

# 4Q22/2022 RESULTS

**WEBCAST**

**INSTITUTIONAL PRESENTATION**

# AGENDA

**WEBCAST.....03**

**INSTITUTIONAL PRESENTATION.....13**



# 4Q22 and 2022 Results Presentation

# Highlights

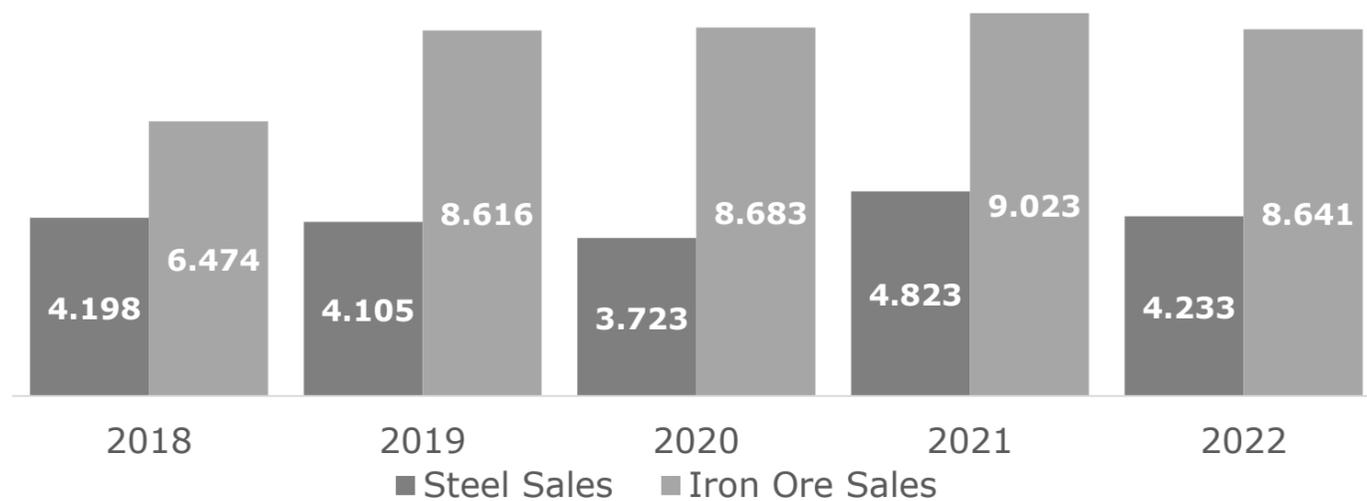
- ▣ **Usiminas becomes part of the Índice de Sustentabilidade Empresarial (ISE);**
- ▣ **Second highest annual net revenue in history:** R\$32.5 billion in 2022, R\$7.7 billion in 4Q22;
- ▣ **Second highest annual Adj. EBITDA in 14 years:** R\$4.9 billion in 2022, R\$579 million in 4Q22;
- ▣ **Second highest annual Net Income in 14 years:** Profit of R\$2.1 billion in 2022, Loss of R\$839 million in 4Q22;
- ▣ **9th Issuance of Debentures**, of R\$1.5 billion with a maturity of up to 10 years. R\$2.2 billion issued in 2022;
- ▣ **Solid Cash position** with R\$5.1 billion and Net Debt/EBITDA of 0.2x;
- ▣ **Composition of the slabs inventory** for the BF#3 Relining is proceeding according to plan.



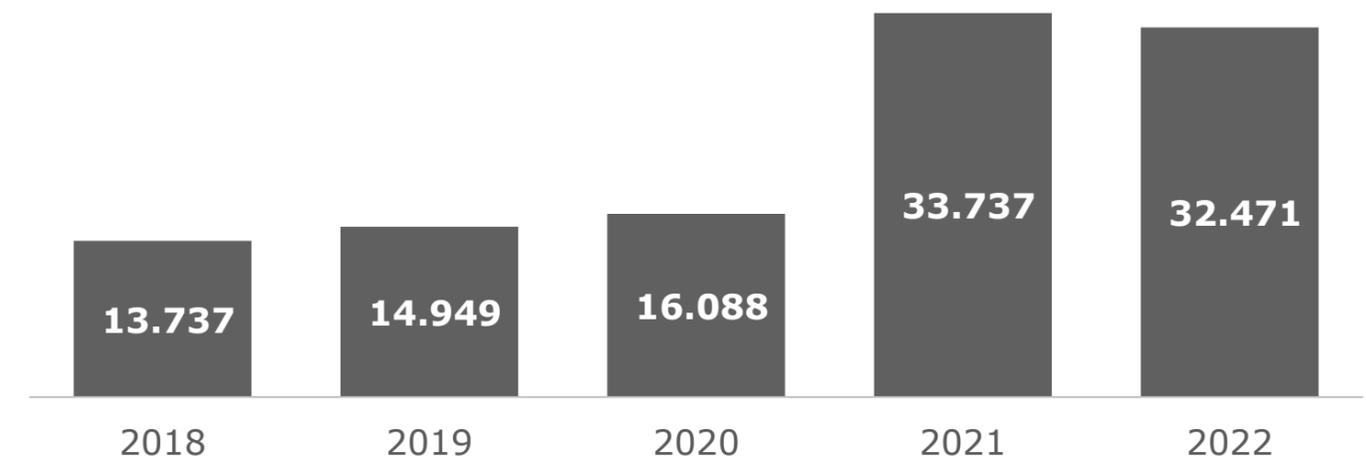
# 2022 Results

# 2022 Results

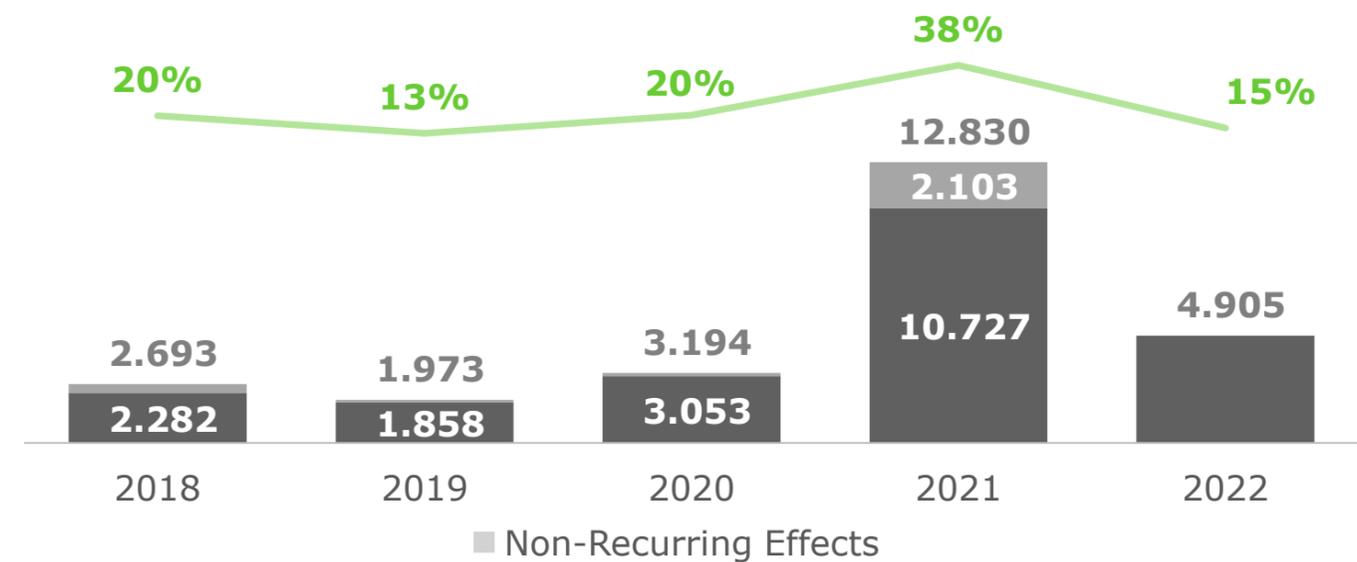
## Steel and Iron Ore Sales – thousand tons



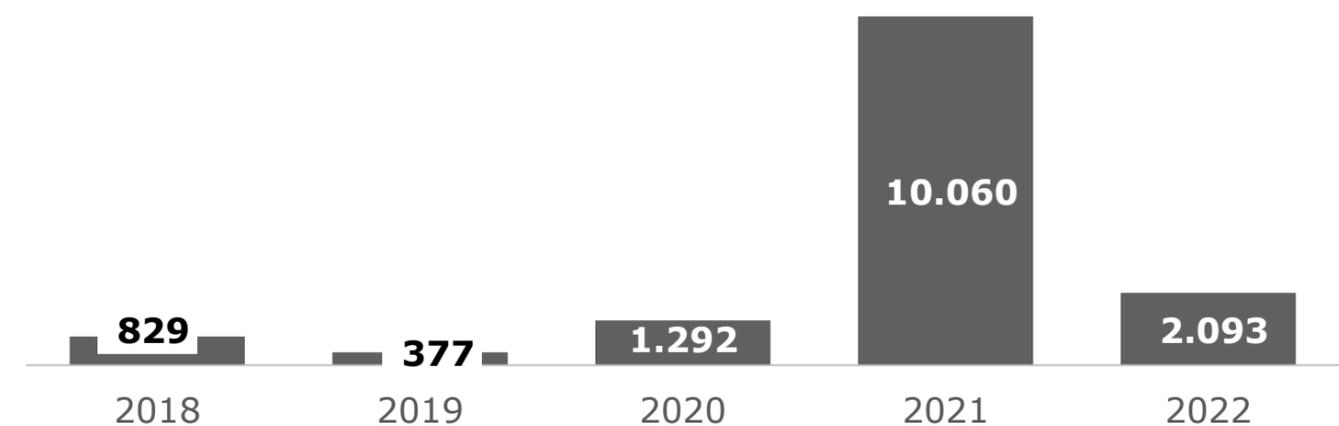
## Consolidated Net Revenue R\$ million



## Consolidated Adjusted EBITDA R\$ million



## Consolidated Net Income R\$ million

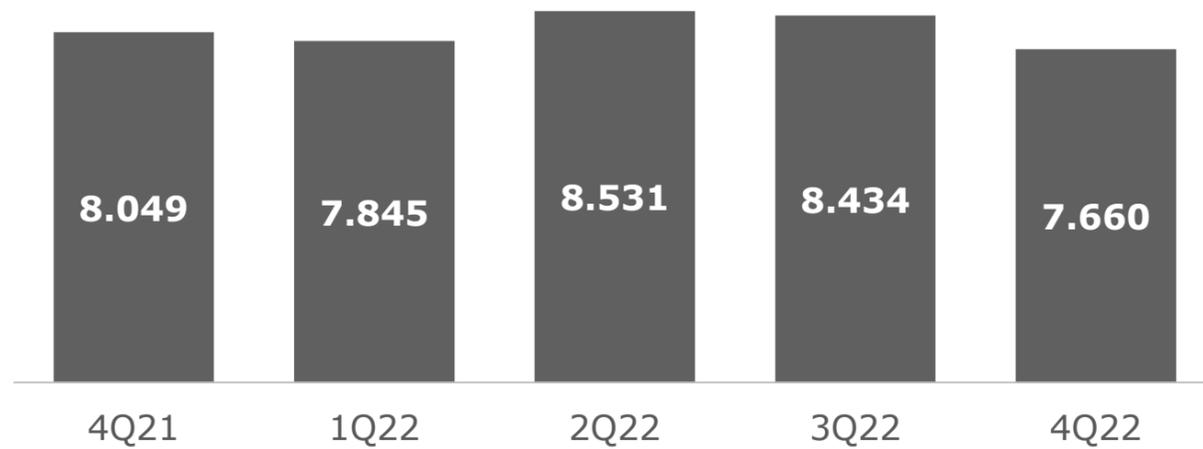




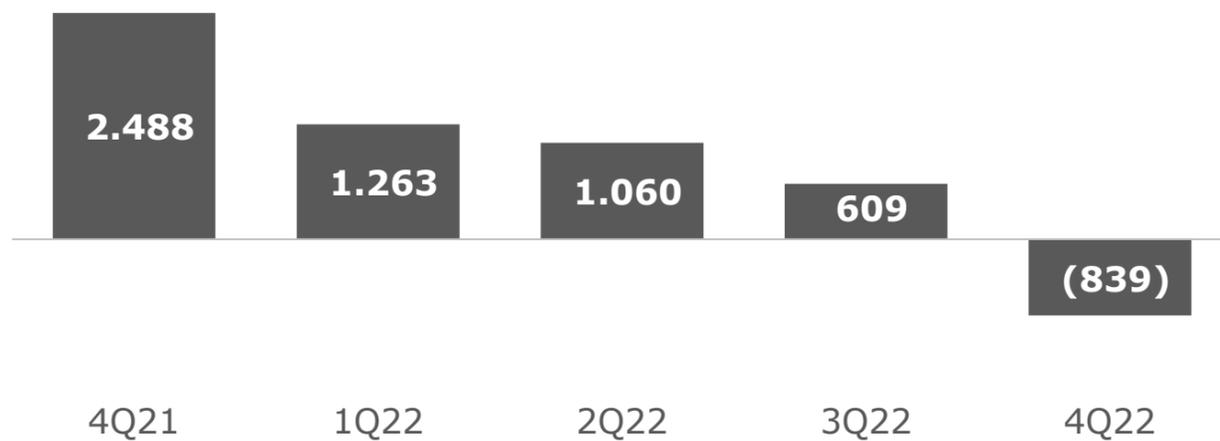
# 4Q22 Results

# 4Q22 Results - Consolidated

## Net Revenue R\$ million

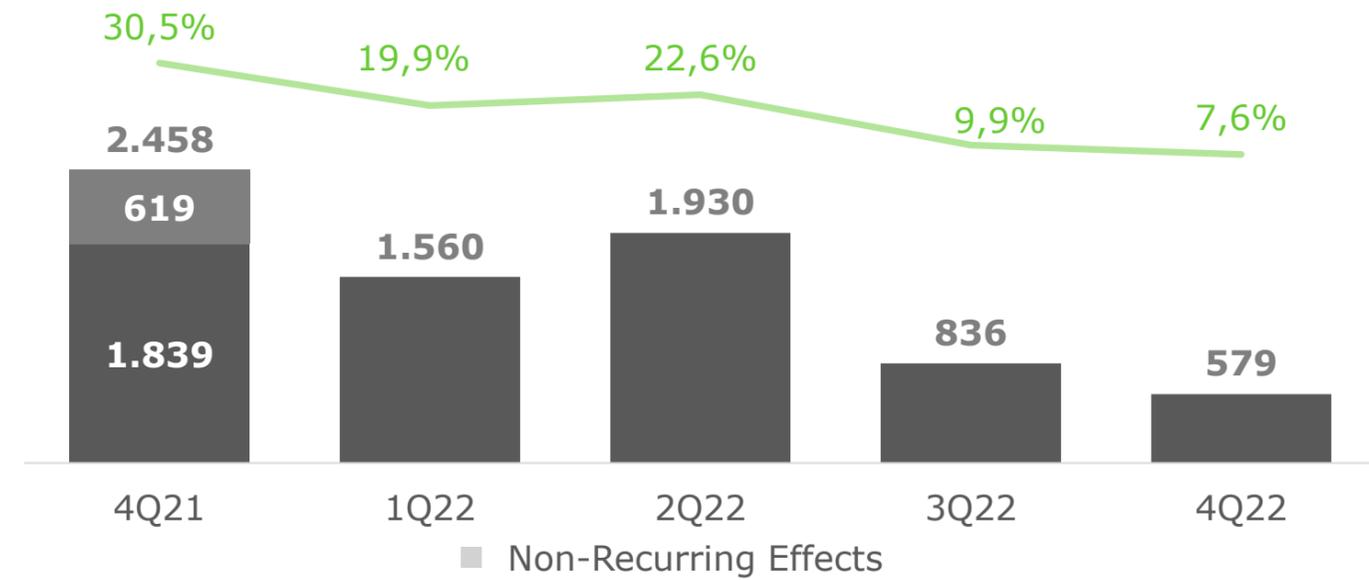


## Net Income R\$ million



U Impairment of R\$ 1.4 billion in 4Q22

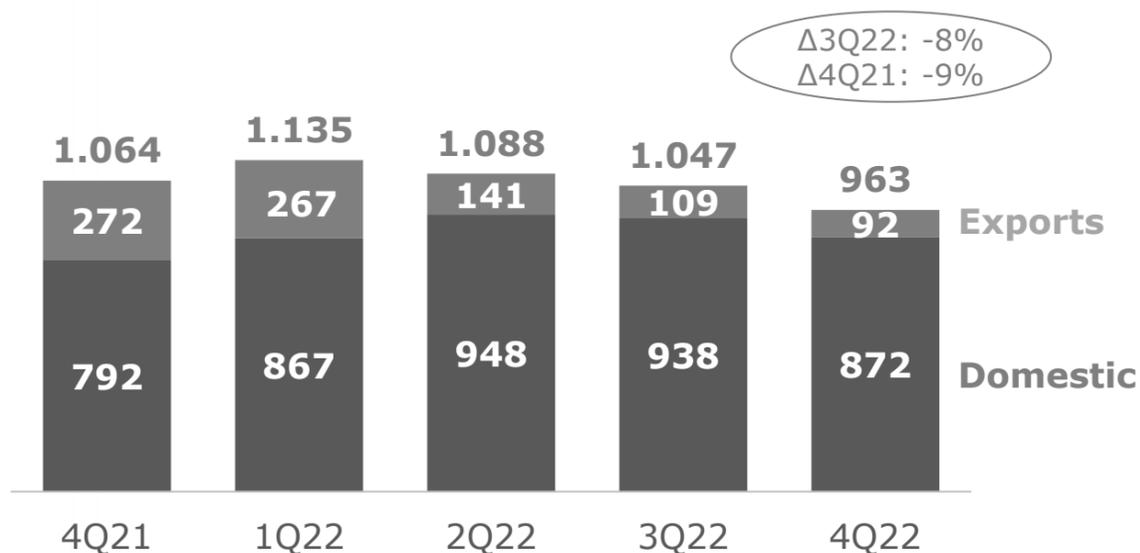
## Adjusted EBITDA R\$ million



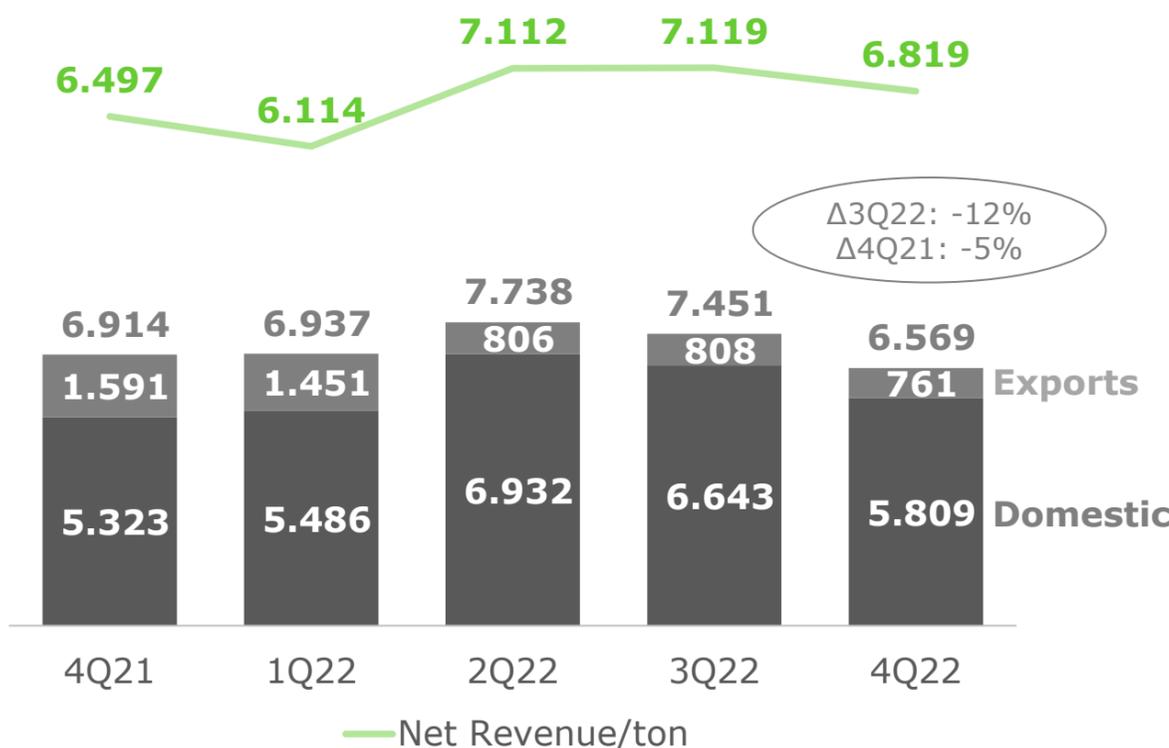
# 4Q22 Results – Steel Unit

- U Sales volume higher than guidance (950 Kt), due to seasonality. MI sales were 10% higher than 4Q21;
- U Net Revenue/ton in domestic sales down by 5.9%;
- U Decrease in Adjusted EBITDA compared to 3Q22, attenuated by the lower COGS in the quarter.

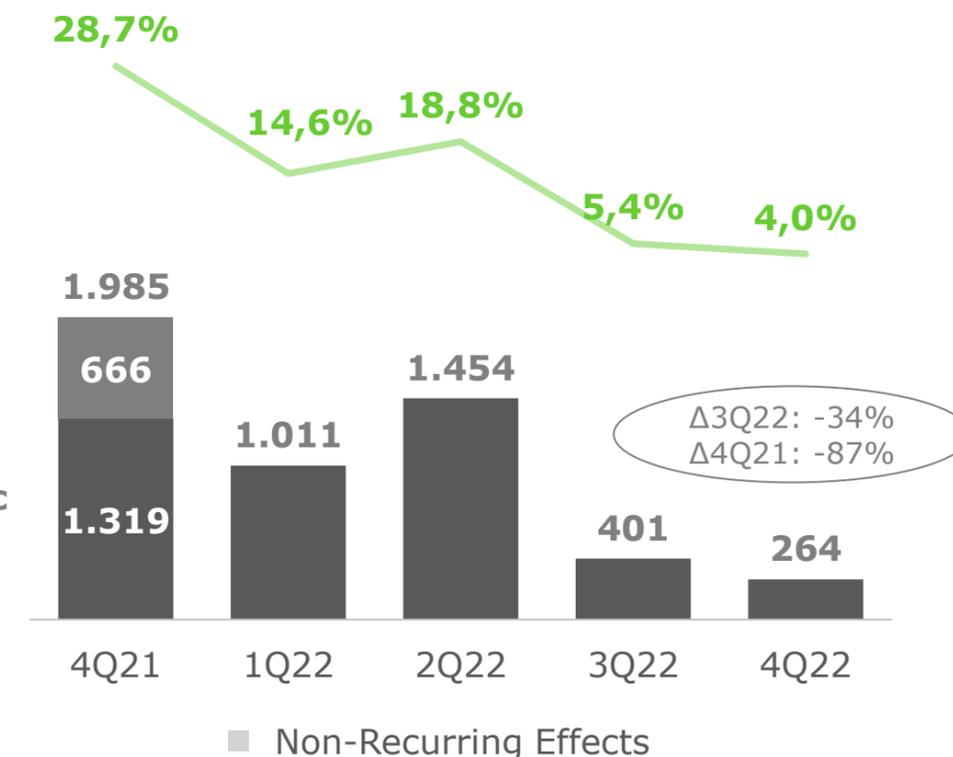
**Steel Sales – thousand tons**



**Net Revenue (R\$ million) and per ton (R\$/ton)**



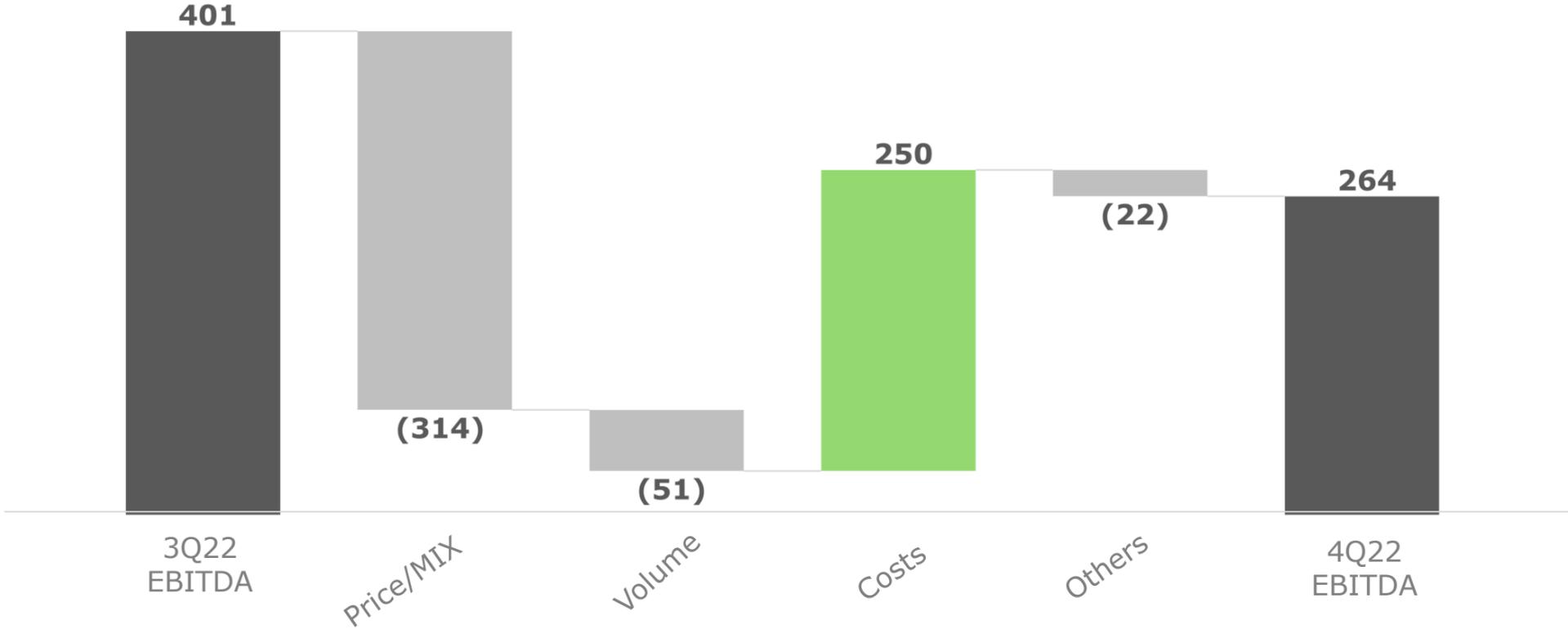
**Adjusted EBITDA (R\$ million)**



# 4Q22 Results – Steel Unit

- U Price/mix effect partially offset by lower costs;
- U Lower COGS per ton (from R\$6,640/t in 3Q22 to R\$6,417/t in 4Q22) due to lower raw material prices, mainly slabs.

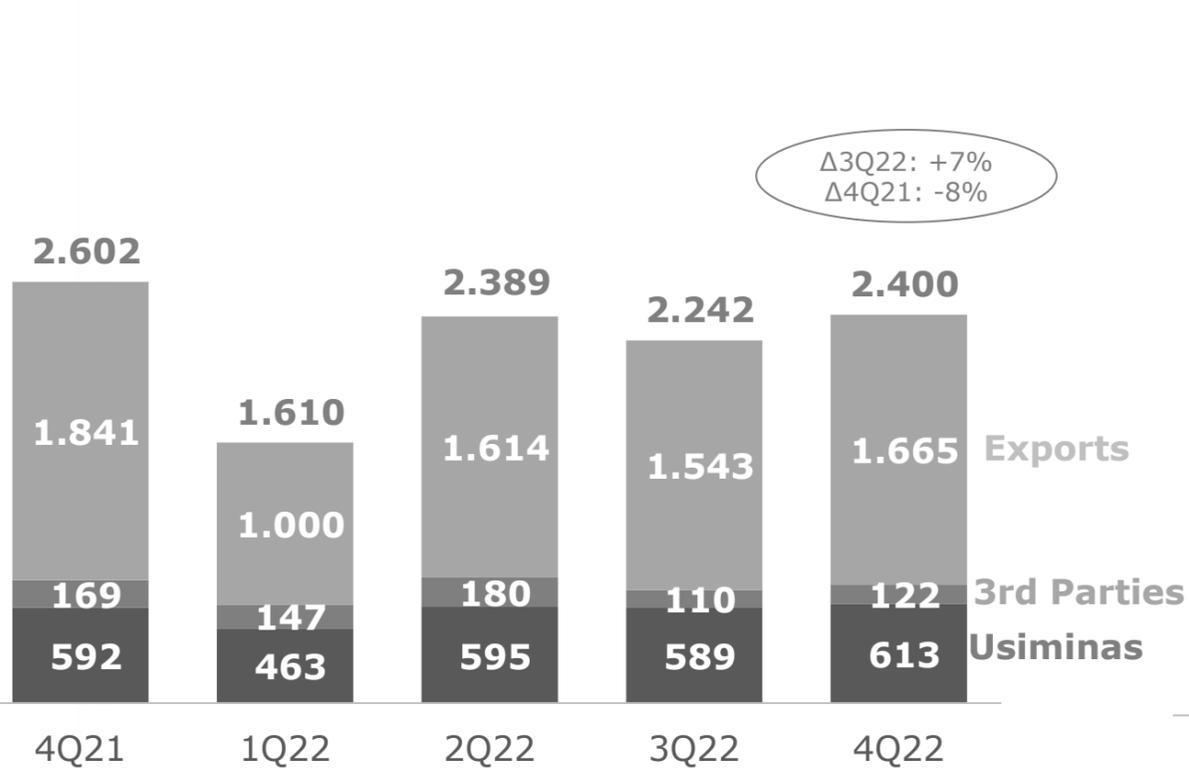
**Quarterly variation in EBITDA  
(R\$ million)**



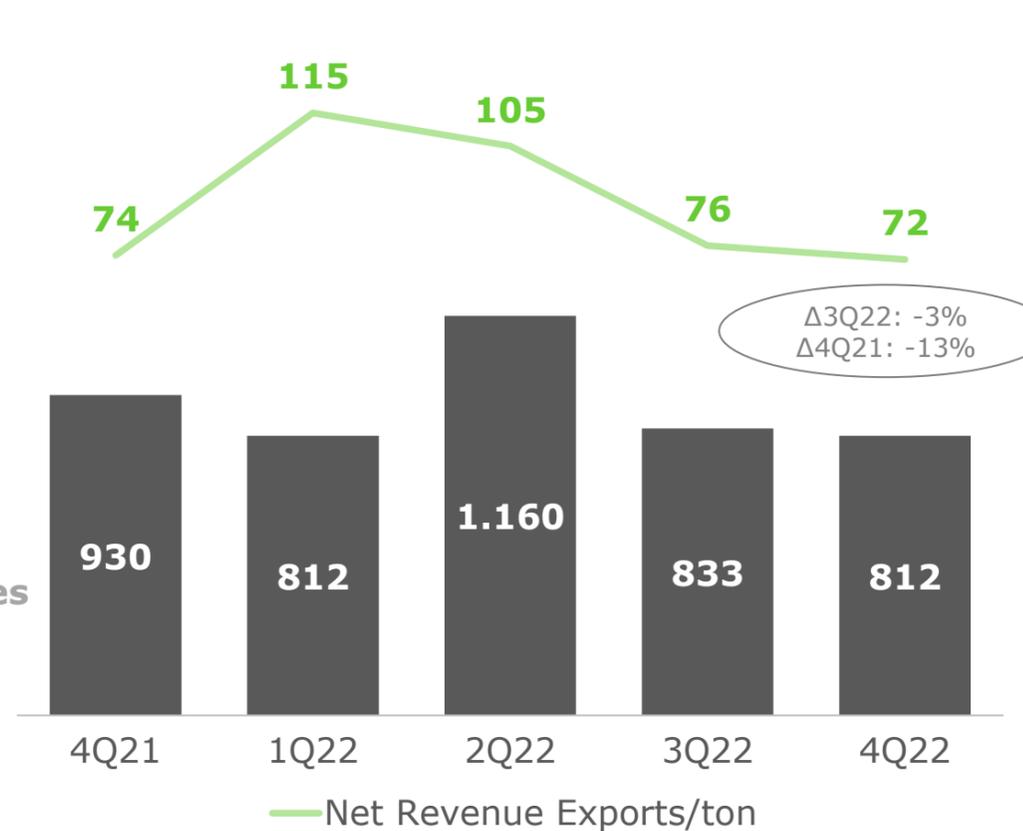
# 4Q22 Results – Mineração Usiminas

- Higher sales volume compared to 3Q22;
- Net revenue impacted by lower ore reference price and higher proportion of sales without sea freight.

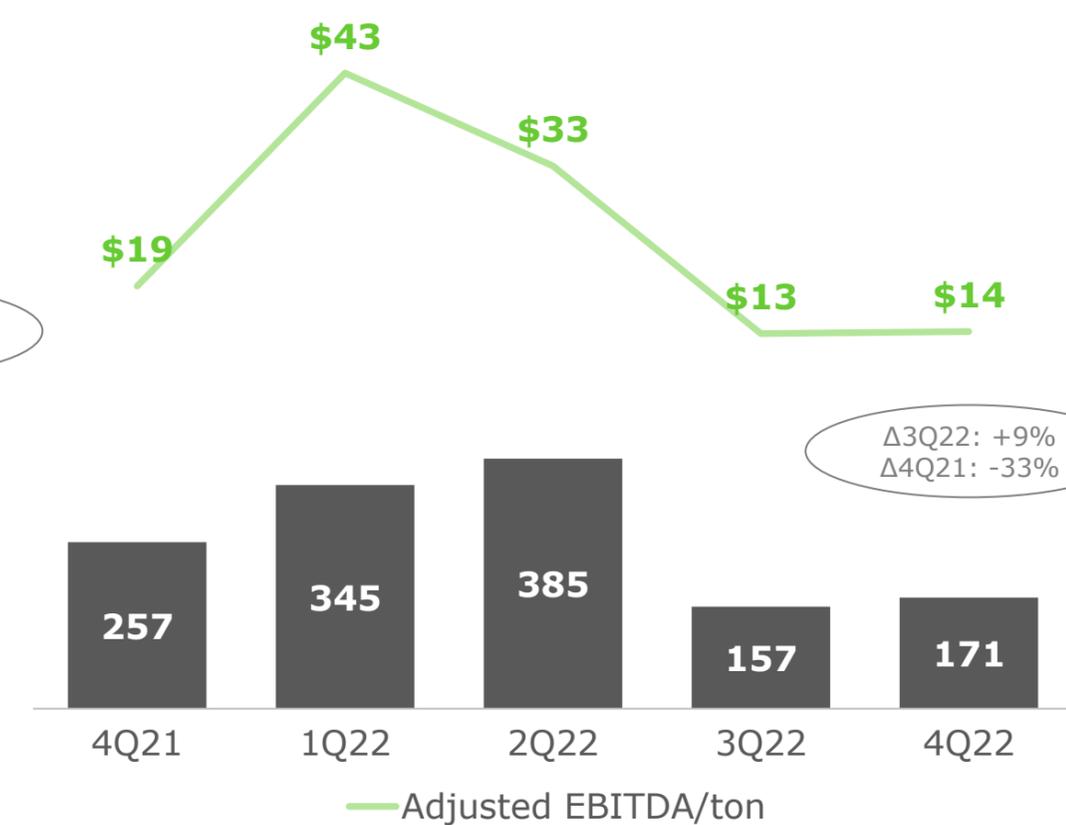
## Iron Ore Sales – thousand tons



## Total Net Revenue (R\$ million) and per ton for Exports (US\$/ton)



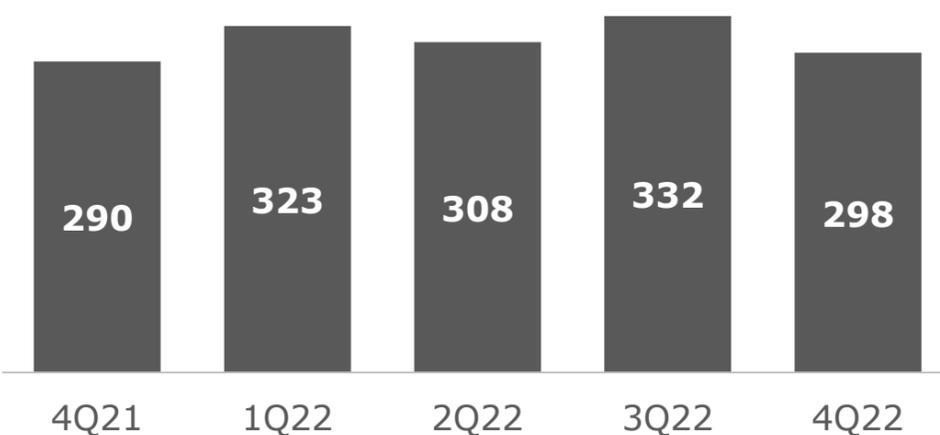
## Adjusted EBITDA (R\$ million and US\$/ton)



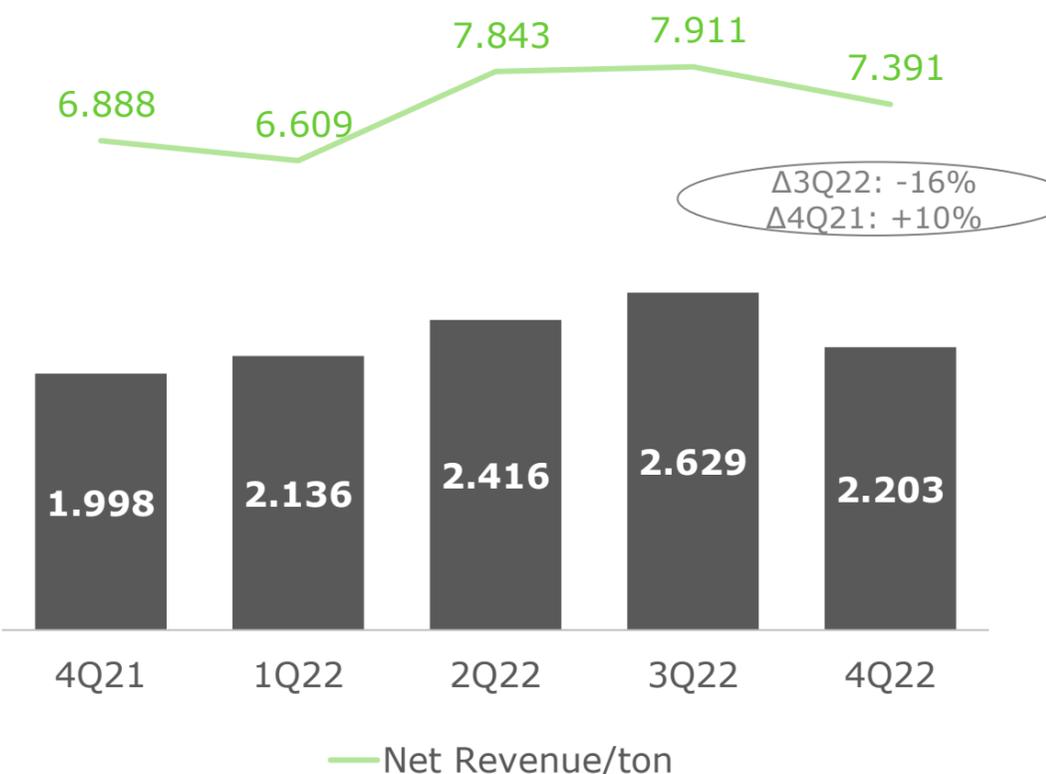
# 4Q22 Results – Soluções Usiminas

- U Lower sales volume compared to 3Q22 due to seasonality;
- U Lower net revenue/ton due to lower prices.

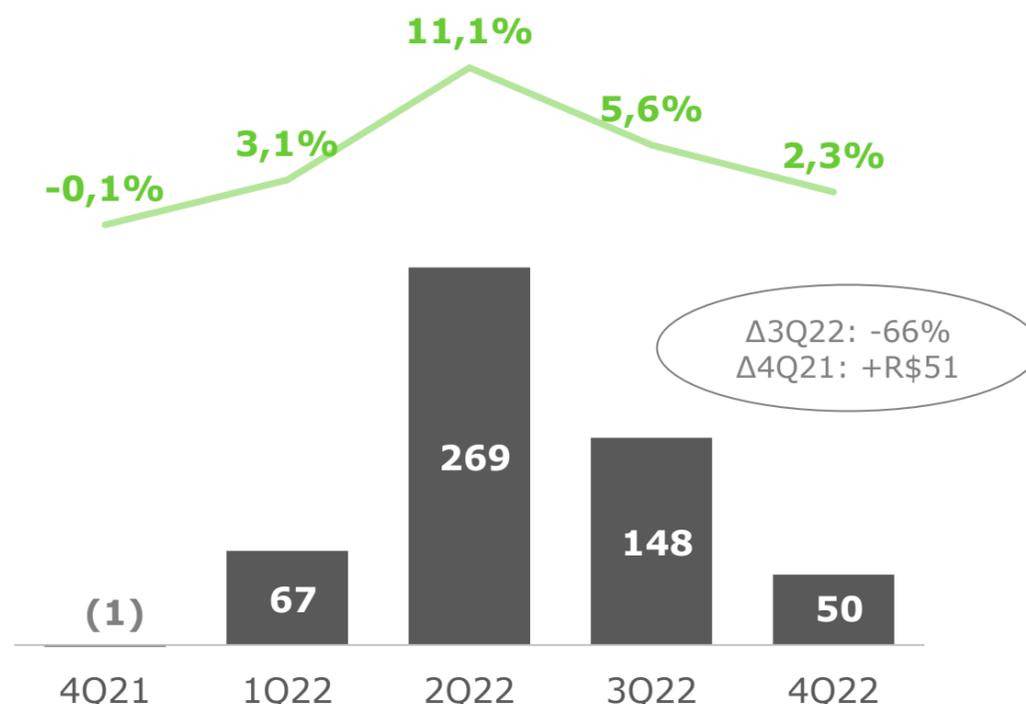
## Steel Sales – thousand tons



## Net Revenue (R\$ million and R\$/ton)



## Adjusted EBITDA (R\$ million)

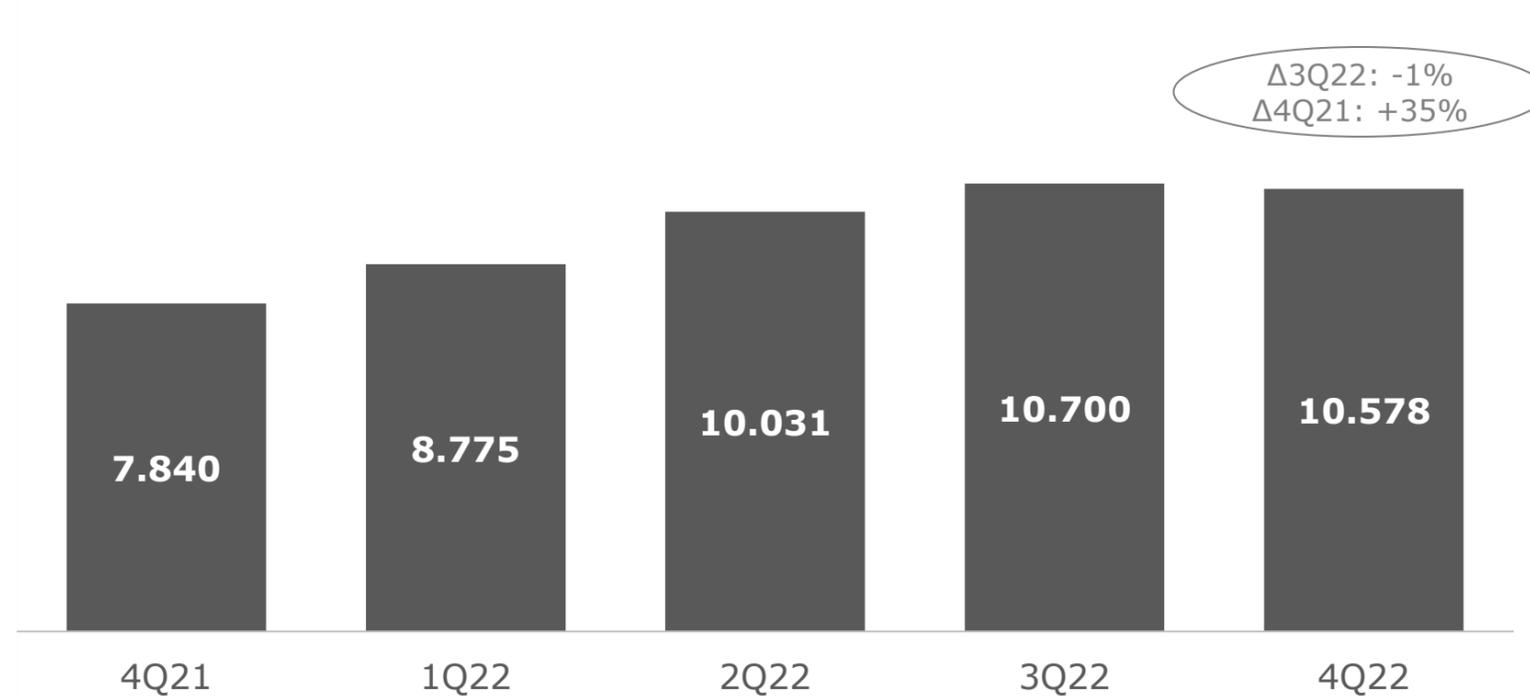




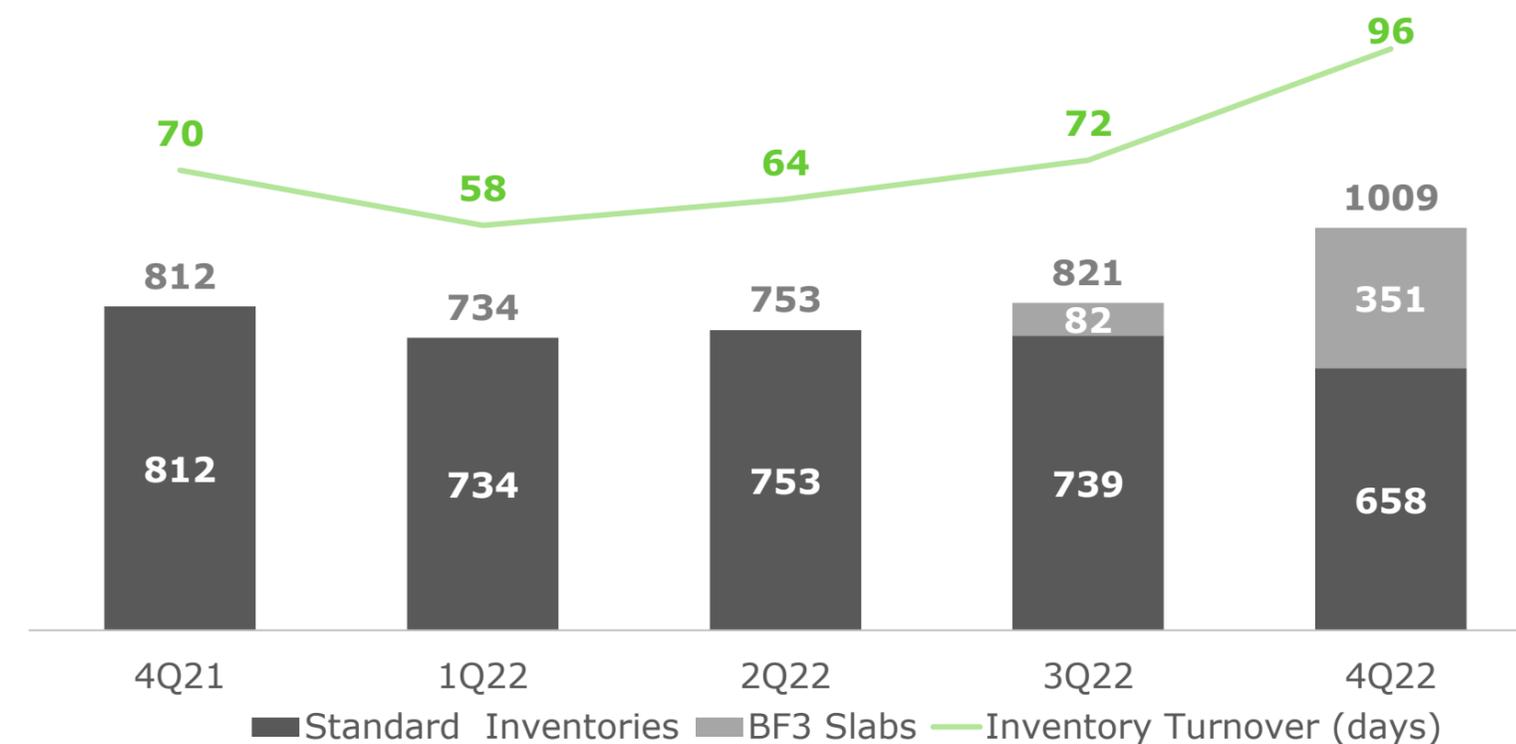
# Financial indicators

- U Decrease in working capital in 4Q22 mainly due to the decrease in coal inventory partially offset by slab inventory;
- U Composition of slabs inventory for the BF#3 Relining as planned.

## Consolidated Working Capital (R\$ Million)

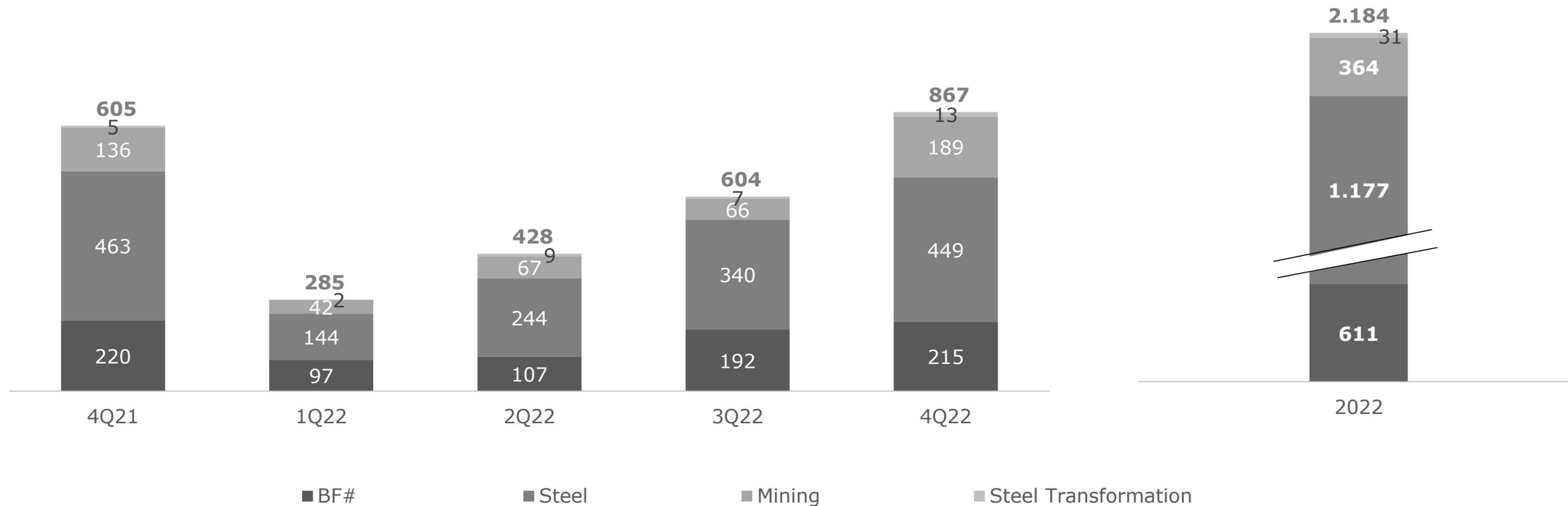


## Steel inventories - thousand tons



## Consolidated - R\$ Million

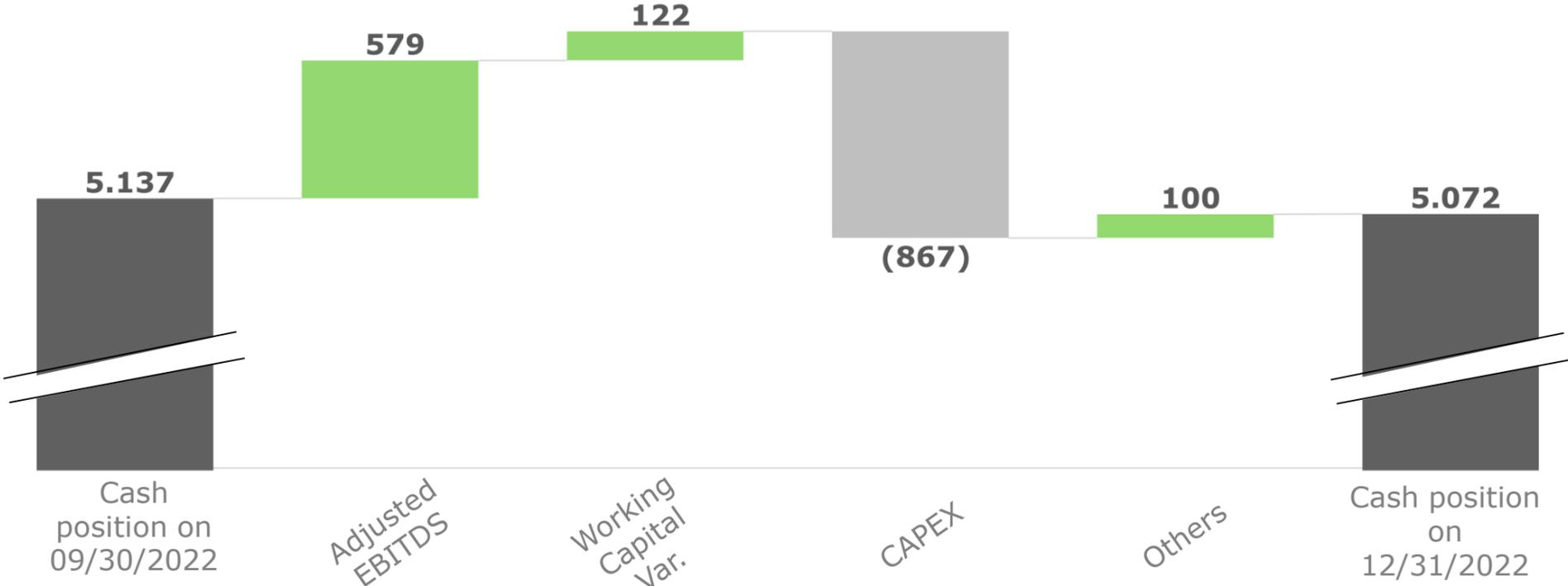
- U R\$2.2 billion in 2022;
- U Preparation for BF#3 Reling, with Investments of R\$215 million in 4Q22 and R\$611 million in 2022.



# Cash Position

Stable cash position in the quarter, with the generation of EBITDA, a decrease in Working Capital and an increase in cash arising from the 9th Issuance of Debentures offset by the CAPEX recorded in the period.

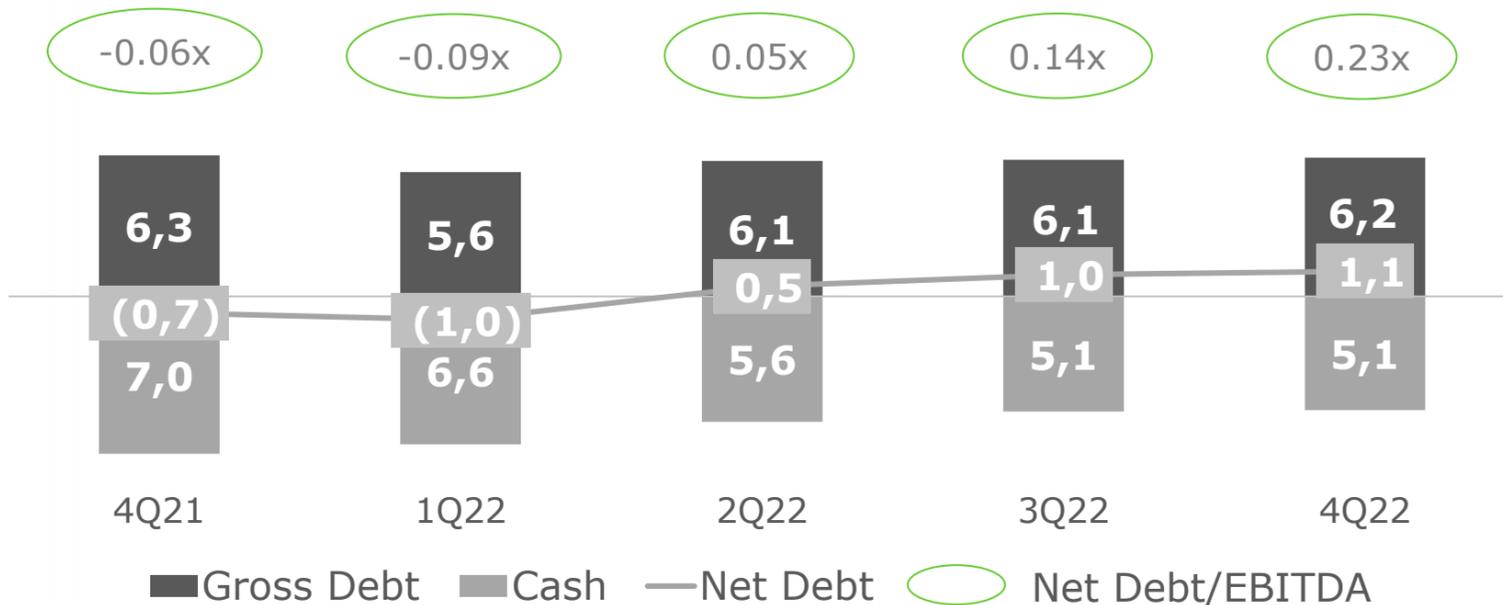
### Consolidated Cash Variation (R\$ Million)



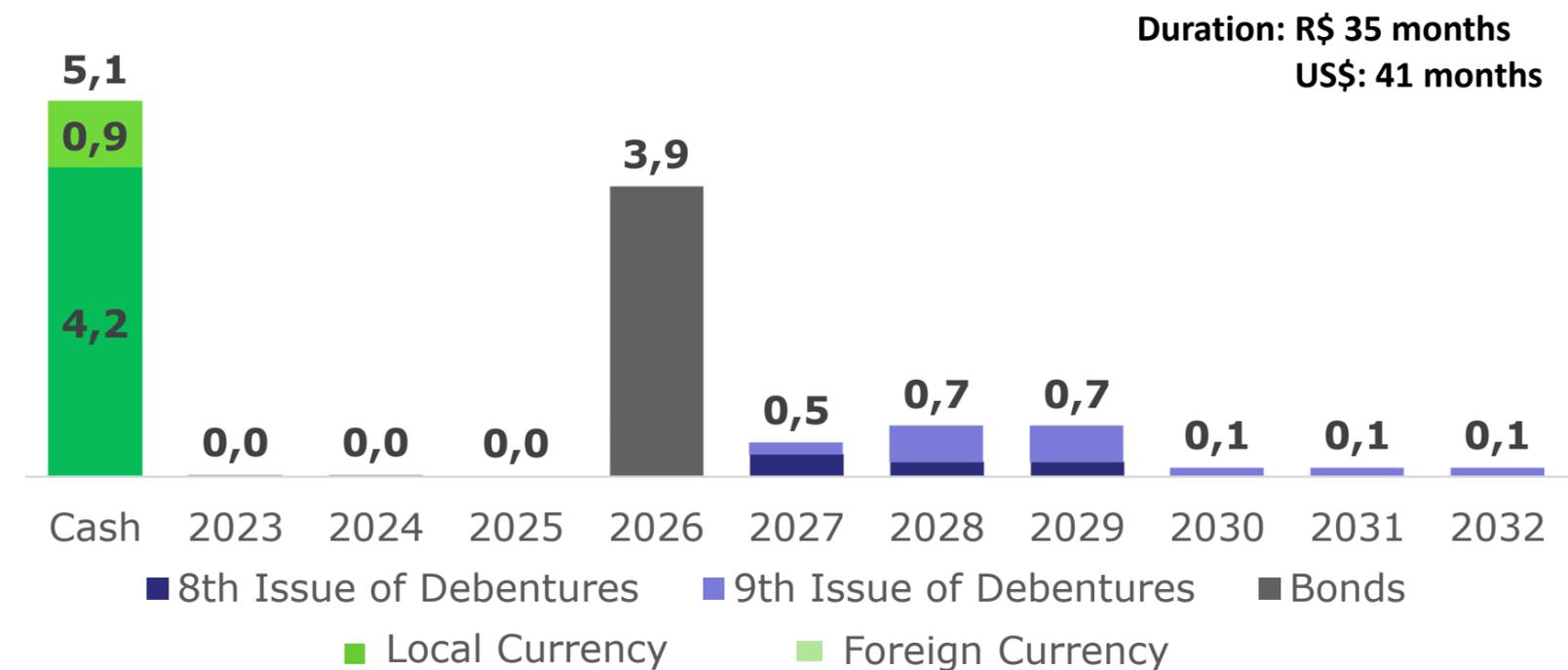
# Cash, Net Debt and Amortization Profile

- U Maintenance of Net Debt and Leverage at healthy levels;
- U Extension of the debt with the 9th Issue of Debentures, the next maturity only in 2026.

Cash, Gross Debt, Net Debt (R\$ billion) and Leverage



Gross Debt Amortization Profile – Principal Only (R\$ billion)



**ESG**



**ISEB3**

**ICO2B3**



# ISEB3

**Inclusion** in the 18th portfolio of **Corporate Sustainability Index (ISE B3)**

## Main evolutions

- ✓ Risk Management and Internal Controls Management;
- ✓ Advances in the Steel Chain Project;
- ✓ Emissions inventory recognized by the GHG Protocol with a Gold Seal;
- ✓ Participation in the Carbon Disclosure Project (CDP);

# ICO2B3

Usiminas is for the **2nd consecutive year** in the portfolio of the **Carbon Efficient Index of B3 (ICO2 B3)**.

# ESG

GOALS	STATUS	COMMENTS
Achieve 94.6% water recirculation by 12/31/22	●	Recirculation level of 94.7%
Contract at least 10% of total energy consumption from clean and renewable energy by 2025	●	Goal reached with the partnership signed with Canadian for self-production of around 12%
Engagement of 75% of Critical Suppliers with Scope 3 to Usiminas' climate agenda by 12/31/22	●	In 2Q22, 86% responded to the data collection stage. In 4Q22, Usiminas sent a letter of recommendations to engaged suppliers
Reach at least 55% of women in apprentice training classes by 12/31/22	●	In 4Q22, this indicator was 58.0%
Execute 80% of innovation pilots with potential to reduce security risk	●	100% of the pilots were executed
100% of the production of laminates, certified in RoHS and ELV Standards	●	100%
Conducting a GHG inventory at the units of MUSA and Soluções Usiminas until 12/31/22	●	Completed for MUSA. The stipulated deadline for completion for the SU is 2023
Lost-time accident frequency rate (CPT) recorded below or equal to 0.3 in 2022	●	The cumulative rate was 0.61. The Company continues to adopt several preventive actions
General Customer Satisfaction Index higher or equal to 89.7% in 2022	●	The overall customer satisfaction index accumulated was 88.9%
Implementation of the Environmental Compliance Program until 12/31/2022	●	Additional items established, causing changes in the schedule and extension of the deadline

More information in the Earnings Release

# Institutional Presentation

4Q22 and 2022

# AGENDA

1

**Usiminas**

2

**Pillars of Usiminas' Management**

People

Clients

Results

3

**Governance and Highlights**

4

**Appendix**

# Usiminas

## Overview

- ✓ One of the largest flat steel producers in Brazil
- ✓ Operations in several segments of the value chain
  - Mining and logistics, capital goods, service and distribution centers and customized solutions
- ✓ Two steel plants strategically located along Brazil's main industrial axis
  - Sales force present in the main regions of the country
- ✓ Founder of the most enduring environmental education project in the private sector since 1984
- ✓ First Brazilian steel company certified by ISO 9001

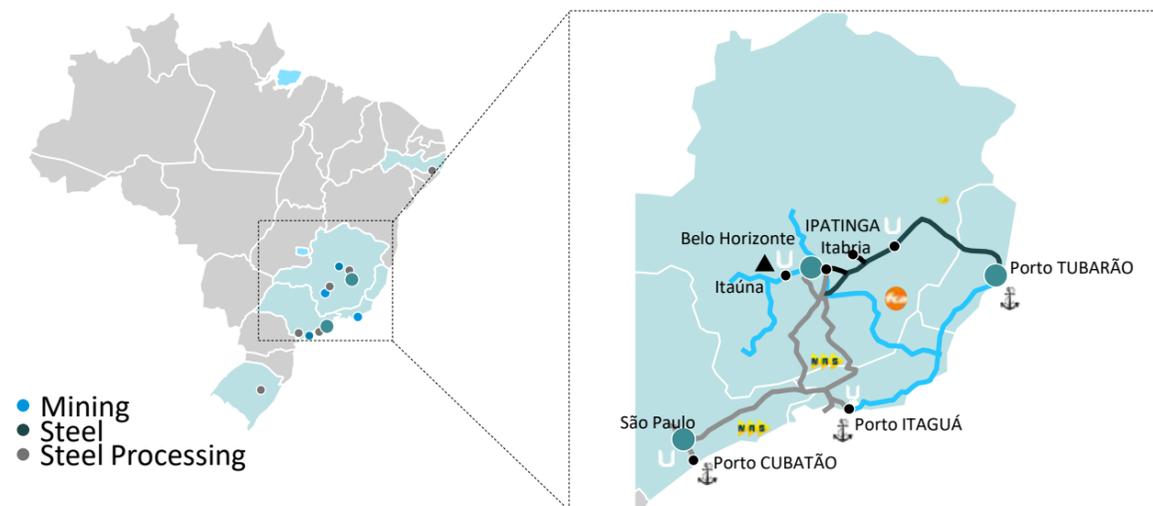


# Usiminas at a Glance

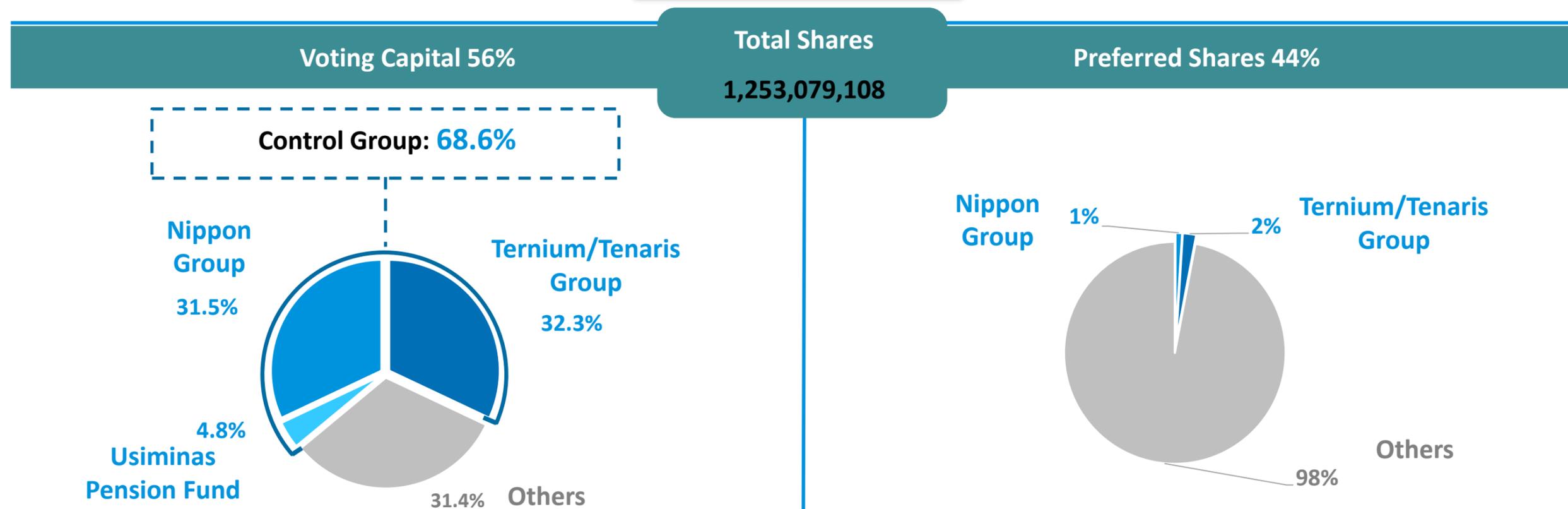
## Financial Highlights

	2017	2018	2019	2020	2021	2022
<b>Net Revenues</b>	<b>10,734</b>	<b>13,737</b>	<b>14,950</b>	<b>16,088</b>	<b>33,737</b>	<b>32,471</b>
<i>Growth YoY</i>	27%	28%	9%	8%	110%	-4%
<b>Adjusted EBITDA</b>	<b>2,186</b>	<b>2,693</b>	<b>1,973</b>	<b>3,194</b>	<b>12,830</b>	<b>4,905</b>
<i>Margin</i>	20%	20%	13%	24%	38%	15%
<b>Net Income</b>	<b>315</b>	<b>829</b>	<b>377</b>	<b>1,292</b>	<b>10,060</b>	<b>2,093</b>
<i>Margin</i>	3%	6%	3%	8%	30%	6%
<b>Total Debt</b>	<b>6,656</b>	<b>5,854</b>	<b>5,111</b>	<b>5,793</b>	<b>6,304</b>	<b>6,202</b>
<b>Cash and Equivalents</b>	<b>2,314</b>	<b>1,693</b>	<b>1,921</b>	<b>4,868</b>	<b>7,023</b>	<b>5,072</b>
<b>Net Debt</b>	<b>4,342</b>	<b>4,161</b>	<b>3,189</b>	<b>1,105</b>	<b>720</b>	<b>1,130</b>
<i>Net Debt / EBITDA</i>	2.0 x	1.6 x	1.6 x	0.3 x	-0.06x	0.23x

## Geographic Footprint



## Shareholder Structure



# Complete Solutions on Products and Services



- ✓ JV formed in 2010 through a partnership with Sumitomo Corporation
- ✓ Responsible for the mining operations, in addition to rail and port transportation
- ✓ Three iron ore plants at Serra Azul - MG



- ✓ One of the largest producers of flat rolled steel in Brazil
- ✓ Two industrial plants in Ipatinga (MG) and Cubatão (SP)
- ✓ Also holds Unigal Usiminas, a JV with Nippon Steel responsible for steel hot-dip galvanizing activities, enhancing the technology content within Usiminas' steel



- ✓ Created in 2009, Soluções Usiminas has a wide portfolio of products and services in the transformation and distribution of flat rolled steel division
- ✓ Holds 7 industrial facilities
- ✓ Soluções Usiminas' portfolio includes steel coils, coarse plates, rollers, welded assemblies, metal structures and metal disks and tubes, among other items

Upstream

Downstream

# Mining

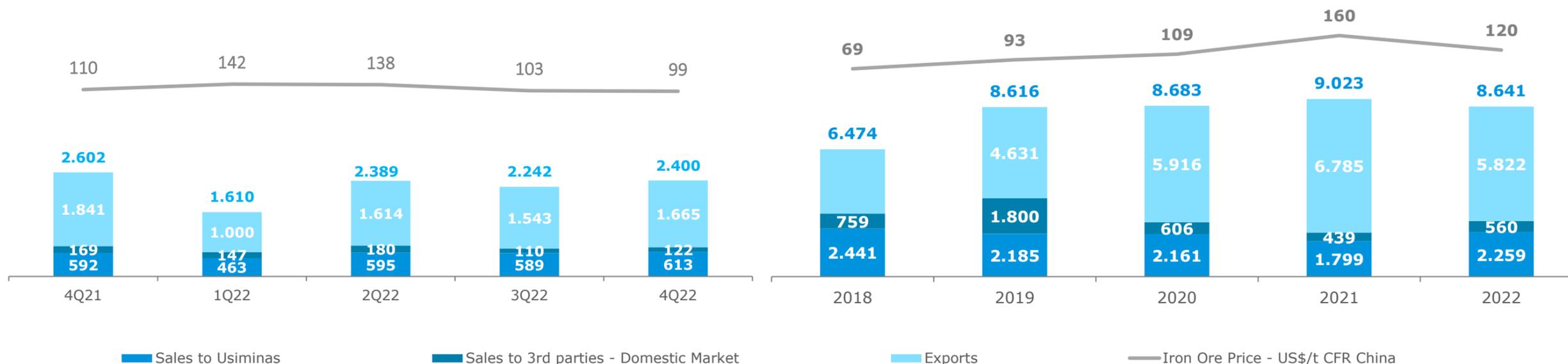
## Overview

- ✓ JV formed in 2010 through a partnership with Sumitomo Corporation (30% economic stake) responsible for mining and railway operations
- ✓ Three mining sites in the Serra Azul region (MG), with resources of 2.4 billion tons of iron ore
- ✓ Asset base also includes pellet and sinter feed processing plants
- ✓ Current capacity of 12 million tons/year
- ✓ The company also has voting equity stake of 20% of MRS Logística and a strategic field in Sepetiba Bay (RJ)

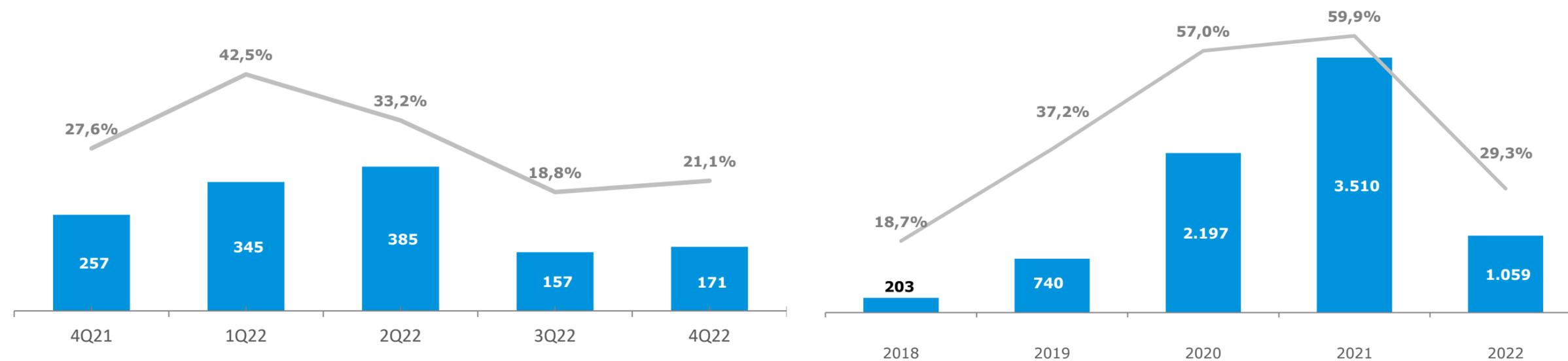
## Financial Highlights

### Iron Ore Sales and Price PLATTS (62% FE CFR China)

Mining Business Unit - Thousand tons – Prices in US\$/ton



### EBITDA (R\$ mm) and EBITDA Margin (%)



# Mining and Logistics (Cont'd)

## Key Projects

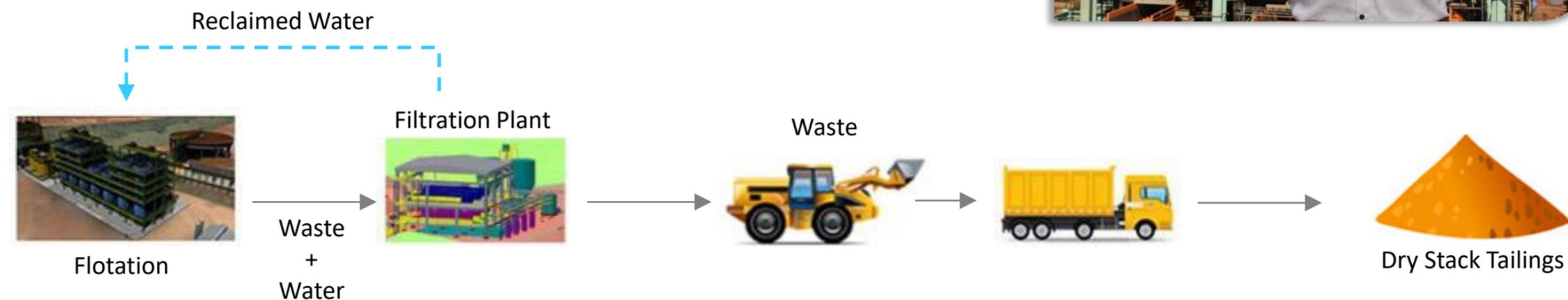


### Friables

- ✓ Started operation in 2014
- ✓ Increased nominal capacity from 8 million to 12 million tons/year of iron ore
- ✓ Iron ore with better quality, higher concentration of iron content and lower impurity level
- ✓ Two iron ore processing plants

### Dry Stacking

- ✓ Disposal of tailings by the dry stacking process, replacing dams
- ✓ Started operation in December 2021
- ✓ R\$235 million invested

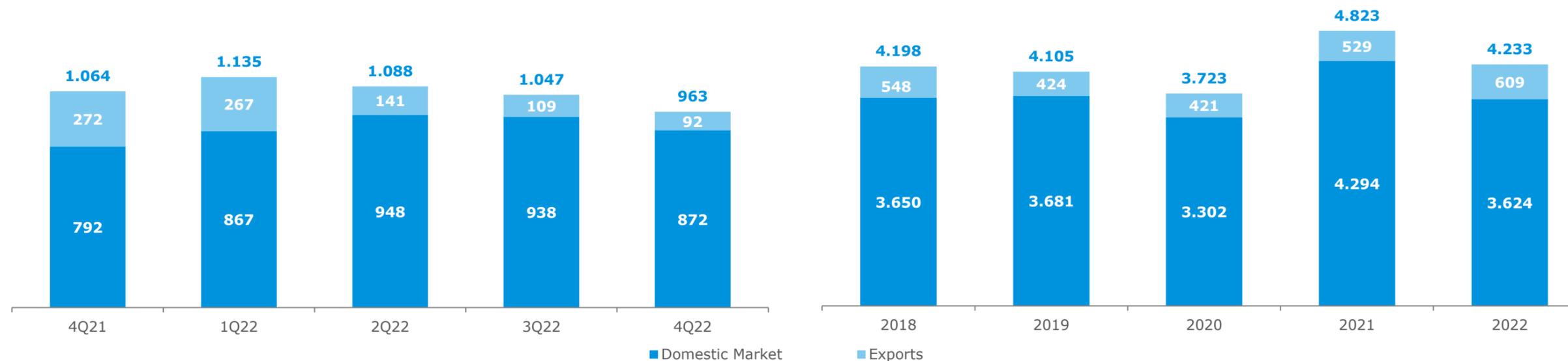


# Steel

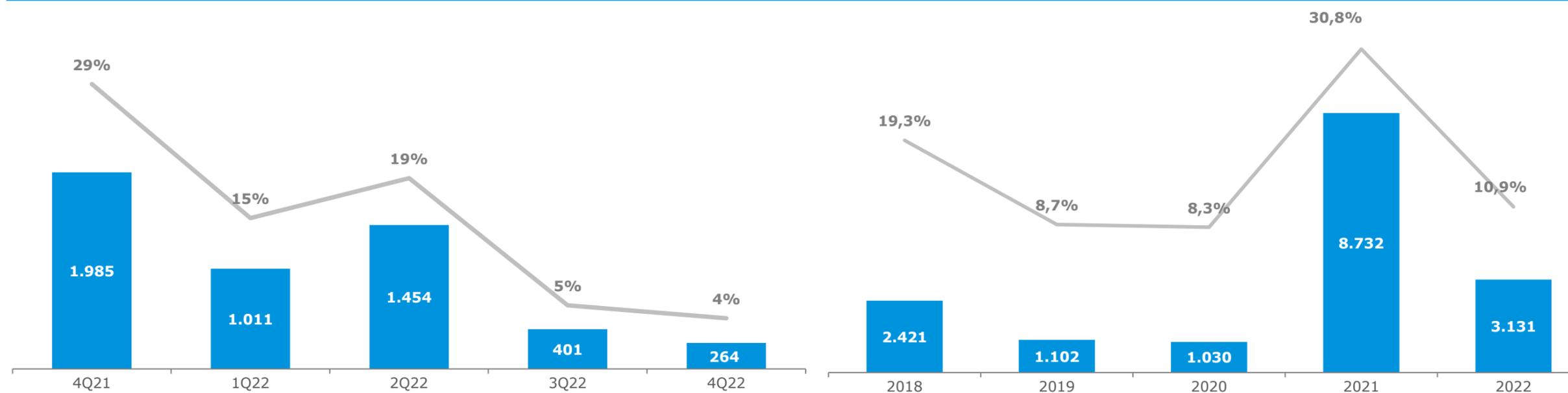
## Overview

- ✓ One of the largest producers of flat rolled steel in Brazil
- ✓ Two industrial plants in Ipatinga (MG) and Cubatão (SP)
- ✓ Nominal crude steel production capacity of 5 million tons/year
- ✓ Owns Unigal Usiminas, a JV with Nippon Steel engaged in steel hot-dip galvanizing, enhancing the technology content within Usiminas' steel
- ✓ Largest center of steel research in Latin America
- ✓ Restructured and incorporated into the steel industry in mid-2020, Usiminas Mecânica started to act only in the provision of services to Usiminas companies in the Industrial Assembly and Maintenance segments

### Steel Sales Evolution (Thousand tons)



### EBITDA (R\$ mm) and EBITDA Margin (%)



# Steel (Cont'd)

Flat steel consumption markets



**Heavy Plates**



Civil Construction



Machinery and Equipment



Pipelines



Capital Goods



Wind Energy



Oil and Gas



**Hot Rolled**



Civil Construction



Machinery and Equipment



Pipelines



Auto Industry



Solar Energy



Oil and Gas



**Cold Rolled**



Civil Construction



White Line



Auto Industry



**Galvanized**



Civil Construction



White Line



Auto Industry



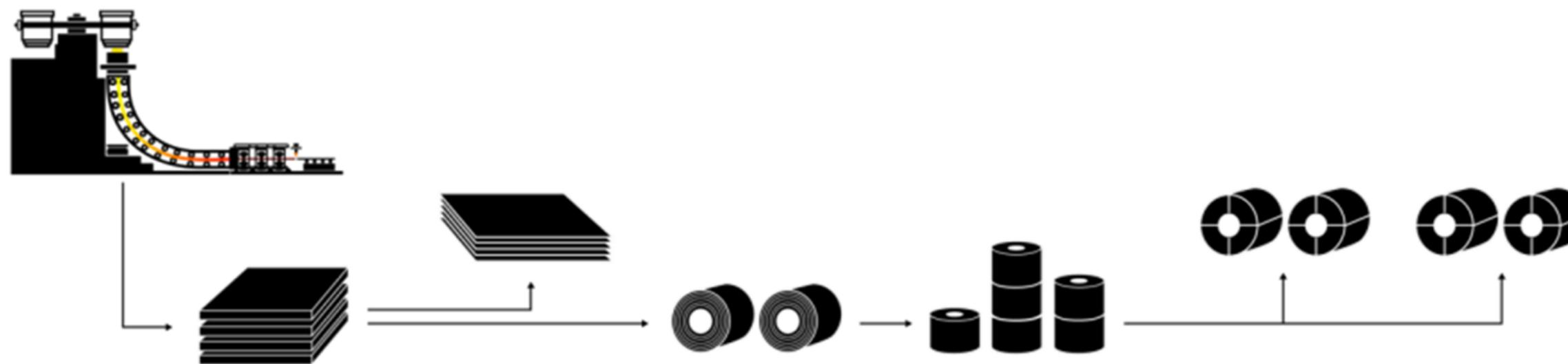
Solar Energy

# Steel (Cont'd)

## Flat steel consumption markets

The total crude steel generation capacity is 5 million tons and is located in Ipatinga.

Current capacity for generating finished products, considering the galvanizing lines (EG and HDG) and heavy plates at their maximum capacities.



Total Production Capacity of Products for Sale	Heavy Plates	Hot Rolled	Cold Rolled	Galvanized		Total
				Electro Galvanized	HDG	
	1,000	1,800	2,710	360	1,030	6,900

\*As of September 2021, at the Cubatão Plant, the assets of the blast furnaces and sinter plants were written off due to their obsolescence; The assets of the steelworks were not written off and remain temporarily shut down; At the same plant, due to the lack of visibility of demand, the heavy plate mill and the number 1 hot strip mill, which had already been shut down, were also written off;

# Steel (Cont'd)

## Key Projects



### CLC Technology

- ✓ Started operation in 2010
- ✓ Meets specific requirements from Petrobras, focused in application on pre-salt operation, besides the shipbuilding sector.
- ✓ Consists of an accelerated cooling process for heavy plates.

### Hot-dip Galvanizing Line

- ✓ Started operations in 2011
- ✓ Doubled the capacity to 1 million tons / year
- ✓ Expertise in ultra-high strength steel production (dual phase)



# Steel (Cont'd)

## Key Projects



## Revamp of the Blast Furnace #3

- ✓ **R\$ 2.7 billion total investment**
- ✓ **R\$ 611 million disbursement in 2022 and R\$ 1.2 billion in 2023**
- ✓ **110 days of stoppage (April til August 2023)**
- ✓ **~ 8,000 additional workers on site**

# Steel

## Research and Development

### Largest Center for Steel Research in Latin America

- ✓ 50 YEARS OF OPERATION
- ✓ 17 LABORATORIES
- ✓ Steel mill with the largest number of patents in Latin America (101 charters)
- ✓ Focus on developing new steel and improving production processes

# Steel Processing

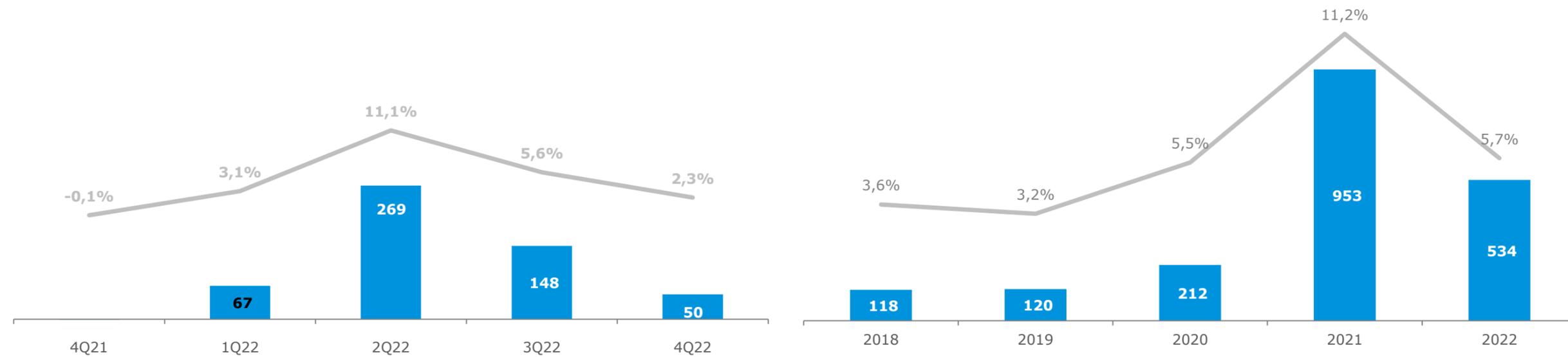
## Overview

- ✓ **Soluções Usiminas engages in steel transformation and distribution**
- ✓ **The company is controlled by Usiminas, that holds a 68.9% stake**
- ✓ **Its portfolio includes the production of steel coils, coarse plates, rollers, welded assemblies, metal structures and metal disks and tubes, among other items**
- ✓ **Located in seven different sites with an installed capacity to transform 1.9 million tons of steel per year**

# Steel Processing

## Financial Highlights

EBITDA (R\$ mm) and EBITDA Margin (%) – Steel Processing



# AGENDA

1

Usiminas

2

Pillars of Usiminas' Management

People

Clients

Results

3

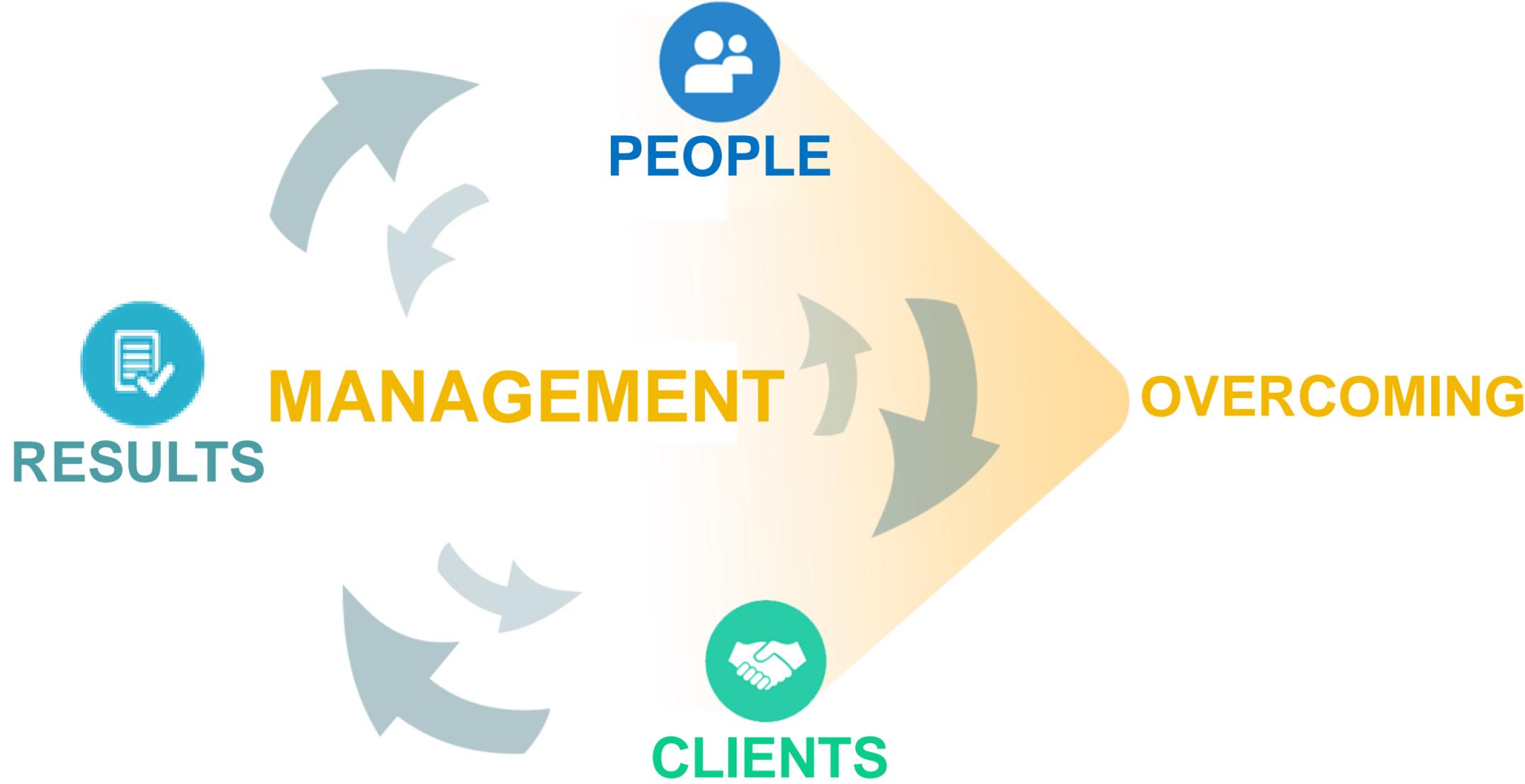
Governance and Highlights

4

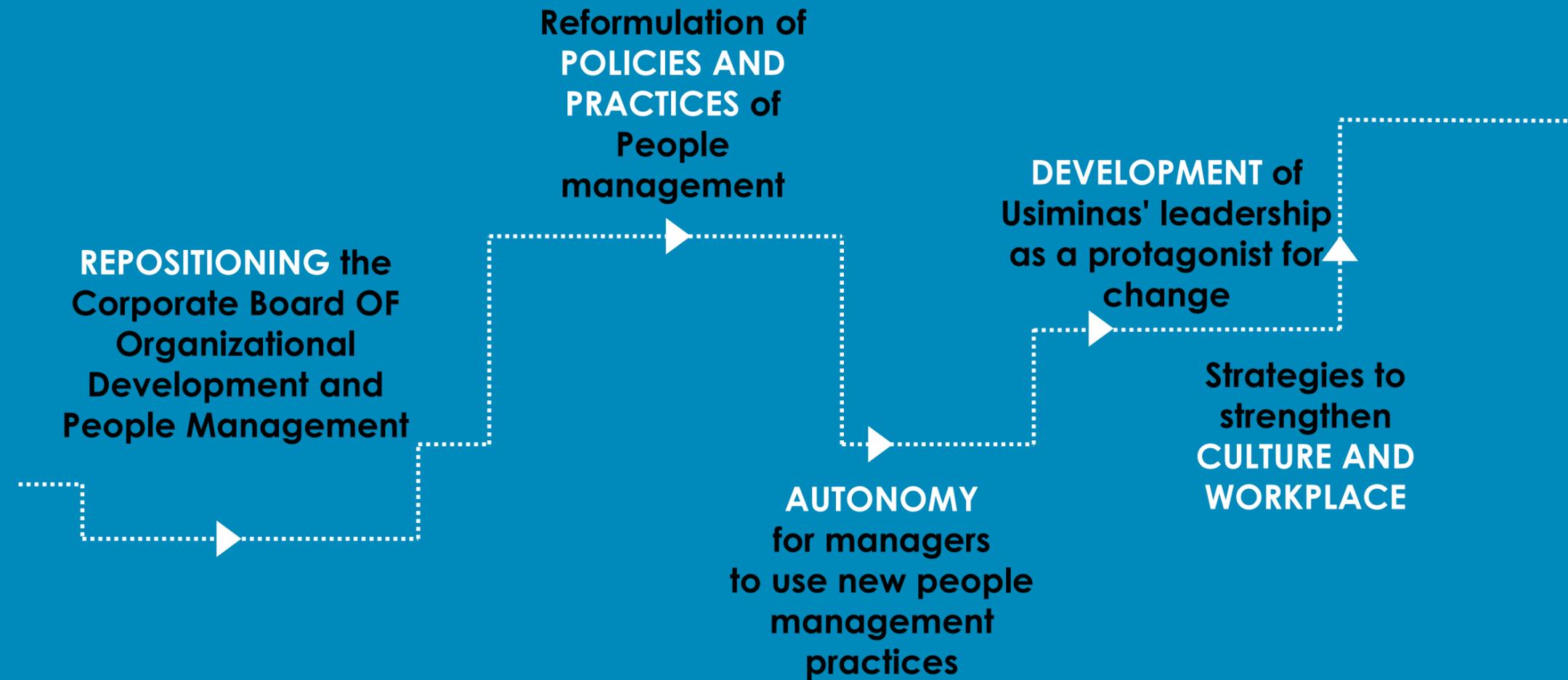
Appendix

# PILLARS OF USIMINAS' MANAGEMENT

People, Clients and Results



# PEOPLE



# People

## Social and Environmental Highlights

### Highlights



#### VOU – Usiminas Volunteers

964 employees registered on the platform, 57 actions carried out in ten cities. 1,737 thousand hours dedicated in 2021.



#### Program for the Recovery and Preservation of Green Areas

12,500 seedlings were produced, of which 5,000 were planted in Usiminas' preservation areas.



#### 19 Thousand

received the quadrivalent vaccine in 2021, with 8,389 employees and 10,619 dependents.



#### 342 Scholarships

to the São Francisco Xavier Educational Foundation in 2021.



**Márcio Cunha Hospital** recognized by Newsweek magazine as the 17th best hospital in Brazil and among the 3 best in Minas Gerais in 2021.

### “Mobiliza Caminhos do Vale” Project

Promotes the recovery of rural roads based on steel aggregates, having as a counterpart the realization of socio-environmental projects and the recovery of springs by the municipalities

- ✓ 3.6 Million tons of applied Siderbrita
- ✓ 1.3 Million beneficiaries
- ✓ 3,000 km of rural roads recovered
- ✓ 84 municipalities served in Minas Gerais



# People

Social and Environmental Highlights

## “Mobiliza Todos pela Água” Project

In partnership with the municipalities, uses metallurgical co-products in the recovery of springs



**36,000**  
Seedlings donated to municipalities

**1,400**  
Springs protected

**5,000**  
Springs identified and mapped

# People

Social and Environmental Highlights

## “Mobiliza pelo Trabalho” Project

Manufacture of interlocking blocks based on steel aggregate using inmate labor

**88,255**  
benefited people

**750m<sup>2</sup>/month**  
of production

**100t**  
of **Siderbrita** used  
per month

**50%**  
less costly\*

Gains in **accessibility** and **convenience** for the population  
**Re-socialization** and **remission** of punishment for the inmates



\*compared to similar products on the market.

# People

## Social and Environmental Highlights

### “Mobiliza Caminhos do Vale” Project

Socio-environmental projects as counterpart in **Marliéria**



Socio-environmental considerations in **Paraíso** and **Iapú**



Increase in **tourism** and **handicraft**, and helping the local products flow



Construction of the **free flight ramp** in the community of Achado, 2nd largest in the State of Minas Gerais

# People

## Social and Environmental Highlights

### Education and Culture

#### São Francisco Xavier School

First educational institution in Brazil to obtain ISO 9001



#### Usiminas Institute

Usiminas invested over R\$260 million, encouraging around 2,000 social projects since 1993



### Projects and Programs

#### Xerimbabo Usiminas Project

Promotes protection and environmental education free of charge for more than 2 million young people



#### “Plante uma vida” Project

The initiative promotes the planting of native tree by employees who had a children in the year



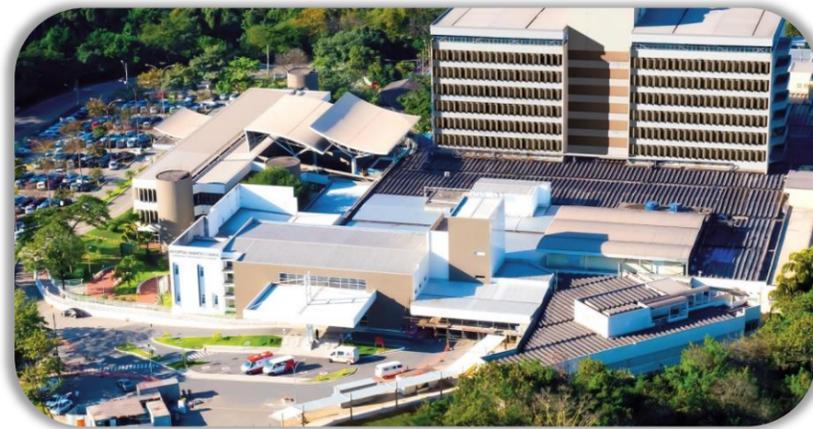
# People

## Social and Environmental Highlights

### São Francisco Xavier Foundation

#### Márcio Cunha Hospital – Unit I

Reference center in the area of health in Brazil



#### Márcio Cunha Hospital – Unit II

Hospitalization, Ambulatory Care, Diagnostic Imaging Center and Usifamília



#### Carlos Chagas Municipal Hospital

Reference for the municipalities of the Itabira microregion to SUS patients



# People

Social and Environmental Highlights

## Libertas Hospital

New hospital in installation by FSFX, occupying the **old headquarters building** in Belo Horizonte

Inicial opening of **140 beds** (380 in total)



### Awards and Recognition

2021 – Top 100 Open Startups – Usiminas was recognized among the 100 most innovative companies in Brazil

2020 - Toyota Business Practices Award – Soluções Usiminas won in the Environment category

2020 – Aberje Award – Usiminas won in the Diversity and Inclusion category

2019 – “Boas Práticas Ambientais” State Award – Recognition from SEMAD and Sisema

2019 – “Chico Mendes Institute Social-Environmental Award” - Proactive posture in relation to sustainable development

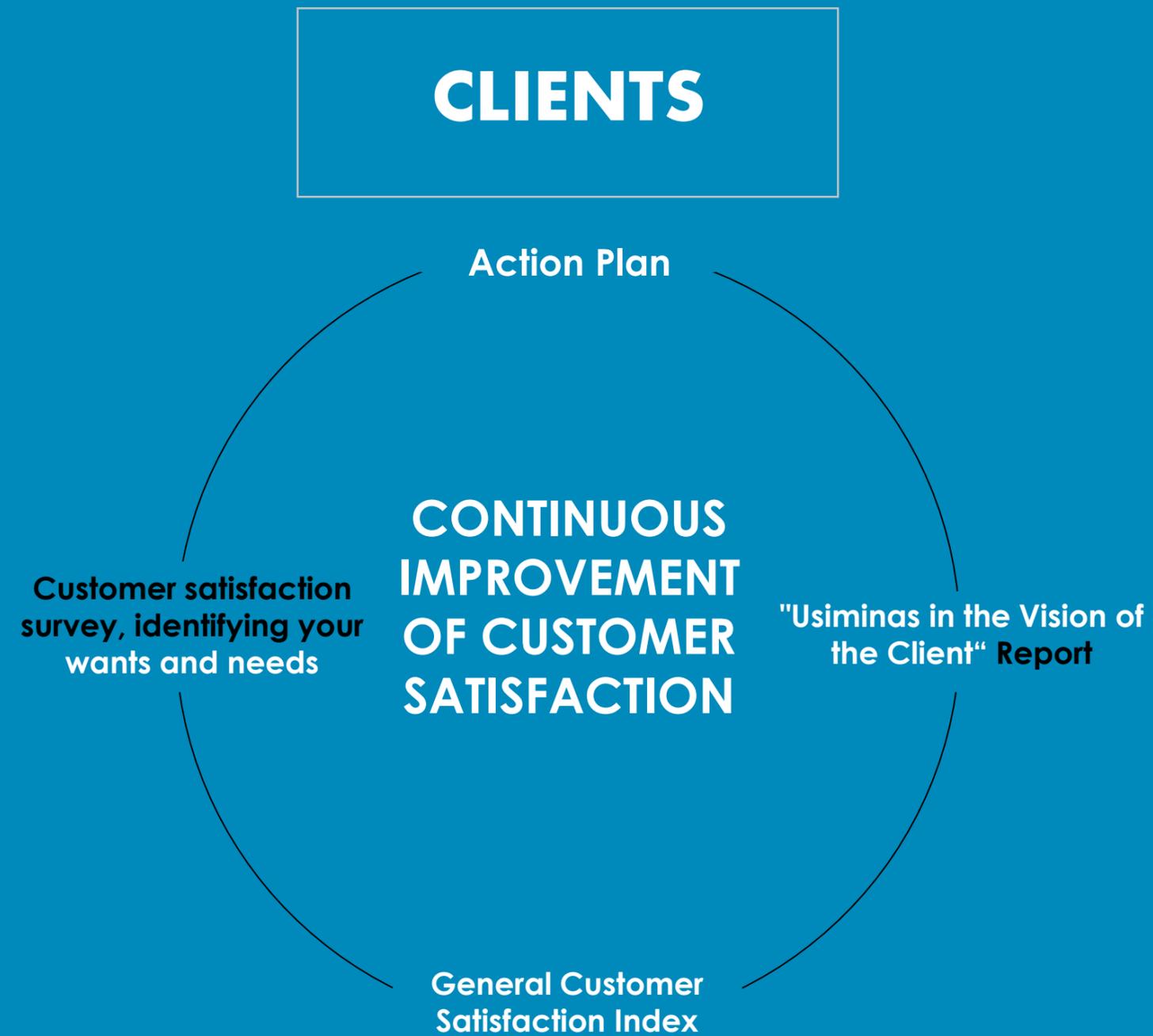
2018 - “Sustentabilidade Américas” Award – Biggest Americas’ Award

2018 – “Hugo Werneck” Award – Best Sustainable Partner Project: “Todos pela Água”

2017 – “Boas Práticas Ambientais” Award – Recognition from FEAM and FIEMG

2017 – “World Steel Association”: Biggest World Award (Belgium)





# Clients

Customer Satisfaction, Awards and Recognition

## AWARDS AND RECOGNITION

Brazil Leaders Award – Steel Category

*Toyota Business Practices 2020*

*Whirlpool Supplier Award Quality Excellence 2019*

*Latin American Quality Awards 2019 - Latin American Excellence Model*

*Top Supplier Ford – Raw Material and Stamping 2018*

*Gestamp Supplier Quality – Excellence Award 2017*

*MotoHonda Supplier – Excellence in Quality and Delivery 2017*

*Mercedes Benz award for environmental responsibility 2017*

*Ranking of the "100 most Innovative Companies in Brazil"*

*Toyota Global Suppliers Award*

*PSA Peugeot-Citroen Award*

## MAIN SUPPLIER FOR THE AUTOMOTIVE MARKET



# RESULTS

**CRISE**  
Deterioration of results  
Loss of Market Cap.  
Furnace shutdown

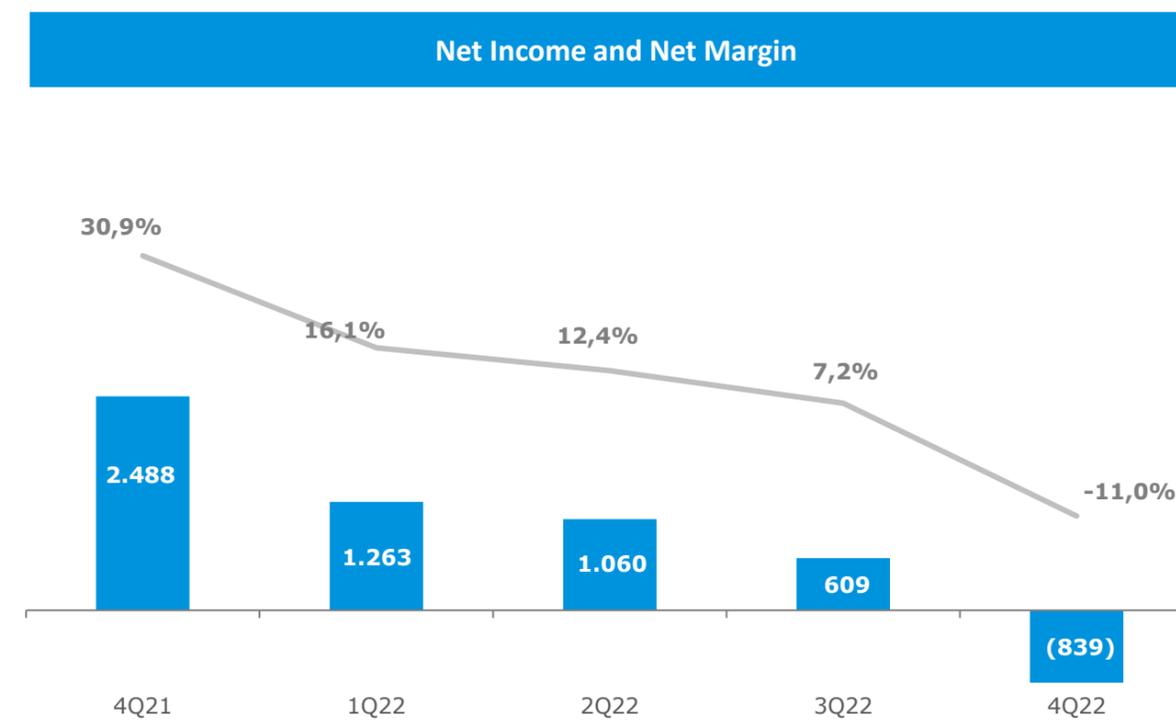
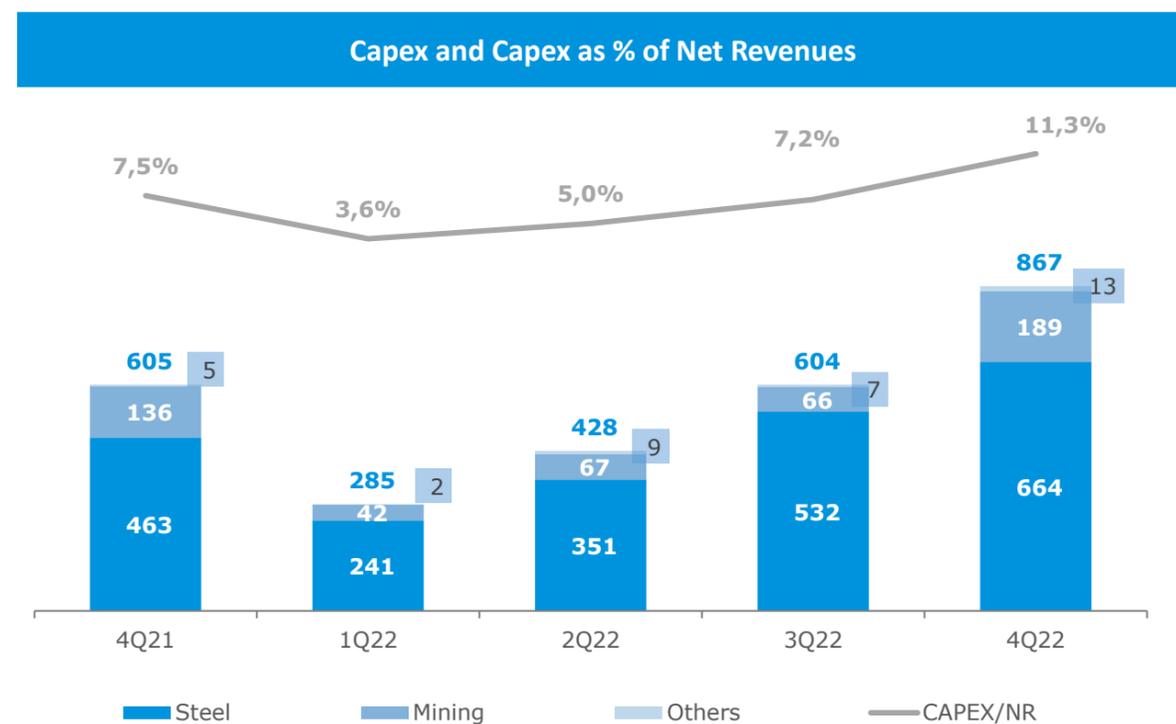
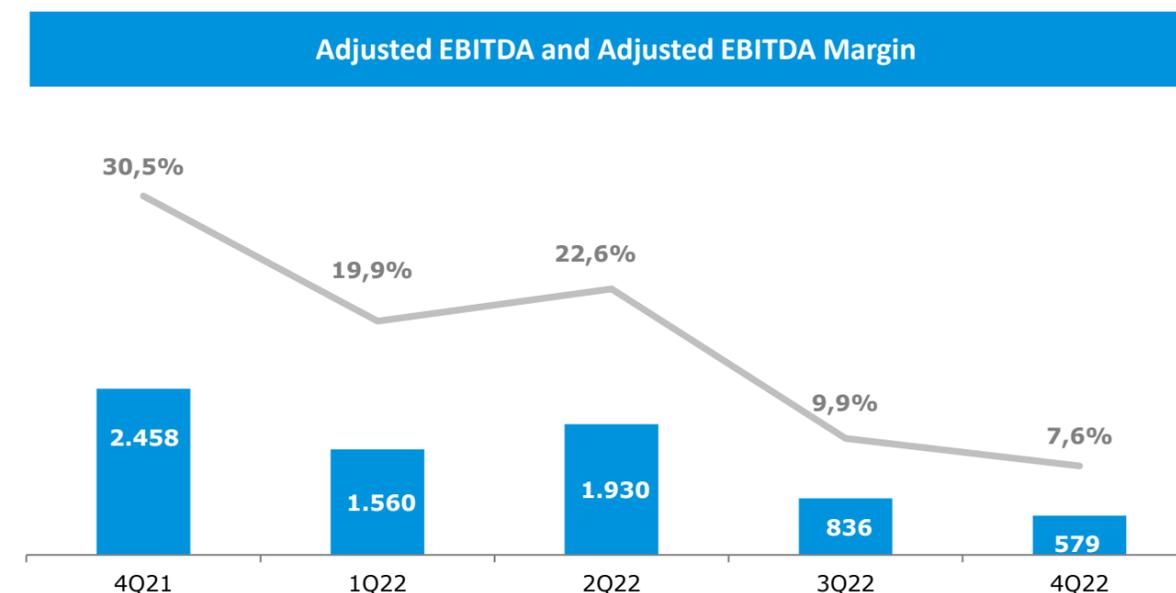
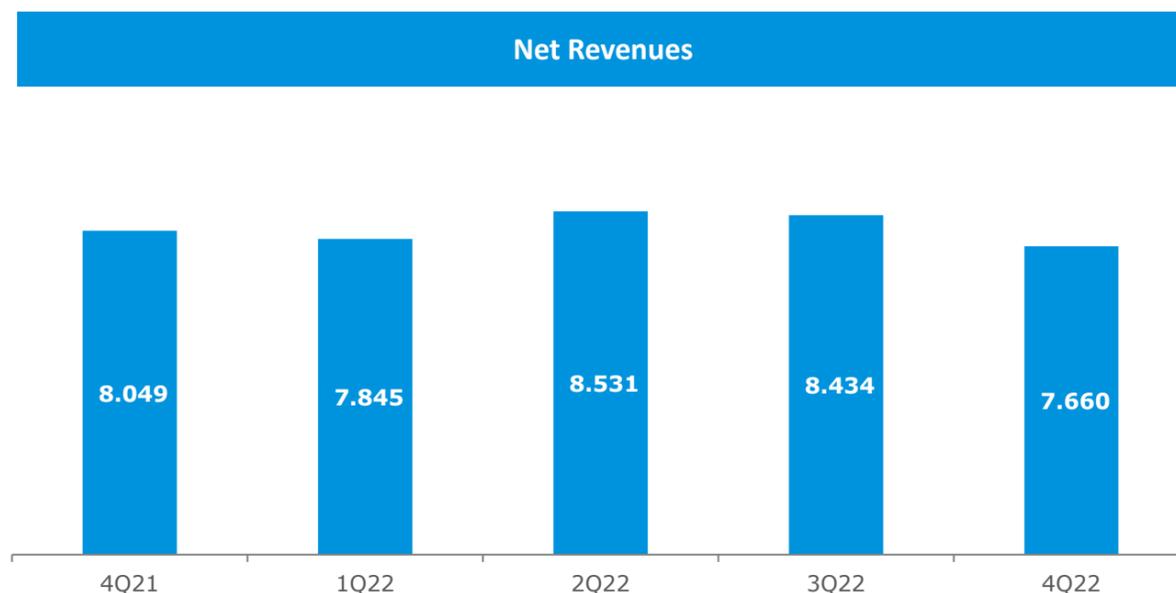
**SURVIVAL**  
Capital increase of R\$ 1Bi  
Debt Restructuring  
Change of the business model in Cubatão

**CONSTRUCTION OF RESULTS**  
Focus on results  
Group of Ten  
Restructuring the team  
Valorization of employees  
Austerity measures  
Issuance of Bonds and Debentures  
Revenue increase

**CURRENT SCENARIO AND CONSTRUCTION OF THE FUTURE**  
Record results in all units  
Revamp of AF3 in Ipatinga  
Company cash biggest than debt  
Participation in the Carbon Efficient Index - ICO2

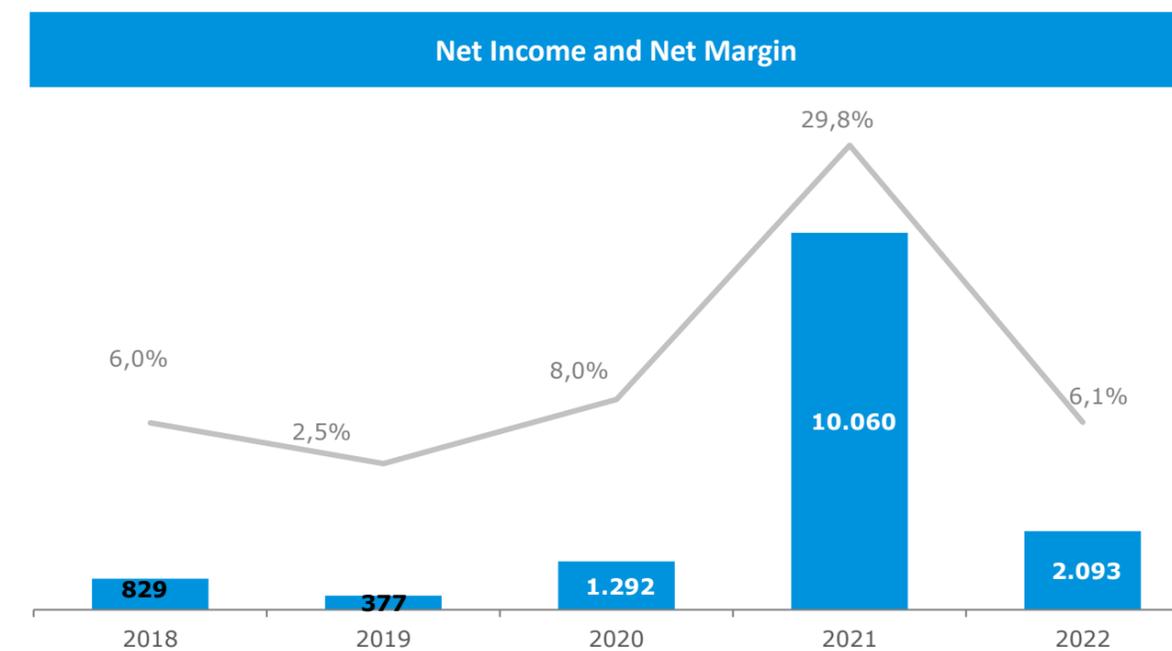
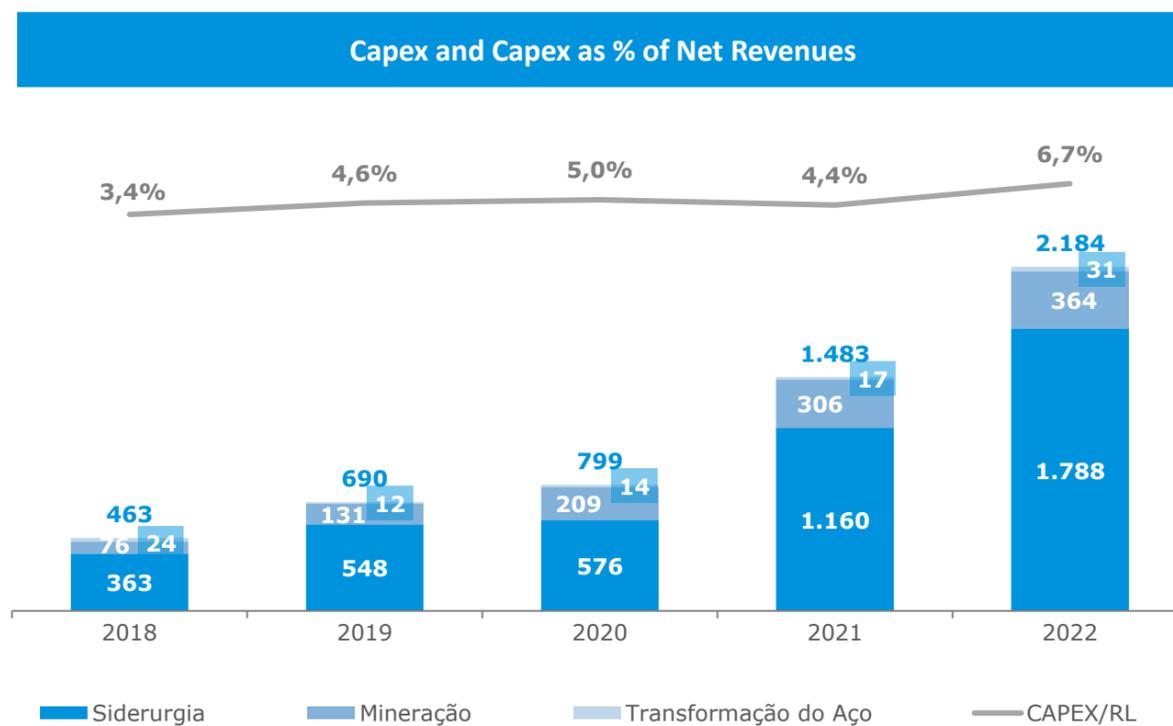
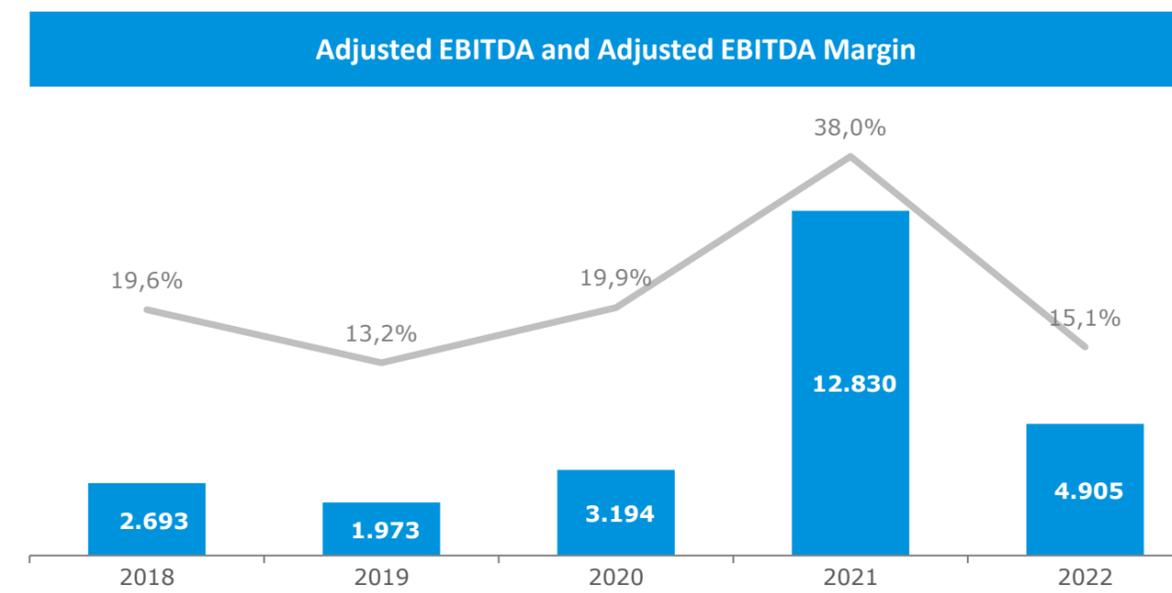
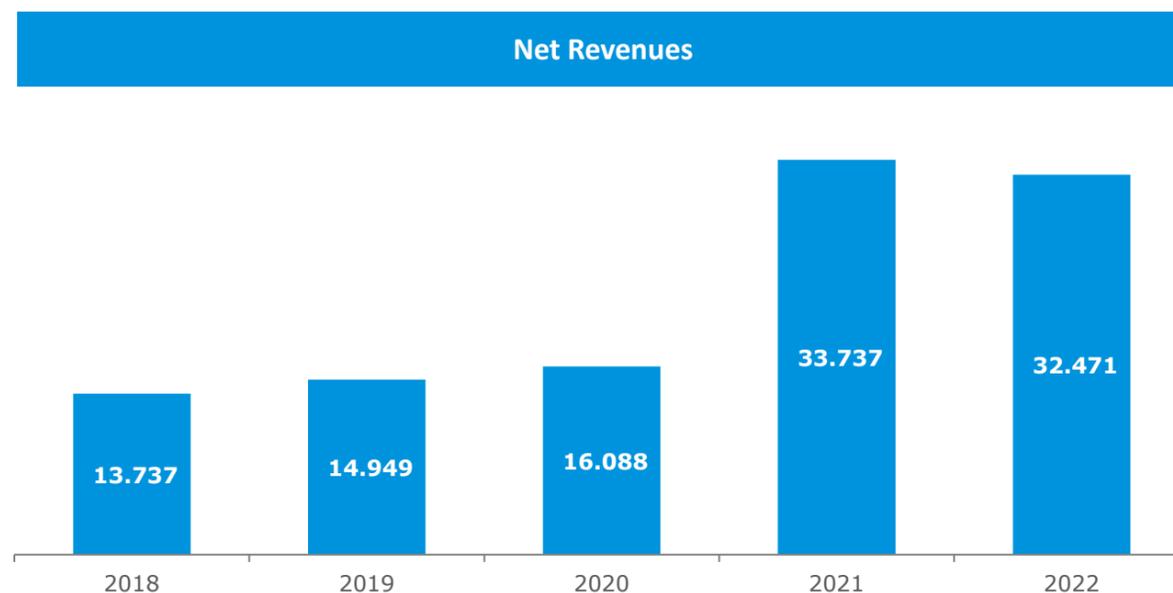
# Results

(R\$ Million, except otherwise indicated)

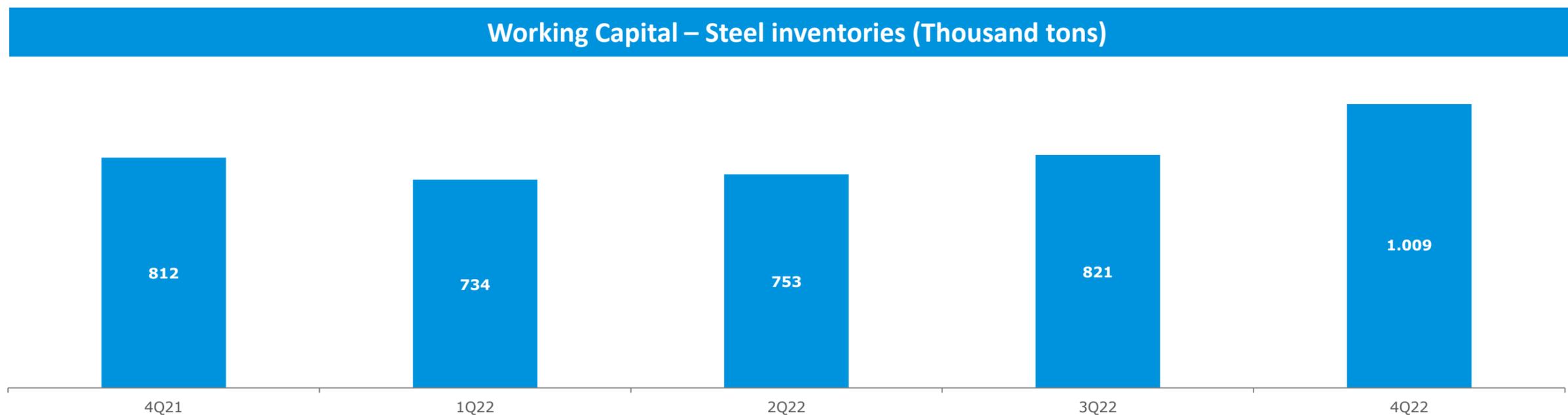
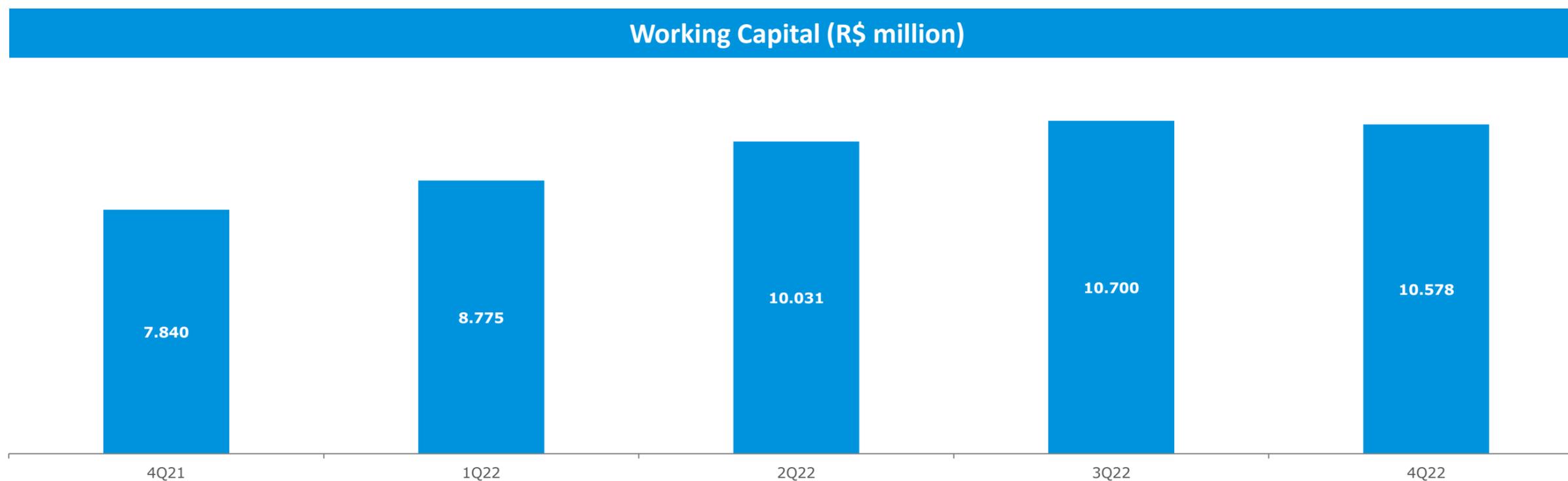


# Results

(R\$ Million, except otherwise indicated)



## Financial Results



Days in Inventory	4Q21	1Q22	2Q22	3Q22	4Q22
	70	58	63	72	96

# Financial Restructuring

In 2016, Usiminas implemented important actions to preserve its financial and operational capacity

Capital Increase		
	Ordinary Shares	Preferred Shares
Capital Increase Amount	R\$1 billion	R\$50 million
Subscription Price	R\$5.00/sh	R\$1.28/sh
# Subscribed Shares	200 million	39 million
Homologation	AGE	RCA
Closing Date	July 19, 2016	June 3, 2016
Share Price @Closing Date	R\$7.05/sh	R\$1.82/sh

Debt Renegotiation	
<b>Creditors Involved</b>	
<b>Tenor</b>	<ul style="list-style-type: none"> <li>• 10 years (three years of grace period)</li> <li>• Installments increasing gradually</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• CDI+3% p.a.</li> </ul>
<b>Completion</b>	<ul style="list-style-type: none"> <li>• September 2016</li> </ul>

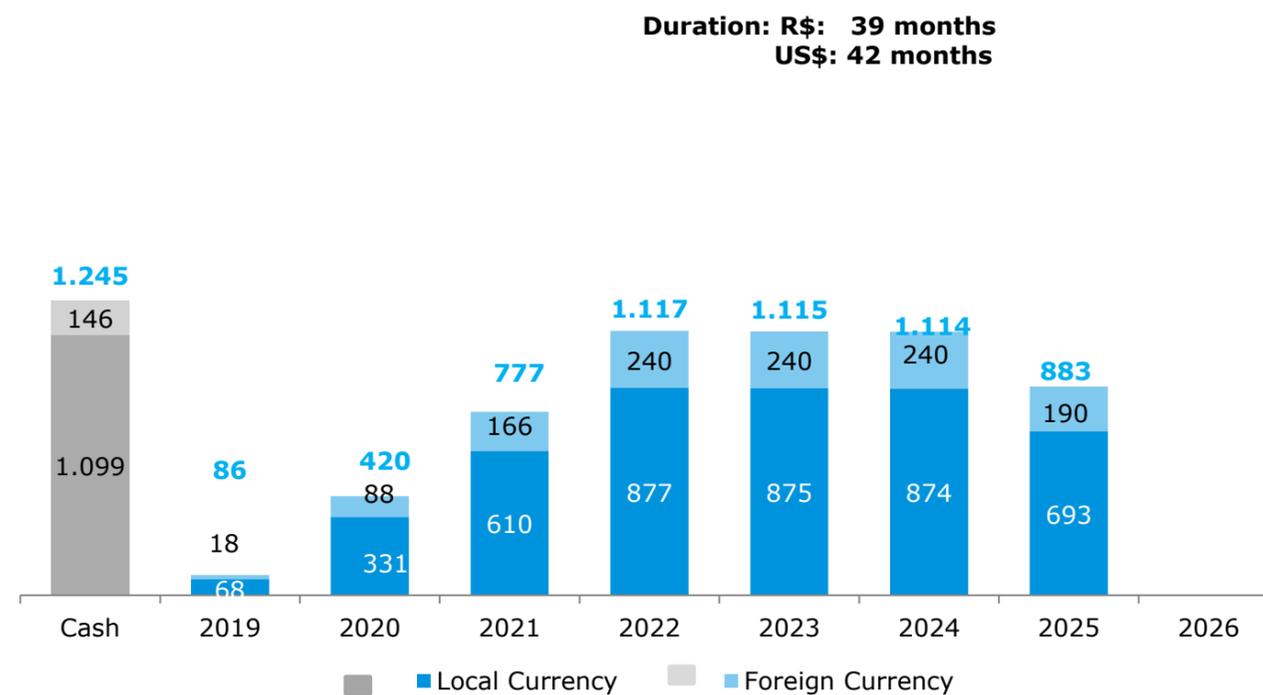
**R\$ 6.3bn Renegotiated with no haircut**

92% of Usiminas indebtedness

# DEBT PROFILE

2019 brought important events that changed the Company's debt profile

## Previous Profile: 06/30/2019



## Important Events

**07/11/2019**  
**Bonds Issuance**  
*US\$ 750 million*

Maturity  
7 years

Yield  
6.125% a.a.

Coupon  
5.875% a.a.

Liquidation: 07/18/2019

**10/16/2019**  
**Receipt of credits due by Eletrobras**

*R\$ 751 million*

*In order to prepay debt.*

Liquidation:  
10/21/2019

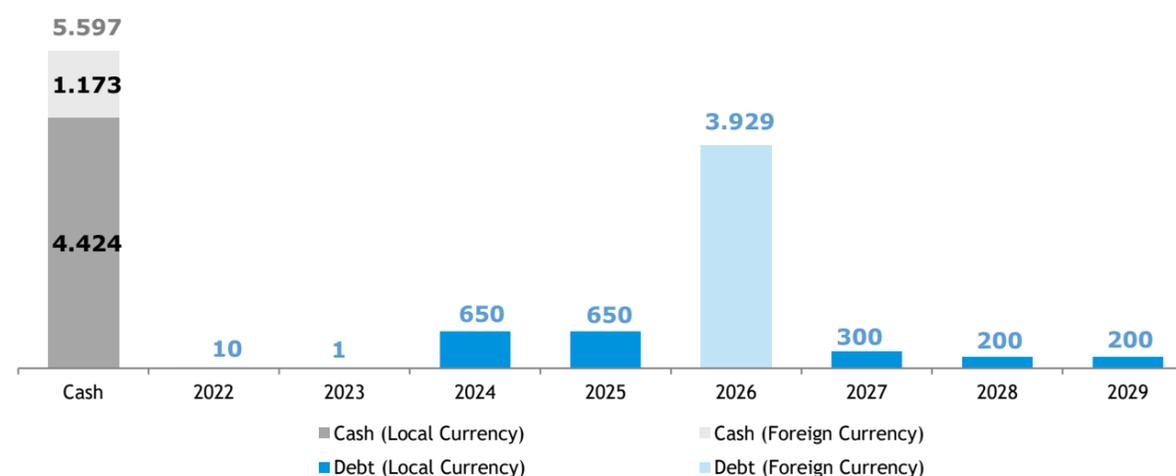
**04/19/2022**  
**8th Issuance of Debentures**  
*R\$ 700 million*

Maturity  
1<sup>st</sup> Series : 2027  
2<sup>nd</sup> Series : 2028 and 2029

Coupon:  
1<sup>st</sup> Series: CDI + 1.5%  
2<sup>nd</sup> Series: CDI +1.7%

Liquidation  
05/24/2022

## The New Profile 06/30/2022 - after bonds and debentures



- + "Cash Sweep" exclusion
- + CAPEX Flexibility
- + Release of Collaterals.

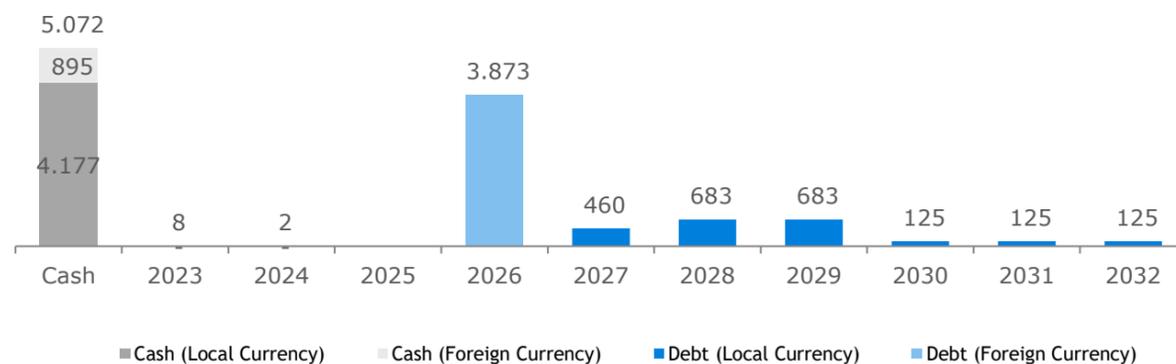
# Liquidity and Indebtedness

(R\$bi)

## Debt Repayment Schedule

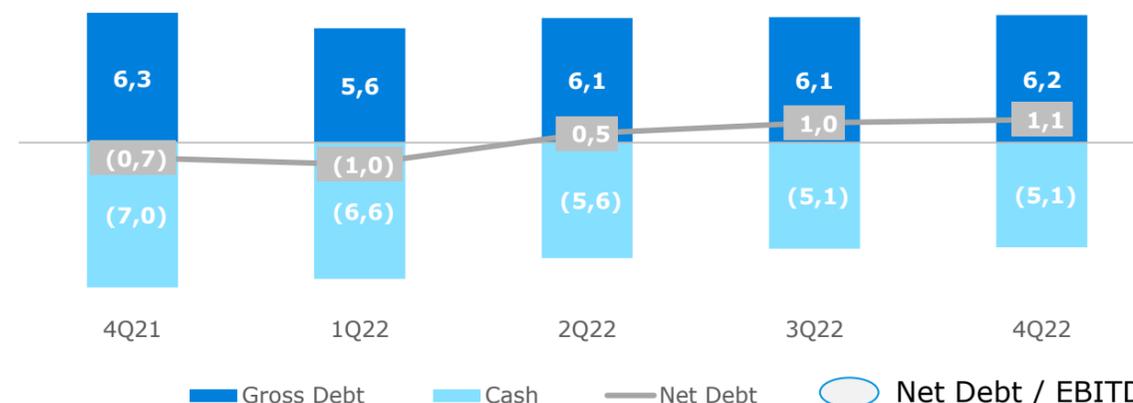
Current cash position covers close to all debt until 2028

**Debt Duration: R\$: 52 months  
US\$: 38 months**



## Cash Position and Indebtedness

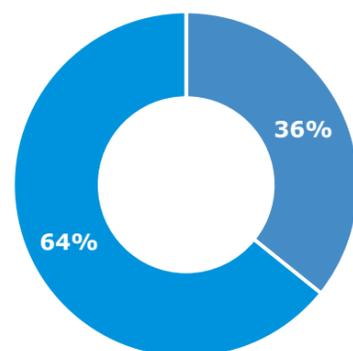
-0.06x   -0.09x   0.05x   0.14x   0.23x



## Debt Profile by Category

Total Debt

Cost of Debt



■ BRL ■ USD

Category	Cost of Debt
Local Currency	CDI + 1.50%
	CDI + 1.70%
	CDI + 1.45%
	CDI + 1.65%
	CDI + 1.95%
Foreing Currency	5.875%

## Credit Rating

	Global	National	Outlook
Moody's	Ba2	AA+.br	Stable
S&P Global	BB	brAAA	Stable
FitchRatings	BB	AA+(bra)	Stable

# AGENDA

1

Usiminas

2

Pillars of Usiminas' Management

People

Clients

Results

3

Governance and Highlights

4

Appendix

# Usiminas' Corporate Governance

Usiminas' model of corporate governance meets government and market requirements for listed companies, preserving and encouraging transparency

## New Shareholders Agreement

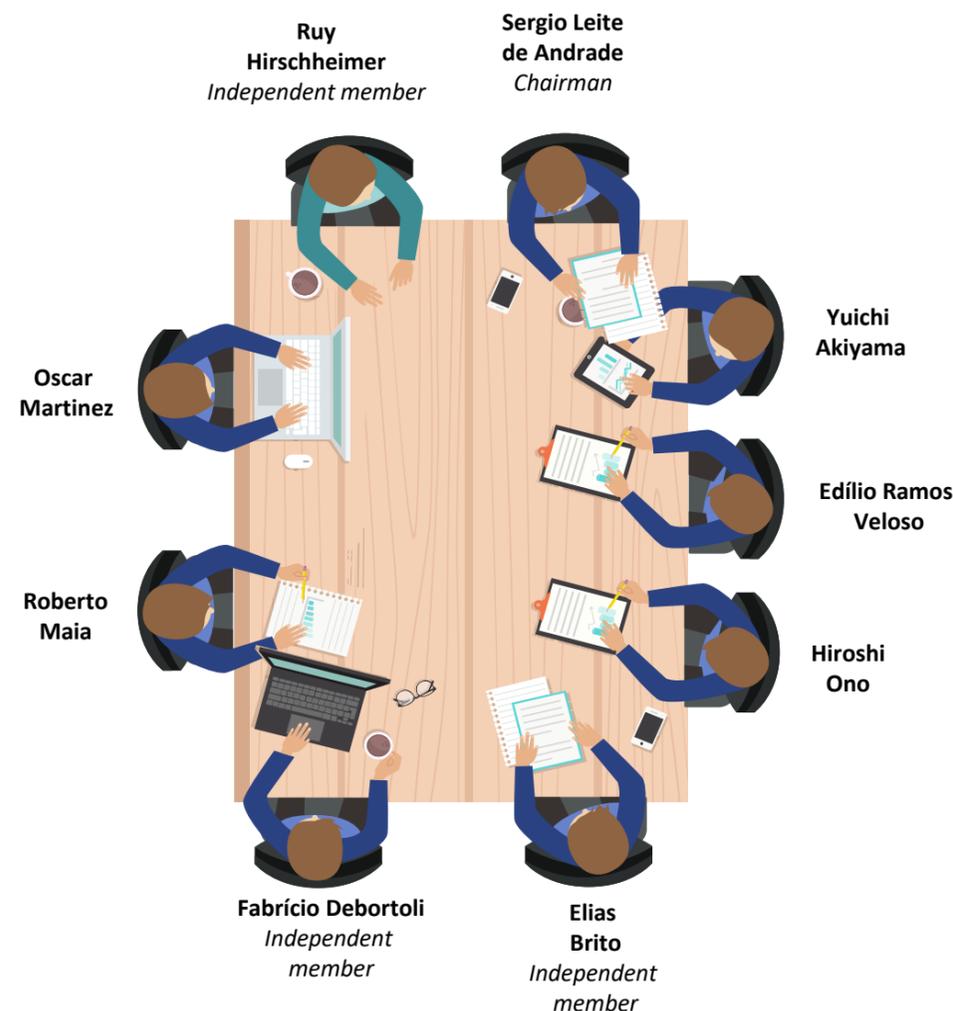
- ✓ On October, 2018, the Company's amended and restated the Usiminas Shareholders Agreement - valid until November, 2031

## Corporate Governance Model

- ✓ The Board of Directors is responsible for general strategic policies
- ✓ 8 current members and their respective alternates, besides the Chairman
- ✓ Election for unified terms of 2 years
- 2 committees supporting the BoD:
- ✓ Human Resources Committee
- ✓ Audit Committee
- Permanent Fiscal Council
- ✓ Review of the financial statements, investment plans, budgets, opinion on dividend distribution, etc
- ✓ Five members elected in General Meeting

- ✓ Listing on B3 Level 1, ADR on OTC Market (New York) and Latibex exchange (Madrid)
- ✓ Improvement in quarterly reports, including the disclosure of consolidated financial statements and special audit revision
- ✓ Disclosure of an annual calendar of corporate events
- ✓ Minimum Free Float of 25%
- ✓ Evaluation of Board of Directors, Management, and Committees
- ✓ Minimum dividend payout of 25% of the net profit (after legal reserves and contingencies – in compliance with Law N° 6,404)

## Board of Directors (Current Members)



Note: Independent board members based on the criteria of the Brazilian Code of Corporate Governance and Novo Mercado.

# Usiminas' Corporate Governance (Cont'd)

Recently approved programs that ensure safety for the investor, transparency of actions, management control and clarity in communication

Integrity Program	Policies of the Brazilian Corporate Governance Code
 Code of Ethics and Conduct	 Policy of Destination of Results
 Anticorruption Policy	
 Competition Policy	 Policy of on the Remuneration of the Members of the Board of Officers
 Policy of Conflict of Interests and Transactions with Related Parties	
 Policy of Rewards, Gifts and Hospitalities	 Policy of Contracting of Extra-audit Services
 Policy of Sponsorship and Donations	
 Policy of Relationship with Third Intermediary Parties	 Policy of Disclosure of Information and Negotiation with Securities

*Approved by the Board of Directors  
in October 2018*

# AGENDA

1

Usiminas

2

Pillars of Usiminas' Management

People

Clients

Results

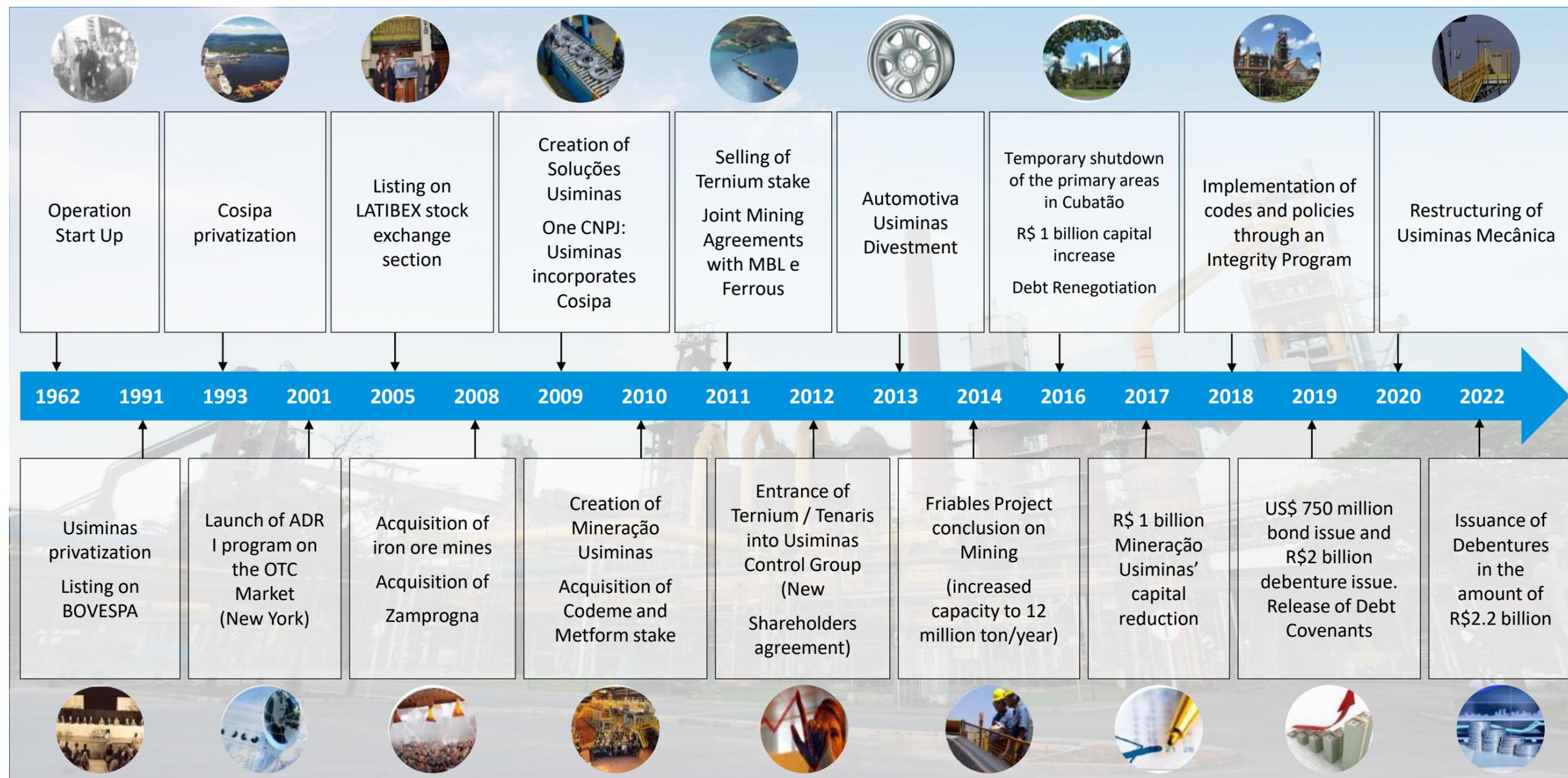
3

Governance and Highlights

4

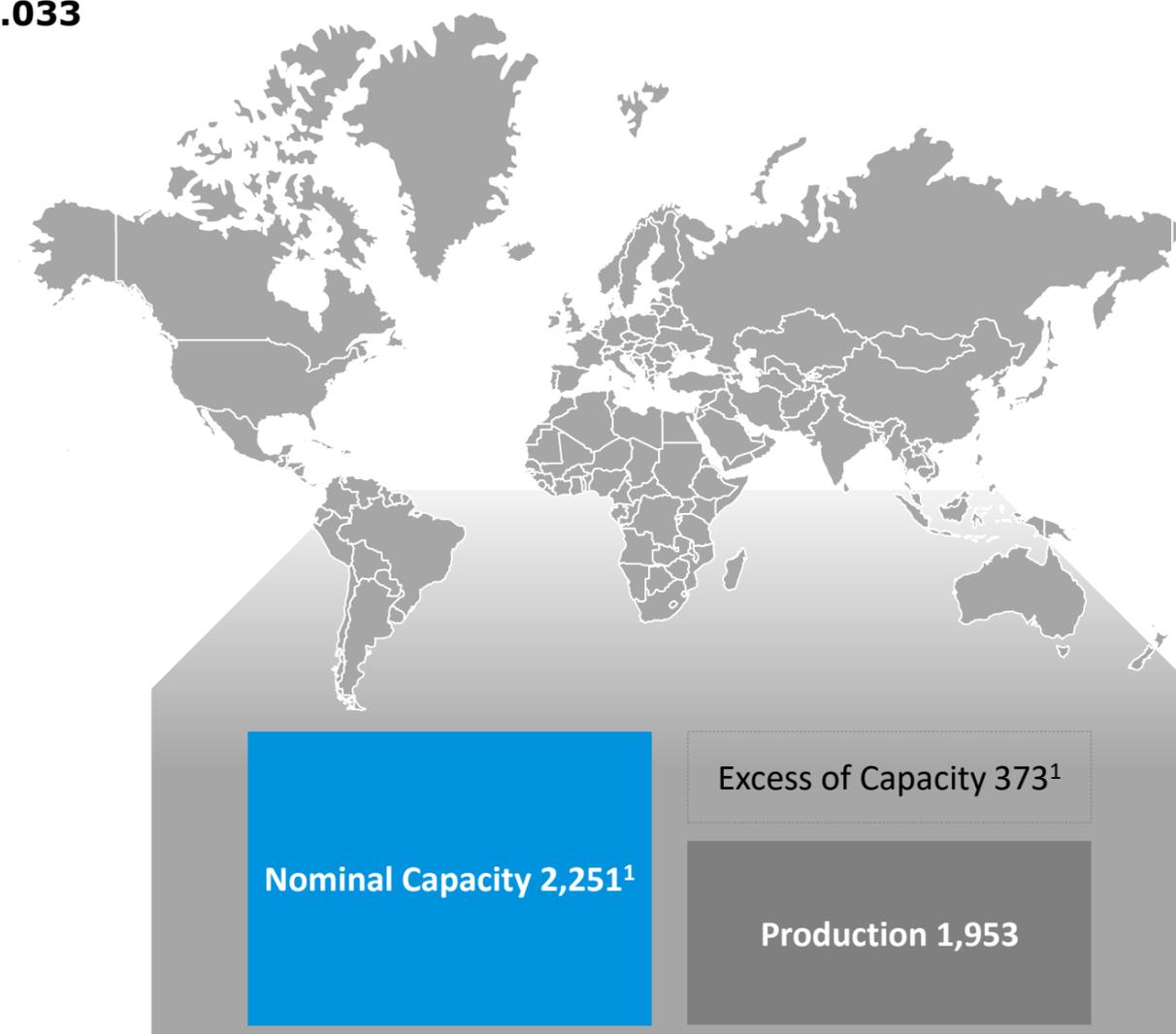
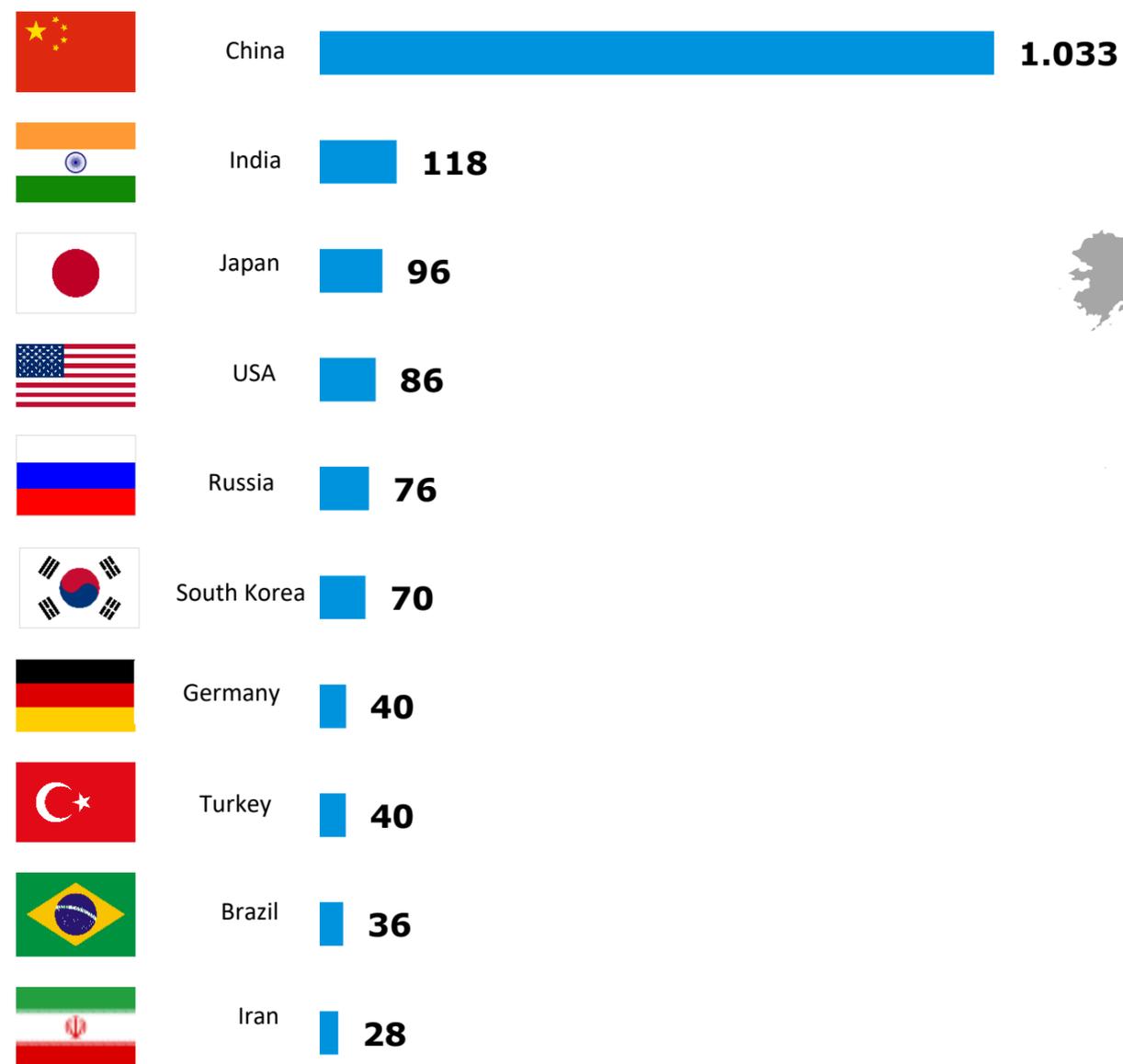
Appendix

# Over Half a Century of Leadership



# World Crude Steel Market in 2021

(Million tons)

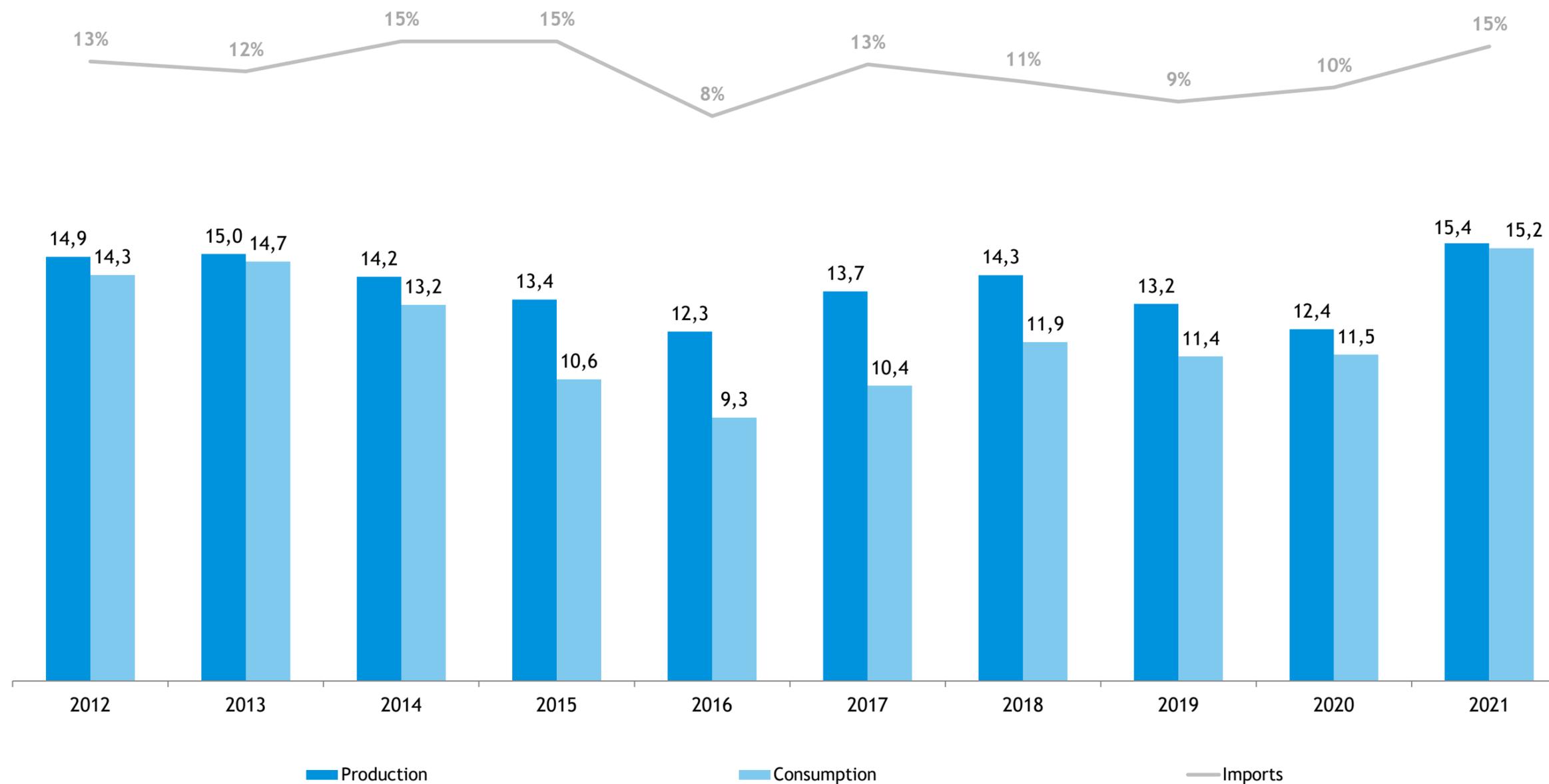


Source: World Steel Association / OECD

<sup>1</sup> Latest data available as of 2017.

# Brazilian Flat Steel Market

(Million tons)



Source: Instituto Aço Brasil / Usiminas  
 Note: Excludes Slabs.

# Highlights



**1** Leading position in the Brazilian steel market, with presence in strategic international markets



**2** Diversification across products and markets



**3** Assets strategically located in the country's main industrial and logistic axis in the country



**4** Seasoned and specialized management team



**5** Solid corporate governance

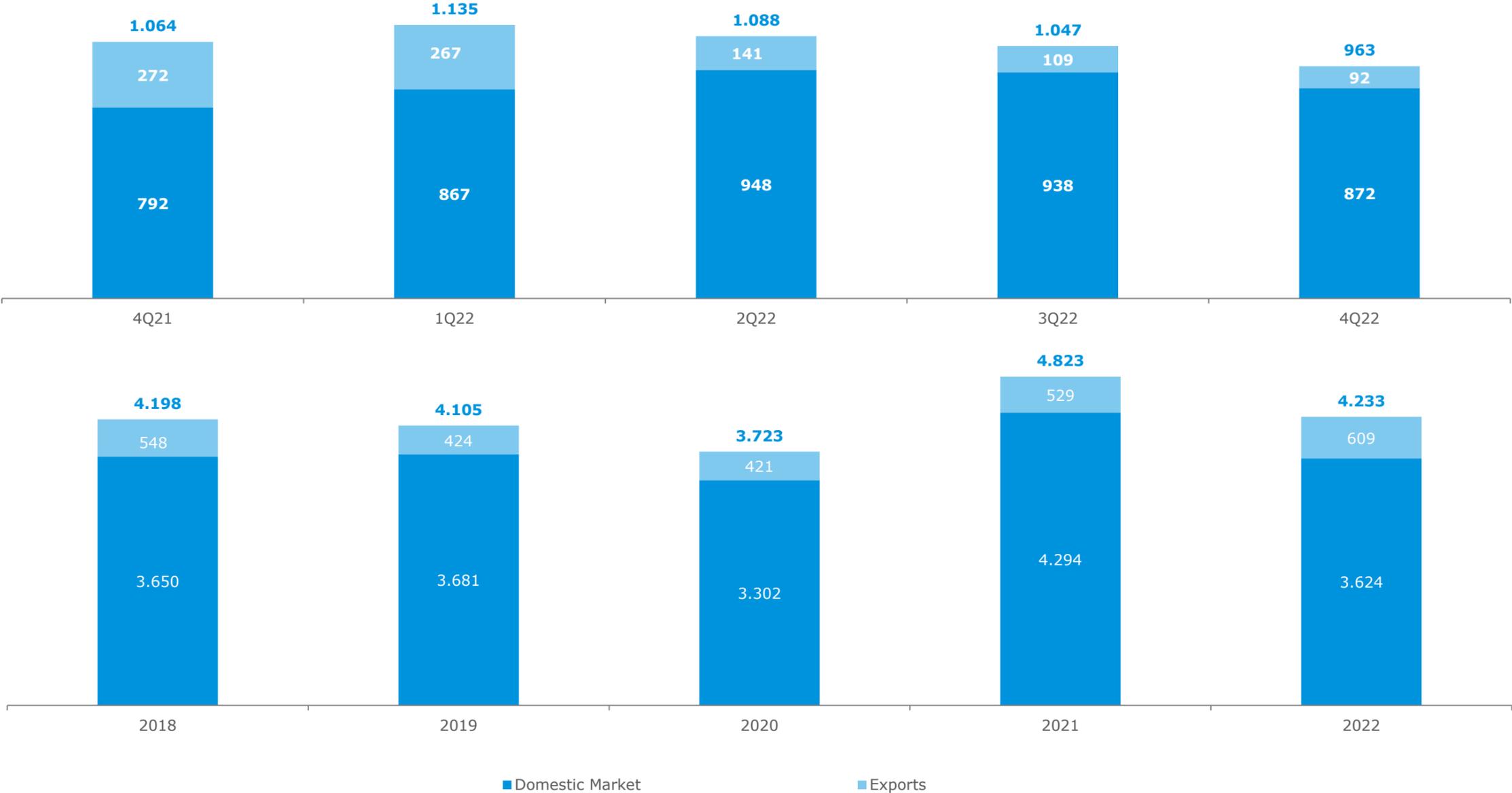


**6** Culture of Employee, Social and Environmental Responsibility

# Leading Position in the Brazilian Steel Market, with Presence in Strategic International Markets

Usiminas' leading position is underpinned by the superior quality of its products and the long-term relationship with key clients

Sales Volumes – Steel – (Thousand Tons – Quarterly)

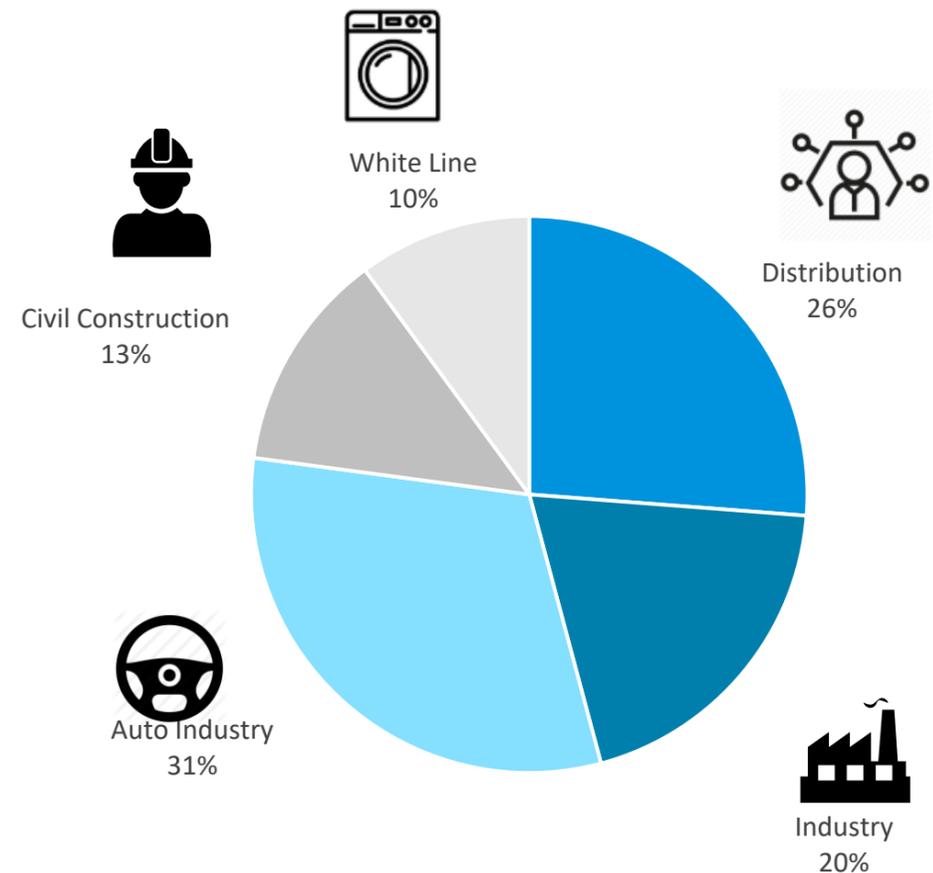


# Diversification Across Products and

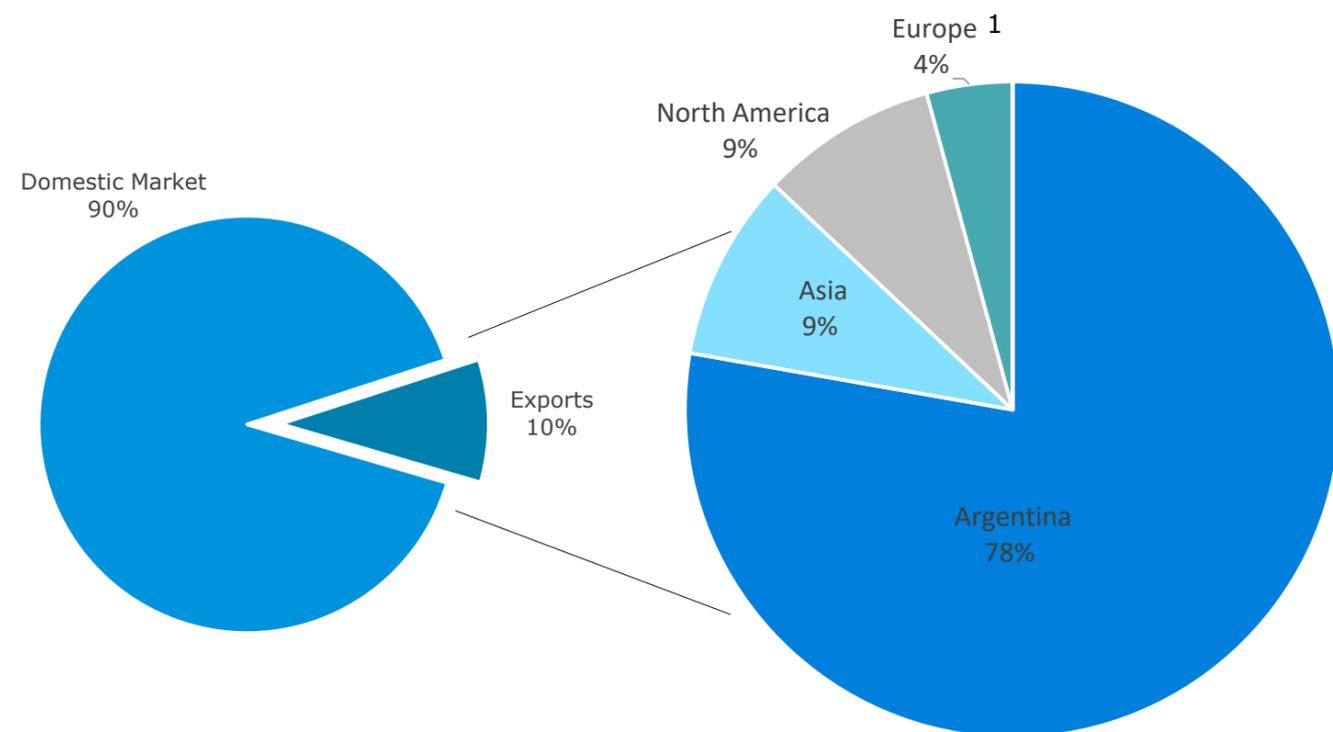
## Markets

Usiminas has capacity to produce a wide variety of steel, allowing for flexibility to adjust its production according to market demands domestically and internationally

End Markets Share of Volume, 4Q22, Domestic Market



Revenues by Country Share of Net Revenue, 4Q22, Steel



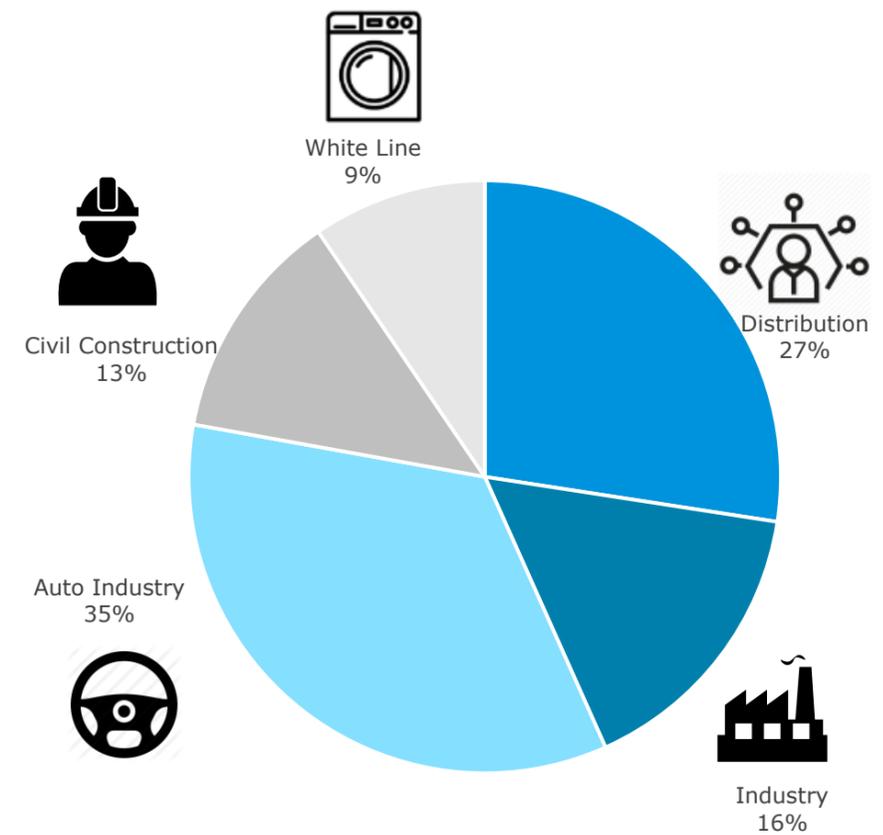
<sup>1</sup> Europe includes: Germany, UK, Spain, Belgium, Portugal, France, Luxemburg, Italy, Switzerland and Netherlands

# Diversification Across Products and

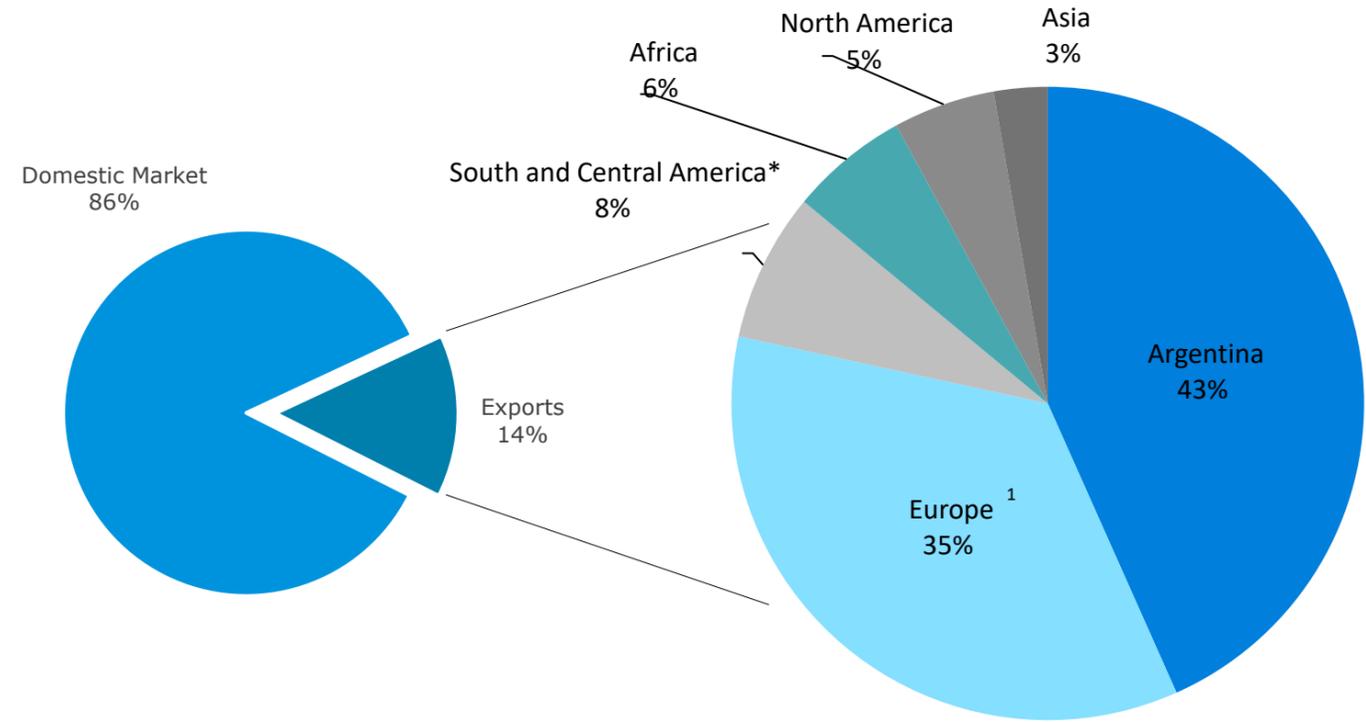
## Markets

Usiminas has capacity to produce a wide variety of steel, allowing for flexibility to adjust its production according to market demands domestically and internationally

End Markets Share of Volume, 2022, Domestic Market



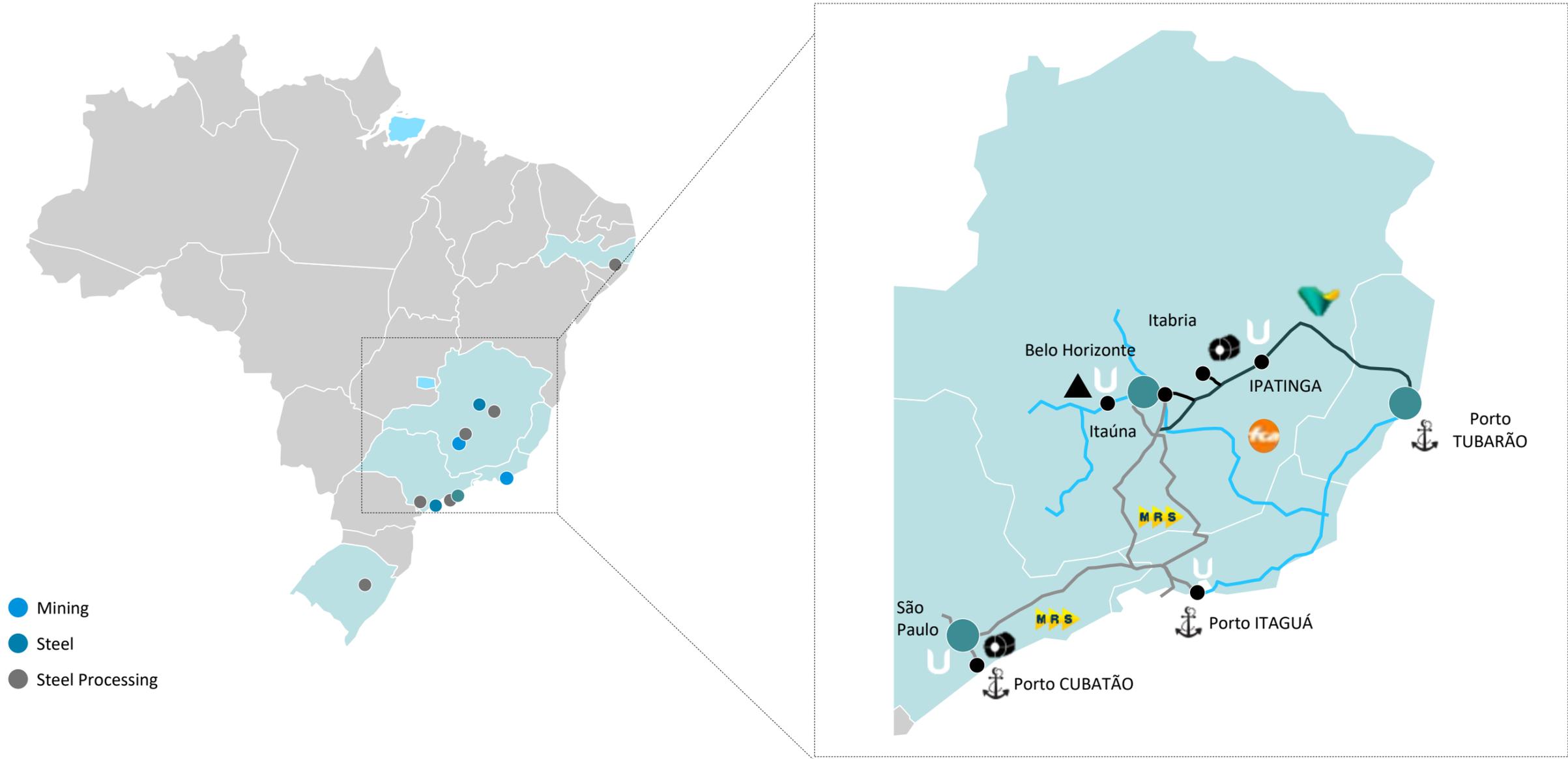
Revenues by Country Share of Net Revenue, 2022



<sup>1</sup> Europe includes: Germany, Belgium, Spain, UK, Portugal, Switzerland, Italy, Netherlands and Luxembourg.

# Assets Strategically Located in the Country's Main Industrial and Logistic Axis in the Country

The location of Usiminas' assets allows for access to raw materials (e.g. iron ore), consumption centers and logistic terminals (railways, ports)



# Seasoned and Specialized Management Team

Usiminas' Executive Board consists of professionals with deep knowledge in their respective areas



**Alberto Akikazu Ono**  
*CEO*

- Has been working at Usiminas for 13 years, where he held the positions of Director of Planning and Control and VP of Finance and Investor Relations (CFO).
- He worked previously at Aços Villares, CBMM and Grupo Votorantim.
- Holds a degree in Metallurgical Engineering at USP, where he also completed his master's degree in the same area, and a Ph.D. in Metallurgy from the University of Tokyo.



**Toshihiro Miyakoshi**  
*Technology and Quality Vice President Officer*

- The executive returns to Brazil for his second season at the company, after a stint at Unigal in 2014.
- Graduated in metallurgy, he started his career at Nippon Steel, having held several positions directly linked to production and management.



**Thiago da Fonseca Rodrigues**  
*CFO and IR Vice President Officer*

- More than 15 years of experience in the steel industry. Before joining Usiminas, he worked, among other companies, in the Brazilian operation of Ternium and Vale. He was a member of the Audit Committee of Usiminas.
- He was a member of the Tax Affairs Council of Firjan and director of the Brazilian Foreign Trade Association (AEB).
- Graduated in Business Administration from PUC-RJ and post-graduated in Management from IBMEC-RJ.



**Miguel Angel Homes Camejo**  
*Commercial Vice President Officer*

- Has a career spanning more than 20 years dedicated to the steel sector, having held several positions in the Ternium Techint group in countries such as Venezuela, Argentina, Mexico and Colombia.
- Has been the head of the commercial VP at Usiminas for four years.
- Graduated in Economics from Universidad Catolica Andres Bello, in Venezuela, he participated in executive education programs at the universities of Chicago and Stanford, in the USA.



**Américo Ferreira Neto**  
*Industrial Vice President Officer*

- With a career spanning more than 30 years at Usiminas, he worked in the areas of Maintenance, Hot and Cold Rolling and, in 2016, became the executive director of the Cubatão Plant. In 2019, he held the same position at the Ipatinga Plant until reaching Industrial VP in 2020.
- Electrical engineer by Unisantia, with specialization in industrial automation by Unisantos and MBA in project management by FGV, he also has a master's degree in electrical engineering from USP.



**Gino Eugenio Ritagliati**  
*Corporate Planning Vice President Officer*

- Before being appointed VP of Corporate Planning, he was a member of the Audit Committee at Usiminas. He has more than 15 years of experience in positions in the Economic, Commercial and Industrial Engineering areas of the Ternium Techint group in Argentina and Brazil.
- Graduated in Accounting, with specializations in Economics and Finance.

# Solid Corporate Governance

Recently approved programs that ensure safety for the investor, transparency of actions, management control and clarity in communication

## Integrity Program

- ✓ Code of Ethics and Conduct
- ✓ Anticorruption Policy
- ✓ Competition Policy
- ✓ Policy of Conflict of Interests and Transactions with Related Parties
- ✓ Policy of Rewards, Gifts and Hospitalities
- ✓ Policy of Sponsorship and Donations
- ✓ Policy of Relationship with Third Intermediary Parties

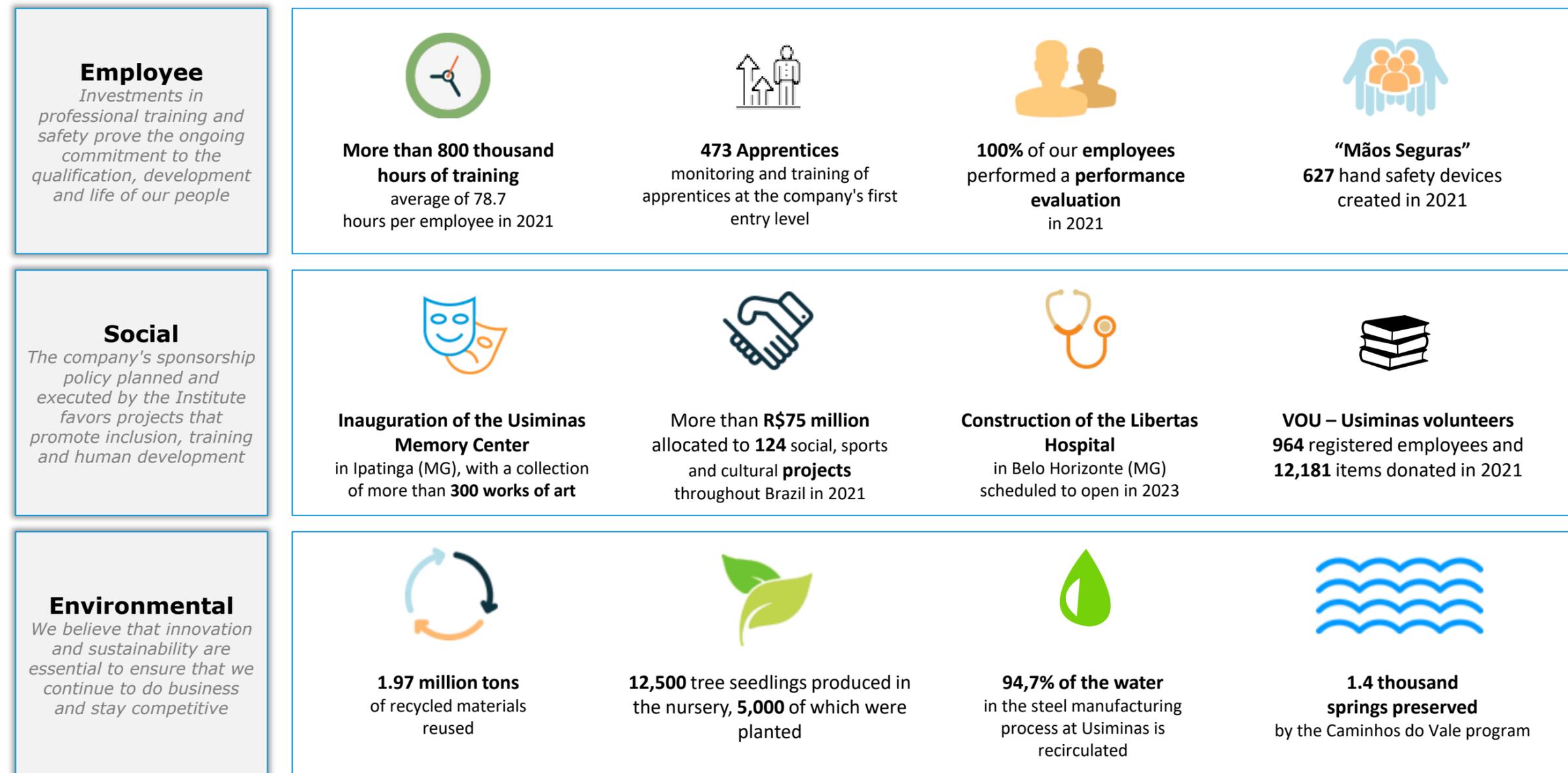
## Policies of the Brazilian Corporate Governance Code

- ✓ Policy of Destination of Results
- ✓ Policy of on the Remuneration of the Members of the Board of Officers
- ✓ Policy of Contracting of Extra-audit Services
- ✓ Policy of Disclosure of Information and Negotiation with Securities

*Approved by the Board of Directors  
in October 2018*

# Culture of Employee, Social and Environmental Responsibility

Usiminas translates concepts into practice, conciliating the objective of all stakeholders



# Rating Agencies' Views

Comments from latest available rating reports

## S&P Global Ratings

**On Sept. 15, 2021, S&P Global Ratings raised its global scale issuer credit ratings on Usiminas to 'BB' from 'BB-' and its national scale issuer credit and issue-level ratings to 'brAAA' from 'brAA+'.**

The stable outlook reflects our expectation of strong results in the second half of 2021 and in 2022, despite cost pressures, allowing Usiminas to keep EBITDA margins above 20% and gross debt to EBITDA consistently below 2.0x. We also expect management to maintain its conservative financial policy on dividends, share repurchase and investment decisions, a robust liquidity position, and smooth debt amortization profile.

Record high results, sound liquidity, and sharp deleveraging underpin the upgrade. Usiminas' EBITDA and free cash flows surged in the past 12 months ended June 2021, given robust steel demand despite considerable price hikes.

## MOODY'S

**Usinas Siderurgicas de Minas Gerais S.A.'s (Usiminas) Ba2 ratings reflect the company's solid position in the Brazilian flat-steel market and its history of quickly adjusting operations to market conditions in Brazil. The ratings are also supported by Usiminas' good credit metrics and liquidity through economic and commodity cycles, and its enhanced financial flexibility to withstand the volatility in its main end markets. Usiminas has been able to pull levers to prevent cash burn and maintain covenant compliance in the recent past, which reduces potential liquidity risks in tougher operating environments.**

On November 16, we upgraded Usiminas' ratings to Ba2 from Ba3 with a stable outlook to reflect the strengthening observed in the company's liquidity position and leverage ratios since the beginning of 2021, which provides more buffer for the company to withstand future volatility in operations and mitigates risks associated with upcoming investments. Even though we expect the favorable market conditions to gradually moderate over the next 12-18 months, the cash Usiminas generated during the last year creates a lasting buffer to net leverage metrics, covenant compliance and liquidity, all of which reduce the company's overall credit risk.

## FitchRatings

**On June 18, 2021, Fitch Ratings upgraded the Long-Term Foreign and Local Currency IDRs (Issuer Default Ratings) of Usinas Siderúrgicas de Minas Gerais SA (Usiminas) to 'BB' from 'BB-', and its National Long-Term Rating to 'AA+(bra)' from 'A+(bra)'. In addition, Fitch upgraded to 'BB', from 'BB-', the rating of the senior unsecured notes due 2026, issued by Usiminas International S.a.r.l. and guaranteed by Usiminas.**

The Outlook on Usiminas' Foreign and Local Currency IDRs and Long-Term National Rating remains Stable.

The rating upgrade reflects Usiminas' low absolute and relative debt levels, its manageable debt amortization profile and performance despite the coronavirus pandemic, as well as the maintenance of a solid operating profile amid a favorable environment for the steel in Brazil, after the worst moment of the pandemic.

# Income Statement – Per Business Unit

(Quarterly, R\$m, except otherwise indicated)

Income Statement per Business Units - Non Audited - Quarterly

R\$ million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	4Q22	3Q22	4Q22	3Q22	4Q22	3Q22	4Q22	3Q22	4Q22	3Q22
	Net Revenue	812	833	6,569	7,451	2,203	2,629	(1,925)	(2,479)	7,660
Domestic Market	178	215	5,809	6,643	2,199	2,624	(1,925)	(2,479)	6,261	7,003
Exports	634	619	761	808	5	5	-	-	1,399	1,431
COGS	(596)	(607)	(6,182)	(6,950)	(2,126)	(2,453)	2,018	2,579	(6,887)	(7,430)
Gross Profit or Loss	216	226	387	501	77	176	92	101	773	1,004
Operating Income and Expenses	191	(119)	(1,992)	(276)	(39)	(35)	(21)	3	(1,861)	(427)
Selling	(73)	(81)	(43)	(41)	(10)	(17)	-	-	(126)	(139)
General and Administrative	(11)	(10)	(144)	(116)	(21)	(19)	5	5	(171)	(140)
Other Operating Income and expenses, Net	274	(28)	(1,804)	(119)	(7)	1	(26)	(2)	(1,564)	(147)
EBIT	407	107	(1,605)	225	39	141	72	104	(1,088)	577
Depreciation and amortization	57	52	175	175	12	7	(9)	(9)	234	225
Equity in the results of investees	32	41	424	341	-	-	(391)	(317)	65	65
EBITDA (Instruction CVM 527)	496	200	(1,006)	741	50	148	(328)	(222)	(788)	867
EBITDA Margin	61.0%	24.0%	-15.3%	9.9%	2.3%	5.6%	17.0%	9.0%	-10.3%	10.3%
Adjusted EBITDA	171	157	264	401	50	148	93	130	579	836
Adj.EBITDA Margin	21.1%	18.8%	4.0%	5.4%	2.3%	5.6%	-4.9%	-5.2%	7.6%	9.9%

\*Consolidated 70% of Unigal and 100% of Usiminas Mecânica

Note: All intercompany transactions are made at arm's length basis.

# Income Statement – Per Business Unit

(Accumulated, R\$mm, except otherwise indicated)

Income Statement per Business Units - Non Audited - Accumulated

R\$ million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net Revenue	3,618	5,855	28,696	28,357	9,384	8,516	(9,228)	(8,992)	32,471	33,737
Domestic Market	961	1,139	24,870	25,533	9,369	8,510	(9,228)	(8,992)	25,972	26,191
Exports	2,657	4,716	3,826	2,824	16	6	-	-	6,499	7,546
COGS	(2,265)	(2,072)	(25,096)	(21,357)	(8,732)	(7,511)	9,302	8,477	(26,791)	(22,463)
Gross Profit (Loss)	1,352	3,783	3,600	7,000	653	1,005	74	(514)	5,680	11,274
Operating Income (Expenses)	(212)	(448)	(2,860)	511	(151)	(78)	(11)	12	(3,234)	(3)
Selling	(354)	(314)	(218)	(183)	(57)	(74)	-	-	(629)	(571)
General and Administrative	(42)	(38)	(490)	(420)	(76)	(62)	19	17	(589)	(503)
Other Operating Income (expenses), Net	183	(96)	(2,152)	1,115	(18)	57	(30)	(5)	(2,016)	1,071
EBIT	1,140	3,335	740	7,511	502	927	64	(502)	2,445	11,272
Depreciation and amortization	211	174	694	816	32	26	(34)	(33)	903	983
Equity in the results of investees	113	94	1,286	1,941	-	-	(1,178)	(1,816)	221	219
EBITDA (Instruction CVM 527)	1,464	3,603	2,720	10,268	534	953	(1,149)	(2,351)	3,569	12,473
EBITDA Margin	40.5%	61.5%	9.5%	36.2%	5.7%	11.2%	12.4%	26.1%	11.0%	48.6%
Adjusted EBITDA	1,059	3,510	3,131	8,732	534	953	181	(365)	4,905	12,830
Adj.EBITDA Margin	29.3%	59.9%	10.9%	30.8%	5.7%	11.2%	-2.0%	4.1%	15.1%	38.0%

\*Consolidated 70% of Unigal and 100% of Usiminas Mecânica

Note: All intercompany transactions are made at arm's length basis.

## Follow-up of Goals:

Subject	Indicator	2022 Goals Goal	SDG		Comments
Water resources	Water Efficiency	Achieve 94.6% annual average recirculation by 12/31/22;	6 and 12		The level of water recirculation in 4Q22 reached 94.7%
Energy Efficiency and Use of Renewable Energy	Self-generation of renewable energy	Contract at least 10% of Usiminas' total energy consumption from clean and renewable energy for 2025;	7		Target achieved with a partnership signed with Canadian for self-production of around 12% of the energy consumed by the company.
	Emissions Inventory	Conducting a GHG inventory at the units of Mineração Usiminas and Soluções Usiminas until 12/31/22;	13		Completed for MUSA. The stipulated deadline for completion for the SU is 2023.
Combating Climate Change	Scope 3 carbon emission	Engagement of 75% of Critical Suppliers with Scope 3 to Usiminas' climate agenda by 12/31/22;	13		In 2Q22, 86% of Critical Suppliers responded to the data collection stage. In 4Q22, Usiminas sent a letter of recommendation to suppliers engaged in this action.
	Workplace safety	Accident frequency rate	Zero Accident Goal. Lost-time accident frequency rate (CPT) recorded below or equal to 0.3 in 2022;	3, 8 and 9	
Diversity and Inclusion	Women in apprentice training courses	Reach at least 55% of women in apprentice training classes by 12/31/22;	3 and 8		In 4Q22, this indicator was 58.0%.
Innovation	Pilots for safety risk reduction.	Execute 80% of innovation pilots with potential to reduce security risk;	9 and 12		100% of pilots with potential safety risk reduction were executed
Portfolio Positioning	General Customer Satisfaction Index	General Customer Satisfaction Index higher or equal to 89.7% in 2022;	9 and 12		The overall customer satisfaction index accumulated was 88.9%.
	Products with RoHS and ELV certifications	100% of the production of laminates, certified in RoHS and ELV Standards;	9 and 12		100%
Ethics and Transparency	Environmental Compliance Program	Implementation of the Environmental Compliance Program until 12/31/2022.	16		Items added to the initial scope of the project, causing changes in the schedule and extension of the implementation period.

In line items with planning

Not achieved



ADR  
Nível I



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Declarations relative to business perspectives of the Company, operating and financial results and projections, and references to the growth of the Company, constitute mere forecasts and were based on Management's expectations in relation to future performance. These expectations are highly dependent on market behavior, on Brazil's economic situation, on the industry and on international markets, and are therefore subject to change.