

# SUSTAINABILITY ACCOUNTING STANDARDS BOARD DISCLOSURE

FOR IRON & STEEL PRODUCERS SUSTAINABILITY ACCOUNTING STANDARD

### SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS (STEEL MILLS SEGMENT ONLY)

#### I. INTRODUCTION

Nucor Corporation ("Nucor"), a Delaware corporation incorporated in 1958, and its affiliates manufacture steel and steel products, both by recycling ferrous scrap and converting other high purity iron units. Nucor is North America's largest recycler, using scrap steel as the primary raw material in producing steel and steel products using electric arc furnaces ("EAFs") paired with highly efficient continuous casting and automated rolling mills.

Nucor also produces direct reduced iron ("DRI") for use in its steel mills. Through our subsidiary, The David J. Joseph Company and its affiliates, we also process ferrous and nonferrous metals and broker ferrous and nonferrous metals, pig iron, hot briquetted iron, and DRI. Almost all of Nucor's operating facilities and customers are located in North America.

Nucor utilizes only EAFs to produce steel. EAFs are the cleanest production process for making steel and use significant quantities of recycled content, preserving natural resources, and further reducing scope 1 emissions. Recycled metals that would otherwise be landfilled comprise approximately 70% of the iron units Nucor consumes in its steelmaking process. In 2019, we recycled more than 20 million gross tons of scrap steel into new steel products. Additionally, virtually 100% of what we produce can in turn be recycled.

EAF based steelmaking is the most energy efficient method of producing steel. Greenhouse gas ("GHG") emissions per ton of produced steel are significantly lower for EAFs than they are for steel produced via the blast furnace/basic oxygen furnace ("BOF") technology that is more commonly used around the world. Today, Nucor's operations produce a wide array of steels with some of the lowest GHG emission rates and highest energy efficiency per ton of steel of any steelmaker worldwide.

The benefits of the EAF technology that Nucor has advanced for more than 50 years extend beyond energy efficiency and GHG emissions. Our EAF based business model has also been advantageous for its more variable cost base and lower capital intensity relative to BOF based steel production. We have been profitable almost every year since we started producing steel in 1969 and we have both paid and increased our base dividend for 47 consecutive years. This has enabled us to regularly reinvest internally generated capital, and to source external capital on attractive terms when we have determined that it was prudent to do so.

As energy efficiency and GHG emissions become a more important consideration for customers, shareholders, regulators, as well as our teammates and host communities, we expect that our business model will confer further advantages for Nucor. Our largest original equipment manufacturer customers and some state and federal regulators are increasingly interested in sourcing steel that is produced more efficiently in terms of both GHGs emitted and the energy consumed in the production process. Our 2019 GHG emissions was approximately 0.93 tons per ton of steel produced inclusive of Scopes 1, 2 and 3, as calculated consistent with the GHG

Emission Protocol.¹ Our energy intensity averaged 5.1 Gigajoules per metric ton of steel produced for 2019. These figures are, respectively, approximately 50% and 25% of the global averages for steel producers reported by the World Steel Association for 2018.

Nucor's steel making operations also landfill less waste and are less water intensive than BOF based producers. As we have reinvested in and grown our business over the years, we have helped to lower the overall environmental impact of the steel industry in the United States. And while doing so, we have established a health and safety focused culture that recognizes our teammates as the true value creators for Nucor.

We continuously strive to further improve our energy efficiency and environmental performance to enhance our profitability. The empowerment of our teammates supported by performance-based compensation programs throughout our company ensures ongoing intense focus on safely driving these improvements. These programs reward every Nucor teammate based on their contributions to productivity, quality and profitability. We do not base incentive compensation on safety performance or outcomes. We regard safety as a core expectation and we disfavor incentive programs which could create the unintended consequence of underreporting any safety incident, hazard or near miss. We believe that the culture of trust we have fostered over the decades through our commitment to open communications, teamwork and our practice of avoiding layoffs whenever possible, has been critical to our success.

Nucor is a globally recognized industry leader in technological innovation; having led the shift of the United States steel industry to a primarily EAF-based model from BOF over the past several decades. We proactively pursue technological innovation aimed at increasing our efficiency and lowering the GHG footprint of EAF-based steelmaking. We regularly develop new grades of higher performance steels that typically have advantages over legacy grades. These advantages can include improved strength, formability and lowering weight, which often result in positive impacts to the global environment such as better fuel economy or a reduction in material mass.

Nucor markets products from our steel mills and steel products segments mainly in North America. We also utilize our internal distribution and trading companies to market our products abroad. The markets for these products are largely tied to capital and durable goods spending and are affected by changes in general economic conditions.

We are a leading domestic provider for most of the products we supply, and, in many cases (e.g., structural steel, merchant bar steel, steel joist and deck, pre-engineered metal buildings, steel piling and cold finish bar steel), we are the leading U.S. supplier.

In annual reports on Form 10-K to the SEC, Nucor breaks down results into three segments: steel mills, steel products and raw materials. The Steel Mills Segment is Nucor's largest segment, representing sixty-two percent (62%) of the company's sales to external customers in the year ended December 31, 2019. For the purposes of this Sustainability Disclosure, only the Steel

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<sup>&</sup>lt;sup>1</sup> GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol), published by the World Resources Institute (WRI)

Mills Segment is reported at this time. Nucor intends to release SASB aligned reporting for other segments in the future.

For further information about Nucor and our sustainability efforts, please also refer to Nucor's most recent Corporate Sustainability Report available at: <a href="https://nucor.com/environmental">https://nucor.com/environmental</a>

#### II. ACTIVITY METRICS

| Activity metric   | Category     | Unit of measure                    | Code        |
|---|--------------|------------------------------------|-------------|
| Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes | Quantitative | Metric tons (t),<br>Percentage (%) | EM-IS-000.A |
| Total iron ore production   | Quantitative | Metric tons (t)                    | EM-IS-000.B |
| Total coking coal production  | Quantitative | Metric tons (t)                    | EM-IS-000.C |

Note to EM-IS-000.B – The scope of production includes iron ore consumed internally and that which is made available for sale.

Note to EM-IS-000.C – The scope of production includes coking coal consumed internally and that which is made available for sale.

#### Steel Mills Segment

Nucor produces sheet steel (hot-rolled, cold-rolled and galvanized), plate steel, structural steel (wide-flange beams, beam blanks, H-piling and sheet piling) and bar steel (blooms, billets, concrete reinforcing bar, merchant bar and engineered special bar quality "SBQ") in its Steel Mills Segment. Nucor manufactures steel principally from scrap steel and scrap steel substitutes using EAFs, continuous casting and automated rolling mills.

The Steel Mills Segment sells its products primarily to steel service centers, fabricators and manufacturers located throughout the United States, Canada and Mexico. In 2019, the Steel Mills Segment sold approximately 18,585,000 tons to outside customers. An additional 4,771,000 tons were shipped to the businesses comprising Nucor's steel products segment.

The data represented in the table below represents the total amount of steel produced at Nucor Steel Mills and includes sales to inside and outside customers. Also, the data includes steel mills located in North America only and does not include any production from equity method investments.<sup>2</sup>

| Raw Steel Production                        | 2019       | 2018       | 2017       |
|---|------------|------------|------------|
| Metric tons cast (t)                        | 22,387,468 | 23,893,739 | 22,293,450 |
| Percentage – Basic Oxygen Furnace Processes | 0%         | 0%         | 0%         |
| Percentage – Electric Arc Furnace Processes | 100%       | 100%       | 100%       |

<sup>&</sup>lt;sup>2</sup> For purposes of SEC reporting, Nucor's Steel Mills Segment includes Nucor's equity method investments in Duferdofin Nucor S.r.l. ("Duferdofin Nucor"), NuMit LLC ("NuMit") and Nucor-JFE Steel Mexico, S. de R.L. de C.V. ("Nucor-JFE").

Nucor does not own any BOFs or produce iron ore or coking coal.

#### III. GREENHOUSE GAS EMISSIONS

# a. EM-IS-110a.1. Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations

| INDUSTRY STANDARD I VERSION 2018-10  |  |              |   |                  |  |  |
|--------------------------------------|--|--------------|---|------------------|--|--|
| Topic                                | Accounting Metric  | Category     | Unit of Measure                                     | Code             |  |  |
| Greenhouse<br>Gas (GHG)<br>Emissions | Gross global Scope 1 emissions, percentage covered under emissions- limiting regulations | Quantitative | Metric tons (t) CO <sub>2</sub> - e, Percentage (%) | EM-IS-<br>110a.1 |  |  |

Scope 1 GHG emissions from Nucor Steel Mills are calculated and reported in accordance with the *GHG Protocol Corporate Accounting and Reporting Standard* (GHG Protocol), published by the World Resources Institute (WRI). In addition, Nucor Steel Mills are mandated to calculate and report GHG emissions under 40 CFR 98, Subpart Q – Iron and Steel Production. Those emissions are calculated consistent with guidance published by U.S. Environmental Protection Agency EPA (EPA), *Greenhouse Gas Inventory Guidance: Direct Emissions from Stationary Combustion Sources*.

Currently, the EPA does not regulate GHG emissions under a national emission standard for iron and steel production. However, individual steel mills are subject to regulations limiting GHG emissions from specific emission units on a case-by-case basis through the New Source Review permitting program. Future disclosures will identify the percentage of Scope 1 emissions subject to emissions limitations established under Title I of the Clean Air Act.

The results of GHG emissions estimates calculated by WRI's GHG Protocol are totaled below. The calculations of the WRI and EPA methodologies are based on the same principles and produce similar results.

| Scope 1 Greenhouse Gas<br>Emissions (Annual Totals) | 2019 |
|---|------|

t

Metric tons (t) CO2 -e 4,391,306 4,825,224 4,367,159

Percentage covered under emissions-limiting regulations\* Not available Not available

2018

2017

<sup>\*</sup>Individual emissions units are subject to GHG limiting requirements through regulations promulgated under Title I of the Clean Air Act. The percentage of those emissions subject to regulation will be determined in future disclosures.

Annual increases and decreases in Scope 1 GHG emissions are directly related to production output. Each individual steel mill evaluates energy efficiency measures that can reduce per unit GHG emissions and overall GHG emissions totals. Per unit GHG emissions can increase during periods of lower capacity utilization and may also increase as Nucor's product mix shifts more toward steels with higher value uses. To the extent that these more value-added products gain domestic market share from imported steel or domestic steel made via the basic oxygen furnace (BOF) process, Nucor believes that the overall GHG footprint of steel consumed in the United States will continue to decline.

# b. EM-IS-110a.2. Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets

| INDUSTRY STANDARD I VERSION 2018-10  |  |                               |                 |                  |  |  |
|--------------------------------------|--|-------------------------------|-----------------|------------------|--|--|
| Topic                                | Accounting Metric  | Category                      | Unit of Measure | Code             |  |  |
| Greenhouse<br>Gas (GHG)<br>Emissions | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | Discussion<br>and<br>Analysis | Not applicable  | EM-IS-<br>110a.2 |  |  |

Today, Nucor's EAFs produce the most diverse range of steel shapes and grades in the U.S. with some of the lowest GHG emission rates and highest energy efficiencies per ton of steel of any carbon steel producer worldwide. EAFs are the cleanest production process for making steel and use significant quantities of recycled content, preserving natural resources and further reducing Scope 1 emissions.

These attributes are among the core strengths of our business model. They result in a lower, more variable cost base than many of our competitors and this has enabled us to grow our market share over time. Currently, we are seeing greater interest in our EAF produced steels among manufacturers, construction contractors, engineers, architects and government agencies. There is an increasing appreciation for our products both for their high recycled content and for their end of life recyclability. In some cases, recycled content requirements are being incorporated into product specifications.

All Nucor's steel mills are ISO 14001 certified and employ energy efficiency and emission reduction strategies specific to each division. Nucor's performance driven culture and incentive compensation system consistently motivate our teammates to find new ways to safely produce more high-quality products while using less energy, as this can be expected to lower costs and enhance profitability.

Nucor continuously invests substantial capital to modernize its operations. These investments install the best available technologies to produce steel and steel products that have significantly lowered greenhouse gas emissions than traditional steelmaking (e.g., rebar micro-mills).

Nucor's strategy to move up the value chain has resulted in the use of EAF produced steels in markets and for products typically produced by BOF steel processes. These new product families can require additional chemistry refinement, alternative raw materials or additional processing. These requirements may lead to incremental GHG emissions. However, emissions intensities from EAFs for products otherwise produced via BOF operations typically generate 2 to 3 times fewer GHG emissions (varies depending on the product).

Nucor's Steel Mills Segment Scope 1 GHG emissions are generated during the steel production process primarily through the consumption of natural gas and injection carbon. Industrial applications of this nature are difficult to cost-effectively decarbonize directly with present technology. However, we continuously work to more efficiently utilize our critical inputs and lower the related scope 1 GHG emissions. These ongoing efforts at process improvement and investment in new technology are essential elements of our corporate culture. For example, Nucor's metallurgists and engineers regularly partner with metallurgical and other experts at leading universities in the U.S. and Canada to evaluate emerging technologies that will enable us to make further efficiency gains and reduce the amount of energy we use in our production processes.

In addition, our management keeps abreast of developments globally that may enable the production of steel with lower levels of GHG emissions. While we do not believe any of these developments are technically and commercially viable at present, we are confident that, given our legacy of driving transformational technological innovation in our industry, Nucor will be well positioned to adopt promising emerging technologies as they are demonstrated technically and made commercially available.

#### IV. REGULATED AIR POLLUTANTS

EM-IS-120a.1. Air emissions of the following pollutants: (1) CO, (2) NOx (excluding  $N_2O$ ), (3)  $SO_x$ , (4) particulate matter (PM<sub>10</sub>), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs)

| INDUSTRY STANDARD   VERSION 2018-10 |   |              |                 |                  |  |
|-------------------------------------|---|--------------|-----------------|------------------|--|
| Topic                               | Accounting Metric   | Category     | Unit of Measure | Code             |  |
| Air Emissions                       | Air emissions of the following pollutants: (1) CO, (2) NO <sub>x</sub> (excluding N <sub>2</sub> O), (3) SO <sub>x</sub> , (4) particulate matter (PM <sub>10</sub> ), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs) | Quantitative | Metric tons (t) | EM-IS-<br>120a.1 |  |

The air emissions data below is a compilation of information from each individual Nucor steel mill. As required by the Clean Air Act title V operating permits, the air emissions data reflects information provided to the regulatory agencies pursuant to 40 CFR 70.6 and 40 CFR 71.6. The air emissions data provided in the table is not intended to be used for regulatory purposes.

If available, emissions data obtained from continuous emissions monitors (CEMs) is included in this disclosure. Absent CEMs data, the emissions were determined based upon performance test data, engineering calculations, material analyses, and mass balance equations.

The air emissions estimates in this disclosure attempt to quantify emissions from all regulated activities and sources of emissions at the steel mills. Sources of emissions include production and process emissions, emissions from transportation of materials, including roadway emissions, and ancillary equipment emissions. The estimated emissions do not include emissions from office buildings and sources of emissions not subject to regulation under the Clean Air Act.

| Regulated Air Pollutant (Metric Tons)                 | 2019                       | 2018                       |
|---|----------------------------|----------------------------|
| Carbon Monoxide (CO)                                  | 16,835.18                  | 16,235.71                  |
| Nitrogen Oxides (excluding N <sub>2</sub> O)          | 4,481.95                   | 3,695.51                   |
| Sulfur Oxides (SO <sub>x</sub> , as SO <sub>2</sub> ) | 1,998.80                   | 2,037.08                   |
| Particulate Matter (PM <sub>10</sub> )                | 1,495.40                   | 1,465.19                   |
| Manganese (MnO)                                       | *Limited Data Availability | *Limited Data Availability |
| Lead (Pb)   | 2.08                       | 2.63                       |
| Volatile Organic Compounds (VOCs)                     | 1,042.54                   | 1,074.38                   |
| Polycyclic Aromatic Hydrocarbons (PAHs)               | *Limited Data Availability | *Limited Data Availability |

#### V. ENERGY CONSUMPTION

a. EM-IS-130a.1. (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable

| INDUSTRY STANDARD   VERSION 2018-10 |  |              |                                    |              |  |
|-------------------------------------|--|--------------|------------------------------------|--------------|--|
| Topic                               | Accounting Metric  | Category     | Unit of<br>Measure                 | Code         |  |
| Energy<br>Management                | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative | Gigajoules (GJ),<br>Percentage (%) | EM-IS-130a.1 |  |

As noted in activity metric **EM-IS-000.A**, Nucor utilizes EAFs for 100% of its steel production. The total energy consumed by Nucor includes purchased electricity, natural gas, oxygen, and carbon raw material inputs. Electricity is the primary energy source for the scrap melting process, with natural gas combustion serving as the fuel for the reheat furnace and other pre-heating operations.

Reheat furnaces are employed in steel making to adjust the temperature of in process product to the correct level to allow for further working of the steel to meet customer specifications (e.g., width, gauge, tensile strength).

The calculated total energy consumption is included in the table below. Electricity represents nearly 50% of the total energy consumed by Nucor's steelmaking operations.

Nucor's Scope 2 GHG emissions result primarily from its consumption of electrical energy from the domestic power grid in the U.S. We are encouraged by technological developments in clean power generation over the past several years that have significantly improved its cost competitiveness and reliability. To the extent practicable, Nucor is exploring opportunities to increase the portion of its electrical load that is generated from renewable and other non-fossil fuel-based assets.

| Energy Management                  | 2019          | 2018          | 2017          |
|------------------------------------|---------------|---------------|---------------|
| Total Energy Consumed (Gigajoules) | 112,748,401   | 121,772,743   | 112,561,679   |
| Percentage Grid Electricity        | 48.9%         | 47.8%         | 48.6%         |
| Percentage Renewable*              | Not available | Not available | Not available |

<sup>\*</sup> The percentage of renewable electricity reported does not include the renewable generation from the electricity providers.

# b. EM-IS-130a.2. (1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas, (4) percentage renewable

| INDUSTRY STANDARD I VERSION 2018-10 |  |              |                                    |                  |  |  |
|-------------------------------------|--|--------------|------------------------------------|------------------|--|--|
| Topic                               | Accounting Metric  | Category     | Unit of Measure                    | Code             |  |  |
| Energy<br>Management                | (1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas, (4) percentage renewable | Quantitative | Gigajoules (GJ),<br>Percentage (%) | EM-IS-<br>130a.2 |  |  |

As discussed above in response to **EM-IS-130a.1**, natural gas is the primary fuel for the reheat furnace operations. Additionally, natural gas is consumed as a fuel for ladle preheaters and comfort heat. Oxygen is also used as a fuel source in furnace operations. For the purposes of this disclosure, natural gas and oxygen are quantified for the "total fuel consumed" reporting metric.

Diesel, biodiesel and gasoline, are fuels that utilized for generators and portable welders. Acetylene is used for torch cutting operations. These fuels are minimal in comparison to the consumption of natural gas and oxygen and are not included in the fuel calculation. Additionally, small amounts of bio-diesel and other fuels considered renewable may be included in the Total Fuel Consumed data but are not tracked separately.

Nucor does not consume coal as a source of fuel.

| Energy Management                | 2019       | 2018       | 2017       |
|----------------------------------|------------|------------|------------|
| Total Fuel Consumed (Gigajoules) | 37,773,411 | 42,766,110 | 38,742,441 |
| Percentage Coal                  | 0%         | 0%         | 0%         |
| Percentage Natural Gas           | 95%        | 95%        | 95%        |
| Percentage Renewable             | 0%         | 0%         | 0%         |

#### VI. WATER CONSUMPTION

EM-IS-140a.1. (1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress

| INDUSTRY STANDARD I VERSION 2018-10 |   |              |  |                  |  |
|-------------------------------------|---|--------------|--|------------------|--|
| Topic                               | Accounting Metric   | Category     | Unit of Measure                            | Code             |  |
| Water<br>Management                 | (1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress | Quantitative | Thousand cubic meters (m³), Percentage (%) | EM-IS-<br>140a.1 |  |

Steel making requires significant water for cooling both products and machinery. To reduce water consumption and preserve existing resources, Nucor operates extensive water treatment systems, cooling towers and oil/water separation systems allow water to be recycled 8-10 times in multiple cascading systems. In addition, Nucor has invested in capital projects at Nucor facilities over the years that have been focused both on reducing water use and on developing stormwater retention ponds so that the retained water can be treated and used in our production processes.

No Nucor steel mill division is located in a High or Extremely High Water Stress Area.

| Water Management  | 2019       | 2018       | 2017       |
|---|------------|------------|------------|
| Total Fresh Water Withdrawn<br>Thousand cubic meters (m³)               | 32,619,067 | 28,971,940 | 32,619,067 |
| Percentage Recycled   | 100.0%     | 100.0%     | 100.0%     |
| Percentage in Regions with High or Extremely High Baseline Water Stress | 0%         | 0%         | 0%         |

#### VII. WASTE MANAGMENT

EM-IS-150a.1. Amount of waste generated, percentage hazardous, percentage recycled

| INDUSTRY STANDARD   VERSION 2018-10 |  |              |                                    |                  |
|-------------------------------------|--|--------------|------------------------------------|------------------|
| Topic                               | Accounting Metric  | Category     | Unit of Measure                    | Code             |
| Waste<br>Management                 | Amount of waste generated, percentage hazardous, percentage recycled | Quantitative | Metric tons (t),<br>Percentage (%) | EM-IS-<br>150a.1 |

While Nucor's reliance on EAF technology means that it recycles in excess of 20 million tons of ferrous scrap that might otherwise be landfilled, its process does produce some amount of waste. However, the two primary sources (on a volume basis) of waste generated by Nucor EAF operations are themselves considered valuable commodities and are recycled for further uses and applications. These are steel slag and particulate emissions collected by air pollution control equipment (baghouse dust). Approximately 99% of all such material is recycled by Nucor.

In many jurisdictions, steel slag is crushed and screened to be used as construction aggregate material. Uses of steel slag include application as a granular base, embankments, engineered fill, highway shoulders, and hot mix asphalt pavement. The physical, chemical, mechanical, and thermal properties of steel slag provide a vital resource for construction companies and activities.

Recycling dust collected by air pollution control equipment from an EAF provides commercially important resources and reduces potential harm to the environment. EAF dust collected by air pollution control equipment contains a high percentage of heavy metals and other elements, which are recoverable. Due to the toxicity of the associated heavy metals, EAF baghouse dust is regulated under the Resource Conservation and Recovery Act (RCRA) and defined as "K061" pursuant to 40 CFR 261.32.

In 1988, U.S. EPA determined that high temperature metal recovery (HTMR) was the best demonstrated available technology for treating K061. HTMR processes reclaim certain materials, particularly zinc – a marketable commodity. Further, U.S. EPA determined that K061 can be disposed of in a non-hazardous waste landfill (Subtitle D of RCRA) if the material is less than designated concentration levels and no longer exhibit characteristics of hazardous waste. Residual amounts of dust that are unable to be recovered are properly landfilled as a hazardous waste (Subtitle C of RCRA).

The amount of waste generated listed below includes slag, dust, sludge, scrap steel, used oil, and other solid wastes. The amount of reported waste does not include gaseous wastes. Nucor recycles both steel slag and baghouse dust and this is accounted for in the percent recycled calculation.

| Reported Year                           | 2019    | 2018    | 2017    |
|---|---------|---------|---------|
| Amount of waste generated (Metric Tons) | 347,841 | 386,015 | 362,875 |
| Percent Hazardous (%)                   | 1.40%   | 1.10%   | 1.10%   |
| Percent Recycled (%)                    | 98.60%  | 98.90%  | 98.90%  |

#### VIII. WORKFORCE HEALTH & SAFETY

EM-IS-320a.1. (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees

| INDUSTRY STANDARD I VERSION 2018-10 |  |              |                 |                  |  |
|-------------------------------------|--|--------------|-----------------|------------------|--|
| Topic                               | Accounting Metric  | Category     | Unit of Measure | Code             |  |
| Workforce<br>Health &<br>Safety     | (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees | Quantitative | Rate            | EM-IS-<br>320a.1 |  |

At Nucor, safety is a core value and safe operation is considered a fundamental requirement for our teammates. This value is essential evidence of our belief that our teammates are the principal source of competitive advantage for our company and our most valuable resource.

While Nucor has long been a safety leader in our industry, 2019 was the safest year in Nucor's history for our steel making operations based on our Total Recordable Incident Rate ("TRIR"). We believe however, that we must and can improve on this performance. Some of our steelmaking operations have been able to operate for years without a Recordable Incident. We seek to replicate this performance throughout the company. Our teammates embrace this challenge as their highest priority and regularly initiate inter-divisional training so that best practices and key learnings can be shared rapidly and quickly

Nucor operates mills that are registered to Occupational Safety & Health Management Systems, including OSHSAS 18001 and ANSI Z10. These divisions are investigating conversion to the new OHSMS, ISO 45001.

Nucor facilities participate in the Occupational Safety and Health Administration's (OSHA) Voluntary Protection Program (VPP), which recognizes companies that voluntarily implement effective safety and health management systems and maintain injury and illness rates below national Bureau of Labor Statistics averages for their respective industries. For a workplace to

achieve VPP status, the facility not only has to adopt and implement a comprehensive safety and health management system, but it also must apply to OSHA for inclusion. There are approximately 2,100 VPP accredited sites across the United States in all.

Currently, OSHA recognizes 25 Nucor facilities as OSHA VPP Sites, 11 of which are in the Steel Mills Segment.

All divisions have access to Safety & Health Professionals, both internally and externally, to ensure that best practices are learned and adhered to, and that every Nucor division complies with all legal requirements, including but not limited to OSHA, NFPA, FRA, DOT & ANSI.

Nucor divisions have direct access to Health Professionals including but not limited to; doctors, nurses, nurse practitioners, paramedics, first responders and First Aid/CPR/AED trained teammates. These health professionals all follow established guidelines to ensure our teammates right to privacy.

Nucor facilities employ outside contractors under various form contracts they are required to utilize depending upon the scope of work contemplated. As part of each Nucor form contract, contractors are required to adhere to rigorous safety standards and to provide evidence of a proper safety program. Further, Nucor's internal audit team reviews these processes at each Nucor facility from time to time to ensure the Nucor facility is adhering to the contract execution, safety program and vetting processes. However, Nucor does not track and report separate health and safety data on contractors.

| Full-time Employees – Steel Mills                                    | 2019 | 2018 | 2017 |
|--|------|------|------|
| Total recordable incident rate (TRIR) – Recordables per 200,00 hours | 0.95 | 1.19 | 1.19 |

| Full-time Employees – Steel Mills | 2019 | 2018 | 2017 |
|-----------------------------------|------|------|------|
| Total Fatality Rate               | 0    | 0    | 0    |

| Full-time Employees – Steel Mills  | 2019          | 2018          | 2017          |
|--|---------------|---------------|---------------|
| Near Miss Frequency Rate (NMFR) for (a) full-time employees and (b) contract employees | Not available | Not available | Not available |

Additional information relating to Nucor's safety management practices can be found at the following locations:

https://nucor.com/safety

https://nucor.com/additional-information/

#### IX. SUPPLY CHAIN MANAGEMENT

EM-IS-430a.1. Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues

| INDUSTRY STANDARD I VERSION 2018-10 |  |                               |                 |                  |
|-------------------------------------|--|-------------------------------|-----------------|------------------|
| Topic                               | Accounting Metric  | Category                      | Unit of Measure | Code             |
| Supply Chain<br>Management          | Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues | Discussion<br>and<br>Analysis | Not applicable  | EM-IS-<br>430a.1 |

The topic is not applicable to the Nucor Steel Mills Segment, as Nucor mills do not consume iron ore or coking coal. However, Nucor does have a Human Rights Policy and maintains several other potentially relevant policies including our Supplier Code of Conduct, Combatting Human Trafficking in Persons, Eliminating Forced Labor Policy and others. These policies can be accessed at the following location: <a href="https://nucor.com/additional-information/">https://nucor.com/additional-information/</a>.