



# ESG CONSIDERATIONS

NUCOR<sup>®</sup>



# FORWARD-LOOKING STATEMENTS

Certain statements made in this presentation are forward-looking statements that involve risks and uncertainties. The words “believe,” “expect,” “project,” “will,” “should,” “could” and similar expressions are intended to identify those forward-looking statements. These forward-looking statements reflect the Company’s best judgment based on current information, and although we base these statements on circumstances that we believe to be reasonable when made, there can be no assurance that future events will not affect the accuracy of such forward-looking information. As such, the forward-looking statements are not guarantees of future performance, and actual results may vary materially from the projected results and expectations discussed in this report. Factors that might cause the Company’s actual results to differ materially from those anticipated in forward-looking statements include, but are not limited to: (1) competitive pressure on sales and pricing, including pressure from imports and substitute materials; (2) U.S. and foreign trade policies affecting steel imports or exports; (3) the sensitivity of the results of our operations to prevailing steel prices and changes in the supply and cost of raw materials, including pig iron, iron ore and scrap steel; (4) availability and cost of electricity and natural gas which could negatively affect our cost of steel production or could result in a delay or cancellation of existing or future drilling within our natural gas working interest drilling programs; (5) critical equipment failures and business interruptions; (6) market demand for steel products, which, in the case of many of our products, is driven by the level of nonresidential construction activity in the U.S.; (7) impairment in the recorded value of inventory, equity investments, fixed assets, goodwill or other long-lived assets; (8) uncertainties surrounding the global economy, including the severe economic downturn in construction markets and excess world capacity for steel production; (9) fluctuations in currency conversion rates; (10) significant changes in laws or government regulations affecting environmental compliance, including legislation and regulations that result in greater regulation of greenhouse gas emissions that could increase our energy costs and our capital expenditures and operating costs or cause one or more of our permits to be revoked or make it more difficult to obtain permit modifications; (11) the cyclical nature of the steel industry; (12) capital investments and their impact on our performance; and (13) our safety performance; (14) the impact of the COVID-19 pandemic; and (15) the risks discussed in “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2020 and elsewhere therein.

# AGENDA

ABOUT NUCOR

GOVERNANCE

ENVIRONMENTAL

SOCIAL

COMPENSATION

# NUCOR OVERVIEW

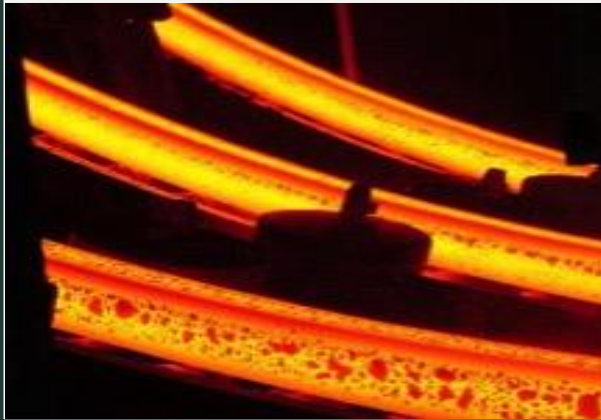
- North America's largest & most diversified steel & steel products company
- 25 scrap-based steel mills with annual production capacity of 28 million tons
- North America's largest recycler
- 49 straight yrs. of dividend increases

RESULTS	2018	2019	2020	2021
Net Sales	\$25B	\$23B	\$20B	\$36B
Steel Shipped	24.9M Tons	23.4M Tons	22.7M Tons	25.7M Tons
EPS	\$7.42	\$4.14	\$2.36	\$23.16
Free Cash Flow <sup>1</sup>	<b>\$1.4B</b>	<b>\$1.3B</b>	<b>\$1.2B</b>	<b>\$4.6B</b>

## Raw Materials



## Steel Mills



## Steel Products



# CAPITAL ALLOCATION PRIORITIES

**1. Investing In  
Profitable  
Growth  
Opportunities**

**2. Base Dividend  
Growth  
Commensurate  
With Earnings**

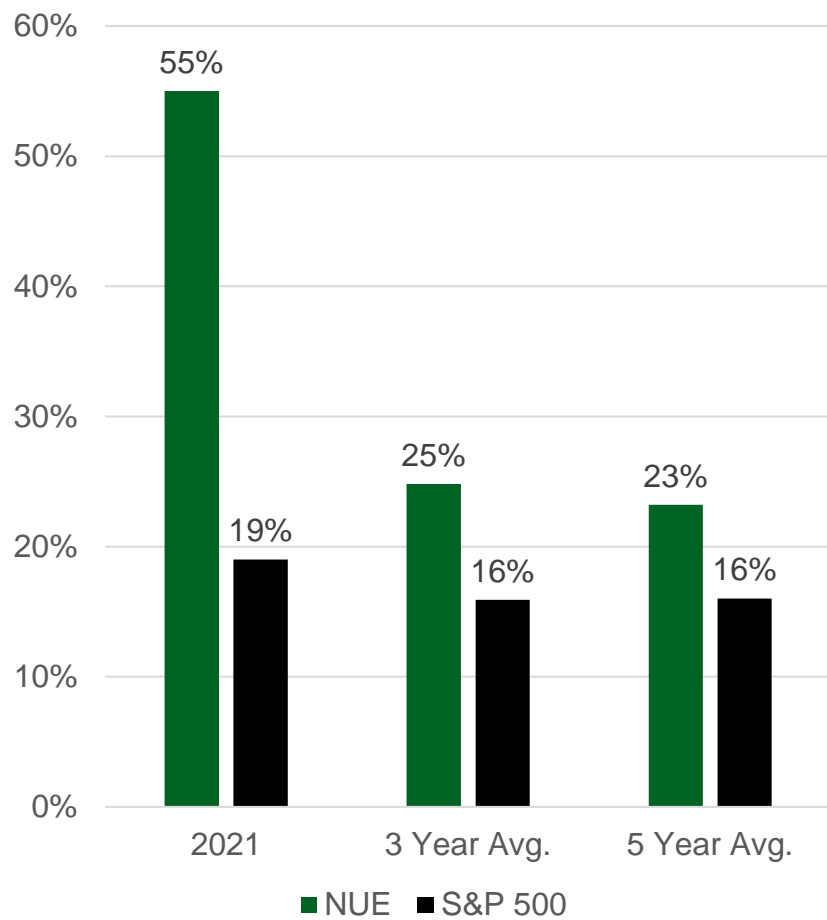
**3. Share  
Repurchases or  
Supplemental  
Dividends**



**We expect to return a minimum of 40% of our earnings to shareholders, while maintaining our strong investment grade credit profile**

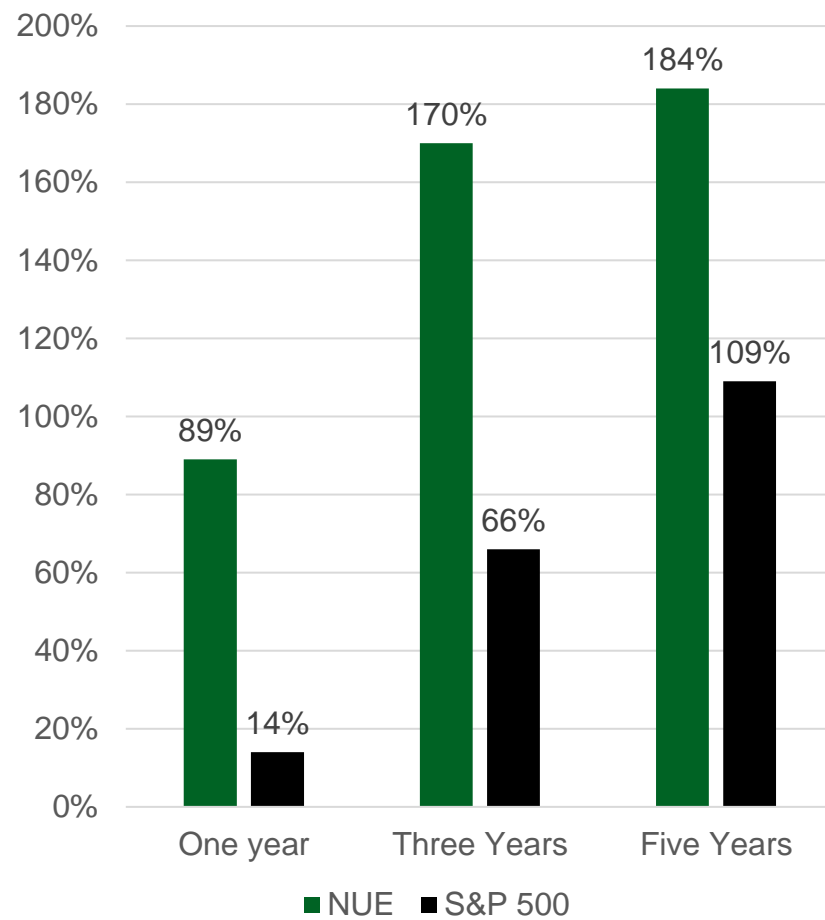
# PERFORMANCE

## Return on Equity<sup>1</sup>



<sup>1</sup>Averages are for the preceding calendar year periods ending on 12/31/21  
S&P 500 metrics sourced from FactSet, (using SPDR S&P 500 ETF)

## Total Shareholder Return<sup>2</sup>



<sup>2</sup>TSR for periods ending on 03/31/22. Source- FactSet

# GOVERNANCE

## QUALIFIED, ENGAGED BOARD

- 8 Directors, 7 Independent
- 38% women and minority
- Average tenure – 6 years
- Average age – 63 years
- Range of disciplines & backgrounds
- Mandatory retirement age – 72 years

## COMPREHENSIVE RISK OVERSIGHT

Board fully engaged on critical topics, including:

- *Employee, Health & Safety*
- *Environmental/GHG Reductions*
- *Inclusion & Diversity*
- *Commercial Strategy*
- *Financial Policy & Reporting*
- *Political/Lobbying Activities*
- *Succession Planning*

## EFFECTIVE SHAREHOLDER CONTROLS

- Independent, non-executive chairman
- Annual election of directors
- Proxy Access
- Stockholder action by written consent
- No poison pill

# ENVIRONMENTAL

## STRENGTHS

- Business model based on recycling
- Lowest GHG intensity among large diversified steelmakers
- Culture drives proactive environmental management that goes far beyond mere compliance
- More robust reporting in terms of cadence, content and functionality – see [Nucor.com/ESG](https://www.nucor.com/ESG)
- Enhanced commercial strategy that leverages superior GHG efficiency

## STRATEGIES

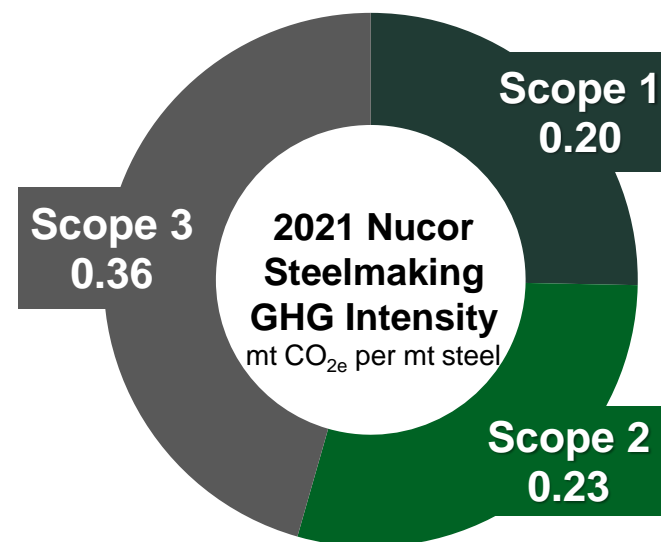
- Multi-pronged approach to further progress on reducing GHG intensity
  1. Increased utilization of renewable power
  2. Carbon Capture and Sequestration at scale
  3. Alternative raw materials
  4. Alternative iron-making technology
  5. Select investments in venture stage technology companies
  6. R&D partnerships



# GHG REDUCTION PROGRAM

*Scope 1&2 Intensity 9% lower for 2021*

- 1 Nucor's GHG intensity today is already nearly 50% below the most aggressive Paris Climate Agreement GHG reduction targets for our sector and more than 75% below the GHG intensity of most integrated steelmakers.<sup>1</sup>
- 2 Nucor has committed to an additional **35% combined reduction** in our Scope 1 and Scope 2 GHG Intensity by 2030 (2015 baseline)
- 3 Nucor will also continue to **publicly disclose and reduce** our Scope 1, Scope 2, and its most significant sources Scope 3 GHG emissions intensity.<sup>2</sup>
- 4 Beyond 2030, Nucor is committed to further reducing our **GHG emissions with the ambition to develop net zero emission steel.**



*Nucor steelmaking scope 1&2 data verified by a third party under ISO 14064-3:2019*

Steel Sector Emissions Intensity Trajectory <sup>1</sup>			NUCOR TODAY
Scopes 1 & 2			
metric ton of CO <sub>2</sub> per metric ton of steel produced			
	2025	2030	0.43
Below 2 Degrees	1.05	0.82	

<sup>1</sup> Based on analysis by the Transition Pathway Initiative and data sourced from the World Steel Association

<sup>2</sup> Nucor measures and reports emissions associated with the carbon bearing raw materials consumed in its steelmaking operations as Scope 3 emissions for its steel mills; data current as of March 2022.

# SOCIAL

## NUCOR'S CULTURE DRIVES OUR APPROACH

“At Nucor, we believe that our culture is foundational to our success. Our culture's key principles are: Safety First, Trust, Open Communications, Teamwork, Community Stewardship and Results. Safety will always be our first principle, because the strongest evidence of our culture is how we care for one another.”

-- excerpt from "Nucor's Commitment to Diversity, Equity & Inclusion"

### NUCOR CORE TENETS

- **No Layoff Practice**

*"A teammate who does their job well today should feel confident they will have it tomorrow" – Ken Iverson*

- **Pay for Performance**

- Production bonuses
- Profit sharing
- ROE/ROAIC driven incentive comp

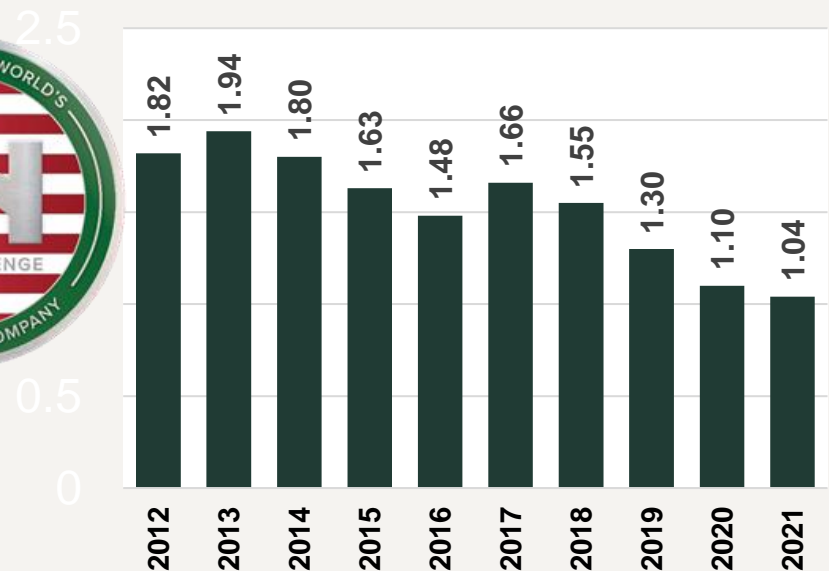
- **Accountability to the community**

- Transparency
- Support



### NUCOR INJURY & ILLNESS RATES

Annual OSHA Recordables per 200,000 hours/year  
2012-2021



# DIVERSITY EQUITY & INCLUSION

*For us safety is not just about avoiding injuries. At Nucor, safety means making sure our teammates feel safe, welcome and valued when they come to work each day. We are accelerating our diversity, equity and inclusion efforts with the objective of ensuring that each teammate feels a sense of belonging at Nucor. By creating an inclusive workplace, we believe we will attract top talent and achieve greater diversity in our workforce and leadership, which will make Nucor a stronger company.*

## EMPLOYEE SURVEY RESULTS

- **93% of teammates agree that people at Nucor are treated fairly, regardless of their race or sexual orientation**
- **92% of our teammates feel a strong sense of belonging at Nucor**

## INITIATIVES

- Conducting focused discussion groups to share experiences of the workplace and the effects of race and gender
- Taking feedback onboard to enhance training and development
- Webcasts by diverse senior leaders sharing their career progression and life experiences
- Increasing tempo and intensity of engagement with supportive external partners
  - Society of Black Engineers
  - Society of Women Engineers
  - Tuskegee University
  - INROADS
- More actively supporting career development opportunities for diverse employees

# EXECUTIVE COMPENSATION

## PRINCIPLES

### Stockholder alignment

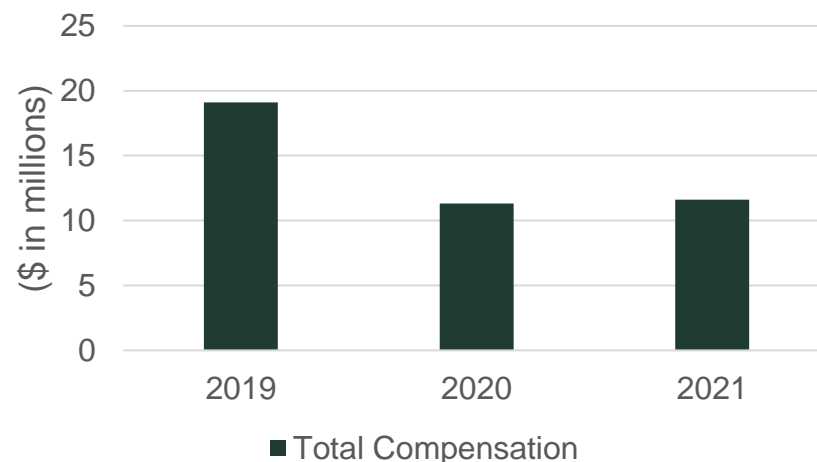
- Pay for performance
- Share the pain, share the gain philosophy

### Consistency

- Infrequent changes, adjustments

### Transparency

## CEO COMPENSATION



## PRACTICES

- Base salaries generally below market median
- Consistent & appropriate comparator groups
- Total compensation outcomes aligned with peers over the business cycle
- Return based metrics tied to strategy
- Use unadjusted GAAP based metrics
  - e.g., ROE is Net earnings/ Avg. Equity
- Responsive to stockholder feedback



# OUR MISSION



## OUR MISSION

**GROW THE CORE  
EXPAND BEYOND  
LIVE OUR CULTURE**

OUR CHALLENGE IS  
**TO BECOME THE WORLD'S  
SAFEST STEEL COMPANY.**

WE LIVE EACH DAY WITH

**GRATITUDE**

FOR THE FAMILIES, CUSTOMERS  
AND PARTNERS THAT MAKE OUR  
WORK POSSIBLE.

**NUCOR**

POWERFUL PARTNERSHIPS. POWERFUL RESULTS.

