

Note) This is an English translation of the Japanese original prepared for the readers' convenience. Should there be any inconsistency between the translation and the original Japanese text, the latter shall prevail.



June 30, 2025

To Whom It May Concern:

Company name: NS Solutions Corporation
Representative: Kazuhiko Tamaoki
Representative Director & President
(Code: 2327 TSE Prime Market, NSE, FSE)
Contact: Yoshiteru Kondo
Director, General Administration Dept.
Corporate Administration Bureau
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Matters Concerning Controlling Shareholder, Etc.

We hereby announces that, with regard to Nippon Steel Corporation, which is a parent company of the Company, the matters concerning controlling shareholders, etc. are as described below.

1. Trade name, etc. of parent company, controlling shareholder (excluding parent company), other affiliated company or parent company of other affiliated company

(As of March 31, 2025)

| Name | Attribute | Ratio of voting rights held (%) | | | Financial instruments exchange, etc. on which the issued shares, etc. are listed |
|--------------------------|----------------|---------------------------------|--------------------------------------|-------|--|
| | | Voting rights directly held | Voting rights subject to aggregation | Total | |
| Nippon Steel Corporation | Parent company | 63.44 | — | 63.44 | <ul style="list-style-type: none"> • Prime Market of Tokyo Stock Exchange, Inc. • Premier Market of Nagoya Stock Exchange, Inc. • Fukuoka Stock Exchange, Incorporated • Sapporo Securities Exchange |

2. Positioning of the Company in the corporate group centering on the parent company, etc. and other relationships between the Company and the parent company, etc.

- 1) The position of the Company within the corporate group of the parent company, as well as the business relationships, personnel connections, and capital relationships with the parent company and its group companies.

Nippon Steel Corporation is our parent company, owning 63.44% of our voting rights as of March 31 of this year. The company is a business entity that promotes the steelmaking business and also serves as a holding company for business segment companies that operate engineering, chemicals & materials, and system solutions. Each business segment company shares Nippon Steel Group's management strategy and independently and Promote business activities in parallel. As a company within the system solutions business segment, we provide a comprehensive range of solutions, including the planning, development, and operational management of various information systems that meet digitalization needs from management to the manufacturing site, such as a production management system that continuously supports the complex steel manufacturing process.

Regarding personnel relationships, as of the submission date, one of Nippon Steel Corporation's Executive Officers serves as a non-full-time director (not an Audit Committee member) of the Company. Additionally, as of March 31 of this year, we have accepted 16 seconded employees from Nippon Steel Corporation and 29 from our subsidiaries.

- 2) Business Constraints, Risks, and Benefits of Belonging to the Parent Company's Corporate Group, and the Impact on Management and Business Activities from Business, Personnel, and Capital Relationships with the Parent Company and Its Group Companies

In the relationship described in (1) above, Nippon Steel Corporation requires us to operate autonomously, and there are no specific constraints on our business activities. As a subsidiary of Nippon Steel Corporation, we incorporate the Nippon Steel brand in our company name and conduct business with a wide range of industries. We have maintained a stable business relationship with the company, and in the fiscal year 2024, our consolidated sales to them amounted to 65,303 million yen, accounting for 19.3% of total sales, making them our largest customer.

Computer systems in the steelmaking business are critical infrastructures that support overall business activities such as order management, production, shipping, and quality control, and enable the utilization of diverse data. Our role as a subsidiary in accumulating know-how and ensuring the continuity of human resource supply is essential for Nippon Steel Corporation to differentiate itself and maintain competitiveness in the steel industry. Furthermore, the implementation of advanced IT in the steelmaking business and promotion of digital transformation (DX) by the Company creates significant synergy with Nippon Steel Corporation. We believe that operating as part of the Nippon Steel Group, leveraging our achievements and technology developed in the steelmaking business to provide various services to other clients, maximizes our corporate value.

- 3) Ensuring a Certain Degree of Independence from the Parent Company

The Company is a company with an Audit and Supervisory Committee. The Board of Directors currently

consists of five internal directors and six independent outside directors. We have established special committees, including the "Officer Personnel and Compensation Committee," which is composed of a majority of independent outside directors, and the "Parent Company Transactions Review Committee," which consists solely of independent outside directors, ensuring a certain degree of independence from the parent company.

3. Matters concerning transactions with controlling shareholder, etc.

For the Consolidated Fiscal Year (from April 1, 2024, to March 31, 2025)

(Unit: Million Yen)

| Type | Name of Company, etc. | Nature of Relationship with Related Party | Transaction Amount | Outstanding Balance |
|----------------|--------------------------|---|-------------------------------|---------------------|
| Parent Company | Nippon Steel Corporation | Sales of Products, etc. | 65,303 | 14,559 |
| | | Fund Deposit and Lending | (Deposit of Funds) 159,100 | 181,084 |
| | | | (Return of Fund) 74,900 | |
| | | | (Interest Received) 752 | |
| | | | | |

(Note) 1. Transaction terms and conditions for sales of products, etc., are determined through individual negotiations, referencing market prices.

2. Interest rates for fund deposit and lending are determined through individual negotiations, considering market interest rates.

4. Implementation Status of Measures to Protect Minority Shareholders When Conducting Transactions with the Parent Company

The Company has been contracted by the parent company to build and maintain internal information systems, etc., and transaction terms such as pricing are reasonably determined by referencing contractual terms with other clients and market prices.

Additionally, regarding cash holdings, the Company plans to allocate them towards growth investments, human resource investments, M&A, and shareholder returns to enhance corporate value. As a temporary deposit place for cash reserves, we independently decide to use the parent company's CMS (Cash Management System), considering benefits such as economic efficiency and convenience.

When significant transactions or actions occur, the "Parent Company Transactions Review Committee," composed solely of independent outside directors, is established in response to consultations from the Board of Directors to deliberate and review the matters. Based on the results, decisions are made by the Board of Directors. The committee also reviews the annual transaction results with the parent company, including CMS utilization, and reports evaluations to the Board of Directors, where it is determined that the transactions do not constitute a conflict of interest and contribute to the common interest of shareholders.

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