of association provide, subject to the provisions of UK legislation, that the Company may indemnify any director or former director of the Company in respect of any losses or liabilities he or she may incur in connection with any proven or alleged negligence, default, breach of duty or breach of trust in relation to the Group (including by funding any expenditure incurred or to be incurred by him or her). In addition, directors and officers of the Company and its subsidiaries are covered by Directors' & Officers liability insurance.

Dividends

The directors do not recommend that a dividend be paid, and no dividends were paid or proposed during the year (2024/25: £nil).

Political donations

The Company does not make any donations to political parties and none were made during the year.

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

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

- a) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- b) the directors have 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.

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed as auditors to the Company for another term and appropriate arrangements are being made for them to be deemed reappointed as auditors in the absence of an AGM.

Price Waterhouse & Co Chartered Accountants LLP in India are the auditors of the ultimate parent company, TSL.

Going concern

The consolidated and company financial statements have been prepared on a going concern basis, which the directors consider appropriate for the reasons set out below.

The directors have assessed the future funding requirements of the Company and the Group over the going concern assessment period through to September 2027, and have compared these funding requirements to the level of borrowing facilities which are assumed to be available, including working capital facilities.

As at 31 March 2026, the Company has a net current liabilities position of £8m, mostly represented by interest accrued on the non-current borrowings from its subsidiary Corus International (Overseas Holdings) Limited ('CIOH') which was subsequently assigned to TSUK on 31 May 2026, as disclosed in Note 32. The current liabilities also include £1m towards unclaimed dividend pertaining to the period when Corus Group plc was a publicly traded company, which in the event if claimed by the erstwhile shareholders will be funded by TSUK, by virtue of the Company having direct control over TSUK and therefore an ability to instruct payment on its behalf, in line with past practice.

The directors have considered a number of possible scenarios for the financial position of the Group, with reference to the Group's Annual Plan ("the base case") and the mitigating actions the Group could take to limit any adverse consequences to liquidity.

In previous years, as part of the wider Tata Steel Limited ('TSL') group, the Group has benefited from significant financial support from its parent companies in order to settle historic financial indebtedness and to invest in working capital. This support included equity proceeds of £100m in 2023/24, £866m in 2024/25, £1,048m in 2025/26 (including £6m settlement of intercompany balances with Tata Steel Europe Limited), and £73m in April to June 2026 up to the date of approval of these financial statements.

On 15 September 2023, the Group's main operating subsidiary Tata Steel UK Limited ('TSUK') announced a joint agreement with the UK Government on a proposal to invest in state-of-the-art electric arc furnace ('EAF') steelmaking at the Port Talbot site with an initially estimated capital cost of £1.25 billion inclusive of a grant from the UK Government of up to £500 million, subject to relevant regulatory approvals, information and consultation processes, and the finalisation of detailed terms and conditions. As part of this joint agreement, TSL agreed that if the proposal proceeded, it would inject equity of at least £1,000m into TSUK in order to fund the capital cost not covered by the government grant and £250m to cover certain restructuring costs including interim cash losses which TSUK would be expected to incur as part of its proposal to close the heavy end facilities in Port Talbot. The formal Grant Funding Agreement ('GFA') between TSUK, TSL and the UK Government reflecting all the key points contained in the term sheet was signed on 11 September 2024. Following the signing of the GFA and the completion of certain administrative requirements under the GFA, TSUK has the ability to access confirmed support of £500m from the UK Government in order to fund the EAF and make the transition from its current operating model. TSUK is entitled to claim sums under the GFA one quarter in arrears after TSUK has paid the capital costs. The first grant claim was paid to TSUK in Q1 2025/26.

As TSUK is an integral part of the TSL Group, a letter of support has been provided by T S Global Holdings Pte Limited ('TSGH'), a subsidiary of TSL, which confirms that TSGH will provide equity funding to cover the funding requirements of TSUK including CAPEX funding for the decarbonisation project, the restructuring

C. Directors' report

costs involved with TSUK's transition in its business model, and any support which may be needed for its underlying business operations during the forecast period of the going concern assessment.

As well as the funding available from the UK Government and equity funding from the wider TSL Group mentioned above, the Group will continue to have access to its own financing facilities to support its day to day liquidity requirements. As the Group's committed financing facility expires in May 2027, the letter of support confirms that TSGH will support the refinancing, or the repayment, of the committed financing facility.

Under the base case scenario and a severe but plausible downside scenario, the directors of the Company believe that the Company and the Group have access to adequate liquidity given the support undertakings provided by TSGH as described above and the commitments from the UK Government and TSL contained in the Grant Funding Agreement in order to enable the execution of its decarbonisation strategy.

For these reasons, the directors have determined that it is appropriate for the financial statements of the Company and the Group to be prepared on a going concern basis.

Corporate Governance

For the year ended 31 March 2026, relevant companies in the Tata Steel Europe Group refer to the Wates Corporate Governance Principles for Large Private Companies as an appropriate framework for considering their governance arrangements. These are considered below taking account of the fact that the Company does not set the strategic direction of its subsidiaries but concentrates on oversight and assurance of the consolidated financial result of its Group.

Principle 1 – Purpose and Leadership

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 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 UK and mainland Europe Groups of Tata Steel.

The CGL Board is principally concerned with assurance over CGL's financial statements, which as of 2026, it now consolidates with TSUK and other direct subsidiaries. Management of the Group comprising the business operations and activities of the TSUK value chain is led by the Board of TSUK as the Group's principal operating company. Further financial oversight and assurance is provided by the Board and Audit Committee of TSE.

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. The Group continues to: work with suppliers to shape a more sustainable future through partnering to source sustainable raw materials originating from responsible supply chains in line with the Group's Responsible Procurement Policy; to engage with customers to create sustainable solutions and products that society needs; to be an innovator of carbon-neutral steelmaking and demonstrate a commitment to the way sustainable steel is produced and delivered; to empower its people and engage and work with its communities, whilst creating value for the shareholder. 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 Group does business.

Principle 2 – Board Composition

During the 2025/26 financial year, board membership comprised three Directors. One Director is also a member of the TSE Board. One Director also continues to serve on the Board of TSUK, which is the principal operating entity in the UK.

The Board's current composition has been sufficient to meet the needs of the Company and the Group 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 remain appropriate for the size and complexity of the Company. The Board has representation from different ethnic backgrounds but does not currently consist of any female directors.

CGL does not have its own Nominations Committee as this is dealt with at TSL level. Any appointments to boards of companies in the Group are considered and approved by senior management in the TSUK business. The Securities and Exchange Board of India (SEBI) monitors and regulates the corporate governance of TSL, which is a listed Company in India. Announcements relating to developments in the UK business may be required to comply with SEBI disclosure requirements.

Management of the Company's affairs as a holding company rests with the Directors, while the strategic and operational management of the Group is led by TSUK and its Chief Executive Officer and leadership team.

Principle 3 – Directors' Responsibilities

The Board convenes meetings or considers matters by written resolution as and when required in relation to material matters affecting the Company. Current Directors receive regular updates on the performance of the businesses forming part of the Group, including through their role on Tata Steel Europe Limited Board and/or as members of the UK leadership team.

C. Directors' report

Principle 4 – Opportunity and Risk

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

The Board has considered several risks, in particular, relating to the continuity of TSUK as a going concern, when considering approval for continued funding to its subsidiary, TSUK, and its role as a guarantor in relation to the Grant Funding Agreement with UK Government. In considering those risks, Directors have also had in mind the opportunities for TSUK in its current ongoing transition to a new form of decarbonised steel making with significant investment in assets.

Principle 5 – Remuneration

Given that CGL is an investment holding company, CGL does not have any employees and, as such, no director has received any remuneration during the year in respect of their services to the Company.

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

TSUK has published its latest Gender Pay Gap Report and further information is available on page 13 of the 2025/26 Annual Report and on the Corporate Governance pages of the Tata Steel UK Website (www.tatasteeluk.com).

Principle 6 – Stakeholder Relationships and Engagement

As an investment holding company, CGL has limited direct engagement with stakeholders and stakeholder engagement is, therefore, primarily driven through the activities of TSUK or other operating members of the Tata Steel Group. These activities include frequent planned engagements with employees and employee representatives as well as regular interactions with Governments, regulators, customers, suppliers and other stakeholders. Directors of the Company participate in these engagements as part of their management roles.

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

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

Statement of engagement with employees

The Company has no employees, as detailed within note 4 of the financial statements.

Post balance sheet events

Since the year end and up to the date of approval of these financial statements, CGL has received £73m by way of an advance for equity from Tata Steel Netherlands Holdings B.V.

On 31 May 2026, CIOH assigned the intercompany receivable from CGL to Corus International Limited ('CIL') in partial settlement of a

dividend declared by CIOH. On the same day, CIL subsequently assigned the same intercompany receivable to TSUK in partial settlement of a dividend declared by CIL. Accordingly, as of 31 May 2026, the inter-group borrowings of £293m and interest payable to group companies of £6m, previously owed by CGL to CIOH, is now payable to its wholly owned direct subsidiary, TSUK along with the interest accrued on the borrowings since 31 March 2026.

On 3 June 2026, a fire broke out at the Group's Port Talbot site. As at the date of approval of these financial statements, the extent of the damage and the resulting financial impact, including any potential insurance recoveries, are still being assessed. The Group is working to ensure customer requirements are met through alternate assets and will actively seek insurance claims to recover the damages as appropriate. No adjustments have been made to these financial statements in respect of this event.

Information disclosed within the Strategic Report

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

- Principal risks and uncertainties (see page 4);
- Business review (see page 10);
- Factors likely to affect the Company's future development and position (see page 10);
- Particulars of any events affecting the Company which have occurred since the end of the financial year (see page 34);
- The Company's employees (see page 34); and
- Going concern disclosure (see page 32).

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 ought to have taken as a director in order to make himself 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.

Approved by the Board of Directors and signed on behalf of the Board by:



K De
Director
Registered Office:
18 Grosvenor Place,
London,
SW1X 7HS
8 June 2026

D. Directors' responsibilities statement

The directors are responsible for preparing the Report & Accounts 2026 and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

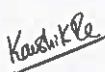
The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

Approved by the Board of Directors and signed on behalf by:



K De
Director
Registered Office:
18 Grosvenor Place,
London,
SW1X 7HS
8 June 2026

E. Independent auditors' report to the members of Corus Group Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- Corus Group Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2026 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the company financial statements have been properly prepared in accordance with FRS 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report & Accounts 2026 (the "Annual Report"), which comprise:

- the Consolidated and Company balance sheets as at 31 March 2026;
- the Consolidated income statement for the year then ended;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated and Company statements of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended; and
- the Presentation of accounts and accounting policies;
- the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2026 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

E. Independent auditors' report to the members of Corus Group Limited

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health & safety and environmental matters, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and potential management bias in significant accounting estimates in order to manipulate financial results and overstate profits.

Audit procedures performed by the engagement team included:

- Discussions with directors, management and internal legal representatives, including consideration of known or suspected non-compliance with laws, regulations and fraud, and confirming such matters with external legal counsel where applicable;
- Reviewing Board minutes and reports that set out the Group's compliance and monitoring of legal and internal control matters;
- Inquiring with relevant personnel to understand management's processes for identifying and reporting risks and threats within the Group;
- Identifying and testing journals, in particular those that have unusual account combinations involving credits to revenue and other income statement items;
- Challenging assumptions made by management in its significant accounting estimates; in particular in relation to its fair valuation of investments held by the Company; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or

E. Independent auditors' report to the members of Corus Group Limited

- adequate accounting records have not been kept by the company or returns adequate for our audit have not been received from branches not visited by us; or
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.

Other matter

The group financial statements for the year ended 31 March 2025 and as at 1 April 2024, forming the corresponding figures of the group financial statements for the year ended 31 March 2026, are unaudited.



Stuart Couch (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
8 June 2026

F1. Consolidated income statement

For the financial year ended 31 March

	Note	2026 £m (Audited)	2025 £m (Unaudited)
Revenue	1	1,978	2,321
Operating costs	2	(2,238)	(2,741)
Operating loss		(260)	(420)
Finance income	5	5	5
Finance costs	5	(52)	(99)
Loss before taxation		(307)	(514)
Taxation	6	23	38
Loss after taxation		(284)	(476)
Attributable to:			
Owners of the company		(284)	(476)

All references to 2026 in the financial statements, the presentation of accounts and accounting policies and the related notes 1 to 34 refer to the financial year ended 31 March, 2026 or as at 31 March, 2026 as appropriate (2025: the financial year ended 31 March, 2025 or as at 31 March, 2025).

F2. Consolidated statement of comprehensive income

For the financial year ended 31 March

	2026 £m (Audited)	2025 £m (Unaudited)
Loss after taxation	(284)	(476)
Items that will not be reclassified to income statement:		
Actuarial gains on defined pension and other post-retirement plans	5	8
Income tax relating to items that will not be reclassified	(1)	(2)
Items that may be reclassified to income statement:		
Gains arising on cash flow hedges	8	6
Income tax relating to items that will be reclassified	(2)	-
Exchange differences on translation of foreign operations	3	(2)
Other comprehensive income for the year net of tax	13	10
Total comprehensive loss for the year	(271)	(466)
Attributable to:		
Owners of the company	(271)	(466)

The company has taken advantage of the exemption under section 408 of the Companies Act 2006 allowing it not to present its own statement of comprehensive income.

F3. Consolidated and Company balance sheets

	Note	Group			Company	
		31 March 2026 (Audited) £m	31 March 2025 (Unaudited) £m	1 April 2024 (Unaudited) £m	31 March 2026 (Audited) £m	31 March 2025 (Audited) £m
Non current assets						
Intangible assets	7	10	12	19	-	-
Property, plant & equipment	8	530	337	298	-	-
Investment in subsidiary undertakings	9	-	-	-	1,754	2,138
Other investments	10	14	15	12	-	-
Other non-current assets	11	57	14	-	-	-
Deferred tax assets	12	188	156	114	-	-
		799	534	443	1,754	2,138
Current assets						
Inventories	13	406	461	583	-	-
Trade and other receivables	14	152	138	145	-	-
Current tax assets	15	-	1	-	-	-
Cash and short term deposits	16	42	79	42	-	-
		600	679	770	-	-
TOTAL ASSETS		1,399	1,213	1,213	1,754	2,138
Current liabilities						
Inter-group borrowings	17	-	100	114	-	-
External borrowings	17	29	181	506	1	1
Trade and other payables	18	556	623	710	7	8
Current tax liabilities	15	11	7	10	-	-
Provisions and other liabilities	20	64	91	197	-	-
		660	1,002	1,537	8	9
Non-current liabilities						
Inter-group borrowings	17	-	-	225	293	271
External borrowings	17	254	520	162	-	-
Retirement benefit obligations	19	9	9	9	-	-
Provisions and other liabilities	20	81	111	123	1	2
Other non-current liabilities	21	-	1	1	-	-
Deferred income	23	71	16	2	-	-
		415	657	522	294	273
TOTAL LIABILITIES		1,075	1,659	2,059	302	282
NET ASSETS/(LIABILITIES)		324	(446)	(846)	1,452	1,856
Equity						
Share capital	24	8,426	7,385	6,519	8,426	7,385
Share premium account		507	507	507	507	507
Accumulated losses		(8,796)	(8,516)	(8,046)	(139)	(118)
Other components of equity		187	178	174	(7,342)	(5,918)
TOTAL EQUITY		324	(446)	(846)	1,452	1,856

The Company recorded a total comprehensive loss of £1,445m (2025: loss of £676m) which includes loss after taxation of £21m (2025: loss of £22m) and other comprehensive loss of £1,424m (2025: loss of £654m). The Company has taken advantage of the exemption under section 408 of the Companies Act 2006 allowing it not to present its own income statement and statement of comprehensive income. The financial statements on pages 39 to 86 were approved and authorised for issue by the Board and signed on its behalf by:

K De

K De
Director
8 June 2026
Corus Group Limited
Registered No: 03811373

F4. Consolidated and Company statements of changes in equity

Group:

	Share Capital £m	Share premium account £m	Accumulated losses £m	Other components of equity			Total Equity £m
				Other reserves £m	Hedging reserve £m	Translation reserve £m	
Balance as at 1 April 2024 (Unaudited)	6,519	507	(8,046)	133	(8)	49	(846)
Loss for the financial year	-	-	(476)	-	-	-	(476)
Other comprehensive income for the financial year	-	-	6	-	6	(2)	10
Total comprehensive loss for the financial year	-	-	(470)	-	6	(2)	(466)
Issue of ordinary shares	866	-	-	-	-	-	866
Balance as at 31 March 2025 (Unaudited)	7,385	507	(8,516)	133	(2)	47	(446)
Loss for the period	-	-	(284)	-	-	-	(284)
Other comprehensive income for the financial year	-	-	4	-	6	3	13
Total comprehensive loss for the financial year	-	-	(280)	-	6	3	(271)
Issue of ordinary shares	1,041	-	-	-	-	-	1,041
Balance as at 31 March 2026 (Audited)	8,426	507	(8,796)	133	4	50	324

Company:

	Share Capital £m	Share premium account £m	Accumulated losses £m	Other components of equity		Total Equity £m
				Other reserves £m	Revaluation reserve £m	
Balance as at 1 April 2024 (Audited)	6,519	507	(96)	133	(5,397)	1,666
Loss for the financial year	-	-	(22)	-	-	(22)
Other comprehensive loss for the financial year	-	-	-	-	(654)	(654)
Total comprehensive loss for the financial year	-	-	(22)	-	(654)	(676)
Issue of ordinary shares	866	-	-	-	-	866
Balance as at 31 March 2025 (Audited)	7,385	507	(118)	133	(6,051)	1,856
Loss for the financial year	-	-	(21)	-	-	(21)
Other comprehensive loss for the financial year	-	-	-	-	(1,424)	(1,424)
Total comprehensive loss for the financial year	-	-	(21)	-	(1,424)	(1,445)
Issue of ordinary shares	1,041	-	-	-	-	1,041
Balance as at 31 March 2026 (Audited)	8,426	507	(139)	133	(7,475)	1,452

F5. Consolidated statement of cash flows

For the financial year ended 31 March

	Note	2026 £m (Audited)	2025 £m (Unaudited)
Operating activities			
Cash used in operations	27	(292)	(475)
Interest paid		(49)	(93)
Interest element of lease rental payments		(3)	(4)
UK corporation tax paid		(6)	(6)
Overseas taxation paid		(2)	(3)
Net cash flow used in operating activities		(352)	(581)
Investing activities			
Purchase of property, plant and equipment		(182)	(70)
Government grants received on purchase of property, plant and equipment		43	-
Sale of property, plant and equipment		9	14
Sale of other investments		2	-
Purchase of other investments		(1)	(4)
Deferred proceeds on prior sale of subsidiary		-	3
Investment loans given		(2)	-
Investment loans repaid		4	-
Interest received		3	6
Net cash flow used in investing activities		(124)	(51)
Financing activities			
Proceeds from issue of equity shares		1,041	866
New loans (including drawdowns of revolving credit facility)		233	150
Repayment of borrowings (including repayments of revolving credit facility)		(810)	(327)
Capital element of lease rental payments		(25)	(20)
Net cash flow generated from financing activities		439	669
(Decrease)/increase in cash and cash equivalents		(37)	37
Cash and cash equivalents at beginning of year		74	37
Cash and cash equivalents at end of year	16	37	74
Cash and cash equivalents consist of:			
Cash at bank and in hand	16	37	74
		37	74

F6. Presentation of accounts and accounting policies

I. General information and basis of preparation.

Background

Corus Group Limited ('the Company' or 'CGL') and its subsidiaries are collectively referred to as 'the Group'. The Company is a private limited company incorporated, registered and domiciled in the United Kingdom under the Companies Act 2006. The functional and presentational currency of the Company, and the presentation currency of the Group, is sterling.

Statement of compliance

In the prior year, the Company was exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006, as it was a wholly owned indirect subsidiary of Tata Steel Europe Limited ('TSE'), which prepared consolidated financial statements that included the Company. Following the October 2021 separation of TSE into two businesses centred in the UK and mainland Europe, all of the entities which are part of the CGL Group reflect the full extent of Tata Steel's UK business. The Company has therefore chosen to present consolidated accounts for the first time in 2025/26 in order to show the extent of its operations and present a complete view of the financial position of the Group. The comparative year 2024/25 presented for the CGL consolidated accounts is unaudited.

The consolidated financial statements of the Group comprise the Company and its subsidiaries, together with the Group's interests in its joint ventures and associated undertakings. Comparative information for the prior year has been restated on a consolidated basis to ensure comparability with the current year financial statements.

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. IFRS 1 *First-time Adoption of International Financial Reporting Standards* has been applied, including the application of paragraph 4A of IFRS 1 in the preparation of these financial statements. Accordingly, an opening statement of financial position as at 1 April 2024 has also been presented in the consolidated balance sheet. There are no reconciliations applicable as there are no material transitional adjustments on adopting IFRS 1.

CGL meets the definition of a qualifying entity under FRS 100 *'Application of Financial Reporting Requirements'* issued by the Financial Reporting Council. As such, the Company's financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 *'Reduced Disclosure Framework'* (FRS 101).

The financial statements apply the recognition, measurement and presentation requirements of UK-adopted international accounting standards, but make amendments where necessary in order to comply with the Act and take advantage of the FRS 101 disclosure exemptions.

The following exemptions from the requirements of IFRS, to the extent that they are applicable to the Company, have been applied

in the preparation of the Company's financial statements, in accordance with FRS 101:

- (i) IFRS 7, 'Financial instruments: Disclosures';
- (ii) Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' in relation to the disclosure of valuation techniques and inputs used for fair value measurements of assets and liabilities;
- (iii) Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - a. paragraph 79(a)(iv) of IAS 1;
 - b. paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - c. paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the year).
- (iv) The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements.
- (v) IAS 7, 'Statement of cash flows';
- (vi) The requirements of paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' in relation to the disclosure of standards not yet effective;
- (vii) Paragraph 17 of IAS 24, 'Related party disclosures' requirements to disclose key management compensation and paragraph 18A to disclose related party transactions with group undertakings; and
- (viii) IAS 36, 'Impairment of assets' – paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e).

All accounting policies used in the preparation of the financial statements of the Company, as set out in the sections below, are consistent with those applied in the preparation of the Annual Report in 2025.

Basis of preparation

The financial statements for the Company and Group have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting year as explained in the material accounting policies set out below and in note 9 and 22.

The Company's UK subsidiaries Cogent Power Limited (company number 02642030), Corby (Northants) & District Water Company Limited (company number 10254913), Corus International (Overseas Holdings) Limited (company number 02643008) and Corus International Limited (company number 00747010) are exempt from the requirements to audit their financial statements under section 479A of the Companies Act 2006. Under section 479C of the Companies Act 2006 the Company, being the intermediate parent undertaking of Cogent Power Limited, Corby (Northants) & District Water Company Limited, Corus International (Overseas Holdings) Limited and Corus International Limited, has given a statutory guarantee of all outstanding liabilities for which each of those subsidiaries are subject to as at 31 March 2026.

Going concern

The consolidated and company financial statements have been prepared on a going concern basis, which the directors consider appropriate for the reasons set out below.

The directors have assessed the future funding requirements of the Company and the Group over the going concern assessment period through to September 2027, and have compared these funding

F6. Presentation of accounts and accounting policies

requirements to the level of borrowing facilities which are assumed to be available, including working capital facilities.

As at 31 March 2026, the Company has a net current liabilities position of £8m, mostly represented by interest accrued on the non-current borrowings from its subsidiary Corus International (Overseas Holdings) Limited ('CIOH') which was subsequently assigned to TSUK on 31 May 2026, as disclosed in Note 32. The current liabilities also include £1m towards unclaimed dividend pertaining to the period when Corus Group plc was a publicly traded company, which in the event if claimed by the erstwhile shareholders will be funded by TSUK, by virtue of the Company having direct control over TSUK and therefore an ability to instruct payment on its behalf, in line with past practice.

The directors have considered a number of possible scenarios for the financial position of the Group, with reference to the Group's Annual Plan ("the base case") and the mitigating actions the Group could take to limit any adverse consequences to liquidity.

In previous years, as part of the wider Tata Steel Limited ('TSL') group, the Group has benefited from significant financial support from its parent companies in order to settle historic financial indebtedness and to invest in working capital. This support included equity proceeds of £100m in 2023/24, £866m in 2024/25, £1,048m in 2025/26 (including £6m settlement of intercompany balances with Tata Steel Europe Limited), and £73m in April to June 2026 up to the date of approval of these financial statements.

On 15 September 2023, the Group's main operating subsidiary Tata Steel UK Limited ('TSUK') announced a joint agreement with the UK Government on a proposal to invest in state-of-the-art electric arc furnace ('EAF') steelmaking at the Port Talbot site with an initially estimated capital cost of £1.25 billion inclusive of a grant from the UK Government of up to £500 million, subject to relevant regulatory approvals, information and consultation processes, and the finalisation of detailed terms and conditions. As part of this joint agreement, TSL agreed that if the proposal proceeded, it would inject equity of at least £1,000m into TSUK in order to fund the capital cost not covered by the government grant and £250m to cover certain restructuring costs including interim cash losses which TSUK would be expected to incur as part of its proposal to close the heavy end facilities in Port Talbot. The formal Grant Funding Agreement ('GFA') between TSUK, TSL and the UK Government reflecting all the key points contained in the term sheet was signed on 11 September 2024. Following the signing of the GFA and the completion of certain administrative requirements under the GFA, TSUK has the ability to access confirmed support of £500m from the UK Government in order to fund the EAF and make the transition from its current operating model. TSUK is entitled to claim sums under the GFA one quarter in arrears after TSUK has paid the capital costs. The first grant claim was paid to TSUK in Q1 2025/26.

As TSUK is an integral part of the TSL Group, a letter of support has been provided by T S Global Holdings Pte Limited ('TSGH'), a subsidiary of TSL, which confirms that TSGH will provide equity funding to cover the funding requirements of TSUK including CAPEX funding for the decarbonisation project, the restructuring costs involved with TSUK's transition in its business model, and any support which may be needed for its underlying business operations during the forecast period of the going concern assessment.

As well as the funding available from the UK Government and equity funding from the wider TSL Group mentioned above, the Group will continue to have access to its own financing facilities to support its

day to day liquidity requirements. As the Group's committed financing facility expires in May 2027, the letter of support confirms that TSGH will support the refinancing, or the repayment, of the committed financing facility.

Under the base case scenario and a severe but plausible downside scenario, the directors of the Company believe that the Company and the Group have access to adequate liquidity given the support undertakings provided by TSGH as described above and the commitments from the UK Government and TSL contained in the Grant Funding Agreement in order to enable the execution of its decarbonisation strategy.

For these reasons, the directors have determined that it is appropriate for the financial statements of the Company and the Group to be prepared on a going concern basis.

II. New Standards and interpretations applied.

The following amendment to International Accounting Standards ('IAS') was adopted in the current year which did not have an impact on the Company's consolidated financial statements.

		Effective Date*
IAS 21 (Amendments)	Lack of exchangeability	1 Jan 2025

* periods commencing on or after

III. New Standards and interpretations not applied.

The International Accounting Standards Board ('IASB') has issued the following Standards, which are relevant to the Group's reporting but have either not been applied as they have not been adopted for use under UK-adopted international accounting standards in the year ended 31 March 2026, or have an effective date after the date of these financial statements:

		Effective Date*
IFRS 9 and IFRS 7 (Amendments)	Classification and measurement of financial instruments	1 Jan 2026
IFRS 9 and IFRS 7 (Amendments)	Contracts referencing nature dependent electricity	1 Jan 2026
IFRS 18	Presentation and disclosure of financial statements	1 Jan 2027
IFRS 19	Subsidiaries without public accountability	1 Jan 2027

* periods commencing on or after

With respect to IFRS 18 *Presentation and Disclosure of Financial Statements*, while the standard does not amend the recognition and measurement requirements for assets, liabilities, income or expenses, it introduces changes to the presentation and structure of the financial statements, including the presentation of the statement of profit or loss. The Group is assessing the potential impact of IFRS 18 on its financial statements, including the identification, presentation and disclosure of its management defined performance measures.

Except for IFRS 18, management does not expect that the adoption of the other standards and amendments issued but not yet effective

F6. Presentation of accounts and accounting policies

will have a material impact on the Group's consolidated financial statements. The Group does not intend to early adopt any standards or amendments.

IV. Use of estimates and critical accounting judgements

In the application of the Group's material accounting policies, which are described in section V, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting year end that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

1) Impairment of non-current assets

Value in use and fair value less costs to sell calculations require an estimation of future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The present value is sensitive to changes in the discount rate used in the models, the forecast profitability in the Group's Annual Plan, and the expected impact of decarbonisation on the Group. Further details on the Group's impairment review, key assumptions, and sensitivity analyses are set out in note 8.

2) Carrying value of investment in subsidiaries (Company only)

In respect of the carrying value of investments in subsidiaries in the Company's financial statements, estimation is required in determining fair value. The key assumptions applied in the fair value assessment, as outlined in note 9, include government trade policies, including the implementation of the UK Carbon Border Adjustment Mechanism, forecast steel selling prices, including the level of any 'green steel premium' that may be realised on the sale of low CO₂ steel, and the completion of the construction and commissioning of the electric arc furnace, including the associated construction costs.

During the year, the Company's equity investment in its subsidiary, TSUK, was measured at fair value, resulting in a fair value decline of £1,424m (2025: £654m decline), which was recognised in the statement of comprehensive income. Any change in the underlying fair value assumptions would result in a corresponding increase or decrease in the (loss)/gain recognised in other comprehensive income. Further details on the key assumptions, and sensitivity analyses are set out in note 9.

3) Recognition of deferred tax assets

The recognition of deferred tax assets is subject to estimations of the future available taxable profits that the directors consider to be more likely than not to occur, based on the Group's annual plans and future forecasts. Estimation is required when considering the amount of available losses and temporary differences that are available to the Group compared to those future profit forecasts and whether there is prior evidence of utilisation. The Group's financial position in recent years has been such that only a limited utilisation has been possible and utilisation is only likely to occur after the Group has completed its decarbonisation investments plans. Further information can be found in note 12.

4) Post-retirement benefits

The Group's retirement benefit obligations are assessed using actuarial valuations that require the selection of key assumptions. The selection of inflation and mortality rates are key sources of estimation uncertainty which could lead to a material adjustment in the defined benefit obligations reported in the financial year. The Group sets these judgements with close reference to market conditions and third party actuarial advice.

The Group's defined benefit obligations are discounted at a rate set by reference to market yields at the end of the reporting year on high quality corporate bonds. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded.

On 31 March 2026, the Group's main defined benefit scheme in the UK, the British Steel Pension Scheme (BSPS), completed a full buy out, with individual insurance policies established for all members and the existing buy-in policy converted into a buy-out. From this date, TSUK has no further legal or constructive obligation in respect of the scheme, and the related pension assets and liabilities were settled and derecognised. An 'asset ceiling' continued to be applied at the date of settlement, restricting the residual £8m of assets in the Scheme to nil, reflecting the absence of any unconditional right to a refund or reduction in future contributions. Further details on the Group's retirement benefit obligations, including a sensitivity analysis of key judgements are included within note 19.

5) Recognition of provision

A provision is recognised when the Group has a present obligation, legal or constructive, as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. They include provisions on restructuring and rationalisation, decommissioning and environmental provisions which may change where changes in facts and circumstances affect expectations about the timing or cost of underlying activities. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates although the directors do not believe that any reasonably possible change in the estimates would lead to a materially different outcome. Further details on the Group's redundancy and rationalisation provisions can be found in note 20.

6) Climate change and decarbonisation

The Group continues to assess the potential impacts of climate change and decarbonisation strategy and has considered such

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impacts on the estimates and judgments used in preparing its consolidated financial statements.

Assumptions in respect of climate and regulatory changes and the transition to a low carbon economy are taken into account when estimating the useful lives of property, plant and equipment used for calculation of depreciation and amortisation and also the review of other estimates and judgements concerning the impairment tests for property, plant and equipment. Further information in this respect can be found in note 8.

The detailed material accounting policies for each of these areas are outlined in section V below.

V. Material accounting policies

(a) Property, plant and equipment

Property, plant and equipment is initially recognised at cost and is stated at cost less accumulated depreciation and any recognised impairment loss. Cost comprises the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including professional fees and, for assets constructed by the Group, directly attributable construction related expenditure. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

Amounts incurred in connection with capital projects that are not directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended (which the Group refers to as 'commissioning costs' and which include expenses such as initial operating losses incurred while technical deficiencies on new plant are rectified and incremental operating costs that are incurred while the new plant is operating at less than full capacity) are written off to profit and loss as incurred.

Advances paid for acquisition or construction of an item of property, plant and equipment are initially recognised as capital advance and transferred to asset under construction when an identifiable asset exists and the asset is under the control of the Group.

Assets in the course of construction are not depreciated. Depreciation commences when the asset is available for its intended use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit and loss.

Included in property, plant and equipment are loose plant and tools which are stated at cost less amounts written off related to their expected useful lives and estimated scrap value and also spares, against which impairment provisions are made where necessary to cover slow moving and obsolete items.

Subsequent costs are included in the carrying value of an asset when it is probable that additional future economic benefits will flow to the Group and the cost of the item can be measured reliably. All other repairs and renewals are charged to profit and loss as incurred.

(b) Depreciation, amortisation and impairment of property, plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases, to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period if shorter.

The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. Accelerated depreciation or amortisation is provided where an asset is expected to become obsolete before the end of its normal useful life or if events or changes in circumstances indicate that an impairment loss needs to be recognised, as discussed below. No further charges are provided in respect of assets that are fully written down but are still in use.

The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

	Life Years
Freehold and long leasehold buildings that house plant and other works buildings	25
Other freehold and long leasehold buildings	50
Plant and machinery:	
Iron and steelmaking (maximum)	25
IT hardware and software (maximum)	8
Office equipment and furniture	10
Motor vehicles	4
Other (maximum)	15
Patents and trademarks	4
Product and process development costs	5

At each reporting year end, the Group reviews the carrying amounts of its property, plant and equipment and other intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use.

If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

Other intangible assets with indefinite useful lives are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use and fair value less costs to sell, the estimated future cash flows are discounted to their present value using a pre-tax discount rate for value in use and a post-tax discount for fair value less costs to sell, based upon the Group's long-term weighted average cost of capital ("WACC"), which also recognises the comparative WACCs of its European peers, with appropriate adjustments for the risks associated with the relevant units. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is

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reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised as income immediately, although impairments of goodwill are not subject to subsequent reversal.

(c) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Liabilities are not recognised for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates where the Group is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Both current and deferred tax items are calculated using the tax rates that are expected to apply in the year when the liability is settled, or the asset is realised. This means using tax rates that have been enacted or substantially enacted by the end of the reporting year. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority, and they are in the same taxable entity, or a group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

(d) Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting year end. In

accordance with IAS 19 'Employee Benefits', the Group recognises remeasurements of defined benefit obligations, including actuarial gains and losses, in other comprehensive income, presenting those arising in any one reporting year in the statement of comprehensive income. These amounts are not subsequently reclassified to the income statement.

In applying IAS 19, in relation to retirement benefits costs, the current service cost and net interest cost have been treated as a net expense within employment costs. Past service cost is recognised immediately.

The retirement benefit asset or liability recognised in the balance sheet represents the fair value of scheme assets less the present value of the defined benefit obligation, plus the present value of available refunds and reductions in future contributions to the plan.

(e) Provisions

Provisions for rationalisation and related measures, environmental remediation and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. This involves a series of management judgements and estimates that are based on past experience of similar events and third party advice where applicable. Where appropriate and relevant those provisions are discounted to take into consideration the time value of money.

Redundancy provisions are made where the plans are sufficiently detailed and well advanced, and where appropriate communication to those affected has been made at the end of the reporting year. These provisions also include charges for any termination costs arising from enhancement of retirement or other post-employment benefits for those employees affected by these plans.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Provisions are also created for long-term employee benefits that depend on the length of service, such as long service and sabbatical awards, disability benefits and long-term compensated absences such as sick leave. The amount recognised as a liability is the present value of benefit obligations at the end of the reporting year, and all movements in the provision (including actuarial gains and losses or past service costs) are recognised immediately within profit and loss.

TSUK participates in the UK Emissions Trading Scheme. Emission allowances received or purchased are initially measured at cost. A provision is recognised in respect of carbon dioxide emissions where actual emissions exceed the allowances held. Any surplus allowances are only recognised when realised through an external sale.

(f) Other non-current investments and loan receivables

Non-current investments and loan receivables are stated at cost. Provisions are made if events or circumstances indicate that the

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carrying amount may not be recoverable. Income from non-current investments comprises dividends declared up to the balance sheet date and, where relevant, is shown before deduction of overseas withholding taxes.

VI. Other accounting policies

(a) Basis of consolidation

The consolidated income statement, statement of comprehensive income, balance sheet, statement of changes in equity and statement of cash flows include the Company and its subsidiaries. They also include the Group's share of the profits, net assets and retained post-acquisition reserves of joint ventures and associates that are consolidated using the equity method of consolidation.

The profits or losses of subsidiaries, joint ventures and associates acquired or sold during the year are included from the date of acquisition or up to the date of their disposal.

All intra-group transactions, balances, income and expenses are eliminated on consolidation, including unrealised profits on such transactions.

(b) Business combinations

On the acquisition of a subsidiary, joint venture or associate, fair values are attributed to the net assets acquired. Any excess of the fair value of consideration given (including the fair value of any contingent consideration) over the fair values of the Group's share of the identifiable net assets acquired is treated as goodwill. The costs of acquisition are charged to profit and loss in the year in which they are incurred. If the fair value of the net assets acquired exceeds the fair value of consideration, then these fair values are reassessed before taking the remainder as a credit to profit and loss in the year of acquisition.

Goodwill is recognised as an asset. Although it is not amortised, it is reviewed for impairment annually and whenever there is a possible indicator. Any impairment is recognised immediately in profit and loss and cannot subsequently be reversed. On disposal of a subsidiary, joint venture or associate any residual amount of goodwill is included in the determination of the profit or loss on disposal.

Where an acquisition is achieved in stages, upon obtaining control the previously held equity interest is reassessed at fair value and any resulting gain or loss is recognised in profit and loss.

The Group has applied IFRS 3 (Revised) 'Business Combinations' to business combinations after 1 April 2010. The accounting for business combinations transacted prior to this date has not been restated.

(c) Non-current assets and disposal groups held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available

for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Group must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. An impairment loss is recognised for any initial or subsequent write-down of a disposal group to fair value less costs to sell.

Where a disposal group represents a separate major line of business or geographical area of operation or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation, then it is treated as a discontinued operation. The post-tax profit or loss of this discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount on the face of the income statement, with all prior years being presented on this basis.

Where intercompany transactions have occurred between continuing and discontinued operations, these have been eliminated against discontinued operations except for interest costs on intercompany financing arrangements that will not continue after disposal which have been eliminated against continuing operations.

(d) Revenue

The Group's revenue is primarily derived from the single performance obligation to transfer steel products under arrangements in which the transfer of control of the products and the fulfilment of the Group's performance obligation occur at the same time. Revenue from the sale of goods is recognised when the Group has transferred control of the goods to the buyer and the buyer obtains the benefits from the goods, the potential cash flows and the amount of revenue (the transaction price) can be measured reliably, and it is probable that the Group will collect the consideration to which it is entitled to in exchange for the goods.

The Group manufactures and sells a range of steel products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The steel is sometimes sold with volume discounts based on aggregate sales over a 12 month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts.

Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made

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until the end of the reporting year. No element of financing is deemed present as the sales are normally made with a credit term of 60 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(e) Government grants

Government grants are only recognised if there is reasonable assurance that the associated conditions will be met and the grants will be granted. Grants related to expenditure on property, plant and equipment, including the Group's grant of up to £500m from the UK Government in respect of its decarbonisation project, are credited to the income statement as reduction of depreciation expense over the useful lives of qualifying assets.

Grants related to revenue are credited to the income statement in line with the timing of when costs associated with the grants are incurred.

Total grants receivable or received less the amounts credited to income statement at the end of the reporting year are included in the balance sheet as deferred income.

(f) Insurance

Insurance premiums in respect of insurance placed with third parties are charged to profit and loss in the year to which they relate.

In addition, the Group provides for insurance charges for historic industrial disease exposures of personnel. These provisions are subject to regular review and are adjusted as appropriate; the value of final insurance settlements is uncertain, as is the timing of expenditure.

(g) Financing items

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

Interest expense is recognised using the effective interest method, except for borrowing costs that relate to financing the construction of a qualifying property, plant and equipment and are capitalised.

Discounts, premiums and transaction costs incurred on the issue of debt securities are included in the initial carrying amount of the related financial liability and amortised over its term using the effective interest method, with the amortisation included within interest expense. The carrying amount of debt securities includes any unamortised premiums, discounts and transaction costs. Premiums paid on early redemptions of debt securities are recognised in the income statement within finance costs at the date of extinguishment.

(h) Foreign currency transactions and translations

Monetary assets and liabilities in foreign currencies are translated into sterling at the quoted rates of exchange ruling at the end of each reporting year. Income statement items and cash flows are translated into sterling at the average rates for the financial year.

In order to hedge its exposure to certain foreign exchange transaction risks, the Group enters into forward contracts and options (see (i) below for details of the Group's accounting policies in respect of such derivative financial instruments).

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. The impact of revaluations of foreign currency loans is included within operating costs.

Exchange differences on the retranslation of the opening net investment in foreign enterprises and the retranslation of profit and loss items from average to closing rate are recorded as movements on reserves. Such cumulative exchange differences are transferred to profit and loss on subsequent disposal of the foreign enterprise and for other substantial reductions in capital in these enterprises during the year. Under IAS 21, cumulative translation differences on the consolidation of subsidiaries are only being accumulated for each individual subsidiary from the date of acquisition.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(i) Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. The detailed accounting treatment for such items can differ, as described in the following sections:

i. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Where the Group transfers substantially all the risks and rewards of ownership of a financial asset, the financial asset is derecognised and any rights and obligations created or retained in the transfer are recognised separately as assets or liabilities. This includes arrangements where the Group securitises trade receivables on a non-recourse basis.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

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- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

ii. Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime Expected Credit Losses ('ECL') for trade receivables, contract assets and lease receivables.

For all other financial instruments and in the case of the company intercompany receivables, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Even when credit losses are recognised, amounts are only fully written off once all possibility of recoverability has been extinguished.

iii. Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

iv. Derivative financial instruments and hedge accounting

In the ordinary course of business the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange, base metal prices, carbon emission rights and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, forward rate agreements, and London Metal Exchange (LME) contracts. The instruments are employed as economic hedges of transactions included in the consolidated financial statements or forecast for firm contractual commitments. Contracts do not generally extend beyond 6 months, except for certain commodity contracts.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is taken out. Following this, at each subsequent reporting year end the derivative is re-measured at its current fair value. For forward currency contracts and commodity contracts the fair values are determined based on market forward rates at the end of the reporting year.

The Group seeks to adopt hedge accounting for currency, carbon emission rights and commodity contracts. At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk, and this effectiveness is assessed on an ongoing basis. The methodology of testing the effectiveness and the reliability of this approach for testing is also considered and documented at inception. This effectiveness is assessed on an ongoing basis throughout the life cycle of the hedging relationship. In particular, only forecast transactions that are highly probable are subject to cash flow hedges. Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in profit and loss.

If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in profit and loss in the same period in which the hedged item affects profit and loss.

For an effective hedge of an exposure to changes in fair value, the hedged item is adjusted for changes attributable to the risk being hedged with the corresponding entry in profit and loss. Gains or losses from re-measuring the associated derivative are also recognised in profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the

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hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is reclassified to net profit or loss for the year.

(j) Intangible assets

Patents, trademarks and software are included in the balance sheet as intangible assets where they are clearly linked to long-term economic benefits for the Group. In this case they are measured initially at fair value on acquisition or purchase cost and then amortised on a straight-line basis over their estimated useful lives. All other costs on patents, trademarks and software are expensed in profit and loss as incurred.

Expenditure on research activities is recognised as an expense in the year in which it is incurred. Costs incurred on individual development projects are recognised as intangible assets from the date that all of the following conditions are met:

- (i) completion of the development is technically feasible;
- (ii) it is the intention to complete the intangible asset and use or sell it;
- (iii) it is clear that the intangible asset will generate probable future economic benefits;
- (iv) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (v) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Costs are no longer recognised as an asset when the project is complete and available for its intended use, or if these criteria no longer apply. The approach to amortisation and impairment of other intangible assets is described in section V (b) above.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the year in which it is incurred.

Where the Group purchases emission rights from an emission trading scheme, it recognises these as a current asset, where these are intended to settle a current liability, and values the asset at cost. No amortisation is recognised, provided that the Group intends to utilise the asset to settle emission rights liabilities.

(k) Leases

As a lessee, the Group assesses if a contract is or contains a lease at the inception of the contract. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is low value, which are expensed in the consolidated income statement on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate. The incremental borrowing rate is calculated with reference to the businesses cost of funding, length of the lease and the suitability of the assets to leasing.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date and extension options, if the Group is reasonably certain to exercise the option. Lease liabilities are classified as part of borrowings.

The associated right-of-use asset is capitalised equal to the lease liability and disclosed together with property, plant and equipment. The right-of-use asset is subsequently depreciated on a straight-line basis over the lease term. Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment.

Variable lease payments not included in the measurement of the lease liabilities are expensed in the consolidated income statement in the year in which the events or conditions which trigger those payments occur.

As a lessor, the Group recognises leases at cost which are then amortised over the life of the leases with interest recognised as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not. These leases relate to property and vessels that are sublet in relation to the head lease. The risk associated with any rights retained in the underlying asset is managed via safeguards within the sub lease contract and vetting and monitoring of lessees.

(l) Investments in subsidiaries

With effect from 31 March 2025, the Company changed its accounting policy for the classification and measurement of equity investments in subsidiaries from cost less accumulated impairment losses to fair value through other comprehensive income (FVTOCI) in accordance with IAS 27 'Separate Financial Statements'. Under this policy, changes in the fair value of such investments are recognised in other comprehensive income (OCI) at each reporting date.

The accounting policy was first applied in the prior year and has been consistently applied in year ended 31 March 2026. Measuring investments in subsidiaries at fair value continues to provide more reliable and relevant information to the users of financial statements in respect of the underlying business performance and financial position of the Company.

The accounting policy change was applied retrospectively in the year ended 31 March 2025 in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', and comparative information for that period was restated accordingly. Details of the transition and the impact on the Company financial statements were disclosed in note 5 and 12 of the CGL Report & Accounts 2025.

(m) Joint ventures, joint operations and associates

The results and assets and liabilities of joint ventures and associates are incorporated in the consolidated financial statements using the equity method of accounting, except where classified as held for sale.

Investments in joint ventures and associates are initially measured at cost. Any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets acquired, being goodwill, is included within the carrying value of the joint venture or associate and is subsequently tested for impairment on an annual basis. Any deficiency of the cost of acquisition below the Group's share of the fair values of the identifiable net assets acquired is credited to profit or loss in the period of acquisition.

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The Group's share of post-acquisition profits and losses is recognised in profit and loss, and its share of post-acquisition movement in reserves are recognised directly in reserves. Losses of associates in excess of the Group's interest in those associates are not recognised, unless the Group has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions with joint ventures or associates are eliminated to the extent of the Group's interest in those entities and, where material, the results of joint ventures and associates are modified to conform to the Group's policies.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. Joint operations are accounted for by recognising the share of assets, liabilities, expenses and income relating to the joint operation.

(n) Inventories

Inventories comprise the followings:

- a) Raw materials and consumables,
- b) Work-in-progress, and
- c) Finished goods and goods for resale.

Raw materials are categorised as those inputs which are required to produce steel products or to added to the steel products as part of their further processing.

Work in progress is categorised as steel products available for further processing inclusive of any purchases of steel products such as slab and coil.

Inventories of raw materials are valued at the lower of cost and net realisable value. Cost is generally determined using the weighted average cost method. Inventories of partly processed materials (including imports of steel slab and coil) finished products and stores are individually valued at the lower of cost and net realisable value.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their local product lines and market conditions.

(o) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(p) Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash flows in foreign currencies have been translated into

sterling using average exchange rates, approximating the foreign exchange rate at transaction date. Exchange rate differences on cash items are shown separately in the cash flow statement.

F7. Notes to financial statements

1. Revenue

The Group derives its revenue from contracts with customers for the transfer of goods at a point in time in the following major geographic regions. Substantially all revenue is derived from the sale of goods. This disaggregation is consistent with the information regularly reviewed by the Board of Directors in order to evaluate the financial performance of the Group.

	2026 £m (Audited)	2025 £m (Unaudited)
Revenue by destination:		
UK	1,175	1,303
Europe excluding UK	670	863
Rest of the world	133	155
	1,978	2,321

2. Operating costs

	2026 £m (Audited)	2025 £m (Unaudited)
Costs by type:		
Raw material and consumables	1,359	1,720
Maintenance costs (excluding own labour)	91	177
Other external charges (including fuels & utilities, hire charges and carriage costs)	323	438
Employment costs (Note 4)	341	360
Depreciation, amortisation and impairments (Note 3, 7 and 8)	32	47
Other operating items (including rents, insurance, and general expenses)	70	106
Changes in inventory of finished goods and work in progress	44	(91)
Own work capitalised (Note 4)	(14)	(3)
Profit on disposal of property, plant, and equipment	(8)	(14)
Profit on disposal of group undertakings	-	1
	2,238	2,741

	Operating items before restructuring, impairment and disposals £m	Restructuring, impairment and disposals £m	Total £m
The above costs in 2026 include:			
Raw material and consumables	1,359	-	1,359
Maintenance costs (excluding own labour)	91	-	91
Other external charges (including fuels & utilities, hire charges and carriage costs)	323	-	323
Employment costs (Note 4)	340	1	341
Depreciation, amortisation and impairments (Note 3, 7 and 8)	32	-	32
Other operating items (including rents, insurance, and general expenses)	69	1	70
Changes in inventory of finished goods and work in progress	44	-	44
Own work capitalised (Note 4)	(14)	-	(14)
Profit on disposal of property, plant and equipment	-	(8)	(8)
	2,244	(6)	2,238

Further analysis of restructuring and impairment costs is presented in Note 3.

F7. Notes to financial statements

	2026 £m (Audited)	2025 £m (Unaudited)
The above costs are stated after including:		
Amortisation of intangible assets (Note 7)	1	2
Depreciation of property, plant and equipment (Note 8)	18	20
Depreciation of right of use assets (Note 8)	13	11
Impairment losses related to other intangible assets (Note 7)	-	1
Impairment losses related to property, plant and equipment (Note 8)	-	5
Impairment losses related to spares (Note 8)	-	8
Net exchange rate (gains)/losses	(2)	6
Costs of research and development (gross)	4	6
Credit on research and development	(41)	(15)
Credit on provision for emissions rights	(1)	(3)
Loss allowance for expected credit losses (Note 14)	2	-
Impairment against other receivables	1	-

The analysis of the Group auditors' remuneration is as follows:

	2026 £m (Audited)	2025 £m (Unaudited)
Fees payable to the Groups auditors and their associates for the audit of the Group	0.9	0.9
Audit-related assurance services	0.2	0.1
Total Group auditors' remuneration	1.1	1.0

Fees payable in respect of the audit of the Company were £49,000 (2025: £3,000). The auditors' remuneration was borne by the Company's wholly owned subsidiary company Tata Steel UK Limited ('TSUK') in the current and prior year.

Fees payable in respect of audit-related assurance services of £0.2m (2025: £0.1m) primarily relate to quarterly reviews undertaken by the Group's auditors and certification related to grant claims.

3. Net restructuring and impairment costs

	2026 £m (Audited)	2025 £m (Unaudited)
Provision for restructuring and related measures:		
Redundancy and related costs (Note 4 and 20)	1	-
Impairment losses relating to property, plant, and equipment (Note 8)	-	5
Impairment losses related to intangible fixed assets (Note 7)	-	1
Impairment losses related to loose plant and tools and spares (Note 8)	-	8
Other rationalisation costs (Note 20)	1	19
	2	33
Credits for restructuring and related measures:		
Redundancy and related costs	-	(34)
	-	(34)
Total net restructuring and impairment costs	2	(1)

Redundancy and related costs recognised during the year of £1m (2025: credit of £34m) relate to employees leaving the Group as part of the restructuring of heavy end steel making facilities at the Group's Port Talbot site. Other rationalisation costs of £1m relate to other non-operational sites. In the prior year, other rationalisation costs of £19m and impairment losses on property, plant, and equipment of £13m related to the restructuring of heavy end steel making facilities.

F7. Notes to financial statements

4. Employees

	2026 £m (Audited)	2025 £m (Unaudited)
The total employment costs of all employees (including directors) in the Group were:		
Wages and salaries	264	310
Social security costs	36	35
Pension costs (Note 19)	40	49
Redundancy and related costs (Note 3)	1	(34)
	341	360

(i) The monthly average number of employees during the year was 5,900 (2025: 7,400). This total includes operations staff of 4,600 (2025: 6,100) and functional support of 1,300 (2025: 1,300).

(ii) Employment costs includes £14m (2025: £3m) in respect of employees working directly on the Group's decarbonisation investment project and which have been capitalised to assets under construction.

(iii) Directors' remuneration

	2026 £m (Audited)	2025 £m (Unaudited)
The total employment costs of the directors in the Group were:		
Short term employee benefits	0.7	0.6
Other long term benefits	0.5	0.2

There are no retirement benefits accruing to any directors under defined benefit schemes (2025: £nil).

The emoluments of Mr H Adam are paid by Tata Steel Netherlands Holdings B.V. (TSNH) which makes no recharge to CGL. Mr H Adam is a director of Tata Steel Europe Limited ('TSE') and an executive chairman of TSNH and it is not possible to make an accurate apportionment of his emoluments in respect of each of these wider group businesses. Accordingly, the above details include no emoluments for the aforementioned, whose emoluments are disclosed in the financial statements of TSNH with whom he has his primary employment contract. The other two directors, Mr K De and Mr A J Page, whose emoluments are disclosed above, spend the majority of their time on the Company's principal trading subsidiary, TSUK.

(iv) Highest paid director

	2026 £m (Audited)	2025 £m (Unaudited)
Total amount of emoluments:		
Short term employee benefits	0.4	0.3
Other long term benefits	0.3	0.1

There is no accrued lump sum falling due under a defined benefit pension scheme (2025: £nil).

(v) The Company has no employees (2025: £nil). No director received any remuneration during the year in respect of their services to the Company (2025: £nil).

F7. Notes to financial statements

5. Financing items

	2026 £m (Audited)	2025 £m (Unaudited)
Interest expense relating to:		
Bank and other borrowings	22	43
Leases	3	4
Loans from parent undertakings (Note 31)	5	25
Discount on disposal of trade receivables within purchase agreement with external companies	18	21
Unwinding of discount on long term provisions	4	6
Finance costs	52	99
Interest income relating to:		
Financial assets measured at amortised cost	(3)	(3)
Financial assets measured at fair value through profit and loss	(1)	(1)
Gain from investments	(1)	(1)
Finance income	(5)	(5)
	47	94

6. Taxation

	2026 £m (Audited)	2025 £m (Unaudited)
Overseas current year charge	(3)	(2)
UK prior year charge	(9)	(4)
Current tax charge	(12)	(6)
Deferred tax credit (Note 12)	35	46
Overseas current year deferred tax charge	-	(1)
Overseas prior year deferred tax charge	-	(1)
Total tax credit	23	38

The total income statement credit can be reconciled to the accounting loss as follows:

	2026 £m (Audited)	2025 £m (Unaudited)
Loss before taxation	307	514
Loss before taxation multiplied by the applicable corporation tax rate of 25.3% (2025: 25.2%)	78	130
Effects of:		
Adjustments to current tax in respect of prior periods	(9)	(4)
Adjustments to deferred tax in respect of prior periods	-	(1)
Previously unrecognised tax losses and other tax credits that are expected to be used in future	26	55
Current year temporary differences (including losses) not expected to be utilised	(69)	(142)
Other permanent differences	(3)	-
Total tax credit	23	38

The applicable corporation tax rate is the average tax rate weighted in proportion to the accounting profits earned in each geographical area. The increase in the rate is caused by a change in the relative profitability weightings in the various geographical areas.

In addition to the total taxation credit recognised in the income statement, the following amounts relating to tax have been recognised directly in other comprehensive loss:

F7. Notes to financial statements

	2026 £m (Audited)	2025 £m (Unaudited)
Relating to components of other comprehensive income:		
Actuarial movements of defined benefit pension plans and other post-retirement plans	(1)	(2)
Revaluation of financial instruments treated as cash flow hedges	(2)	-
Total tax charge recognised in other comprehensive income	(3)	(2)

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in the UK, the jurisdiction in which the entity is incorporated. Under the legislation, the group is liable to pay a top-up tax in the UK for the difference between the GLoBE effective tax rate for each jurisdiction and the 15.0% minimum rate. In addition, top-up taxes are payable locally where qualifying domestic top-up taxes have been legislated and are in effect.

During the year, the Group recognised a £0.4m (2025: £0.2m) current tax expense in respect of top-up tax which related to the Group's operations in UAE where the statutory tax rate is 9.0%.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax, (as provided in the amendments to IAS 12 issued in May 2023) and accounts for it as a current tax when it is incurred.

7. Intangible assets

2026 (Audited)	Computer software £m	Development costs £m	Patents and trademark £m	Intangibles under development £m	Total £m
Costs as at 1 April 2025	223	2	3	9	237
Transfers	3	-	-	(4)	(1)
Costs as at 31 March 2026	226	2	3	5	236
Accumulated amortisation and impairment as at 1 April 2025	221	2	2	-	225
Amortisation charge for the year	1	-	-	-	1
Accumulated amortisation and impairment as at 31 March 2026	222	2	2	-	226
Net book value as at 31 March 2026	4	-	1	5	10

2025 (Unaudited)	Computer software £m	Development costs £m	Patents and trademark £m	Intangibles under development £m	Total £m
Costs as at 1 April 2024	223	1	3	13	240
Additions	-	-	-	4	4
Disposals	-	-	-	(8)	(8)
Transfers	-	1	-	-	1
Costs as at 31 March 2025	223	2	3	9	237
Accumulated amortisation and impairment as at 1 April 2024	218	1	2	-	221
Amortisation charge for the year	2	-	-	-	2
Impairment losses recognised during the year	1	-	-	-	1
Disposals	-	-	-	(8)	(8)
Transfers	-	1	-	8	9
Accumulated amortisation and impairment as at 31 March 2025	221	2	2	-	225
Net book value as at 31 March 2025	2	-	1	9	12

The remaining amortisation period for computer software is approximately 8 years (2025: 1 year).

F7. Notes to financial statements

8. Property, plant & equipment

2026 (Audited)	Land and buildings £m	Plant and machinery £m	Loose plant and tools £m	Assets in course of construction £m	Total £m
Costs as at 1 April 2025	367	3,412	160	194	4,133
Additions	96	4	11	115	226
Disposals	(14)	(84)	(33)	-	(131)
Transfers	5	46	-	(47)	4
Exchange rate movements	-	1	-	-	1
Costs or valuation as at 31 March 2026	454	3,379	138	262	4,233
Accumulated depreciation and impairment as at 1 April 2025	333	3,279	126	107	3,845
Depreciation charge for the year	9	17	5	-	31
Disposals	(13)	(83)	(33)	-	(129)
Transfers	1	7	-	(5)	3
Exchange rate movements	-	1	-	-	1
Accumulated depreciation and impairment as at 31 March 2026	330	3,221	98	102	3,751
Net book value as at 31 March 2026	124	158	40	160	482
Spares (net book value)					48
Net book value as at 31 March 2026					530

2025 (Unaudited)	Land and buildings £m	Plant and machinery £m	Loose plant and tools £m	Assets in course of construction £m	Total £m
Costs as at 1 April 2024	365	3,410	158	156	4,089
Additions	2	4	8	55	69
Disposals	-	(19)	(6)	-	(25)
Transfers	-	17	-	(17)	-
Cost or valuation as at 31 March 2025	367	3,412	160	194	4,133
Accumulated depreciation and impairment as at 1 April 2024	324	3,283	124	111	3,842
Depreciation charge for the year	7	16	8	-	31
Impairment charge/(reversal) for the year	1	(1)	-	5	5
Disposals	-	(18)	(6)	-	(24)
Transfers	1	(1)	-	(9)	(9)
Accumulated depreciation and impairment as at 31 March 2025	333	3,279	126	107	3,845
Net book value as at 31 March 2025	34	133	34	87	288
Spares (net book value)					49
Net book value as at 31 March 2025					337

- (i) The additions to the right-of-use assets during the 2026 financial year were £99m (2025: £4m).
- (ii) In the prior year, the Group recognised a total impairment charge of £13m, including £8m related to spares.
- (iii) Transfers during the year include £1m (2025: £8m) transfer between assets under construction and intangibles under development, and £nil (2025: £1m) between spares and other items of Property, Plant & Equipment.
- (iv) Consistent with the prior year, property, plant and equipment was tested for impairment as at 31 March 2026 where indicators of impairment existed.

In respect of the TSUK CGU a fair value less costs of disposal (FV) model was used to test for impairment in the Property, Plant and Equipment as at 31 March 2026. A value in use calculation is not deemed appropriate for this CGU due to TSUK's closure of blast furnace steelmaking assets in Port Talbot and plans to replace the same by new EAF assets in the future following a transition period during which the business will continue to supply its customers using purchased slab and coil processed through its downstream facilities. The FV calculation for TSUK CGU involves estimating future cash flows expected to be derived from the CGU for the period up to 2049/50. The cash flows for this period

F7. Notes to financial statements

include EBITDA benefits generated from the EAF assets once they are commissioned and the capital expenditure estimated to be required to bring the assets into use along with a grant from the UK Government of up to £500 million. For the model, a Nil growth rate (March 31, 2025: Nil) is used to extrapolate the cash flow projections beyond the steady state operations once the EAF is commissioned. Given that the cash flows are prepared on a real basis without any growth rate, the post-tax discount rate of 9.9% (March 31, 2025: 9.6%) has been adjusted to a post-tax real discount rate of 7.8% (March 31, 2025: 7.4%). The discount rate is derived from TSUK's weighted average cost of capital (WACC) and the WACCs of its main European steel competitors. The fair value measurement of the TSUK CGU is categorised as Level 3 within the IFRS 13 fair value hierarchy.

Key assumptions for the UK business are expected changes to selling prices and raw material costs, UK and EU steel demand, energy costs, exchange rates, the amount of capital expenditure needed for decarbonisation, the changes to EBITDA resulting from producing and selling low CO2 steel including the selling price effects of a 'green steel premium', levels of government support for decarbonisation, including the introduction of a UK Carbon Border Adjustment Mechanism along similar lines as to the EU's and support for electricity network costs, the timing and phasing of the decommissioning of legacy assets as well as the commissioning of new carbon free production facilities and a post-tax real discount rate of 7.8% (post-tax nominal discount rate of 9.9%)

For all the other CGU's, a value in use (VIU) calculation has been prepared to consider the recoverable amount and assess whether this exceeds the carrying value. This VIU calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts over the period of three years and future projections taking the analysis out to perpetuity based on a steady state, sustainable cash flow reflecting average steel industry conditions between successive peaks and troughs of profitability. Key assumptions for the VIU calculation are those regarding expected changes to selling prices and raw material costs, exchange rates, and pre-tax discount rate of 13.3% (2025: 12.8%). Changes in selling prices, raw material costs, exchange rates and EU steel demand are based on expectations of future changes in the steel market based on external market sources.

The outcome of the above test indicated that, using a pre-tax discount rate of 13.3% (2025: 12.8%) the recoverable value of all CGUs were higher than their carrying value.

The Group has conducted sensitivity analysis on the impairment tests of the carrying value in respect of TSUK CGU including sensitivity in respect of discount rate, the amount of capital expenditure relating to construction of the EAF assets, long term steel prices and other key assumptions. Due to significant headroom, the Company believes that no reasonably possible change in any of the key assumptions used in the model would cause the carrying value to materially exceed its recoverable value.

During the prior year a review of specific assets within TSUK identified assets with a carrying value of £13m which related to assets which were no longer in use following the restructuring of TSUK's business and accordingly an impairment of £13m was recognised during the prior year. The impairment comprised £5m in respect of owned property, plant and equipment and £8m in respect of spares.

(v) Spares are shown at net book value. Due to the substantial number of items involved, and the many variations in their estimated useful lives, it is impracticable to give the details of movements normally disclosed in respect of property, plant and equipment.

(vi) There was £nil (2025: £nil) borrowing costs capitalised in the period.

(vii)

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
The net book value of land and building comprises of:		
Freehold	16	13
Long leasehold (over 50 years unexpired)	3	3
Short leasehold	105	18
	124	34
Which may be further analysed as:		
Right of use assets not subject to operating leases:		
Cost	229	146
Accumulated depreciation and impairment losses	(121)	(125)
	108	21
Owned assets	16	13
	124	34

Depreciation and impairment charges relating to right-of-use assets were £8m and £nil respectively for the year (2025: £7m depreciation and £nil impairment).

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(viii)

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
The net book value of plant and machinery comprises of:		
Right of use assets not subject to operating leases:		
Cost	19	84
Accumulated depreciation and impairment losses	(13)	(77)
	6	7
Owned assets	152	126
	158	133

Depreciation and impairment charges relating to right-of-use assets were £5m and £nil respectively for the year (2025: £4m depreciation and £nil impairment).

(ix)

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
The net book value of spares comprises of:		
Cost	390	386
Accumulated depreciation and impairment losses	(342)	(337)
	48	49

9. Investment in subsidiary undertakings

Company:

	Share in subsidiary undertakings £m	Loans to subsidiary undertakings £m	Total £m
Carrying value as at 1 April 2025 (Audited)	2,137	1	2,138
Additions (i)	1,041	-	1,041
Repayment	-	(1)	(1)
Fair value loss for the financial year (ii)	(1,424)	-	(1,424)
Carrying value as at 31 March 2026 (Audited)	1,754	-	1,754
Carrying value as at 31 March 2025 (Audited)	2,137	1	2,138

- (i) During the year, £1,041m (2025: £866m) of new shares were issued to the Company by its subsidiary, TSUK.
- (ii) The fair value of investments held by the Company in TSUK is dependent on the operational and financial performance of TSUK. TSUK continues to undergo significant structural and economic change arising from the transformation of its production processes, asset base, cost structure and regulatory environment, driven principally by decarbonisation related policy developments in the UK and the EU. These developments have a direct impact on the assumptions underlying forecasts of future profitability and cash flows.

Following the closure of heavy end steel making facilities, the key drivers for the TSUK business valuation remain the construction and commissioning of the EAF assets and transition to a low CO₂ steel production route. Future cash flows are also highly dependent on the impact of evolving regulations, including the UK and EU Carbon Border Adjustment Mechanism, the availability and pricing of clean raw materials, energy and associated infrastructure, and assumptions regarding the costs of, and market premium for, green steel. In addition, TSUK faces potential lasting changes in market conditions arising from policy driven industrial and investment strategies in the UK and in Europe, as well as supply side developments in other geographies.

In the prior year, the Company voluntarily changed its accounting policy for the classification and measurement of investments in subsidiaries in its standalone financial statements. With retrospective effect, such investments were designated as equity instruments measured at fair value through other comprehensive income (FVTOCI) in accordance with IFRS 9, as historical cost no longer provided relevant information given the fundamental changes in TSUK's business and risk profile. During the current year, this accounting policy has been applied consistently, with investments in subsidiaries measured at fair value at each reporting date and changes recognised in other comprehensive income.

F7. Notes to financial statements

The fair value of Company's investment in TSUK has been primarily assessed based on fair value models for TSUK. The fair value computation uses cash flow forecasts based not only on the most recent financial budgets, but including strategic forecasts and future projections taking the analysis on sustainable cash flow into perpetuity reflecting average steel industry conditions (between cyclical peaks and troughs of profitability). Key assumptions used in the fair value model are expected changes to selling prices and raw material costs, UK and EU steel demand, energy costs, exchange rates, the amount of capital expenditure needed for decarbonisation, the changes to EBITDA resulting from producing and selling low CO2 steel including the selling price effects of a 'green steel premium', levels of government support for decarbonisation, including the introduction of a Carbon Border Adjustment Mechanism along similar lines as to the EU's and support for electricity network costs, the timing and phasing of the decommissioning of legacy assets as well as the commissioning of new carbon free production facilities and a post-tax real discount rate of 7.8% (post-tax nominal discount rate of 9.9%). If any of the assumptions change, the fair value of TSUK would increase/decrease along with a corresponding change in the carrying amount of the investment in TSUK. The fair value measurement is categorised as Level 3 within the IFRS 13 fair value hierarchy.

The Company has performed sensitivity analysis on the fair value of TSUK and the carrying value of its investment in TSUK. This analysis indicates that a 5.0% increase or decrease in base steel prices in FY30–34 and FY40–44 would increase or decrease the fair value by £531m, a 25.0% reduction in the assumed green steel premium on HRC prices would decrease fair value by £498m, a 50 basis point increase in the discount rate would reduce fair value by £221m, a 10.0% increase in electricity prices would reduce fair value by £168m, and a 5.0% increase in scrap prices would reduce fair value by £339m.

(iii) A full list of the Company's subsidiaries, including those which are indirectly held and joint arrangements, is disclosed in Note 34.

10. Other investments

	Loans and receivables £m	Investments £m	2026 Total £m (Audited)	2025 Total £m (Unaudited)
Carrying value as at 1 April	11	4	15	12
Additions	2	1	3	5
Disposals	-	(2)	(2)	-
Repayments	(4)	-	(4)	(2)
Fair value changes	-	2	2	-
	9	5	14	15

None of the loans and receivables or investments are either overdue or impaired.

(i) The currency and interest exposure of other investments of the Group is as follows:

	2026 (Audited)			2025 (Unaudited)		
	Fixed long-term financial assets £m	Floating rate long-term financial assets £m	Total £m	Fixed long-term financial assets £m	Floating rate long-term financial assets £m	Total £m
Sterling	9	5	14	11	4	15
	9	5	14	11	4	15
Disclosed as:						
Loans and receivables	9	-	9	11	-	11
Investments	-	5	5	-	4	4

	2026 (Audited)		2025 (Unaudited)	
	Weighted average effective fixed interest rate %	Weighted average time for which rate is fixed years	Weighted average effective fixed interest rate %	Weighted average time for which rate is fixed years
Sterling	8.5	3.9	8.7	1.8

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(ii) Contractual maturities of other investments are as follows:

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
Within one year	-	-
Between one and two years	1	2
Between two and five years	6	8
Greater than five years	2	1
No contractual maturity date	5	4
	14	15

11. Other non-current assets

	2026 £m (Audited)	2025 £m (Unaudited)
Capital advances	57	14
	57	14

Capital advances represent advances paid to suppliers for the purchase or construction of property, plant and equipment.

12. Deferred tax assets

	2026 £m (Audited)	2025 £m (Unaudited)
Deferred tax assets – UK	188	156
	188	156

The following are the major deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and previous reporting year.

2026 (Audited)	Accelerated tax depreciation £m	Tax Losses £m	Retirement benefit obligations £m	Provisions £m	Interest £m	Other £m	Total £m
At 1 April 2025	47	-	2	21	85	1	156
(Charged)/credited to income statement	(10)	-	1	(8)	12	40	35
Charged to other comprehensive income	-	-	(1)	-	-	(2)	(3)
As at 31 March 2026	37	-	2	13	97	39	188

2025 (Unaudited)	Accelerated tax depreciation £m	Tax Losses £m	Retirement benefit obligations £m	Provisions £m	Interest £m	Other £m	Total £m
At 1 April 2024	7	2	2	41	61	1	114
Credited/(charged) to income statement	40	(2)	2	(20)	24	-	44
Charged to other comprehensive income	-	-	(2)	-	-	-	(2)
As at 31 March 2025	47	-	2	21	85	1	156

Deferred tax assets of £188m (2025: £156m) have been recognised at 31 March 2026. In evaluating whether it is probable that taxable profits will be earned in future accounting periods, all available evidence was considered, including Board approved budgets and forecasts. Consistent with the prior year, the level of taxable profits expected to be earned in future periods has been determined using the same forecasts as in the FV model for PPE impairment testing, as outlined in note 8, but with the application of an increasing "uncertainty factor" to reflect the increasing subjectivity of the projections the further into the future the forecast extends. The underlying assumptions outlined

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in note 8 will be updated annually or more regularly, where appropriate, and any significant change in assumption will give rise to a change in the annual forecast profits and therefore the deferred tax asset. However, by their nature the forecast profits will remain uncertain until the point they are realised in the future. The deferred tax asset recognised is 10% (2025: 9%) of the maximum asset that the Group could recognise based on the amount of temporary differences and losses which are available. In considering the amount of temporary differences and losses which should be recognised as an asset, the Group has taken into account its history of tax losses and the strength of evidence which supports its forecast projections giving weight to evidence that can be statistically proven. The Company has sought to reflect any reasonable possible movement to the collective change in assumptions by performing a sensitivity analysis on the calculation for the UK deferred tax asset which shows that increasing the "uncertainty factor" by 1% on forecast annual profits from 2032/33 onwards would have resulted in a lower deferred tax asset of £171m and decreasing the "uncertainty factor" by 1% would have resulted in a higher deferred tax asset of £204m. In the prior year, the sensitivity analysis applied a 5% change in the "uncertainty factor" to forecast annual profits over a 10 year period to March 2035, which resulted in a decrease in the deferred tax asset of £123m for a 5% increase and an increase of £190m for a 5% decrease in the uncertainty factor. The change in sensitivity analysis reflects management's view that uncertainty is more pronounced in later forecast years, while near term projections are subject to greater certainty as they approach the balance sheet date.

It is expected that the deferred tax asset will continue to increase over the short term as the anticipated outturn from the EAF becomes closer to the balance sheet date and is less affected by the uncertainty factors applied above.

Deferred tax assets have not been recognised in respect of total tax losses of £5,629m (2025: £5,370m). These losses comprise UK losses of £5,575m (2025: £5,321m) and non-UK losses of £54m (2025: £49m). All unrecognised losses currently do not carry an expiry date.

Deferred tax assets have also not been recognised in respect of deductible temporary differences and unused tax credits of £956m (2025: £886m), which do not carry an expiry date.

At the end of the reporting year, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries, joint ventures and associates for which deferred tax liabilities have not been recognised is £nil (2025: £nil).

13. Inventories

	2026 £m (Audited)	2025 £m (Unaudited)
Raw materials and consumables	26	38
Work in progress	168	138
Finished goods and goods for resale	212	285
	406	461

The value of inventories above is stated after provisions (net of reversal) of £69m (2025: £115m) for obsolescence and write-downs to net realisable value.

The cost of inventories recognised as an expense (Note 2) includes a net credit of £46m in respect of reversal of write down of inventory to net realisable value (2025: charge of £7m).

14. Trade and other receivables

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
Trade receivables	32	29
Less: Loss allowance for expected credit losses	(2)	-
	30	29
Amounts owed by ultimate parent company (Note 31)	1	4
Amounts owed by other Group companies (Note 31)	10	31
Derivative financial instruments (Note 22)	9	3
Prepayments and other non-financial assets	50	34
Government grant receivables	28	15
Other receivables	24	22
	152	138

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(i) Trade receivables are further analysed as follows:

As at 31 March 2026 (Audited)	Gross credit risk amount	Subject to credit insurance cover	Impairment provision made	Net credit risk amount
	£m	£m	£m	£m
Amounts not yet due	21	(18)	-	3
One month overdue	4	(3)	(1)	-
Two months overdue	-	-	-	-
Three months overdue	-	-	-	-
Greater than three months overdue	7	(5)	(1)	1
	32	(26)	(2)	4

As at 31 March 2025 (Unaudited)	Gross credit risk amount	Subject to credit insurance cover	Impairment provision made	Net credit risk amount
	£m	£m	£m	£m
Amounts not yet due	15	(12)	-	3
One month overdue	6	(1)	-	5
Two months overdue	-	-	-	-
Three months overdue	-	-	-	-
Greater than three months overdue	8	(7)	-	1
	29	(20)	-	9

The Group considers its maximum exposure to credit risk with respect to customers at 31 March 2026 to be £4m (2025: £9m), which is the fair value of trade receivables (after impairment provisions) less those that are subject to credit insurance cover as shown in the table above. The other classes of financial assets within trade and other receivables do not contain impaired assets. There is no concentration of credit risk with any particular customers.

Credit risk management is discussed further in Note 22.

(ii) Movements in the loss allowance for expected credit losses are as follows:

As at 31 March	2026	2025
	£m	£m
	(Audited)	(Unaudited)
At beginning of year	-	-
Charged to income statement (Note 2)	2	-
At end of year	2	-

(iii) Prepayments and other non-financial assets include UK Government receivable on account of R&D expenditure credit £41m (2025: £25m)

15. Current tax

	Assets	Liabilities
	£m	£m
2026 (Audited)		
UK corporation tax	-	9
Overseas taxation	-	2
	-	11
2025 (Unaudited)		
UK corporation tax	-	6
Overseas taxation	1	1
	1	7

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16. Cash and short term deposits

	2026 £m (Audited)	2025 £m (Unaudited)
Cash at bank and in hand	37	71
Short-term deposits	5	8
	42	79

Short term deposits include £5m (2025: £5m) security provided by the Group in respect of certain pension arrangements. The deposit is restricted in nature and does not form part of the cash and cash equivalent balance of £37m (2025: £74m).

The currency and interest exposure of cash and short-term deposits of the Group is as follows:

	2026 (Audited)			2025 (Unaudited)		
	Cash £m	Short-term deposits £m	Total £m	Cash £m	Short-term deposits £m	Total £m
Sterling	19	5	24	31	8	39
Euros	5	-	5	22	-	22
US Dollars	5	-	5	11	-	11
Other	8	-	8	7	-	7
	37	5	42	71	8	79

Short-term deposits are highly liquid investments with original maturities of three months or less. The weighted average interest rate across all deposits held at reporting date was 1.9% (2025: 1.5%), with £nil (2025: £5m) being based on zero rate interest. During each of the years above cash earned interest is based on Bank of England or other official local rates.

17. Borrowings

Group:

	2026 £m (Audited)	2025 £m (Unaudited)
Current:		
Inter-group		
Amount owed to parent undertakings ⁽ⁱ⁾ (Note 31)	-	100
	-	100
External:		
Bank Loans	-	142
Loan Notes ⁽ⁱⁱ⁾	1	1
Obligations under leases	28	38
	29	181
	29	281
Non-current:		
External:		
Bank Loans	165	499
Obligations under leases	89	21
	254	520
Total borrowings	283	801

(i) Included in amounts owed to parent undertakings is £nil (2025: £100m). The £100m loan from Tata Steel Europe Limited, which carried an interest rate of 6.1%, was fully repaid during the year.

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(ii) The maturity date of the loan note was June 2013 and the balance outstanding at 31 March 2026 represents the amounts not yet redeemed.

Interest payable on the above borrowings is included within trade and other payables (Note 18).

The currency and interest exposure of gross borrowings of the Group at the end of the year is as follows:

	2026 (Audited)			2025 (Unaudited)		
	Fixed rate borrowings £m	Floating rate borrowings £m	Total £m	Fixed rate borrowings £m	Floating rate borrowings £m	Total £m
Sterling	112	165	277	54	741	795
Others	6	-	6	6	-	6
	118	165	283	60	741	801

	2026 (Audited)		2025 (Unaudited)	
	Weighted average effective fixed interest rate %	Weighted average time for which rate is fixed years	Weighted average effective fixed interest rate %	Weighted average time for which rate is fixed years
Sterling	5.3	8.4	6.3	1.6
Others	4.5	7.1	4.9	8.0

The floating rate borrowings include amounts owed to immediate parent company and bank borrowings bearing interest rates based on SONIA.

The weighted average interest rate on current borrowings was 4.5% (2025: 6.0%) and on non-current borrowings was 5.3% (2025: 6.3%).

The Group previously granted a guarantee in relation to debt raised under a Senior Facilities Agreement ("SFA") entered into by Tata Steel Netherlands Holdings B.V. The guarantee was supported by security over the assets of TSUK. The SFA was fully repaid on 4 February 2026. As a result, all obligations and liabilities relating to this guarantee provided by the Group to the lenders of the SFA were extinguished as at that date.

The Group has provided a security package to the UK Government in respect of a Grant Funding Agreement ("GFA") in relation to the Group's decarbonisation investment in a new Electric Arc Furnace and associated equipment at Port Talbot. Under this arrangement TSUK continues to provide security over its assets and the Company has guaranteed TSUK's obligations under the GFA.

(iii) The maturity of borrowings is as follows:

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
In one year or less or on demand	35	283
Between one and two years	194	507
Between two and three years	10	4
Between three and four years	8	3
Between four and five years	8	3
More than five years	65	8
	320	808
Less: future finance charges on leases	(37)	(6)
Less: capitalisation of transaction costs	-	(1)
	283	801

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Analysed as:		
Current liabilities	29	281
Non-current liabilities	254	520

Amounts payable under leases are as follows:

	Minimum lease payments		Present value of minimum lease payments	
	2026 £m (Audited)	2025 £m (Unaudited)	2026 £m (Audited)	2025 £m (Unaudited)
Not later than one year	34	40	28	38
Later than one year but not more than five years	55	17	39	14
More than five years	65	8	50	7
	154	65	117	59
Less: future finance charges on lease	(37)	(6)	-	-
Present value of lease payments	117	59	117	59

The lease portfolio of the Group consists of leases of land, buildings, machinery and vehicles.

(iv) The maturity of undrawn committed borrowing facilities of the Group is as follows:

	2026 £m (Audited)	2025 £m (Unaudited)
As at 31 March		
Not later than one year	-	-
Between one and two years	235	-
Between two and three years	-	-
	235	-

In May 2024 Tata Steel UK Limited ('TSUK') entered into a revolving credit facility (RCF) with a committed availability of £400m. As at 31 March 2026, £165m was utilised (2025: Fully utilised). The facility expires in May 2027.

Company:

	2026 £m (Audited)	2025 £m (Audited)
Current:		
External:		
Loan Notes ⁽ⁱ⁾	1	1
	1	1
	1	1
Non-current:		
Inter-group		
Amounts owed to subsidiary undertakings ⁽ⁱⁱ⁾	293	271
	293	271
	293	271
Total borrowings	294	272

(i) The maturity date of the loan note was June 2013 and the balance outstanding at 31 March 2026 represents the amounts not yet redeemed.

(ii) The amounts owed to subsidiary undertakings incur interest charged at a weighted average rate of SONIA +3.5% (2025: SONIA +3.5%). No date has been fixed for repayment.

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18. Trade and other payables

Group:

As at 31 March	2026 £m (Audited)	2025 £m (Unaudited)
Trade payables (i)	299	336
Amounts owed to other Group companies (Note 31)	134	146
Amounts owed to ultimate parent company (Note 31)	8	3
Amounts owed to joint operations (Note 31)	2	1
Other taxation and social security	33	21
Interest payable to parent undertakings (Note 31)	-	3
External interest payable	2	3
Derivative financial instruments (Note 22)	2	8
Capital expenditure creditors	27	33
Advances from customers	1	3
Other payables (ii)	48	66
	556	623

(i) Trade payables include amounts due to suppliers where suppliers, by their own arrangement and at their own discretion, may enter into receivable financing arrangements for managing their own working capital needs. In certain arrangements where the suppliers assign their receivables from the Group to third party finance providers, generally a consent is provided by the Group to acknowledge such notice of assignment. These arrangements do not significantly modify the original purchase/supply terms and conditions agreed with the suppliers including timing or amounts payable by the Group. Accordingly, the outstanding payables continue to be classified as trade payables and are extinguished when settled on the actual due date. All such payables are classified as current in nature as at 31 March 2026. The cash outflows in respect of such arrangements are classified as operating activities in the consolidated statement of cash flows.

As at 31 March 2026, the estimated amount of trade payables for which the Group has accepted such notice of assignment under the factoring arrangements entered into by the suppliers and early discounted by them is £11m (2025: £19m).

(ii) Other payables include amounts provided in respect of insurances, holiday pay, other employment costs and sundry other items.

Company:

As at 31 March	2026 £m (Audited)	2025 £m (Audited)
Amounts owed to subsidiary	-	1
Interest payable to group companies	6	6
Other payables	1	1
	7	8

19. Pensions and post retirement benefits

Defined contribution schemes

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the year by the Group at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting year. The total cost charged to the income statement in 2026 amounted to £35m (2025: £41m).

Defined benefit schemes

The Group operates a number of defined benefit pension and post-retirement schemes. Benefits offered by these schemes are largely based on pensionable pay and years of service at retirement. With the exception of certain unfunded arrangements, the assets of these schemes are held in administered funds that are legally separated from the Group. For those pension schemes set up under a trust, the trustees are required by law to act in the best interests of the schemes beneficiaries in accordance with the scheme rules and relevant pension legislation. The trustees are generally responsible for the investment policy with regard to the assets of the fund, after consulting with the sponsoring employer.

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The Group accounts for all pension and post-retirement defined benefit arrangements using IAS 19 'Employee Benefits', with independent actuaries being used to calculate the costs, assets and liabilities to be recognised in relation to these schemes. The present value of the defined benefit obligation, the current service cost and past service costs are calculated by these actuaries using the projected unit credit method. However, the ongoing funding arrangements of each scheme, in place to meet their long-term pension liabilities, are governed by the individual scheme documentation and national legislation. The accounting and disclosure requirements of IAS 19 do not affect these funding arrangements.

BSPS

The British Steel Pension Scheme ('BSPS') is the legacy defined benefit pension scheme in the UK and is closed to future accrual. The current Scheme is the successor to the old BSPS which entered a PPF assessment period in March 2018 following a Regulated Apportionment Arrangement ('RAA') which separated the old BSPS from TSUK. The current Scheme was created on 28 March 2018 when 69.0% of the members of the old Scheme transferred into the current Scheme. The Scheme is sponsored by TSUK and at the end of March 2025 had around 62,000 members of which c.80% were pensioners with benefits in payment. Although TSUK had a legal obligation to fund any future deficit, a key condition of the new BSPS going forward was that it was sufficiently well funded to meet the Scheme's modified liabilities on a self-sufficiency basis with a buffer to cover residual risks.

In previous years the Scheme entered into a number of buy-in transactions with an external insurer and, on 17 May 2023, the BSPS completed a final buy-in transaction which ensured that all liabilities of the Scheme are fully insured. The funding levels secured as part of these arrangements enabled the Trustee to award an uplift equivalent to 3.0% of liabilities from February 2024 in order to restore an element of member benefits which were foregone as part of the RAA. The final buy-in also included the purchase of an insurance policy on an "all risks" basis whereby any risks for data cleanse items (e.g. impact of Guaranteed Minimum Pension and Barber equalisation) and residual risks (e.g. whether any members claim that their benefit calculations are incorrect) were passed on to the insurer.

During 2025/26 further progress was made with the steps required in order to fully de-risk the Scheme with an allocation of £185m of surplus Scheme funds being made to augment member benefits and, on 31 March 2026, the completion of a full buy-out of the Scheme's liabilities with the external insurer. The buy-out reflects the successful completion of TSUK's and Scheme's main objective since the RAA and has been completed ahead of schedule whilst delivering additional benefits for members beyond those specified at the time of the Scheme's inception.

As at the date of the buy-out, all members of the Scheme transferred to the external insurer such that a settlement of the Defined Benefit Obligation of £5,224m has been recognised as at 31 March 2026 with a corresponding reduction in plan assets (comprising all of the insurance policies) such that there was no gain or loss on settlement. As at 31 March 2026 the Scheme has c. £8m worth of assets remaining which are expected to be utilised to cover the remaining running and wind-up costs of the Scheme which is expected to be complete by 31 March 2027.

On 29 September 2023, TSUK and the Scheme Trustee signed a Deed of Amendment that stipulated that the Trustee shall apply any surplus assets at the time of winding up of the Scheme to augment member benefits to the fullest extent possible after allowing for any expenses necessary to wind up the Scheme. The Deed of Amendment means that there is no longer an ability for TSUK to access any of the surplus of the Scheme. In accordance with IAS 19 an 'asset ceiling' has been applied to reflect the fact that TSUK does not have an unconditional right to a refund from the Scheme and therefore any of the £8m of remaining assets which are not required for the Scheme's expenses will not be returned to the Company.

Actuarial assumptions

A range of assumptions must be used to determine the IAS 19 amounts and the values to be included in the balance sheet and income statement can vary significantly with only small changes in these assumptions. Furthermore the actuarial assumptions used may vary according to the country in which the plans are situated.

The key assumptions applied at the end of the reporting year, or in the case of BSPS immediately prior to the buyout of the Scheme, were as follows:

2026 (Audited)	BSPS %	Other %
Salary growth ⁽¹⁾	n/a	0.00
Pension increases ⁽²⁾	3.04	0.00 to 2.50
Discount rate	6.02	3.9 to 6.02
Inflation	3.04	1.8 to 3.00

1 The BSPS is closed to future accrual.

2 Where applicable a CPI assumption of 3.04% was applied within the BSPS.

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2025 (Unaudited)	BSPS %	Other %
Salary growth ⁽³⁾	n/a	0.00
Pension increases ⁽⁴⁾	2.82	0.00 to 2.50
Discount rate	5.72	3.70 to 5.40
Inflation	2.82	1.80 to 3.00

³ The BSPS is closed to future accrual.

⁴ Where applicable a CPI assumption of 2.82% was applied within the BSPS.

The discount rate is set with reference to the current rate of return on AA rated corporate bonds (excluding government backed bonds) of equivalent term to the scheme liabilities. Projected inflation rate and pension increases are long-term predictions based mainly on the yield gap between long-term fixed interest and index-linked gilts.

Demographic assumptions are set having regard to the latest trends in life expectancy, plan experience and other relevant data, including externally published actuarial information within each national jurisdiction. The base table assumption is reviewed and updated as necessary as part of the periodic actuarial funding valuations of the individual pension and post-retirement plans. For the BSPS the liability calculations as at 31 March 2026 use the Self-Administered Pension Schemes 3 (SAPS 3) base tables, S3PMA_M/S3PFA/S3DFA with the 2020 CMI projections with a 1.25% p.a. (2025: 1.25% p.a.) long-term trend applied from 2013 to 2021 (adjusted by a multiplier of 1.03 p.a. (2025: 1.03 p.a.) for males, 1.03 p.a. (2025: 1.03 p.a.) for females and 1.04 p.a. for female dependents (2025: 1.04 p.a.). The future mortality improvements assumptions are typically updated with each release of an updated model. Future mortality improvements from 2021 onwards are allowed for in line with the 2022 CMI Projections with a long-term improvement trend of 1.0% (2025: 1.0%) per annum, a smoothing parameter of 7.0 (2025: 7.0) and a 25.0% allowance for adopting the w2022 parameter for excess deaths in the UK in the COVID-19 affected years. This indicates that today's 65 year old male member is expected to live on average to approximately 86 years (2025: 86 years) of age and a male member reaching age 65 in 15 years' time is then expected to live on average to 86 years (2025: 86) of age.

Income statement costs

Under IAS 19, costs in relation to pension and post-retirement plans mainly arise as follows:

- The current service cost is the actuarially determined present value of the pension benefits earned by employees in the current year. No charge or credit is reflected here for any surplus or deficit in the scheme and so the cost is unrelated to whether, or how, the scheme is funded.
- The past service cost is the change in a defined benefit obligation for employee service in prior years, arising as a result of changes to plan arrangements in the current year.
- The net interest cost/(income) on the liability or asset recognised in the balance sheet.
- Asset ceiling restrictions are applied where the provisions of the scheme do not allow for refund of any residual surplus to the company in the event of wind-up of the scheme.

These items are treated as a net operating cost in the income statement within employment costs.

Variations from expected costs, arising from the experience of the plans or changes in actuarial assumptions, are recognised immediately in the statement of other comprehensive income. Examples of such variations are differences between the discount rate used for calculating the return on scheme assets (credited to the income statement) and the actual return, the re-measurement of scheme liabilities to reflect changes in discount rates, changes in demographic assumptions such as using updated mortality tables, or the effect of more employees leaving service than forecast.

Income statement pension costs arose as follows:

2026 (Audited)	BSPS £m	UK £m	Other £m	Total £m
Current service costs	5	-	-	5
Net interest income	(1)	-	-	(1)
Interest cost on irrecoverable surplus	1	-	-	1
Defined benefit schemes	5	-	-	5
Defined contribution schemes	-	34	1	35
Total charge for the year (Note 4)	5	34	1	40

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2025 (Unaudited)	BSPS £m	UK £m	Other £m	Total £m
Current service costs	8	-	-	8
Net interest income	(3)	-	-	(3)
Interest cost on irrecoverable surplus	3	-	-	3
Defined benefit schemes	8	-	-	8
Defined contribution schemes	-	40	1	41
Total charge for the year (Note 4)	8	40	1	49

The asset classes include national and international stocks, fixed income government and non-government securities, real estate and annuities with external insurers. The majority of the reported plan assets are located in UK and EU. The pension funds invest in diversified asset classes to maximise returns while reducing volatility. The percentage of total plan assets for each category of investment was as follows:

	BSPS %	
	2026 (Audited)	2025 (Unaudited)
Quoted:		
Equities - UK entities	-	0.0%
Equities - Non-UK entities	-	0.0%
Bonds- Fixed rate	-	1.5%
Bonds- Index linked	-	0.0%
Other	-	0.0%
	-	1.5%
Unquoted:		
Real estate	41.8%	0.5%
Derivatives	-	0.0%
Cash and cash equivalents	58.2%	1.2%
Insurance	-	96.5%
Other	-	0.3%
	100.0%	98.5%
Total	100.0%	100.0%

Balance sheet measurement

In determining the amounts to be recognised in the balance sheet the following approach has been adopted:

- Pension scheme assets are measured at fair value (for example for quoted securities this is the bid-market value on the relevant public exchange).
- Pension liabilities include future benefits that will be paid to pensioners and deferred pensioners, and accrued benefits which will be paid in the future for members in service taking into account projected earnings. As noted above, the pension liabilities are discounted with reference to the current rate of return on AA rated corporate bonds of equivalent currency and term to the pension liability.
- Asset ceiling restrictions are applied where the provisions of the scheme do not allow for refund of any residual surplus to the Company in the event of wind-up of the Scheme.

Amounts recognised in the balance sheet arose as follows:

2026 (Audited)	BSPS £m	Other £m	Total £m
Fair value of plan assets	8	-	8
Present value of obligation	-	(9)	(9)
Irrecoverable surplus (effect of asset ceiling)	(8)	-	(8)
	-	(9)	(9)
Disclosed as:			
Defined benefit liability - non-current	-	(9)	(9)
Arising from:			
Unfunded schemes	-	(9)	(9)

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2025 (Unaudited)	BSPS £m	Other £m	Total £m
Fair value of plan assets	5,464	-	5,464
Present value of obligation	(5,439)	(9)	(5,448)
Irrecoverable surplus (effect of asset ceiling)	(25)	-	(25)
	-	(9)	(9)

Disclosed as:			
Defined benefit liability - non-current	-	(9)	(9)
Arising from:			
Unfunded schemes	-	(9)	(9)

The movements in the present value of plan assets and defined benefit obligations in 2026 and 2025 were as follows:

2026 (Audited)	BSPS £m	Other £m	Total £m
Plan assets:			
As at 1 April 2025	5,439	-	5,439
Interest income on plan assets	299	-	299
Interest cost on irrecoverable surplus	(1)	-	(1)
Return on plan assets less than the discount rate	(99)	-	(99)
Change in effect of asset ceiling	18	-	18
Benefits paid	(432)	-	(432)
Settlements related to buy out	(5,224)	-	(5,224)
As at 31 March 2026	-	-	-

Defined benefit obligations:			
As at 1 April 2025	5,439	9	5,448
Current service cost	5	-	5
Interest cost on the defined benefit obligations	298	-	298
Actuarial gain due to financial assumption changes	(117)	-	(117)
Actuarial losses due to actuarial changes	31	-	31
Benefits paid	(432)	-	(432)
Settlements related to buy out	(5,224)	-	(5,224)
As at 31 March 2026	-	9	9

2025 (Unaudited)	BSPS £m	Other £m	Total £m
Plan assets:			
As at 1 April 2024	5,918	-	5,918
Interest income on plan assets	282	-	282
Interest cost on irrecoverable surplus	(3)	-	(3)
Return on plan assets less than the discount rate	(342)	-	(342)
Change in effect of asset ceiling	47	-	47
Benefits paid	(463)	-	(463)
As at 31 March 2025	5,439	-	5,439

Defined benefit obligations:			
As at 1 April 2024	5,918	9	5,927
Current service cost	8	-	8
Interest cost on the defined benefit obligations	279	-	279
Actuarial (gain)/losses due to financial assumption changes	(469)	-	(469)
Actuarial losses/(gain) due to actuarial changes	166	-	166
Benefits paid	(463)	-	(463)
As at 31 March 2025	5,439	9	5,448

Actuarial gains recorded in the statement of comprehensive income for the year were £5m (2025: gains of £8m).

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20. Provision and other liabilities

	Rationalisation costs ⁽ⁱ⁾	Environmental provision ⁽ⁱⁱ⁾	Insurance ⁽ⁱⁱⁱ⁾	Other ^(iv)	Total 2026	Total 2025
	£m	£m	£m	£m	£m (Audited)	£m (Unaudited)
As at 1 April	159	5	24	14	202	320
Charged to income statement ^(v)	5	2	16	4	27	51
Released to income statement	-	(2)	-	-	(2)	(41)
Utilised during the year	(88)	-	(13)	(2)	(103)	(128)
Transfers ^(vi)	19	-	-	2	21	-
At end of year	95	5	27	18	145	202
Classified as:						
Current liabilities	54	1	8	1	64	91
Non - Current liabilities	41	4	19	17	81	111

(i) Rationalisation costs include employee redundancy provisions and contributions to the Tata Steel / Port Talbot Transition Board arising from the closure of heavy end steelmaking facilities. The Board was established to protect jobs, support affected workers and local businesses, and promote long term economic regeneration. At 31 March 2026, the provision for these costs amount to £16m (2025: £61m). The expected timeframe of the utilisation of this provision is £9m within one year and £7m within one to two years. The movement during the year was as follows:

	2026	2025
	£m (Audited)	£m (Unaudited)
As at 1 April	61	148
Charged to income statement	2	3
Released to income statement	-	(34)
Utilised during the year	(47)	(56)
At end of year	16	61

Other rationalisation provisions comprise onerous lease obligations in respect of unutilised premises, onerous contracts and termination costs, and decommissioning, environmental and other remediation costs at sites subject to restructuring or closure. At 31 March 2026, the rationalisation provision included £2m (2025: £2m) in respect of onerous leases on a discounted basis and £2m (2025: £2m) on an undiscounted basis. The expected timing of utilisation of the remaining rationalisation provision is £45m within one year, £22m within one to two years, £8m within two to three years and £4m within three to five years.

	2026	2025
	£m (Audited)	£m (Unaudited)
a) Onerous lease payments relating to unutilised premises	2	2
b) Onerous contracts and termination costs	21	44
c) Decommissioning, environmental and other remediation costs at sites subject to restructuring/ closure	56	52
	79	98

(ii) The environmental provisions primarily comprise obligations arising under the European Union (EU) Carbon Border Adjustment Mechanism (CBAM) in respect of sales made into the EU under Delivered Duty Paid (DDP) incoterms, where the Group retains responsibility for associated carbon costs. The provisions also include costs relating to remediation and clean-up activities that are likely to be undertaken in the foreseeable future and for which the costs can be reasonably estimated. The majority of the provision is expected to be incurred within the next one to two years.

(iii) The insurance provisions includes liabilities for reported claims and losses incurred but not yet reported in respect of risks retained by the Group rather than passed to third party insurers and also include amounts in relation to certain industrial disease claims. All are subject to regular review and are adjusted as appropriate. The value of final insurance settlements is uncertain and so is the timing of expenditure.

(iv) The other provisions include dilapidation obligations in respect of properties held under lease arrangements, provisions for employee benefits, including long term benefits such as long service, ex-gratia payments for early retirement and sabbatical leave, and product

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warranty claims for which the timing of any potential expenditure is uncertain. All employee benefit provisions are subject to independent actuarial assessments.

- (v) The provisions are discounted where material and the unwinding of discount is included in finance costs in the income statement. Within the provision for rationalisation costs, charge to income statement includes £4m (2025: £6m) in respect of such unwinding of discount of which £1m (2025: £3m) relates to employee redundancy related provisions.
- (vi) Transfers comprise a reclassification of amounts previously recognised within lease liabilities £16m and other financial liabilities £5m to provisions. These transfers reflect a regrouping of liabilities and have no impact on profit, net assets or cash flows.

Company:

	2026 £m (Audited)	2025 £m (Audited)
As at 1 April	2	2
Released to income statement	(1)	-
At end of year	1	2
Analysed as:		
Non-current liabilities as at 31 March	1	2

The provisions relate to environmental provisions in respect of previously disposed operations for which the timing of any potential expenditure is uncertain.

21. Other non-current liabilities

	2026 £m (Audited)	2025 £m (Unaudited)
As at 31 March		
Financial guarantees	-	1
	-	1

On 19 December 2007 the board of TSUK granted a guarantee in relation to the debt raised as part of the old Senior Facilities Agreement (SFA) entered into by Tata Steel Netherlands Holdings B.V. Over the years, the borrowings and lender commitments under the old SFA were refinanced a number of times with the most recent refinancing on 4 October 2022. The guarantee was supported by security over the assets of TSUK.

On 4 February 2026, the SFA was fully repaid and all liabilities relating to the guarantee provided by TSUK were extinguished.

22. Financial instruments and risk management

(i) Capital risk management

The Group manages its capital with the aim of ensuring that the entities in the Group are able to continue as a going concern. Further details are included in the basis of preparation on page 44. The Group's overall risk strategy remains unchanged from 2025. The capital structure of the Group consists of net debt, which includes the borrowings disclosed in Note 17, after deducting cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. Net debt has decreased to £241m at 31 March 2026 from £722m at 31 March 2025 (Note 29) primarily due to a decrease of £576m in borrowings partially offset by an increase of £58m in obligations under leases and a decrease of £37m in cash and cash equivalents.

(ii) The carrying amounts of the Group's financial assets and financial liabilities (excluding derivative assets and liabilities) are:

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	2026 £m (Audited)	2025 £m (Unaudited)
Financial assets:		
Loans and receivables:		
Other investments (Note 10)	14	15
Trade receivables (Note 14)	30	29
Other receivables ¹ (Note 14)	63	72
Cash and short-term deposits (Note 16)	42	79
	149	195
Financial liabilities:		
Financial liabilities held at amortised costs:		
Trade and other payables ² (Note 18)	(520)	(591)
Current borrowings (Note 17)	(29)	(281)
Non-current borrowings (Note 17)	(254)	(520)
Other non-current liabilities (Note 21)	-	(1)
	(803)	(1,393)
	(654)	(1,198)

¹ Excludes derivatives, prepayments and other non-financial assets

² Excludes other taxation and social security, derivatives and advances from customers

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values except for current and non-current borrowings. The fair values of these are £29m (2025: £177m) and £252m (2025: £511m) respectively. The fair value of borrowings would be classified as Level 3 within the fair value hierarchy. The fair value is based on discounted cash flows and reflects the credit risk of counterparties.

(iii) Fair value measurements recognised in the balance sheet

The following table categorises the Group's financial instruments held at fair value by the valuation methodology applied in determining this value. Where possible, quoted prices in active markets for identical assets and liabilities are used (Level 1 and this includes the Group's holdings of listed investments). Where such prices are not available, the asset or liability is classified as Level 2, provided all significant inputs to the valuation model used are based on observable market data (this includes the Group's forward currency and commodity contracts). The Group's derivative financial assets and liabilities are also categorised as Level 2 and their valuation is based on future cash flows (estimated from observable data such as forward exchange rates and yield curves) which are, where material, discounted at a rate which reflects the credit risk of counterparties. If one or more of the significant inputs to the valuation model is not based on observable market data, the instrument is classified as Level 3.

As at 31 March 2026	2026 (Audited)			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets				
Derivative financial assets (Note 14)	-	9	-	9
Financial assets held at fair value through profit and loss (Note 10)	-	-	5	5
	-	9	5	14
Financial liabilities				
Derivative financial liabilities (Note 18)	-	(2)	-	(2)
	-	(2)	-	(2)
As at 31 March 2025	2025 (Unaudited)			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets				
Derivative financial assets (Note 14)	-	3	-	3
Financial assets held at fair value through profit and loss (Note 10)	-	-	4	4
	-	3	4	7
Financial liabilities				
Derivative financial liabilities (Note 18)	-	(8)	-	(8)
	-	(8)	-	(8)

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There were no transfers between any of the levels during the years presented above.

(iv) Financial risk management

The Group uses a variety of financial instruments, including derivatives, to finance its operations and to manage risks arising from those operations. The principal financial risks to which the Group is exposed are those of foreign exchange, commodity, and liquidity which are largely managed by the treasury functions within the Group whose activities are governed by policies and procedures approved by the TSUK Board. The treasury committee meet at least quarterly to review activities and to monitor treasury performance against policies.

(a) Market risk: foreign exchange risk and management

At 31 March 2026, the Group had £283m (2025: £801m) in borrowings, of which £6m (2025: £6m) is denominated in other currencies.

It is the Group policy that substantially all the net currency transaction exposure arising from contracted sales and purchases over an approximate 6-month time horizon is covered by selling or purchasing foreign currency forwards. At 31 March 2026, the Group held forward currency sales of principally US Dollars amounting to £53m (2025: Euros and US Dollars amounting to £117m) and purchases of principally Euros and US dollars amounting to £289m (2025: £241m).

A 10% appreciation of sterling at 31 March 2026 would decrease the Group's net assets by approximately £1m (2025: £3m), decrease in equity by approximately £1m (2025: £3m) and decrease operating profit by approximately £nil (2025: £nil). This sensitivity analysis has been based on the composition of the Group's financial assets and liabilities at 31 March, excluding trade payables, trade receivables and other non-derivative financial instruments not in net debt which do not present a material exposure.

(b) Market risk: commodity risk and management

The Group make use of commodity futures contracts and options to manage its purchase price risk for certain commodities. Across the Group, forward purchases are also made of zinc and tin to cover sales contracts with fixed metal prices, carbon emission rights based on predicted future emissions deficit, and of natural gas and electricity to manage its purchase price risk.

At 31 March 2026, a 10.0% appreciation of market prices would increase the Group's equity by approximately £3m (2025: £4m). There was no significant market risk relating to the income statement since the majority of commodity derivatives are treated as cash flow hedges with movements being reflected in equity and the timing and recognition in the income statement would depend on the point at which the underlying hedged transactions were also recognised.

(c) Market risk: interest risk and management

Based on the composition of net debt at 31 March 2026, a 100 basis points increase in interest rates over the 12-month period would increase the Group's net finance expense by approximately £1m (2025: £6m) and decrease equity by approximately £1m (2025: £6m).

(d) Credit risk

Cash deposits, trade receivables and other financial instruments give rise to credit risk for the Group arising from the amounts and obligations due from counterparties. The credit risk on short-term deposits is managed by limiting the aggregate amounts and duration of exposure to any one counter party, depending on its credit rating and other credit information, and by regular reviews of these ratings. The possibility of material loss arising in the event of non-performance is considered unlikely.

Individual operating units are responsible for controlling their own credit risk arising from the Group's normal commercial operations, although they must act within a series of centrally agreed guidelines. Trade receivables are, where appropriate, subject to a credit insurance program, and regular reviews are undertaken of exposure to key customers and those where known risks have arisen or persist. Any impairment to the recoverability of debtors is reflected in the income statement.

Credit risk also arises from the possible failure of counter-parties to meet their obligations under currency and commodity hedging instruments. However, counter parties are established banks and financial institutions with high credit ratings and the Group continually monitors each institution's credit quality and limits as a matter of policy the amount of credit exposure to any one of them. The Group's theoretical risk is the cost of replacement at current market prices of these transactions in the event of default by counter-parties. The Group believes that the risk of incurring such losses is remote and underlying principal amounts are not at risk.

(e) Liquidity risk

The management of liquidity risk is co-ordinated and controlled centrally by the UK treasury operation. Liquidity risk is managed by maintaining access to a level of committed and uncommitted borrowing facilities to ensure liquidity is appropriate to forecasted cash flows to satisfy general corporate or working capital requirements. As an integrated part of the Tata Steel group, the Group works closely with its parent companies in monitoring cash flows and benefits from access to equity financing to support the day to day operations of the business

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and the Group's investment plans. As shown in Note 17, the total undrawn committed borrowing facilities at 31 March 2026 is £235m (2025: £nil).

The management of the Group review liquidity and any associated risk monthly, which includes a review of the businesses funding position and cash flow forecasts.

The following table is a maturity analysis of the anticipated contractual cash flows including interest payable for the Group's derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differs from both the carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting year. Cash flows in foreign currencies are translated using the year end spot rates at 31 March 2026.

As at 31 March	2026 (Audited)			
	Contractual cashflows £m	Less than 1 year £m	Between 1-5 years £m	More than 5 years £m
Non-derivative financial liabilities:				
Trade and other payables ¹	(520)	(520)	-	-
Floating rate guaranteed loan notes	(1)	(1)	-	-
Lease obligations	(154)	(34)	(55)	(65)
Bank and other loans	(177)	(10)	(167)	-
	(852)	(565)	(222)	(65)
Derivative financial liabilities:				
Foreign currency contracts				
Payables	(135)	(135)	-	-
Receivables	133	133	-	-
	(2)	(2)	-	-
Total financial liabilities	(854)	(567)	(222)	(65)

¹ Excludes other taxation and social security, derivatives and advances from customer

As at 31 March	2025 (Unaudited)			
	Contractual cashflows £m	Less than 1 year £m	Between 1-5 years £m	More than 5 years £m
Non-derivative financial liabilities:				
Trade and other payables ¹	(591)	(591)	-	-
Floating rate guaranteed loan notes	(1)	(1)	-	-
Lease obligations	(65)	(40)	(17)	(8)
Bank and other loans	(814)	(279)	(535)	-
	(1,471)	(911)	(552)	(8)
Derivative financial liabilities:				
Foreign currency contracts				
Payables	(359)	(359)	-	-
Receivables	355	355	-	-
Other derivative contracts	(4)	(4)	-	-
	(8)	(8)	-	-
Total financial liabilities	(1,479)	(919)	(552)	(8)

¹ Excludes other taxation and social security, derivatives and advances from customer

(v) Derivative financial instruments

Derivative financial instruments used by the Group include forward exchange contracts and commodity contracts. These financial instruments are utilised to hedge significant future transactions and cash flows, and, in most cases, these are subject to hedge accounting under IFRS 9. The Group does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The following table sets out the fair values of derivatives held by the Group at the end of the reporting year:

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	31 March, 2026 (Audited)		31 March, 2025 (Unaudited)	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Current:				
Foreign currency contracts	4	(2)	1	(4)
Commodity contracts	-	-	2	(4)
Others	5	-	-	-
	9	(2)	3	(8)
	9	(2)	3	(8)

The fair value of derivative financial instruments that were designated as cash flow hedges at the end of the reporting year were:

As at 31 March 2026	Foreign currency contracts £m	Commodity contracts £m	Taxation £m	2026 £m (Audited)
Cash flow hedge reserve net of taxation at beginning of year	-	(2)	-	(2)
Recycled to the profit and loss	-	12	-	12
Fair value recognised	-	(5)	-	(5)
Deferred tax	-	-	(1)	(1)
Cash flow hedge reserve net of taxation as at 31 March 2026	-	5	(1)	4

As at 31 March 2025	Foreign currency contracts £m	Commodity contracts £m	Taxation £m	2025 £m (Unaudited)
Cash flow hedge reserve net of taxation at beginning of year	-	(8)	-	(8)
Recycled to the profit and loss	-	12	-	12
Fair value recognised	-	(6)	-	(6)
Cash flow hedge reserve net of taxation as at 31 March 2025	-	(2)	-	(2)

At the end of the reporting year the total notional amount of outstanding foreign currency and commodity contracts that the Group has committed to are as follows:

	2026 £m (Audited)	2025 £m (Audited)
Foreign currency contracts	346	354
Commodity futures and options	27	66
	373	420

There was no ineffectiveness on cash flow hedges recognised in the income statement in 2026 (2025: £nil).

23. Deferred income

	Grants relating to revenue £m	Grants relating to property, plant & equipment £m	2026 £m (Audited)	2025 £m (Unaudited)
As at 1 April	-	16	16	2
Additions	-	55	55	15
Released to income statement	-	-	-	(1)
As at 31 March	-	71	71	16

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24. Share capital

Group and company:

The share capital of the company is shown below as at March 31:

	2026 £m (Audited)	2025 £m (Unaudited)
Allotted, called up and fully paid		
16,852,320,736 (2025: 14,769,476,736) ordinary shares of 50p each	8,426	7,385
	8,426	7,385

The Company has one class of ordinary shares which carry no right to fixed income.

During the year the Company issued 2,082,844,000 (2025: 1,732,000,000) ordinary shares of 50p each to Tata Steel Netherlands Holdings BV for a consideration of £1,041m (2025: £866m). The equity issue was used by the Company to fund its direct subsidiary Tata Steel UK Limited.

Company reconciliation of share capital and equity:

	Ordinary share capital £m	Share Premium £m	Other Reserves £m	Accumulated deficit £m	Revaluation reserve £m	Total £m
As at 1 April 2025	7,385	507	133	(118)	(6,051)	1,856
Loss for the financial year	-	-	-	(21)	-	(21)
Other comprehensive loss for the financial	-	-	-	-	(1,424)	(1,424)
Issue of ordinary shares (Note 31)	1,041	-	-	-	-	1,041
As at 31 March 2026	8,426	507	133	(139)	(7,475)	1,452

25. Future capital expenditure

	2026 £m (Audited)	2025 £m (Unaudited)
Contracted but not provided for	283	246
Authorised but contracts not yet placed	764	965

Tata Steel UK Limited has approved investment in a new state of the art EAF along with new secondary steelmaking ladle metallurgy furnaces and upgrades to casting capabilities and hot and cold rolling facilities initially estimated to cost £1.25bn. Under the agreement, the UK Government will contribute £500m and Tata Steel Limited will fund the balance. The amounts shown in the above table include £1,039m (2025: £1,193m) of spend in relation to this project although 40% of this value is expected to be reimbursed the by the UK Government in respect of a grant specific to this project.

At the end of the reporting year there was £nil (2025: £nil) of future expenditure planned in relation to intangible assets, included above.

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26. Contingencies

Dependent on future events, the Group is subject to various legal, regulatory and other proceedings and obligations arising in the ordinary course of business, including environmental, contractual and other commercial matters. Certain of these matters may give rise to contingencies and commitments that are not disclosed where the possibility of any outflow of economic benefits in settlement is considered remote. Other matters are subject to considerable uncertainty inherent due to their nature and stage of development.

The determination of whether legal, regulatory, environmental and tax matters give rise to a provision or should be disclosed as a contingent liability involves significant judgement. In particular, management assesses the probability of an outflow of economic resources and whether a present obligation exists at the reporting date, taking into account the nature and status of ongoing proceedings and claims, external legal advice, relevant precedent and the stage of the proceedings. Where an outflow is not considered probable, or cannot be reliably estimated, no provision is recognised and the matter is disclosed as a contingent liability.

The Group is a party to a number of environmental obligations where it is possible that an obligation may crystallise. Based on management assessment, informed by legal and technical advice, no present obligation has been established at the reporting date and any potential outflows of economic benefits are considered possible but not probable. Accordingly, no provision has been recognised in respect of these matters. Judgement is also applied in evaluating environmental and remediation matters, including the extent to which future regulatory actions or remediation requirements give rise to present obligations.

Where practicable, estimates are made of the potential financial effect of such contingent liabilities. However, in many cases it is not possible to make a reliable estimate due to the uncertainties surrounding timing, scope and outcome. In determining the extent of disclosure, management considers whether quantification of exposures is possible or whether such disclosure could be prejudicial to the Group's position. Actual outcomes may differ from these judgements and could result in material changes to provisions or contingent liability disclosures in future years. Certain matters may be covered in whole or in part by insurance policies or contractual indemnities, although the timing and amount of any potential reimbursement remain uncertain.

In addition, the Group is party to a number of claims which may result in a future inflow of economic benefits. No amounts have been recognised in the financial statements in relation to such claims, as the receipt of economic benefits is not considered virtually certain at the reporting date.

27. Reconciliation of cash generated from total operations

	2026 £m (Audited)	2025 £m (Unaudited)
Loss after taxation	(284)	(476)
<i>Adjustments for:</i>		
Taxation	(23)	(38)
Depreciation and amortisation including impairment items (net of grants released)	32	47
Profit on disposal of property, plant and equipment	(8)	(14)
Finance Income	(5)	(5)
Finance expense	52	99
Foreign exchange (gain)/loss	(2)	6
Movement in pensions and post-retirement benefits	4	8
Movement in provision for impairments of trade receivables	2	-
Movement in insurance and other provisions	5	(25)
Movement in spares	7	5
Movement in inventories	56	122
Movement in receivables	(7)	22
Movement in payables	(34)	(114)
Net rationalisation costs provided	1	(15)
Utilisation of rationalisation provisions	(88)	(97)
Net cash flow used in operations	(292)	(475)

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28. Reconciliation of net cash flow to movement in net debt

	2026 £m (Audited)	2025 £m (Unaudited)
Movement in cash and cash equivalents	(37)	37
Movement in total debt	602	197
Change in net debt resulting from cash flows in year	565	234
Other non-cash changes	(84)	9
Movement in net debt in year	481	243
Net debt at beginning of year	(722)	(965)
Net debt at end of year	(241)	(722)

29. Analysis of net debt

	1 April 2025 £m	Cash flow £m	Other non cash movements £m	31 March 2026 £m
Cash at bank and in hand	71	(34)	-	37
Short-term deposits	8	(3)	-	5
Cash and short term deposits	79	(37)	-	42
Non-current borrowings	(499)	335	(1)	(165)
Current borrowings	(243)	242	-	(1)
Obligations under leases	(59)	25	(83)	(117)
Total debt	(801)	602	(84)	(283)
	(722)	565	(84)	(241)

Other non-cash movements in respect of non-current borrowings £(1)m relate to the unwinding of amortised loan transaction costs during the year.

Other non-cash movements in respect of obligations under leases comprise £(99)m arising from the addition of new leases and extension of existing lease contracts and the reclassification of £16m of amounts previously recognised within lease liabilities to provisions.

30. Disposal of group undertakings

During the year, the Group entered the following companies into liquidation

- Crucible 2025 Limited
- Tata Steel International (India) Limited

At the date of liquidation, the Group recognized £1m credit to the translation reserve due to the recycling of foreign exchange previously charged to reserves for these companies.

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31. Related party transactions

The table below sets out details of transactions which occurred in the normal course of business at market rates and terms, and loans between the Group, its parent and its joint ventures and associates.

	2026 £m (Audited)	2025 £m (Unaudited)
Amounts reported within the consolidated income statement:		
Sales to other Group companies	89	184
Purchases from joint operations	2	3
Purchases from ultimate parent company	4	29
Purchases from other Group companies	664	777
Interest on loans from parent undertakings (Note 5)	5	25
Amounts reported within the consolidated balance sheet:		
Amounts owed by ultimate parent company (Note 14)	1	4
Amounts owed by other Group companies (Note 14)	10	31
Amount owed to ultimate parent company (Note 18)	8	3
Amounts owed to joint operations (Note 18)	2	1
Amounts owed to other Group companies (Note 18)	134	146
Interest payable to parent undertakings (Note 18)	-	3
Equity infusion from group companies (Note 24)	1,041	866
Loans owed by group companies	-	1
Loans owed to immediate parent company (Note 17)	-	100

Included in the transactions and balances above are arrangements that have been put in place with Tata Sons. These include branding fee payable to Tata Sons under a brand equity and business promotion agreement, based on turnover, with £5m being payable for 2026 (2025: £6m).

Aggregate compensation for key management personnel, being the CGL Board was as follows:

	2026 £m (Audited)	2025 £m (Unaudited)
Short-term employee benefits	0.7	0.6
Other long term benefits	0.5	0.2

32. Events after reporting period

Since the year end and up to the date of approval of these financial statements, CGL has received £73m by way of an advance for equity from Tata Steel Netherlands Holdings B.V.

On 31 May 2026, CIOH assigned the intercompany receivable from CGL to Corus International Limited ('CIL') in partial settlement of a dividend declared by CIOH. On the same day, CIL subsequently assigned the same intercompany receivable to TSUK in partial settlement of a dividend declared by CIL. Accordingly, as at 31 May 2026, the inter-group borrowings of £293m and interest payable to group companies of £6m, previously owed by CGL to CIOH, is now payable to its wholly owned direct subsidiary, TSUK along with the interest accrued on the borrowings since 31 March 2026.

On 3 June 2026, a fire broke out at the Group's Port Talbot site. As at the date of approval of these financial statements, the extent of the damage and the resulting financial impact, including any potential insurance recoveries, are still being assessed. The Group is working to ensure customer requirements are met through alternate assets and will actively seek insurance claims to recover the damages as appropriate. No adjustments have been made to these financial statements in respect of this event.

33. Ultimate and immediate parent company

Tata Steel Netherlands Holdings BV, a company registered in the Netherlands, is the Company's immediate parent company. Tata Steel Europe Limited is the intermediate holding company, registered in England and Wales.

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Tata Steel Limited ("TSL"), a company incorporated in India, is the ultimate parent company and controlling party and the smallest and largest group to consolidate these financial statements.

Copies of the Integrated Report & Annual Accounts for TSL may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai 400 001.

34. Subsidiaries and investments

The subsidiary undertakings, joint ventures and associates of the Group at 31 March 2026 are set out below. Country names are countries of incorporation. Undertakings operate principally in their country of incorporation.

Subsidiary undertakings

Steel producing, further processing or related activities:

Brazil

Tata Steel International (South America) Representacoes Limited (ii) (iii) C/O SIS, Brigadeiro Faria Lima, 1685 Conj. 5J Sao Paulo, SP Brazil

Germany

Catnic GmbH (ii) (iii) Am Leitzelbach 16, Sinsheim, 74889, Germany

India

Tata Steel International (India) Limited. (ii) (iii) (v) 3rd Floor, One Forbes Buildings, 1 Dr V B Ghandi Marg Fort, Mumbai, 400 001, India

Ireland (Republic of)

Gamble Simms Metals Limited. (ii) (iii) 70 Sir John Rogerson's Quay, Dublin 2, Ireland

Isle of Man

Crucible 2025 Limited (ii) (iii) (v) Level 2, Samuel Harris House, 5-11 St. George's Street, Douglas, Isle of Man, IM1 1AJ

Mexico

Tata Steel Mexico SA de CV (ii) (iii) Blvd Bernardo Quintana 300, Colonia centro sur, ZIP 76090, Querétaro Qro, Mexico

Nigeria

Tata Steel International (Nigeria) Limited (ii) (iii) Block 69a, Plot 8, Admiralty Way, Lekki Phase 1, Lagos, Nigeria

Norway

Tata Steel Norway Byggsystemer A/S (ii) (iii) Roraskogen 2, Skien, N 3739, Norway

Romania

Corus International Romania SRL (ii) (iii) 7, Hirsova Street, Sector 3, Bucharest, Romania

South Africa

TS South Africa Sales Office Proprietary Limited (ii) (iii) Indobali Office Park, 229 Hull Road Rynfield, Benoni, Gauteng, 1501, South Africa

Sweden

Surahammar Bruks AB (ii) (iii) Box 201, S-735 23, Surahammar, Sweden

UAE

Tata Steel International (Middle East) FZE (ii) (iii) PO Box 18294, Jebel Ali, Dubai, United Arab Emirates

F7. Notes to financial statements

United Kingdom

137050 Limited (ii) (iii) (viii)	30 Millbank London SW1P 4WY
British Steel Trading Limited (ii) (iii) (vii)	18 Grosvenor Place London SW1X 7HS
Cogent Power Limited (ii) (iii) (vi) (ix)	18 Grosvenor Place London SW1X 7HS
Corby (Northants) & District Water Co. (ii) (iii) (ix)	18 Grosvenor Place London SW1X 7HS
Corus CNBV Investments (ii) (iii) (x)	18 Grosvenor Place London SW1X 7HS
Corus Engineering Steels (UK) Limited (ii) (iii) (x)	18 Grosvenor Place London SW1X 7HS
Corus Engineering Steels Limited (ii) (iii) (x)	18 Grosvenor Place London SW1X 7HS
Corus Holdings Limited (ii) (iii) (x)	58 Morrison Street, Edinburgh, Scotland EH3 8BP
Corus International (Overseas Holdings) Limited (ii) (iii) (ix)	18 Grosvenor Place London SW1X 7HS
Corus International Limited (ii) (iii) (ix)	18 Grosvenor Place London SW1X 7HS
Corus Property (ii) (iii) (x)	18 Grosvenor Place London SW1X 7HS
Corus UK Healthcare Trustee Limited (ii) (iii) (x)	18 Grosvenor Place London SW1X 7HS
Hammermega Limited (ii) (iii) (viii)	156 Great Charles Street Birmingham B3 3HN
H E Samson Limited (ii) (iii) (x)	18 Grosvenor Place London SW1X 7HS
Runblast Limited (ii) (iii) (viii)	P O Box 4385 Cardiff CF14 8LH
Tata Steel Research & Innovation Limited (Formerly Tata Steel UK Consulting Limited) (ii) (iii)	18 Grosvenor Place London SW1X 7HS
Tata Steel UK Limited (ii) (iii) (iv) (vii)	18 Grosvenor Place London SW1X 7HS
The Newport And South Wales Tube Company Limited (ii) (iii) (vi) (x)	18 Grosvenor Place London SW1X 7HS
U.E.S. Bright Bar Limited (ii) (iii) (viii)	154 Great Charles Street, Queensway, Birmingham. B3 3HN
UES Cable Street Mills Ltd (ii) (iii) (viii) (viii)	9 Albert Embankment, London. SE1 7SN
UK Steel Enterprise Limited (ii) (iii)	The Innovation Centre 217 Portobello Sheffield S1 4DP

USA

Tata Steel International (Americas) Holdings Inc. (ii) (iii) (iv)	Wilmington Trust SP Services Inc., 1105 N Market Place, Wilmington, DE, 19899
Tata Steel International (Americas) Inc. (ii) (iii)	475 N. Martingale Road, Suite 400, Schaumburg, IL 60173 USA

Classification key:

- (i) Directly owned by Corus Group Limited
- (ii) Indirectly owned by Corus Group Limited
- (iii) Ordinary shares
- (iv) Ordinary A shares
- (v) Currently in liquidation via a members voluntary liquidation
- (vi) Cumulative redeemable preference shares
- (vii) Deferred shares
- (viii) Restored by court order and claimed exemption from preparing and filing individual accounts under Section 394A and 448a of the Companies Act 2006
- (ix) The subsidiary has claimed exemption from audit under Section 479A of the Companies Act 2006
- (x) The subsidiary is dormant and claimed exemption from audit under Section 480 of the Companies Act 2006

All subsidiaries are included in consolidation of the financial statement, except for those under liquidation (Note 30)

Unless indicated otherwise, subsidiary undertakings are directly or indirectly wholly owned within the Group.

F7. Notes to financial statements

Joint Arrangements

England and Wales

Air Products Llanwern Limited (50%) (i) (ii) (JO)

Ravenscraig Limited (33%) (i) (ii) (JV)

Texturing Technology Limited (50%) (i) (ii) (JO)

Hersham Place Technology Park, Molesey Road, Walton On Thames,
Surrey, KT12 4RZ

58 Morrison Street, Edinburgh, Scotland EH3 8BP

PO Box 22, Texturing Technology Ltd, Central Road, Tata Steel Site
Margam, Port Talbot, West Glamorgan, Wales, SA13 2YJ

Classification key:

(i) Owned by the group

(ii) Ordinary shares

(JO) Joint Operation

(JV) Joint Venture

Unless indicated otherwise, subsidiary undertakings are directly or indirectly wholly owned within the Group.
