

# 1Q23 RESULTS

**WEBCAST**

**INSTITUTIONAL PRESENTATION**

# AGENDA

**WEBCAST.....03**

**INSTITUTIONAL PRESENTATION.....18**



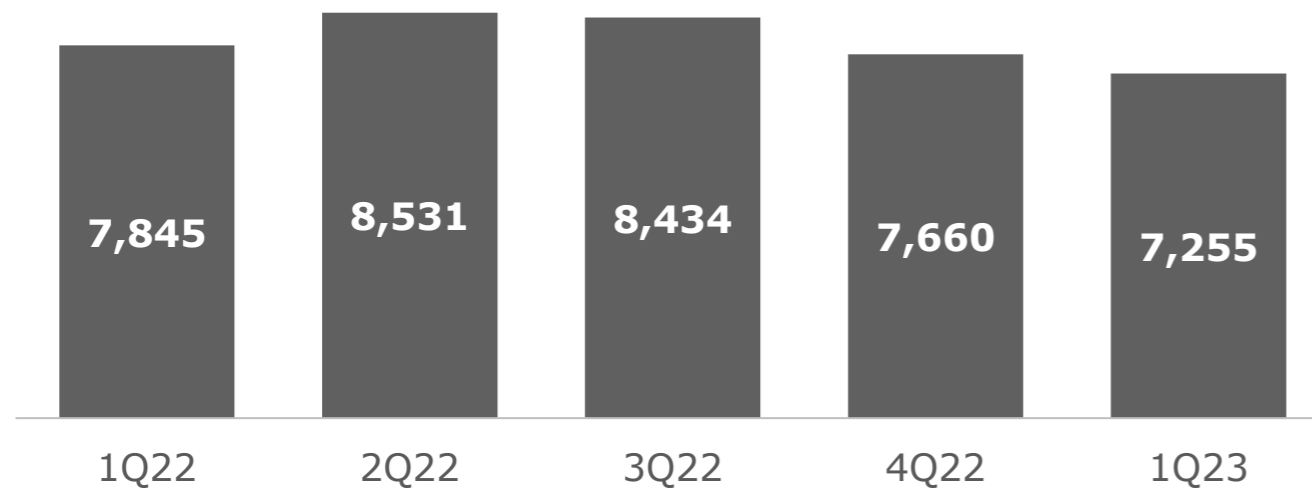
# 1Q23 Results Presentation

# Highlights

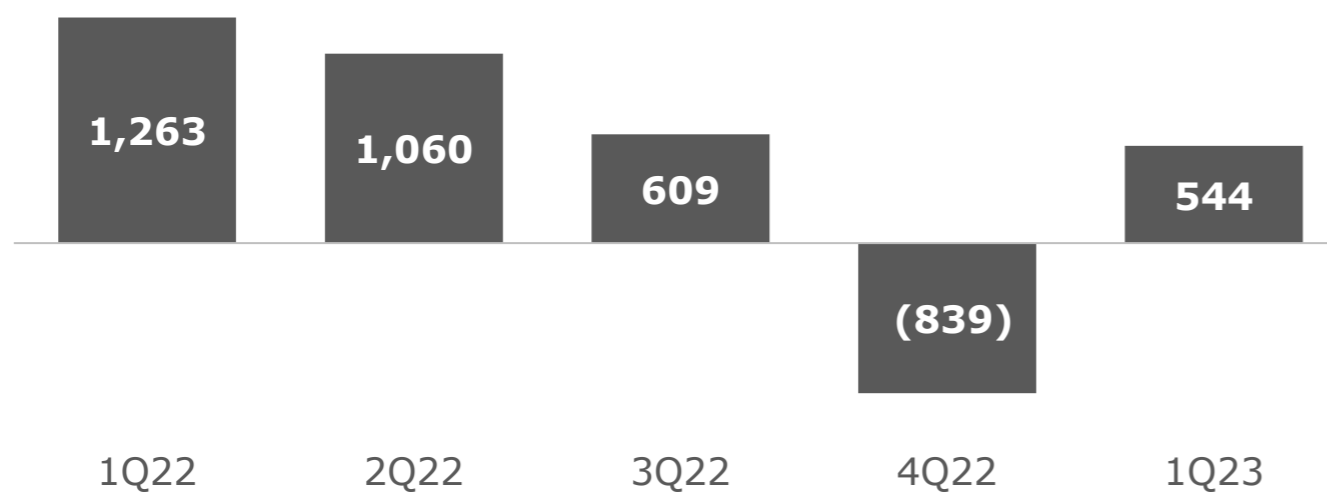
- ▣ **Growth in steel sales volume in the domestic market:** 7% compared to 4Q22 and 8% vs 1Q22;
- ▣ **35% increase in Adjusted EBITDA vs 4Q22.** Increase in all business units;
- ▣ **Cash Generation** of R\$764 million, with a reduction in Working Capital;
- ▣ **Reduction of Net Debt** by 75% vs previous quarter. **Net leverage** of 0.07x;
- ▣ **Preparation** for the BF#3 relining according to plan.

# 1Q23 Results - Consolidated

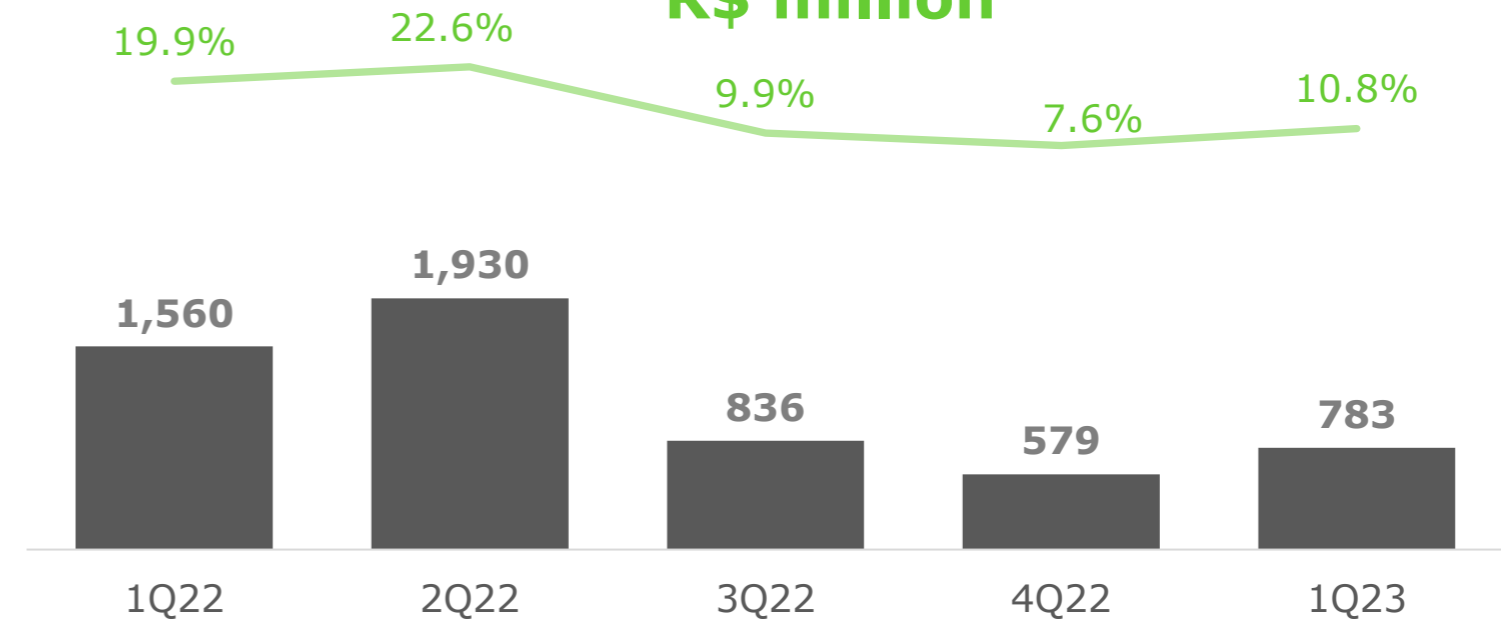
### Net Revenue R\$ million



### Net Income R\$ million



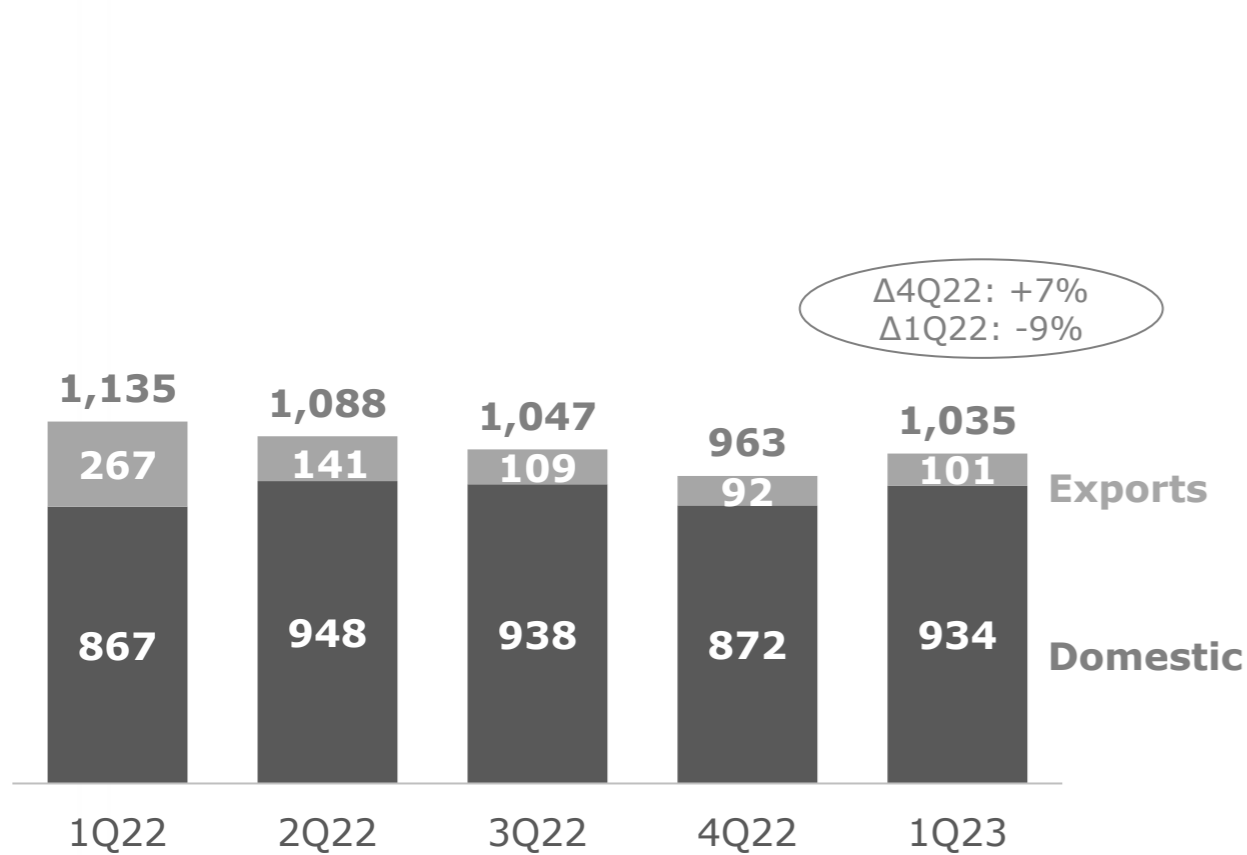
### Adjusted EBITDA R\$ million



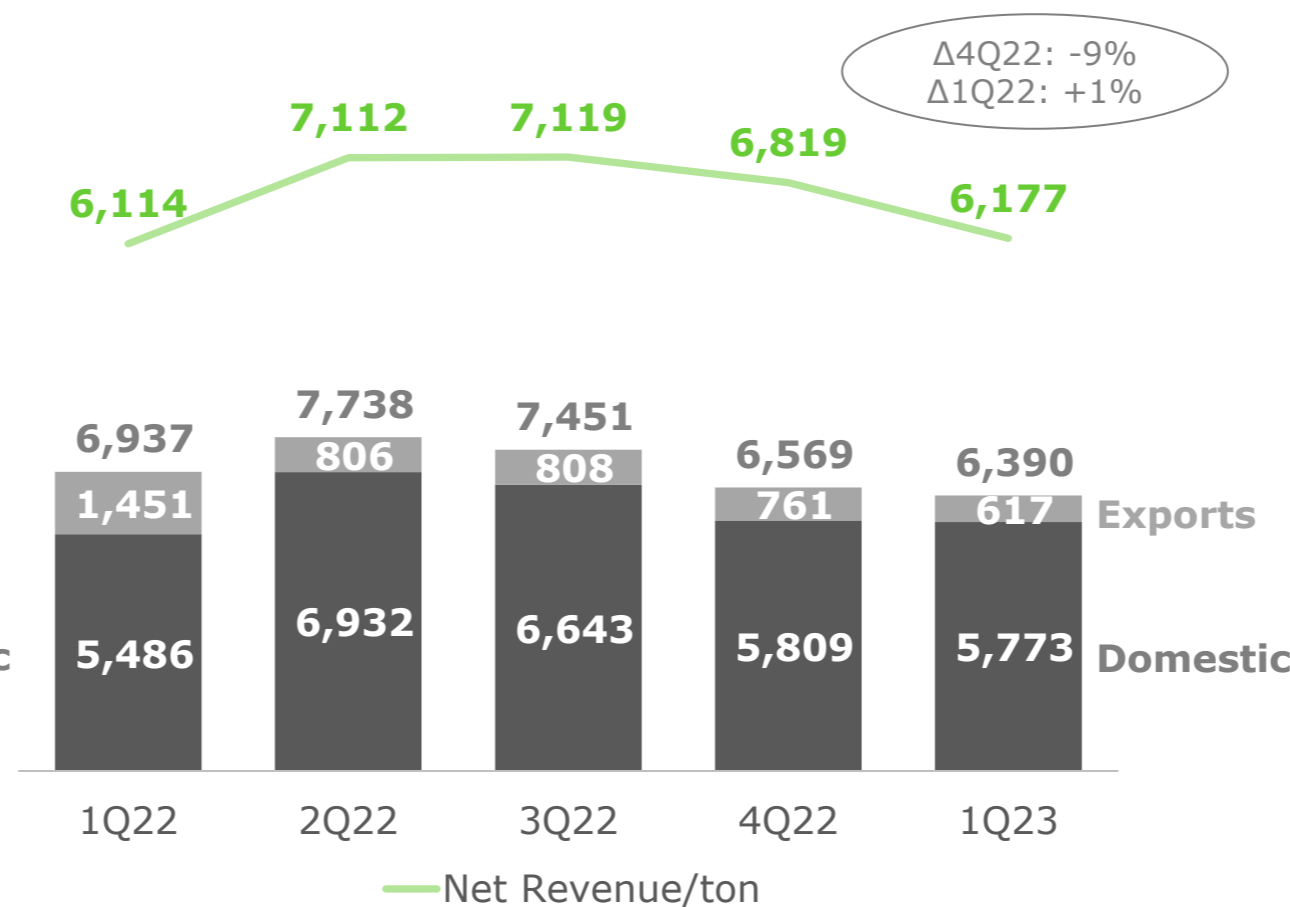
# 1Q23 Results – Steel Unit

- U Domestic sales 7% higher than 4Q22 and 8% higher than 1Q22;
- U Net Revenue/ton in domestic sales down by 7%;
- U Increase in Adjusted EBITDA compared to 4Q22 due to higher volume and lower COGS. Margin with growth of 2.9 p.p.

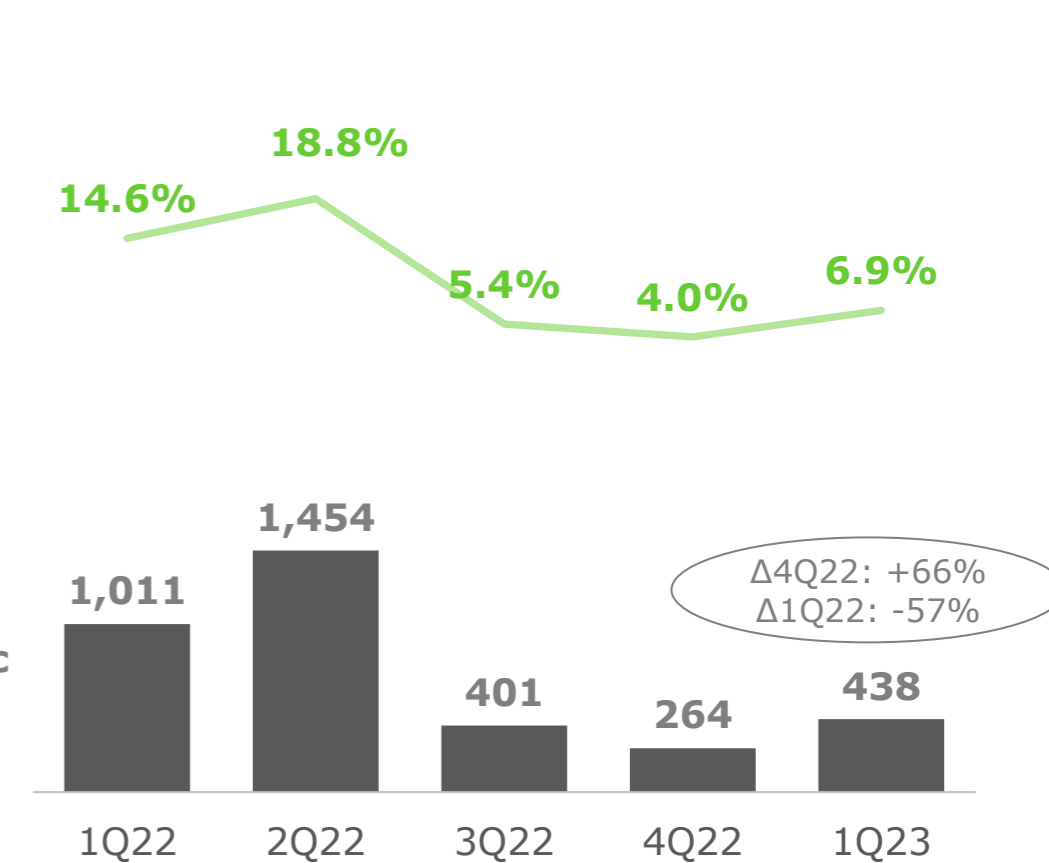
### Steel Sales – thousand tons



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



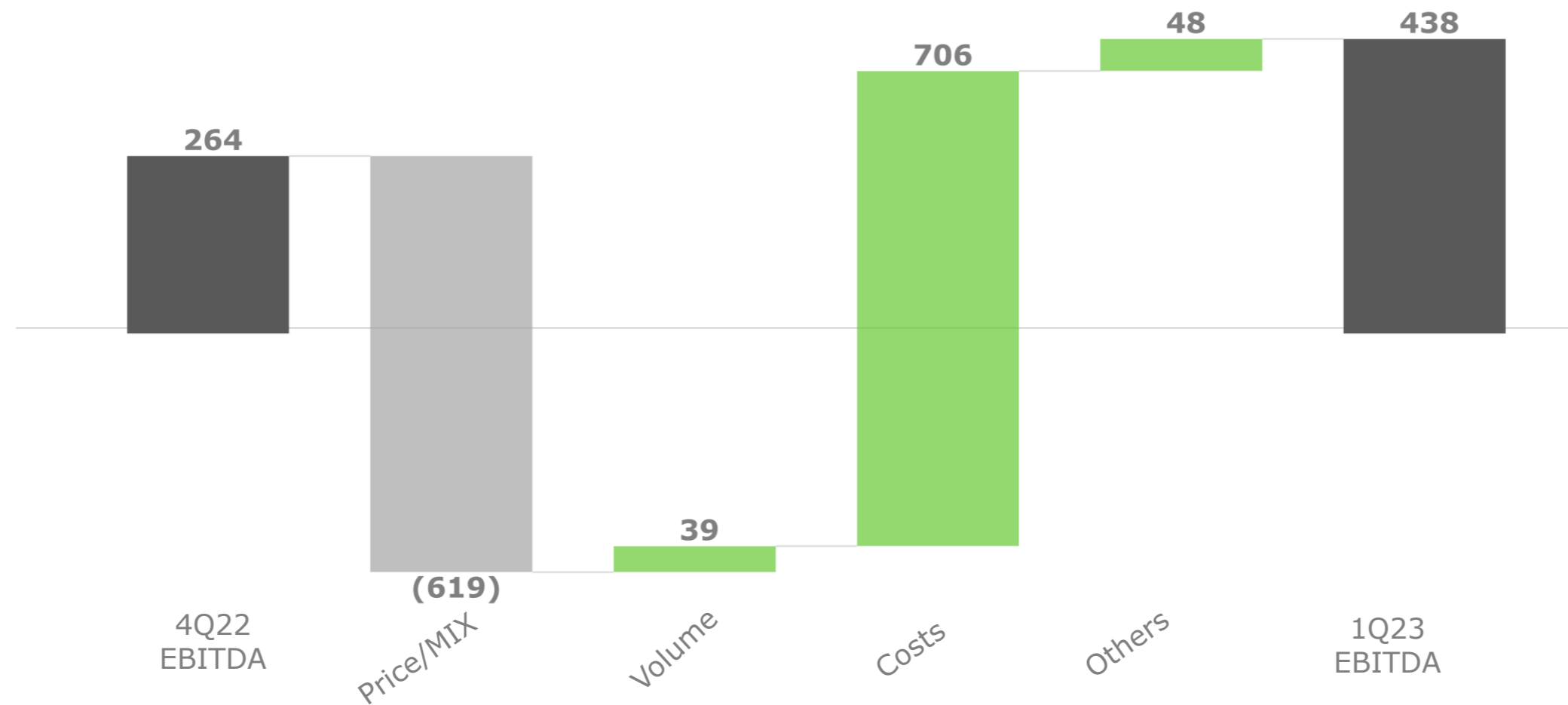
### Adjusted EBITDA (R\$ million)



# 1Q23 Results – Steel Unit

- U Lower costs partially offset by the negative price/mix effect;
- U Reduction of 11.5% in COGS per ton for the mix sold and lower raw material prices, mainly slabs.

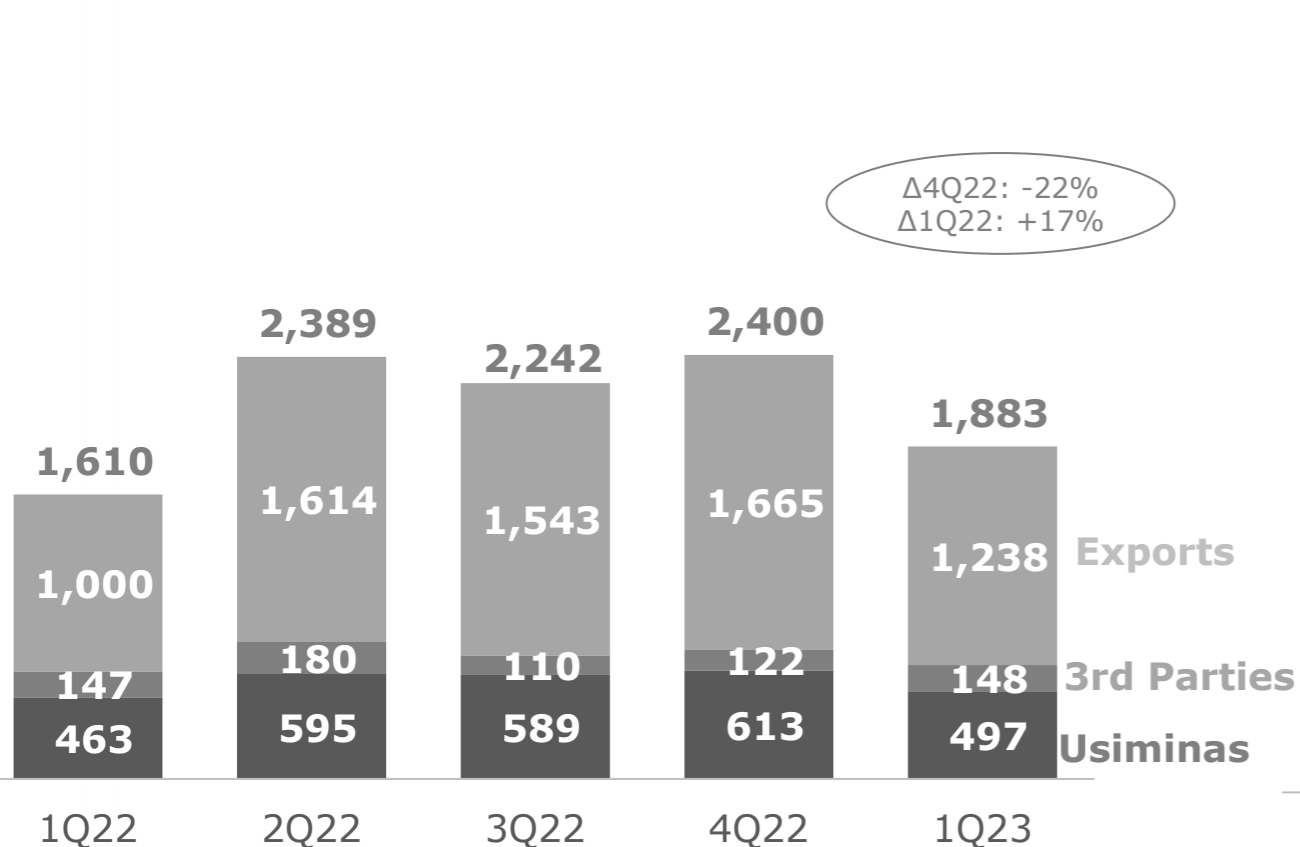
## Quarterly variation in EBITDA (R\$ million)



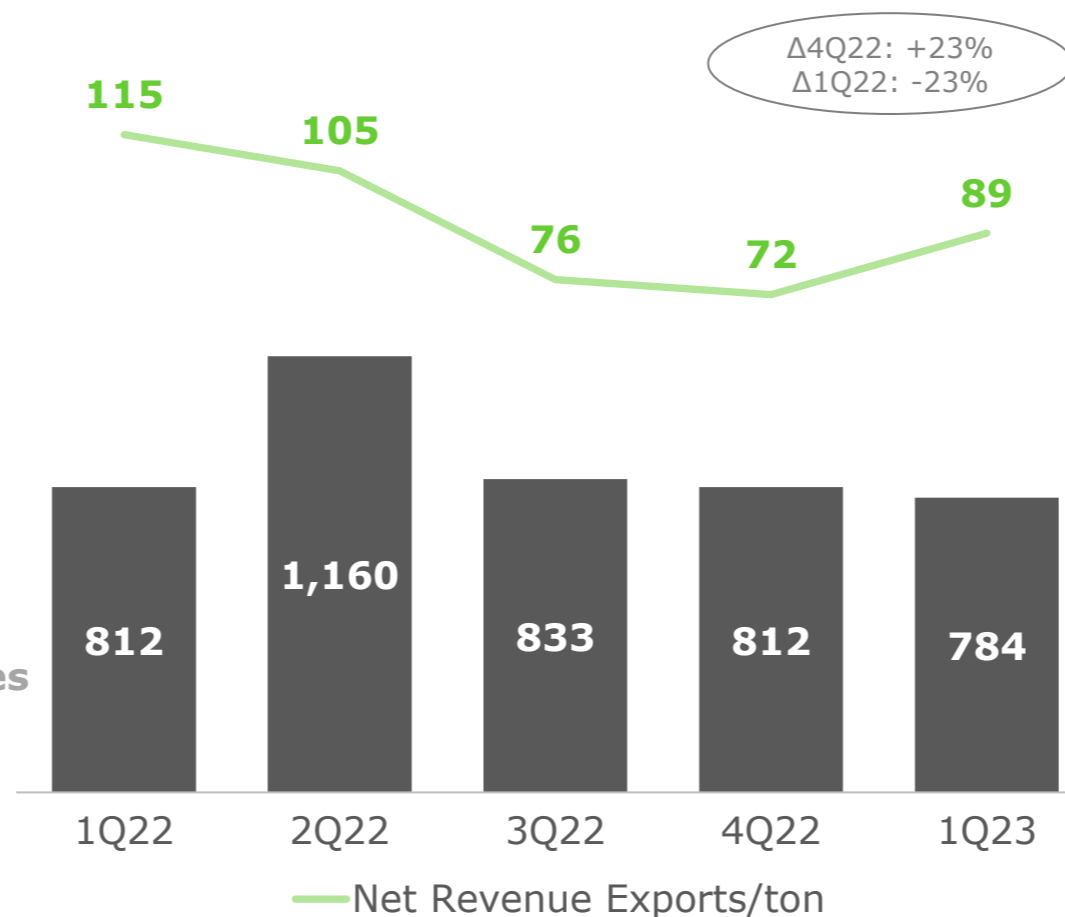
# 1Q23 Results – Mineração Usiminas

- U Lower sales volume compared to 4Q22 due to heavy rains and scheduled maintenance shutdowns;
- U Increase in net revenue/ton with the increase in the average reference price of iron ore.

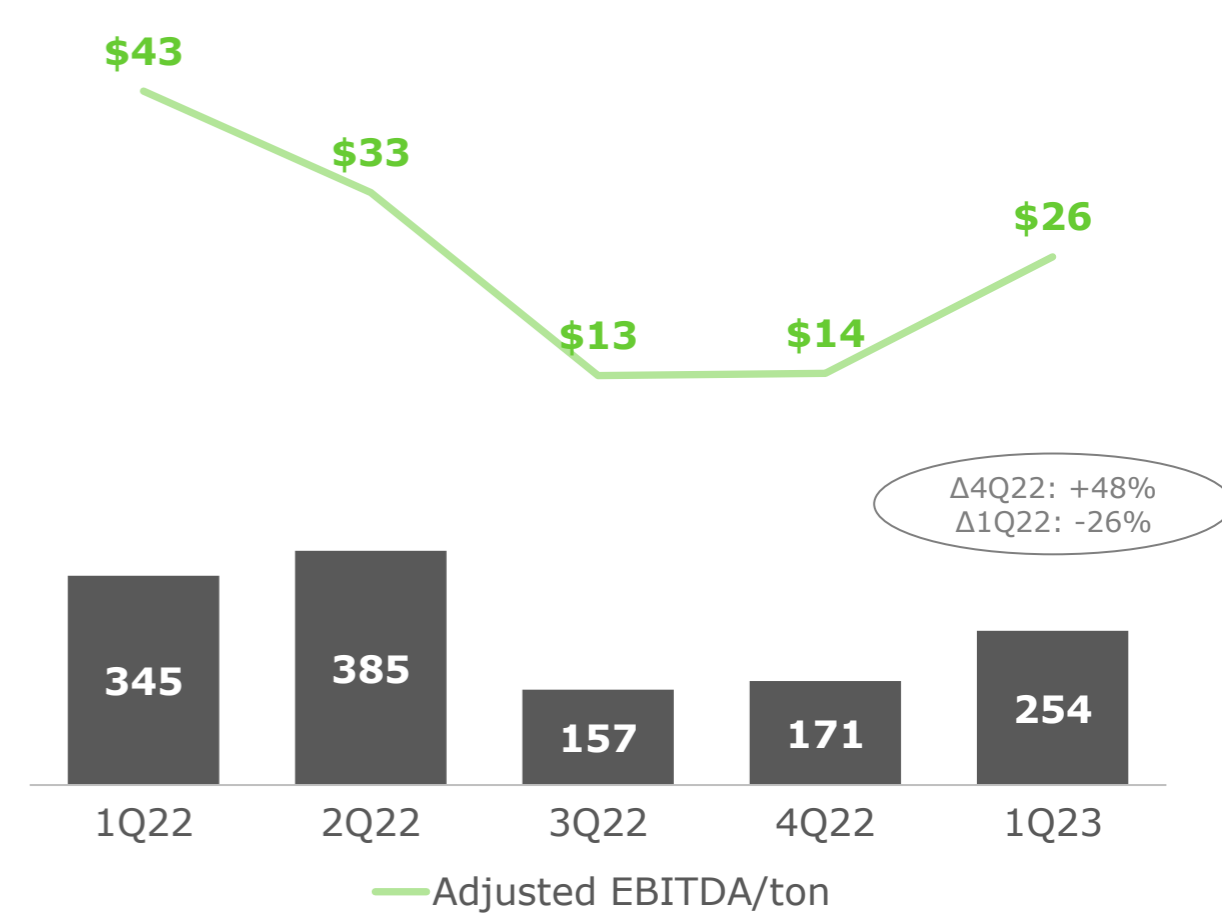
## Iron Ore Sales – thousand tons



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



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

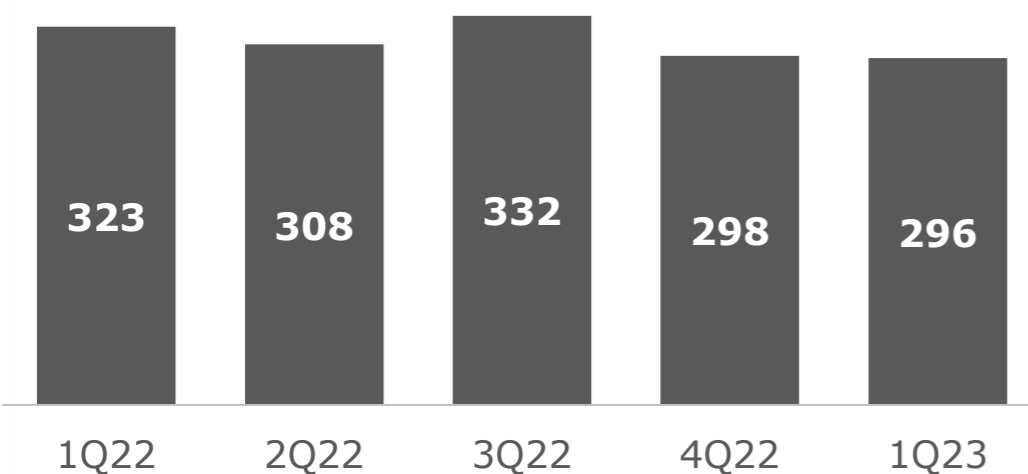




# 1Q23 Results – Soluções Usiminas

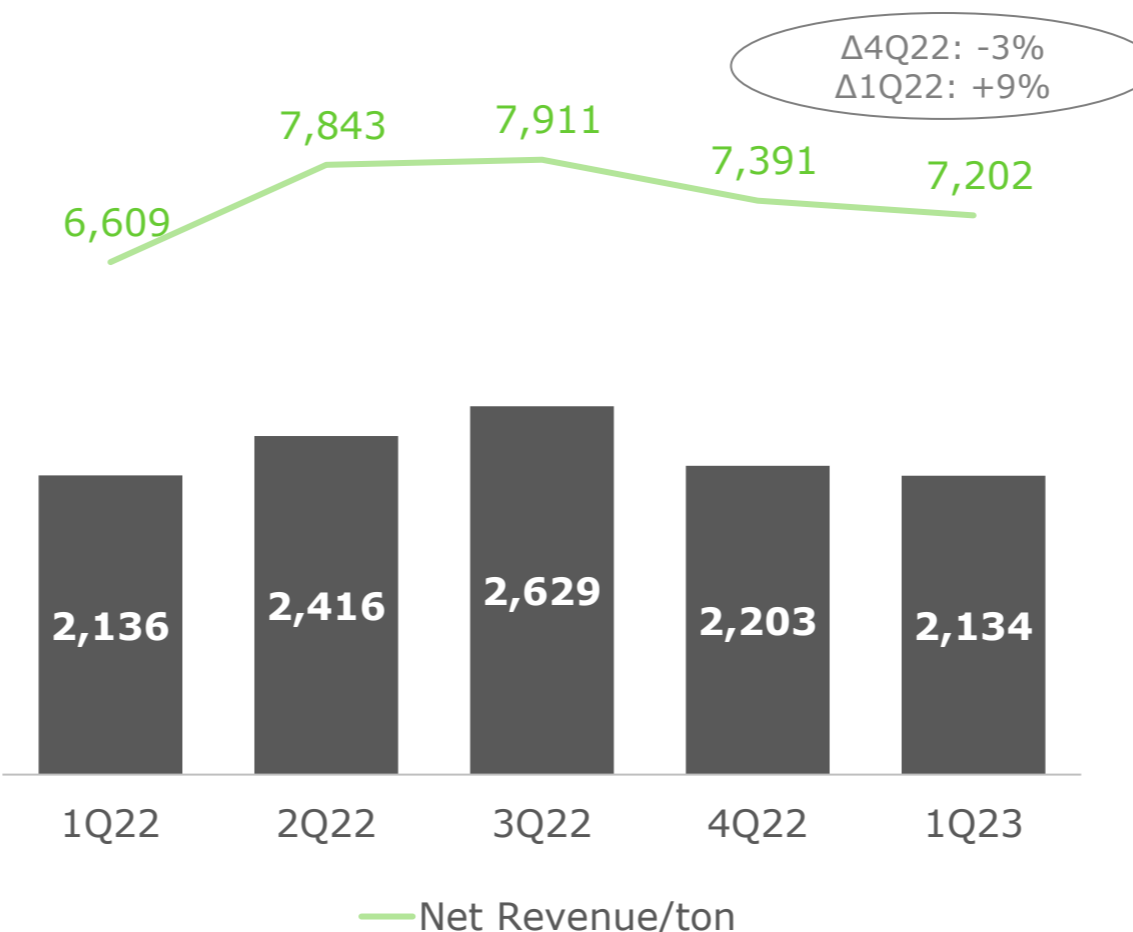
- U Sales volume stable compared to 4Q22;
- U Increase in Adjusted EBITDA due to lower COGS/ton, partially offset by lower net revenue/ton.

## Steel Sales – thousand tons



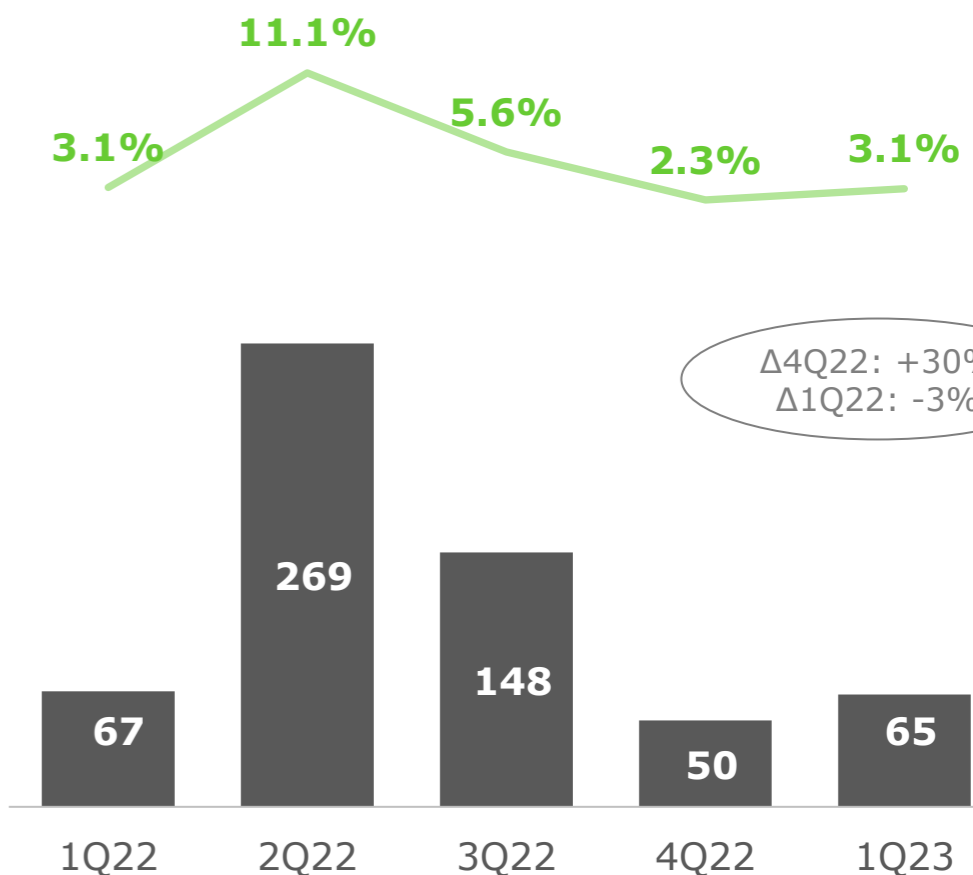
Δ4Q22: -1%  
Δ1Q22: -8%

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



Δ4Q22: -3%  
Δ1Q22: +9%

## Adjusted EBITDA (R\$ million)



3.1%  
11.1%  
5.6%  
2.3%  
3.1%

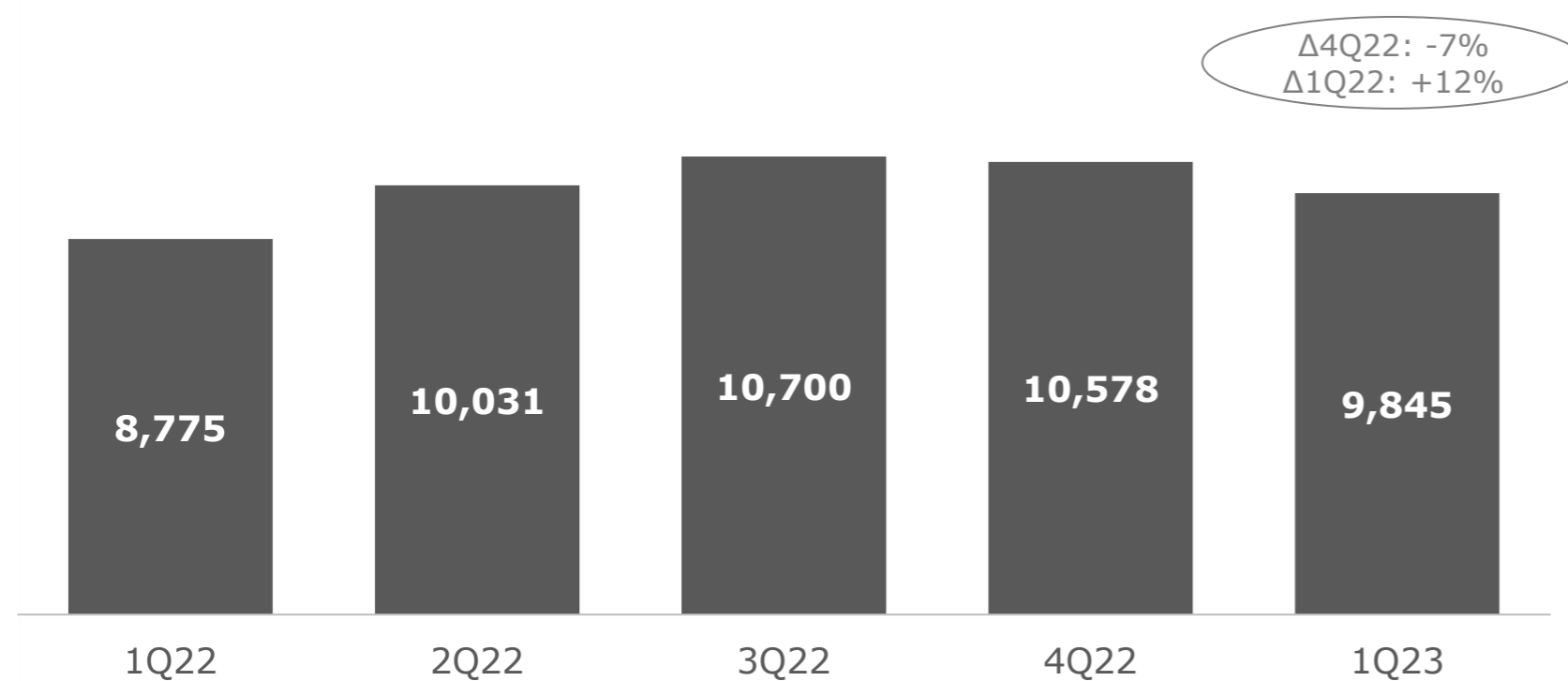
Δ4Q22: +30%  
Δ1Q22: -3%



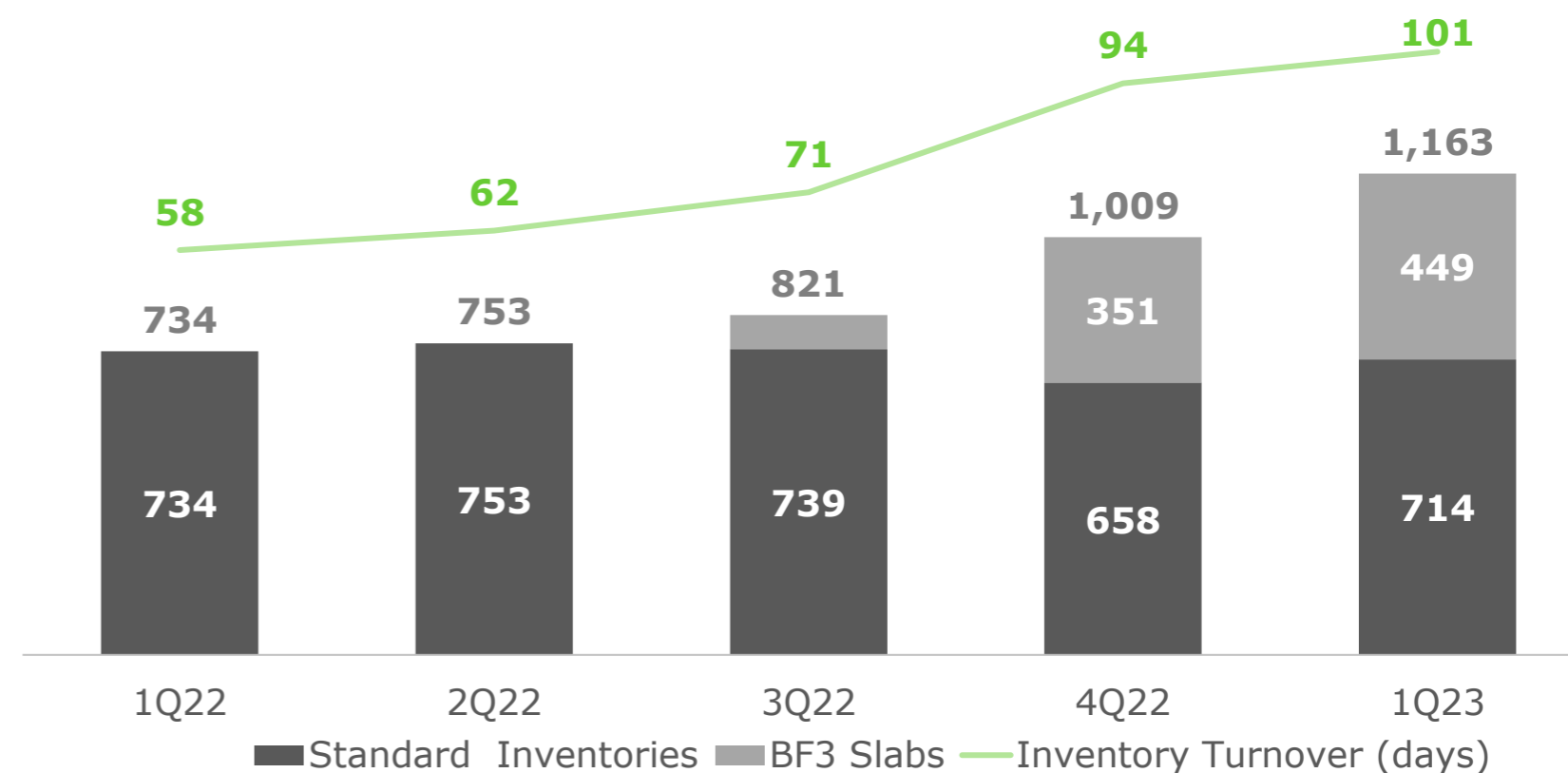
# Financial indicators

- U Decrease in working capital in 1Q23 mainly due to longer payment terms to suppliers and reduction in coke inventories;
- U Composition of slabs inventory for the BF#3 relining as planned.

## Consolidated Working Capital (R\$ Million)

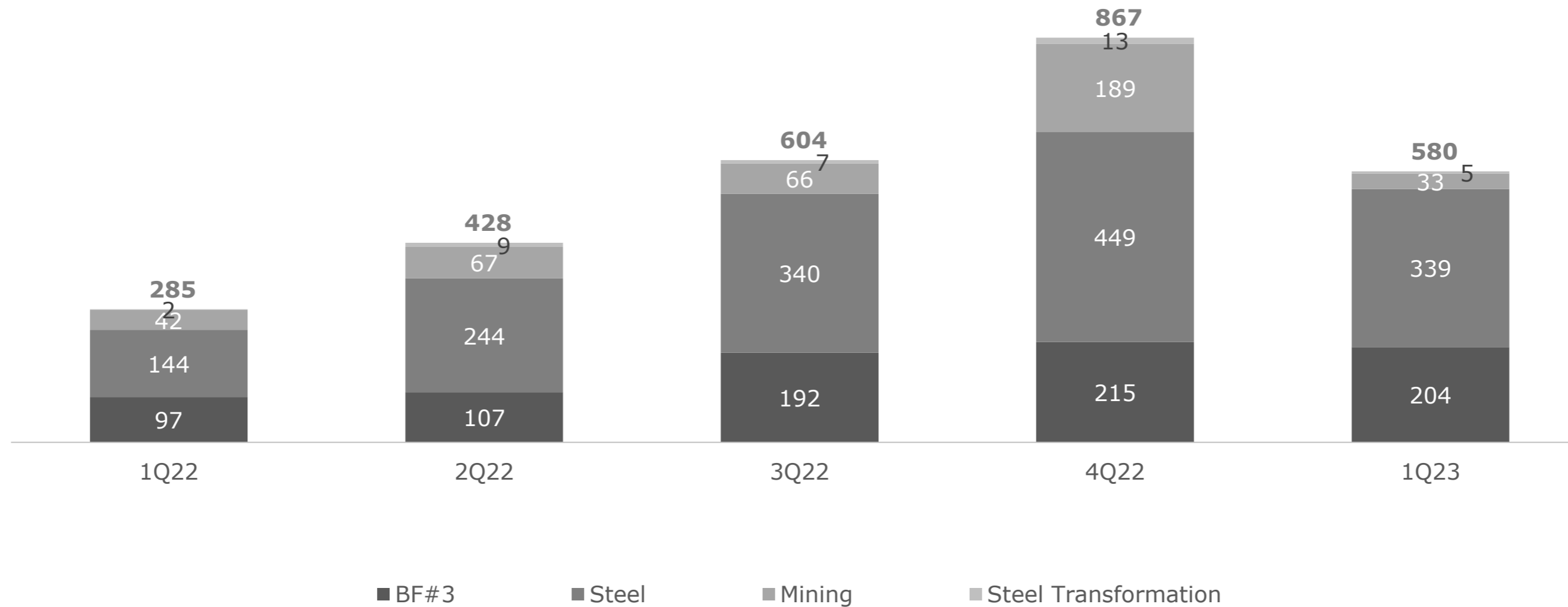


## Steel inventories - thousand tons



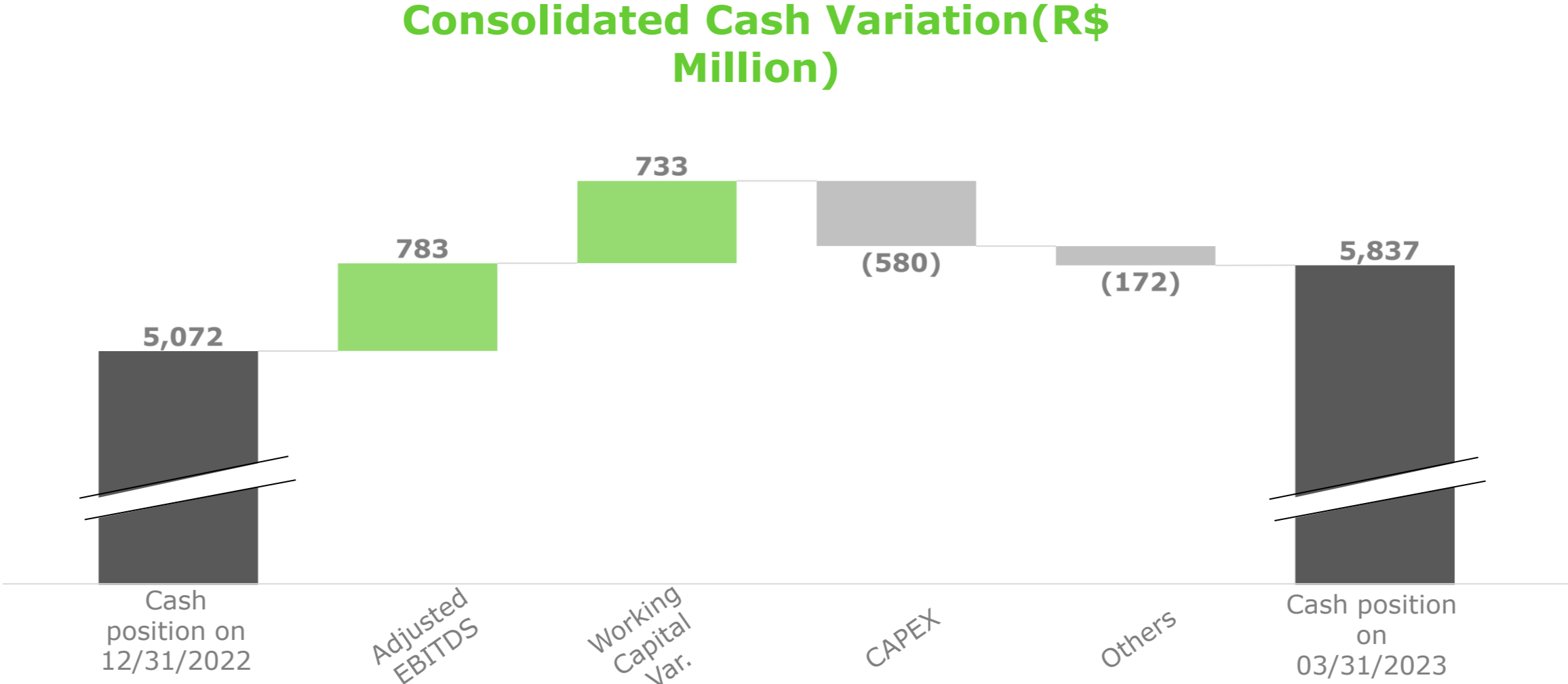
## Consolidated - R\$ Million

- U R\$580 million in 1Q23;
- U Preparation for BF#3 Relining, with investments of R\$204 million in 1Q23.



# Cash Position

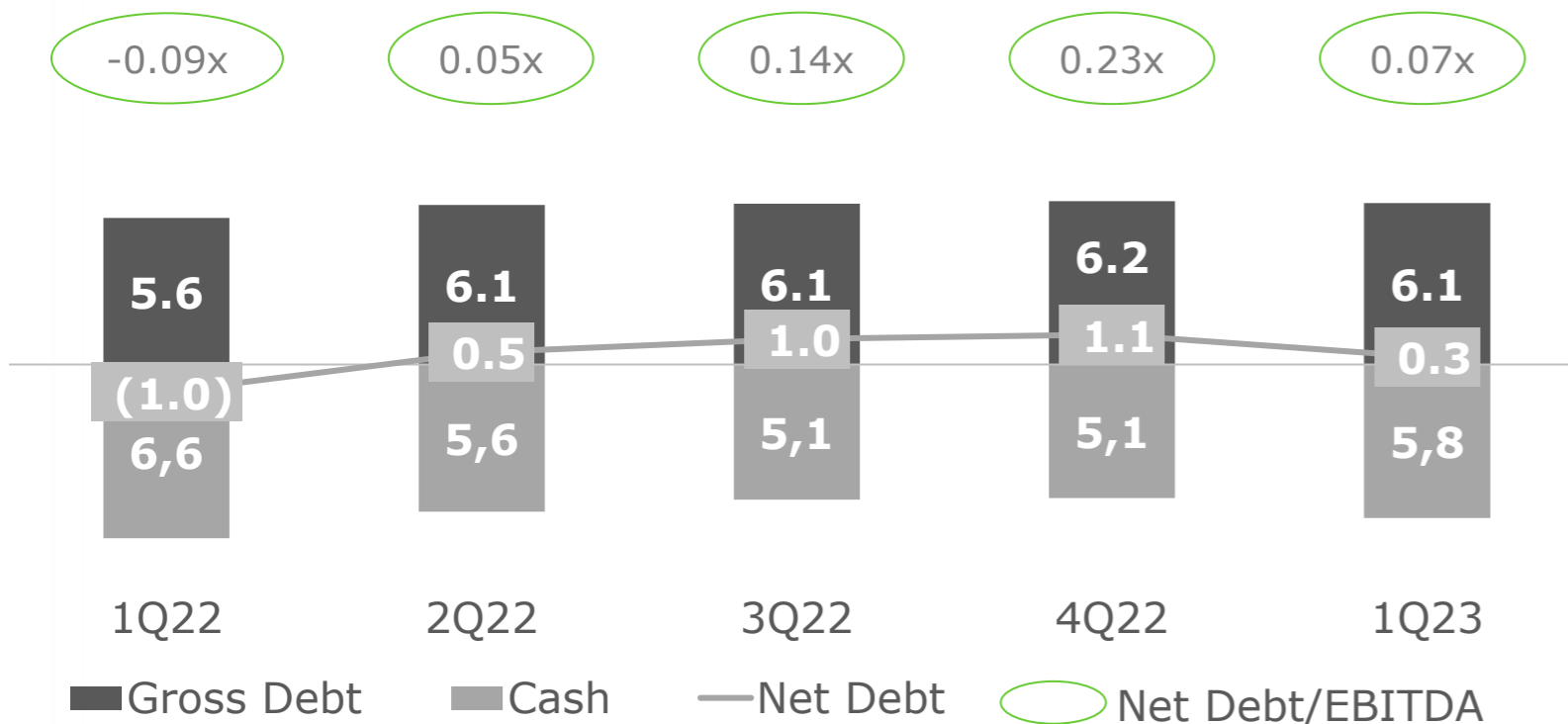
U Increase of R\$764 million in Cash due to EBITDA generation and reduction in Working Capital, partially offset by CAPEX in the period.



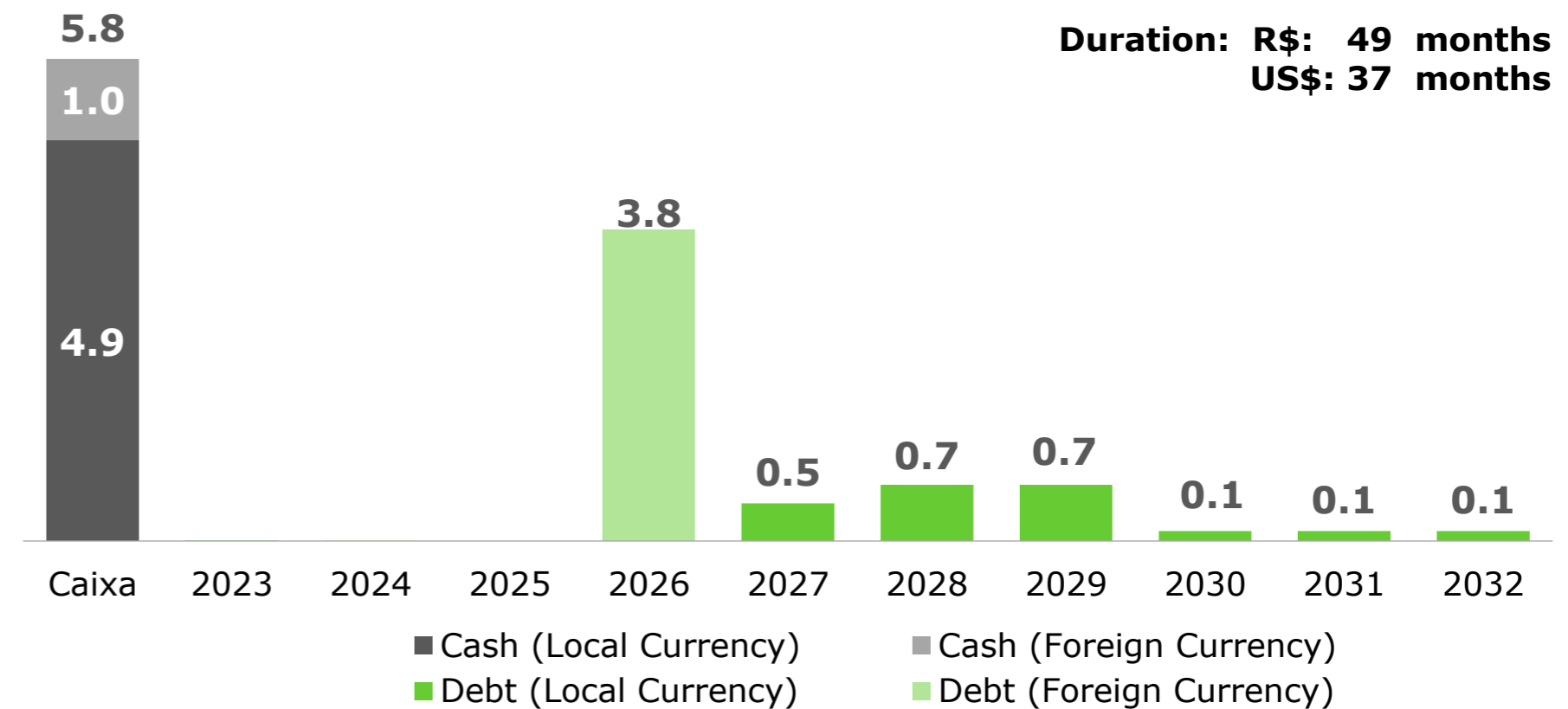
# Cash, Net Debt and Amortization Profile

- U Reduction of R\$ 846 million in net debt with the increase in Cash. Leverage of 0.07x;
- U Debt without amortization in the coming years, maturing only in 2026.

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



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



**ESG**



**ICO2B3**

**ISEB3**



## Usiminas trains a female locomotive engineer's class (SDG 5)



10 professionals, the first women in the company to work in this role, were hired to work in the operation of the Ipatinga Plant's locomotives

Learn more at (Portuguese Only): <https://bit.ly/mulheresmaquinistas>





GOALS	SDG
<p>Conducting a GHG inventory at Soluções Usiminas by 09/30/2023</p>	
<p>Objective of Zero Accidents, in compliance with the Strategic Safety Plan, with a focus on achieving a Safety Index of 1.0</p>	 
<p>Improvement in the General Customer Satisfaction Index</p>	
<p>Reach 18% of women in leadership positions by 2023</p>	
<p>Donation of 100% of the steel aggregate generated in 2023 to the Caminhos do Vale program</p>	
<p>Sustainability in the supply chain, strengthening relationships and reducing risks at 75% of strategic suppliers</p>	
<p>Strengthening relationships with formal and community leaders in Vale do Aço and Baixada Santista</p>	
<p>Adhesion of Mineração Usiminas to the Brazilian GHG Protocol Program</p>	

# Institutional Presentation

1Q23

# 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**

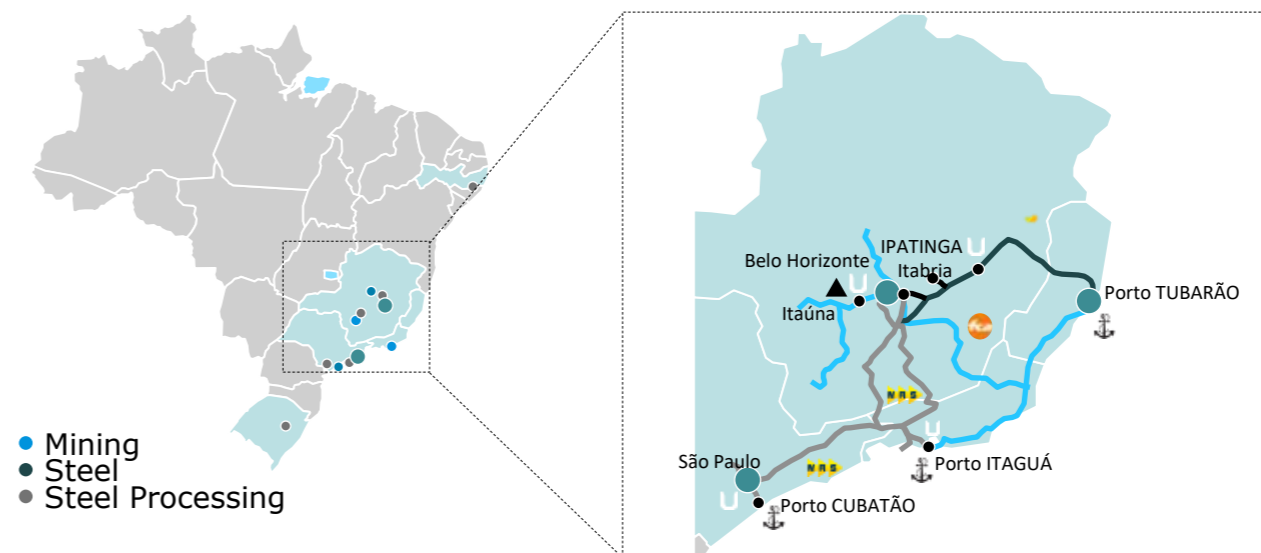


# Usiminas at a Glance

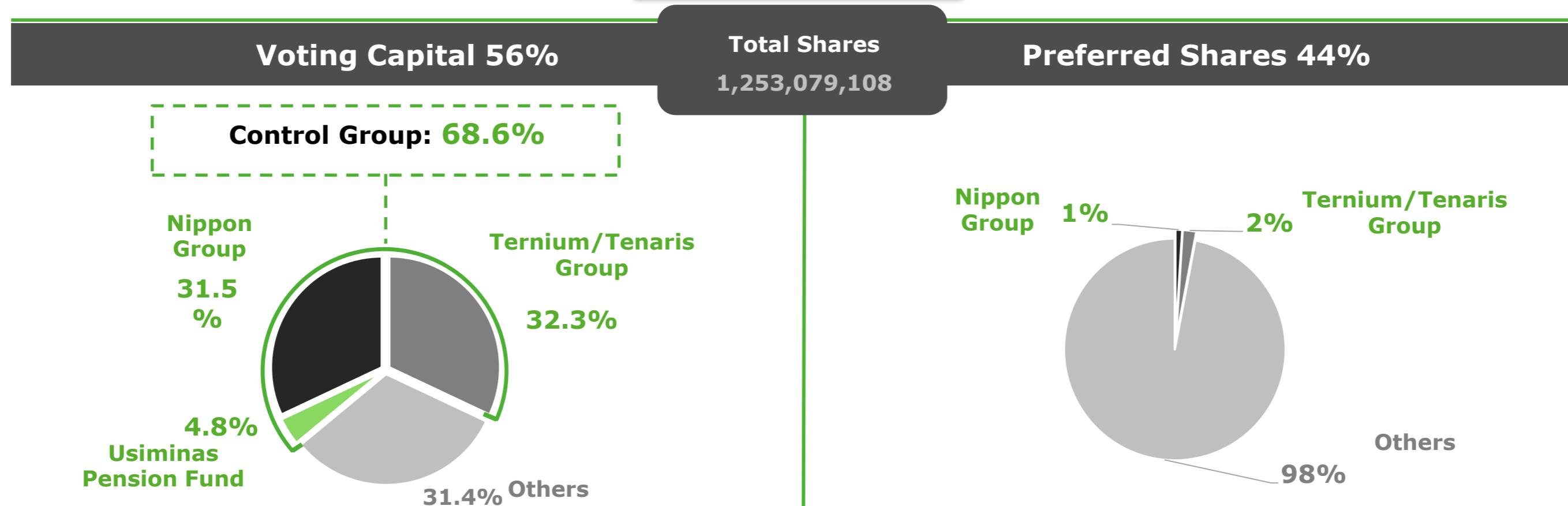
## Financial Highlights

	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





- ✓ *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)**

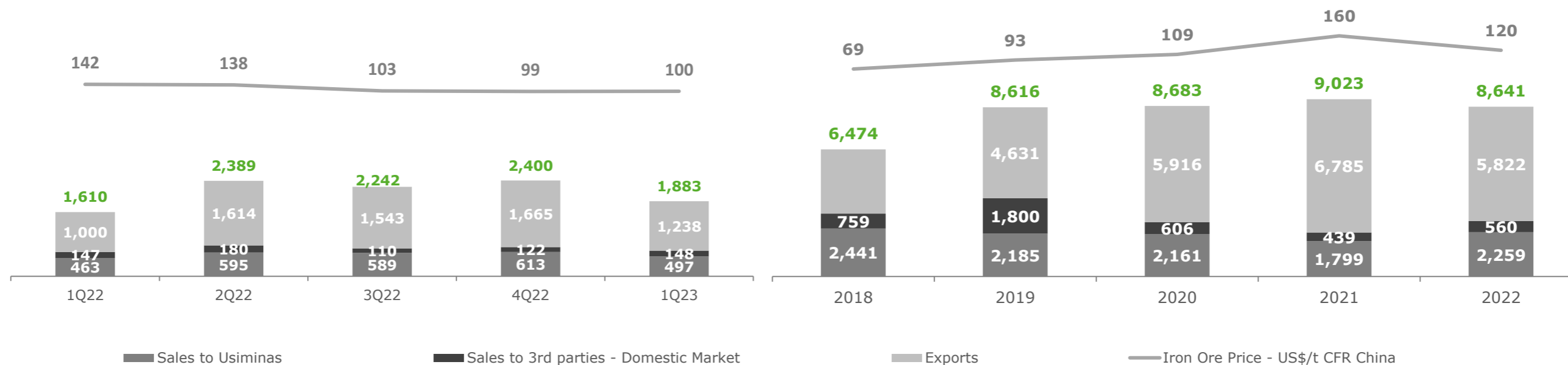


# Mining

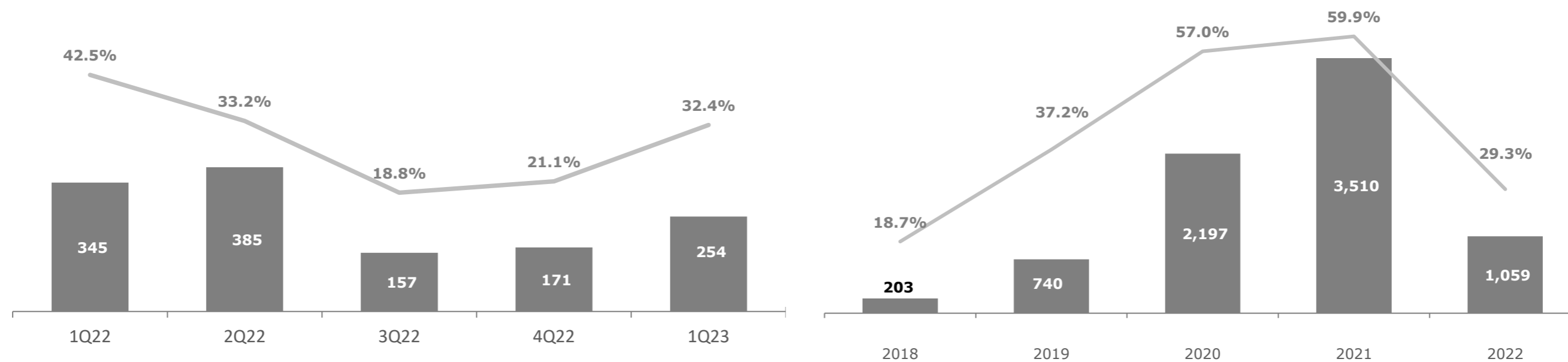
## Financial Highlights

### 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



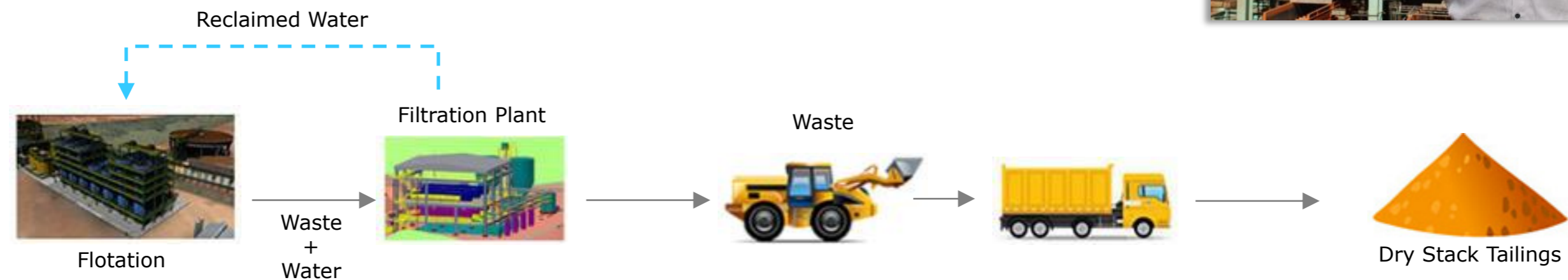
### Friables

- ✓ 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

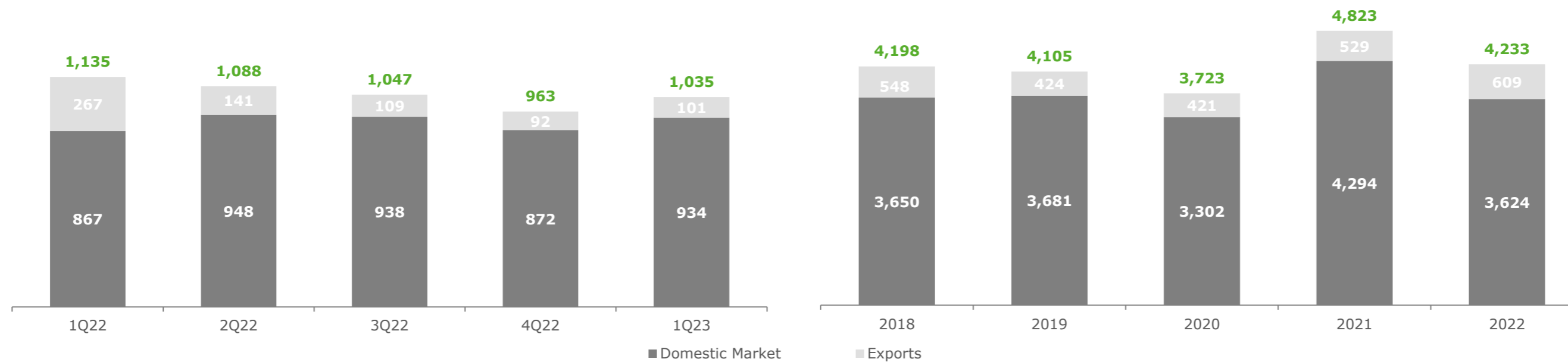


# Steel

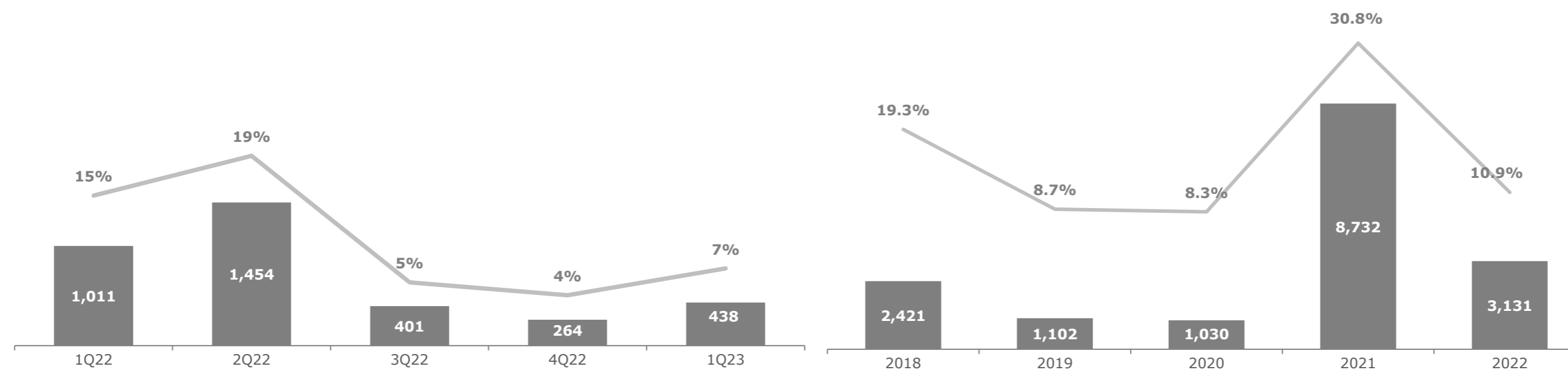
## Overview

- ✓ **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**
- ✓ **Owens 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



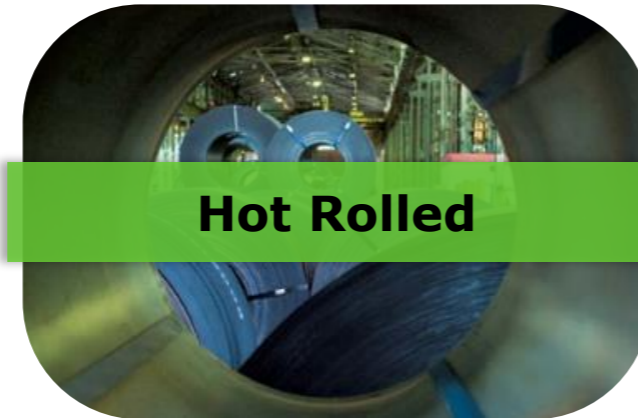
Capital Goods



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

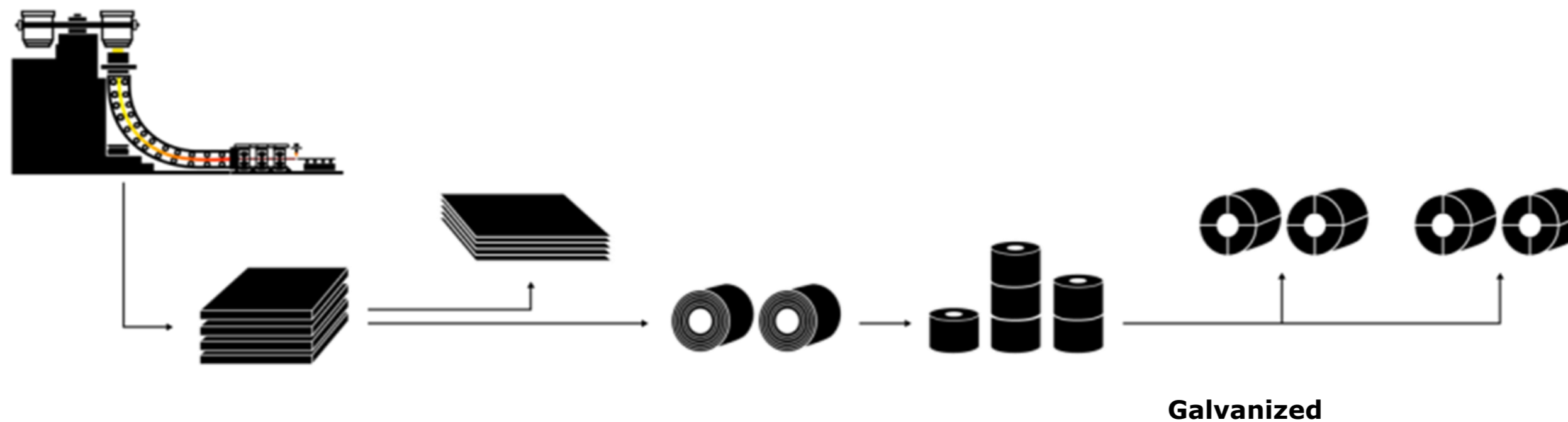


Solar Energy

# 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.



	Heavy Plates	Hot Rolled	Cold Rolled	Electro Galvanized	HDG	Total
Total Production Capacity of Products for Sale	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

- ✓ More than 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

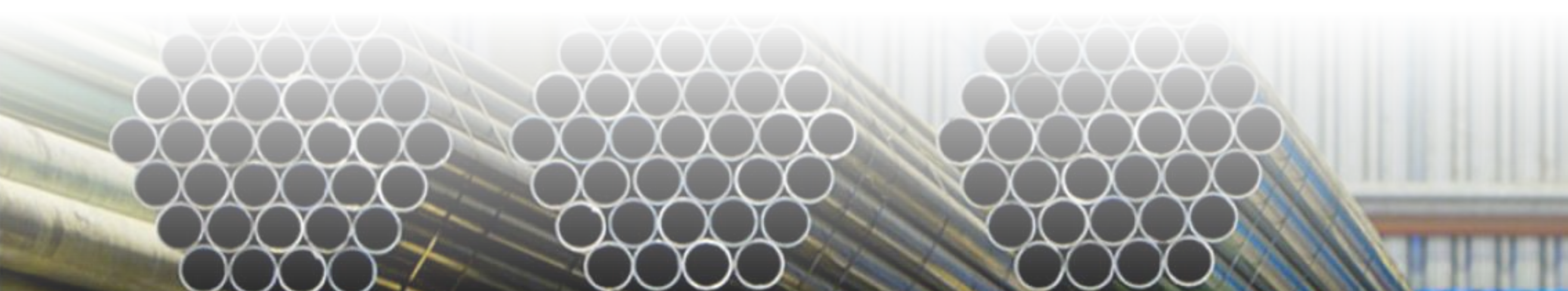
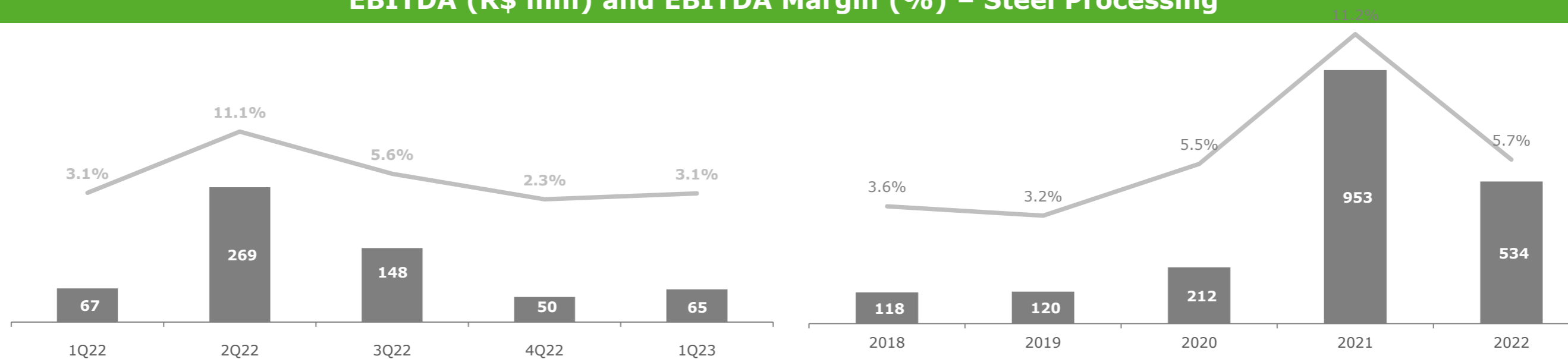
## Overview

- ✓ **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**

# 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





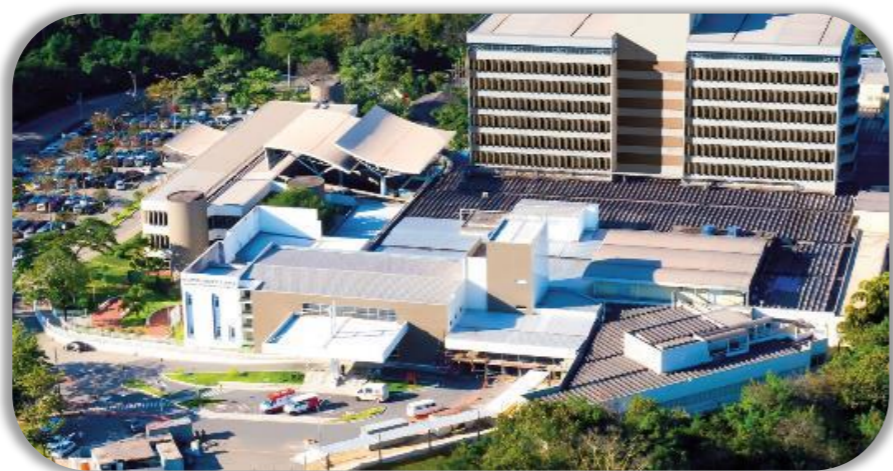
# People

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

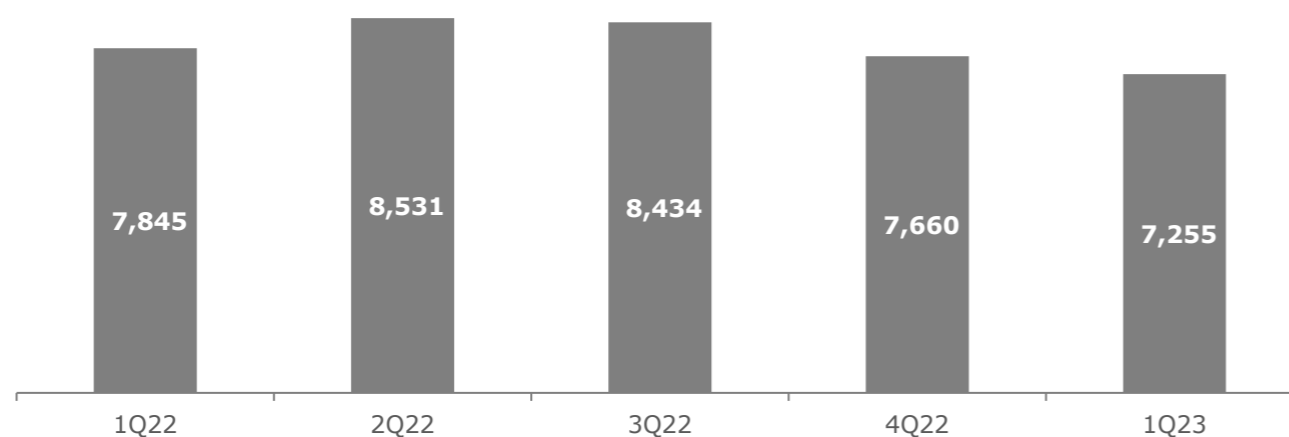
New hospital in installation by FSFX, occupying the **old headquarters building** in Belo Horizonte

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

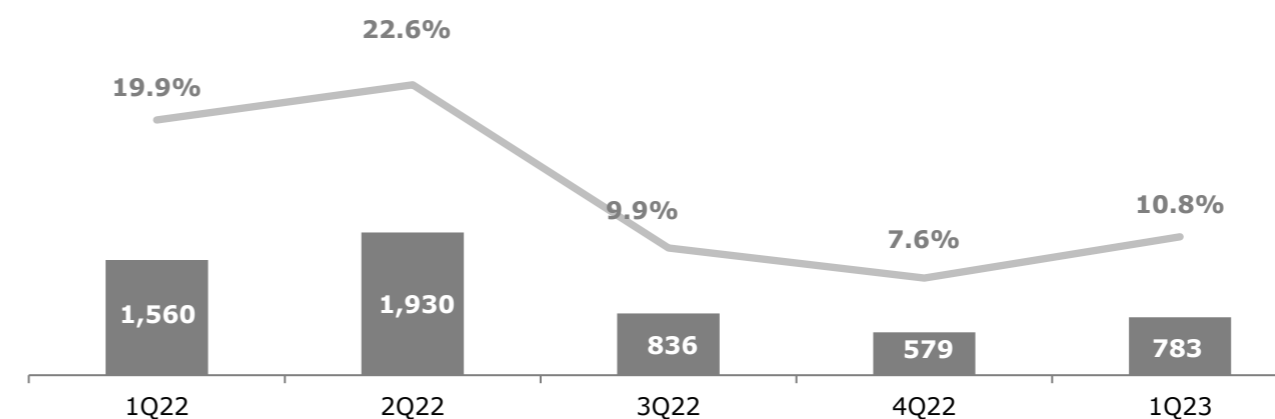
# Results

(R\$ Million, except otherwise indicated)

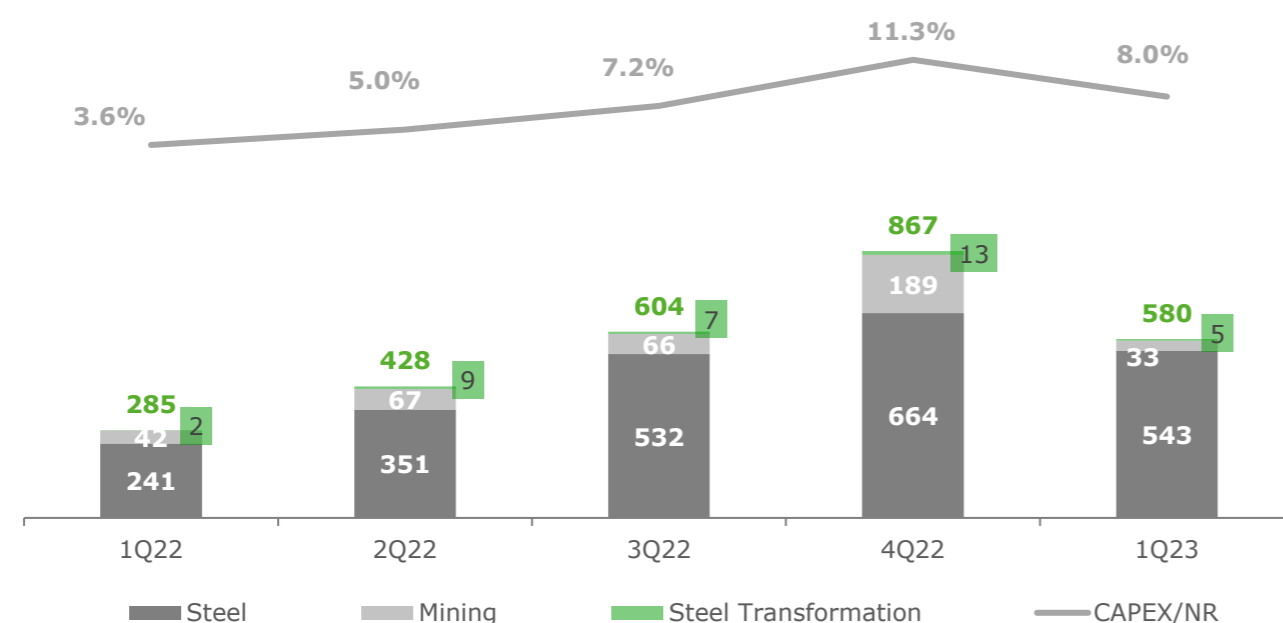
## Net Revenues



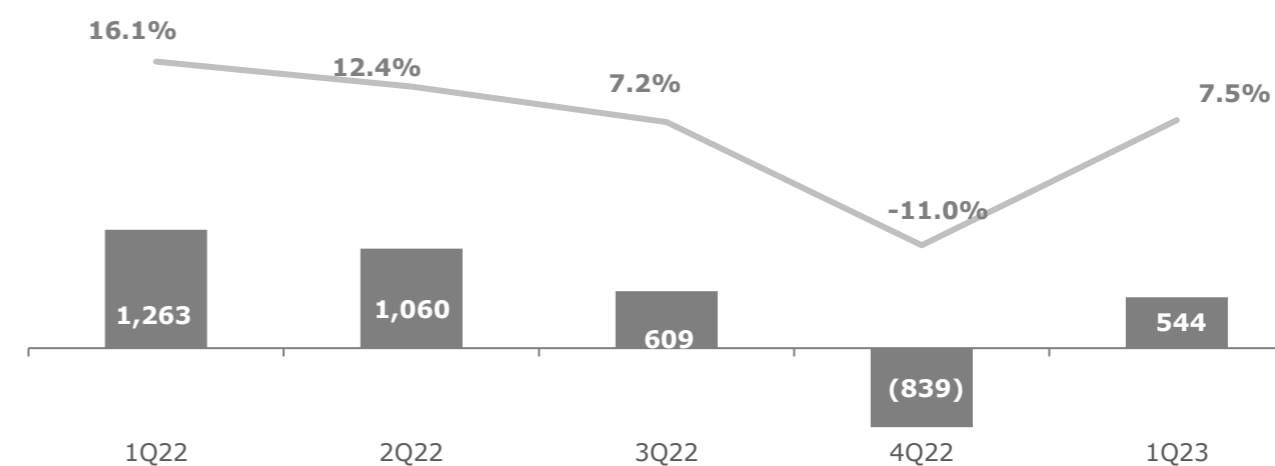
## Adjusted EBITDA and Adjusted EBITDA Margin



## Capex and Capex as % of Net Revenues



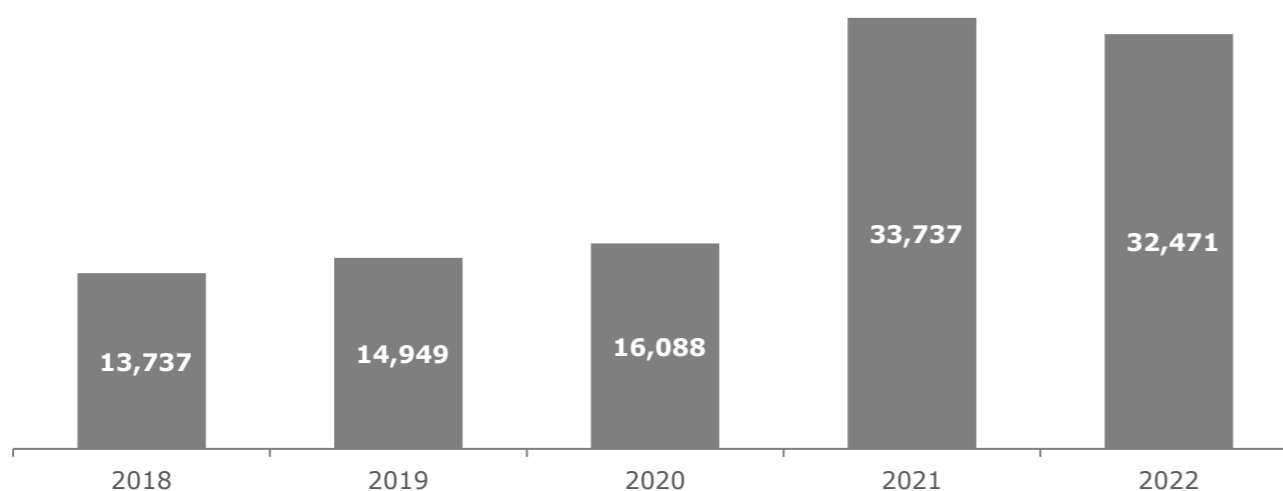
## Net Income and Net Margin



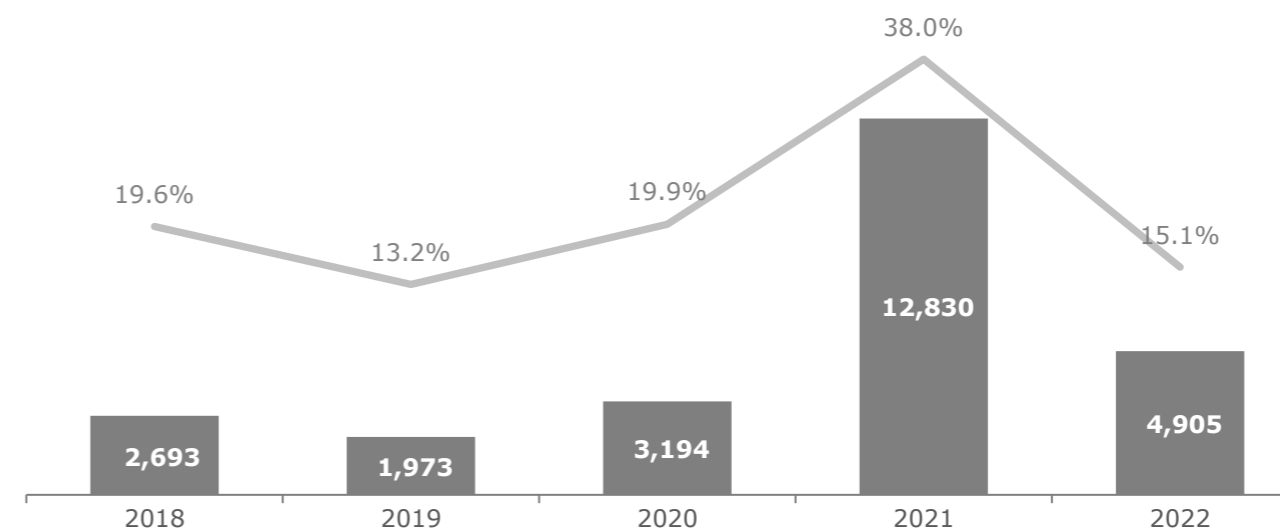
# Results

(R\$ Million, except otherwise indicated)

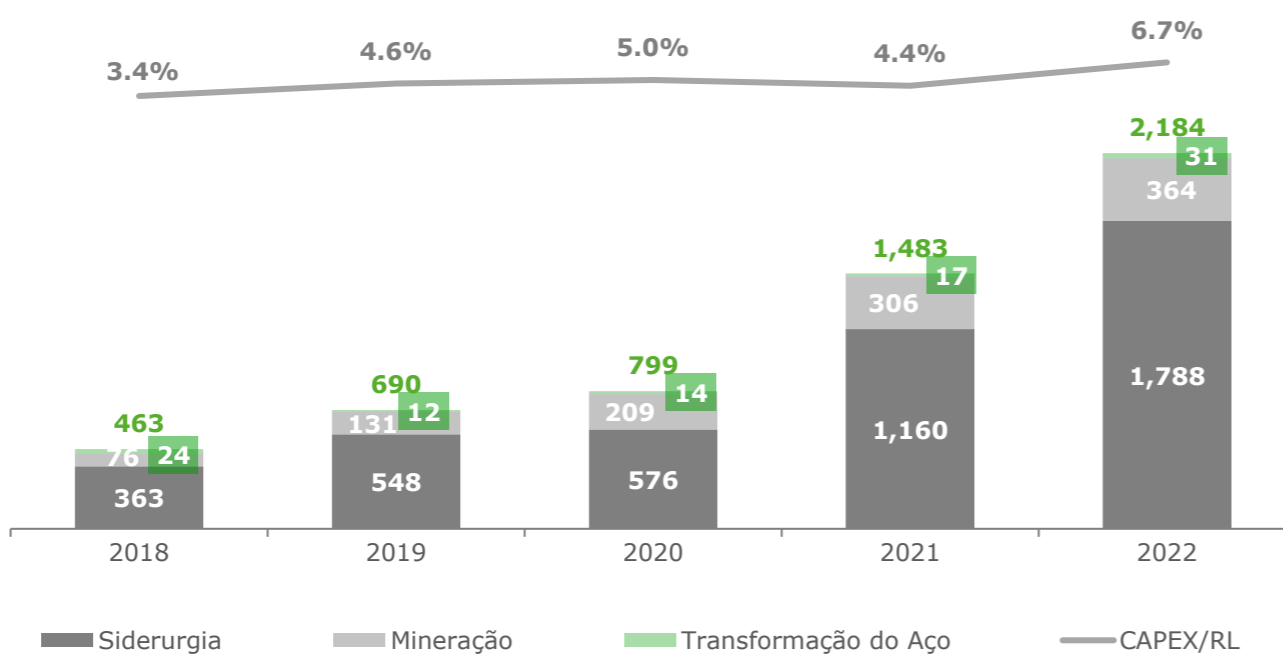
## Net Revenues



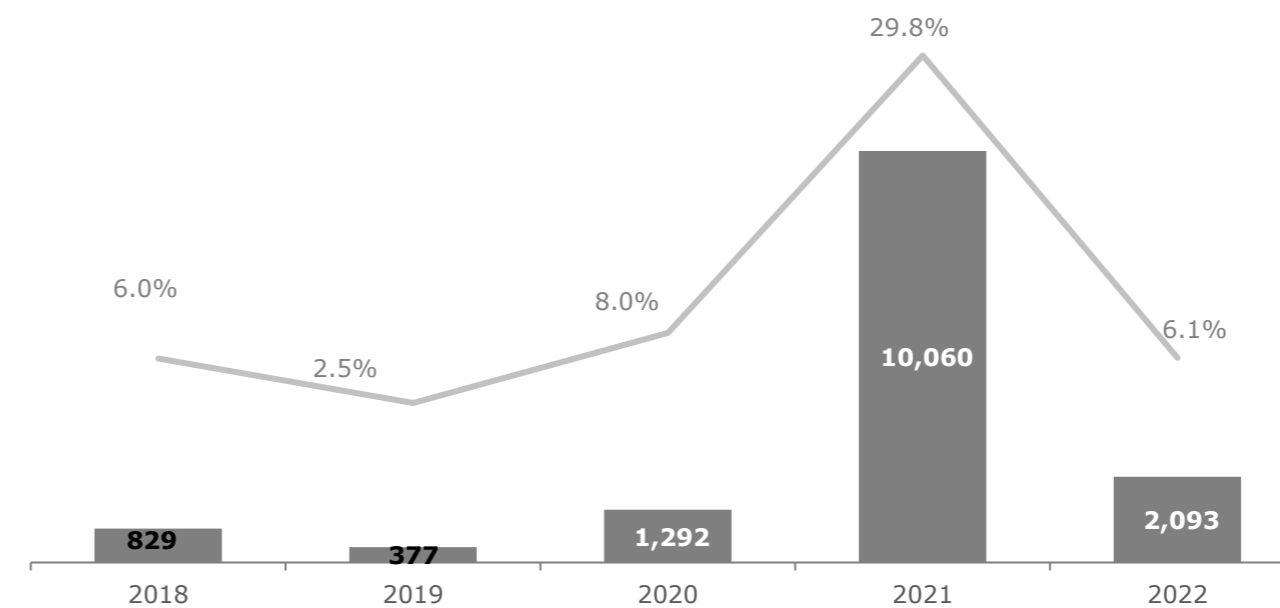
## Adjusted EBITDA and Adjusted EBITDA Margin



## Capex and Capex as % of Net Revenues



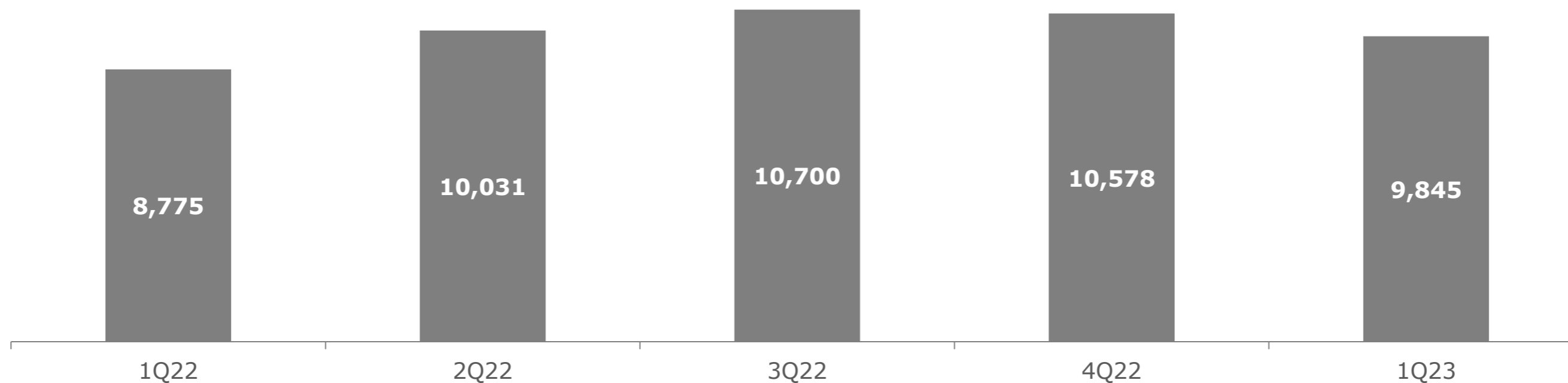
## Net Income and Net Margin



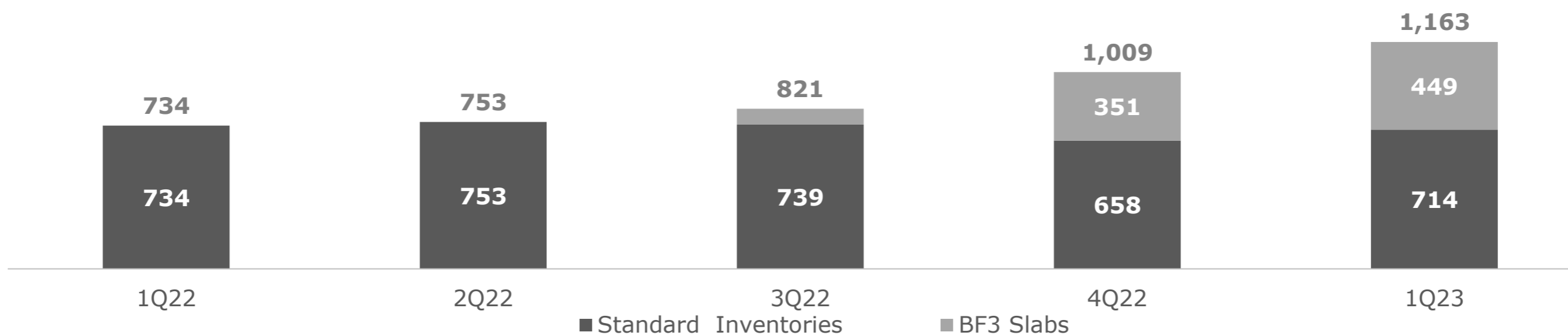
# Results

## Financial Results

### Working Capital (R\$ million)



### Working Capital – Steel inventories (Thousand tons)



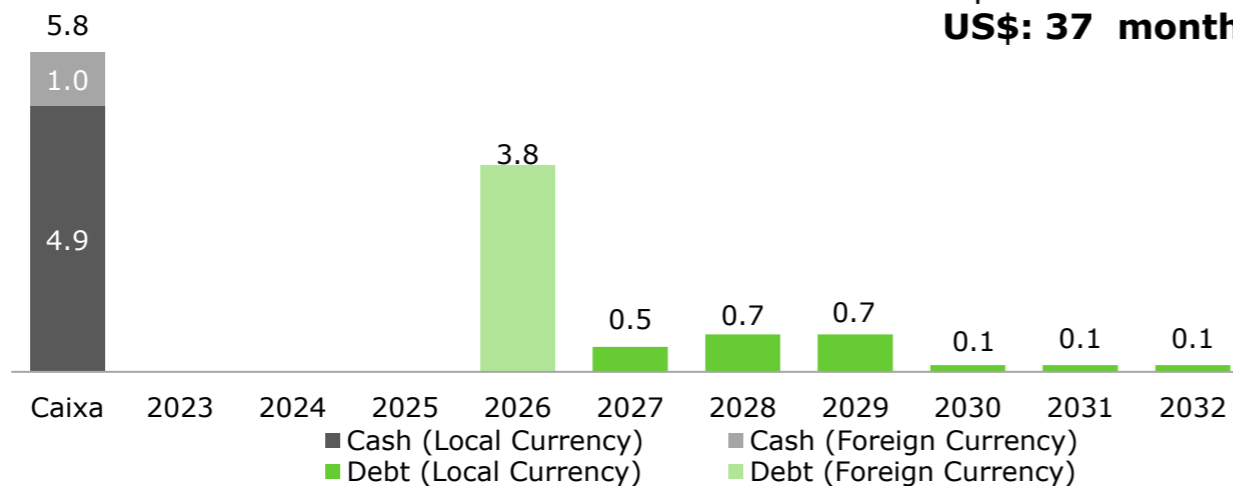
# Liquidity and Indebtedness

(R\$ billion)

## Debt Repayment Schedule

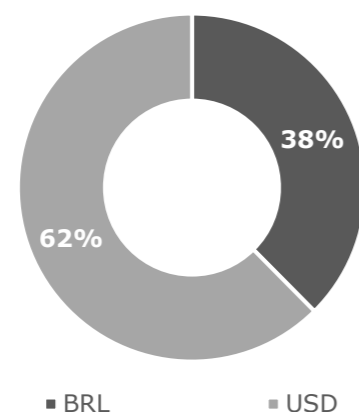
Current cash position covers close to all debt until 2028

Duration: R\$: 49 months  
US\$: 37 months



## Debt Profile by Category

### Total Debt

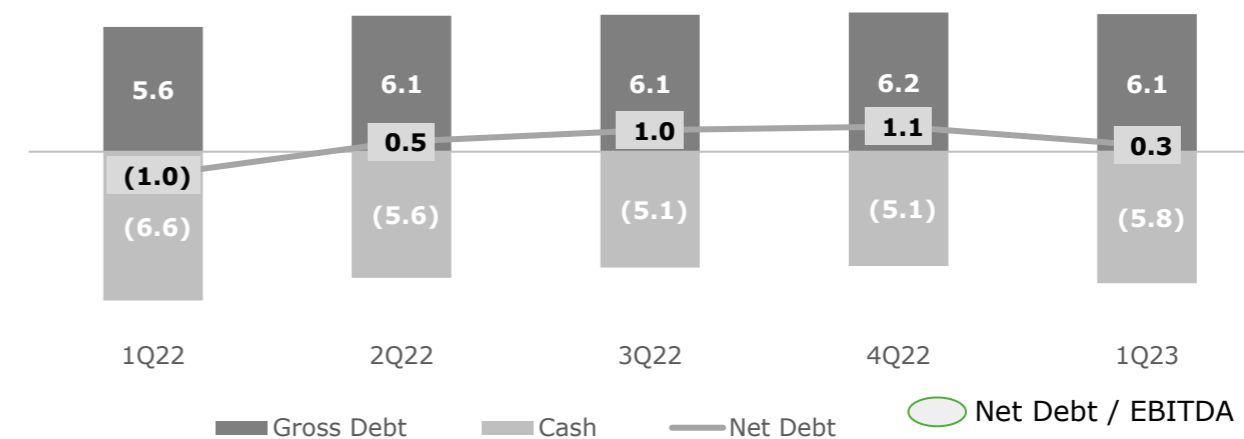


### Cost of Debt

Local Currency	CDI + 1.50%
	CDI + 1.70%
	CDI + 1.45%
	CDI + 1.65%
	CDI + 1.95%
Foreing Curency	5.875%

## Cash Position and Indebtedness

-0.09x    0.05x    0.14x    0.23x    0.07x



## 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:

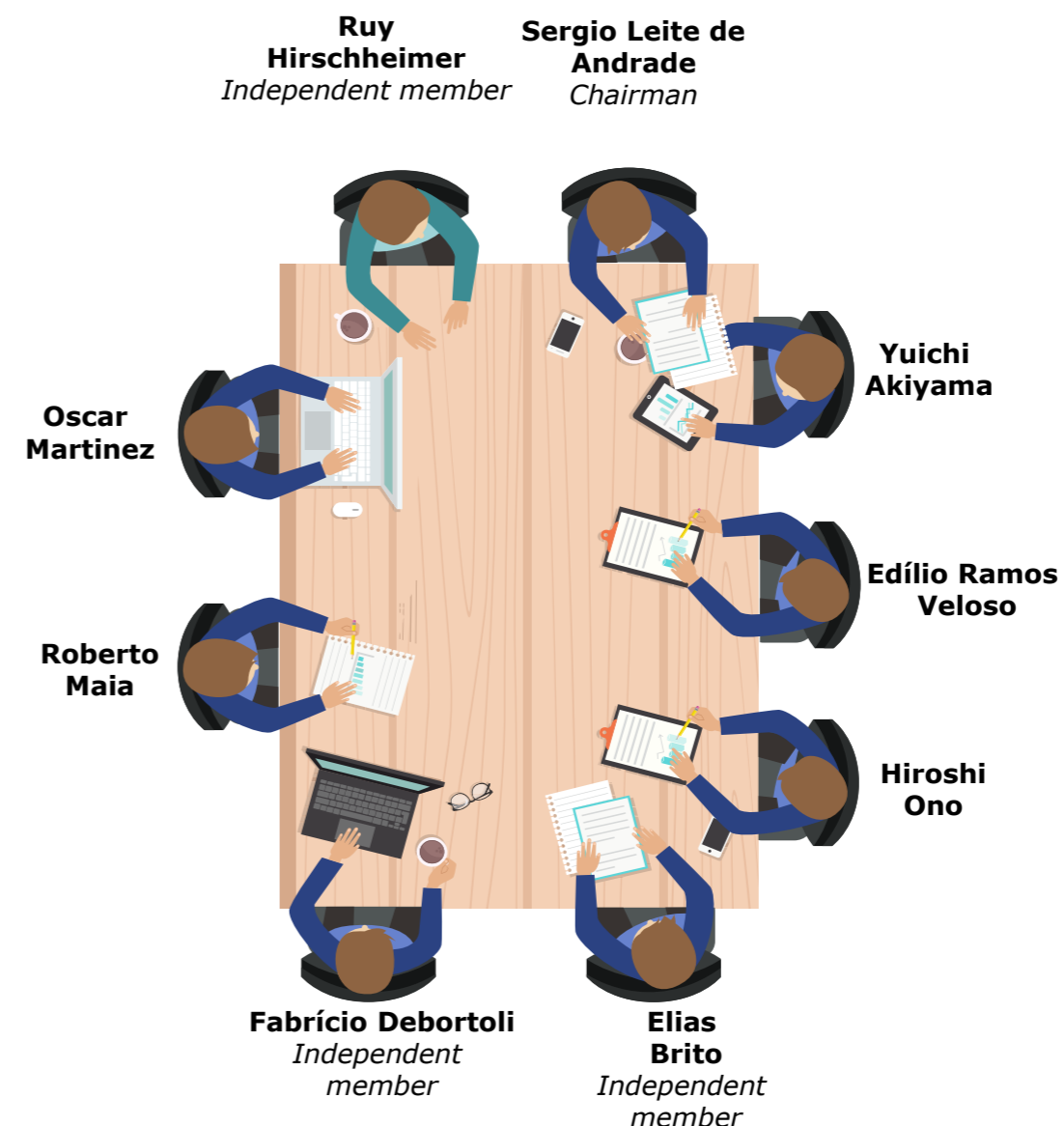
- ✓ Human Resources Committee
- ✓ Audit Committee

### 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 No 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) **USIMINAS**

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	✓ Policy of on the Remuneration of the Members of the Board of Officers
✓ Competition Policy	✓ Policy of Contracting of Extra-audit Services
✓ Policy of Conflict of Interests and Transactions with Related Parties	✓ Policy of Disclosure of Information and Negotiation with Securities
✓ Policy of Rewards, Gifts and Hospitalitys	
✓ Policy of Sponsorship and Donations	
✓ Policy of Relationship with Third Intermediary Parties	

*Approved by the Board of Directors in October 2018*

# AGENDA

1

**Usiminas**

2

**Pillars of Usiminas' Management**

**People**

**Clients**

**Results**

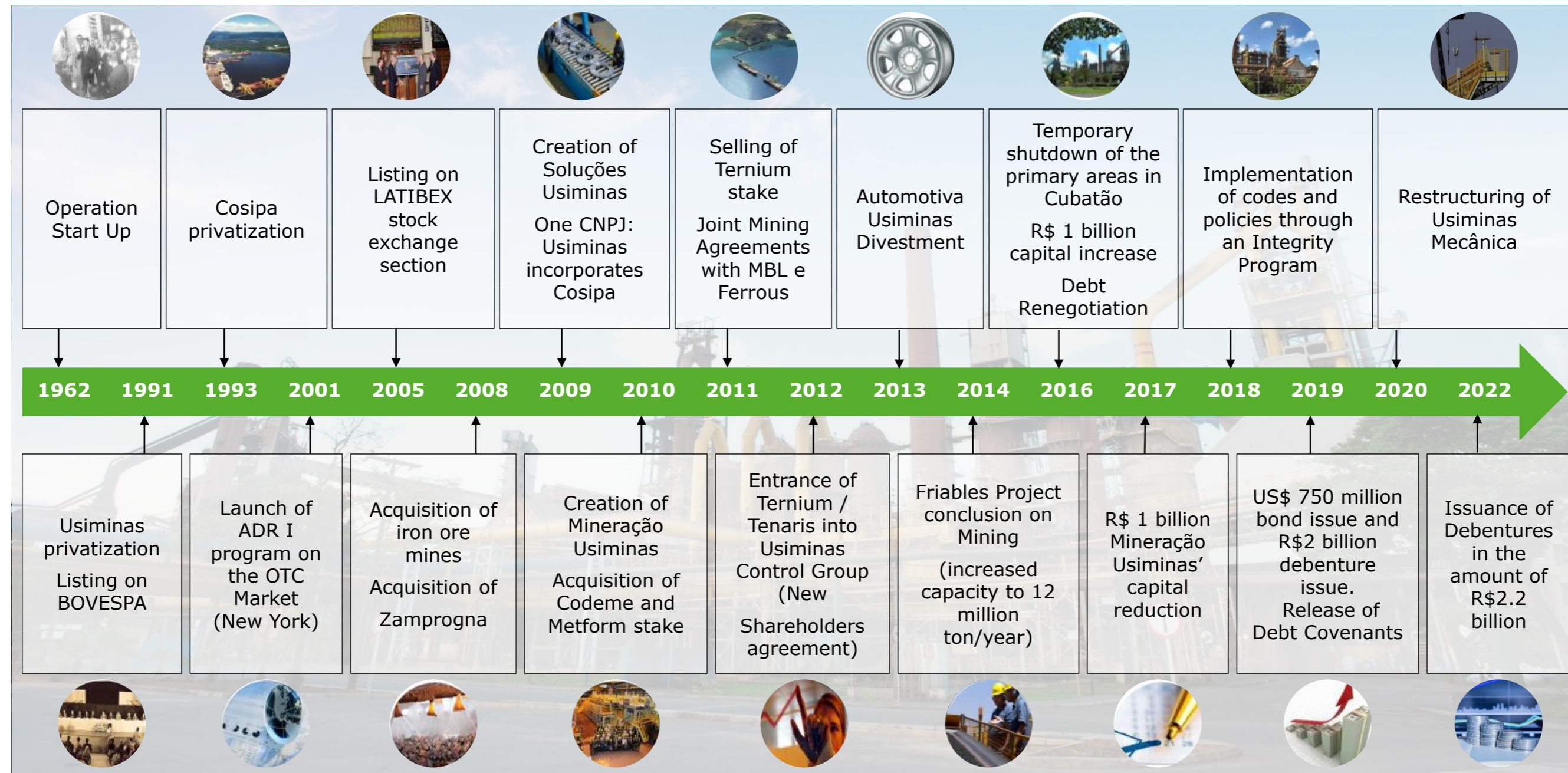
3

**Governance and Highlights**

4

**Appendix**

# Over Half a Century of Leadership



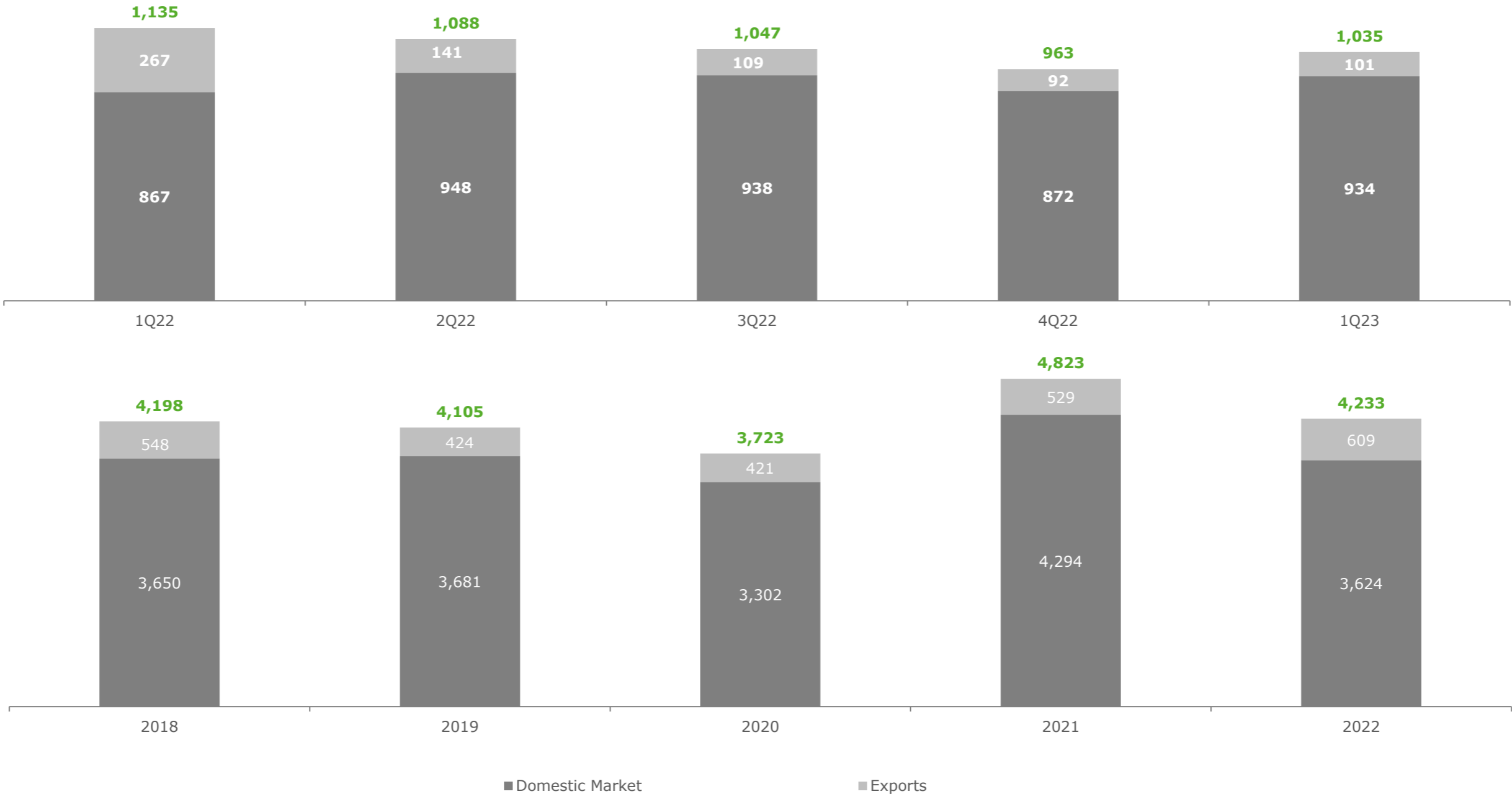
1

# 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

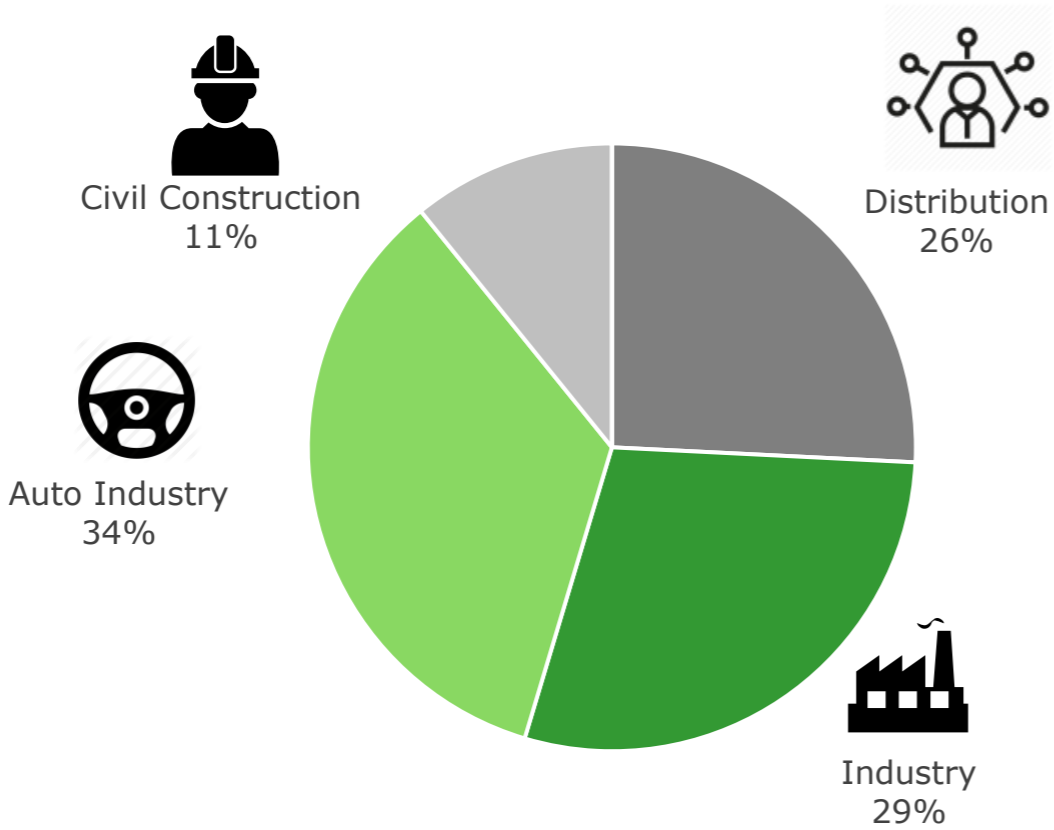
Sales Volumes – Steel – (Thousand Tons – Quarterly)



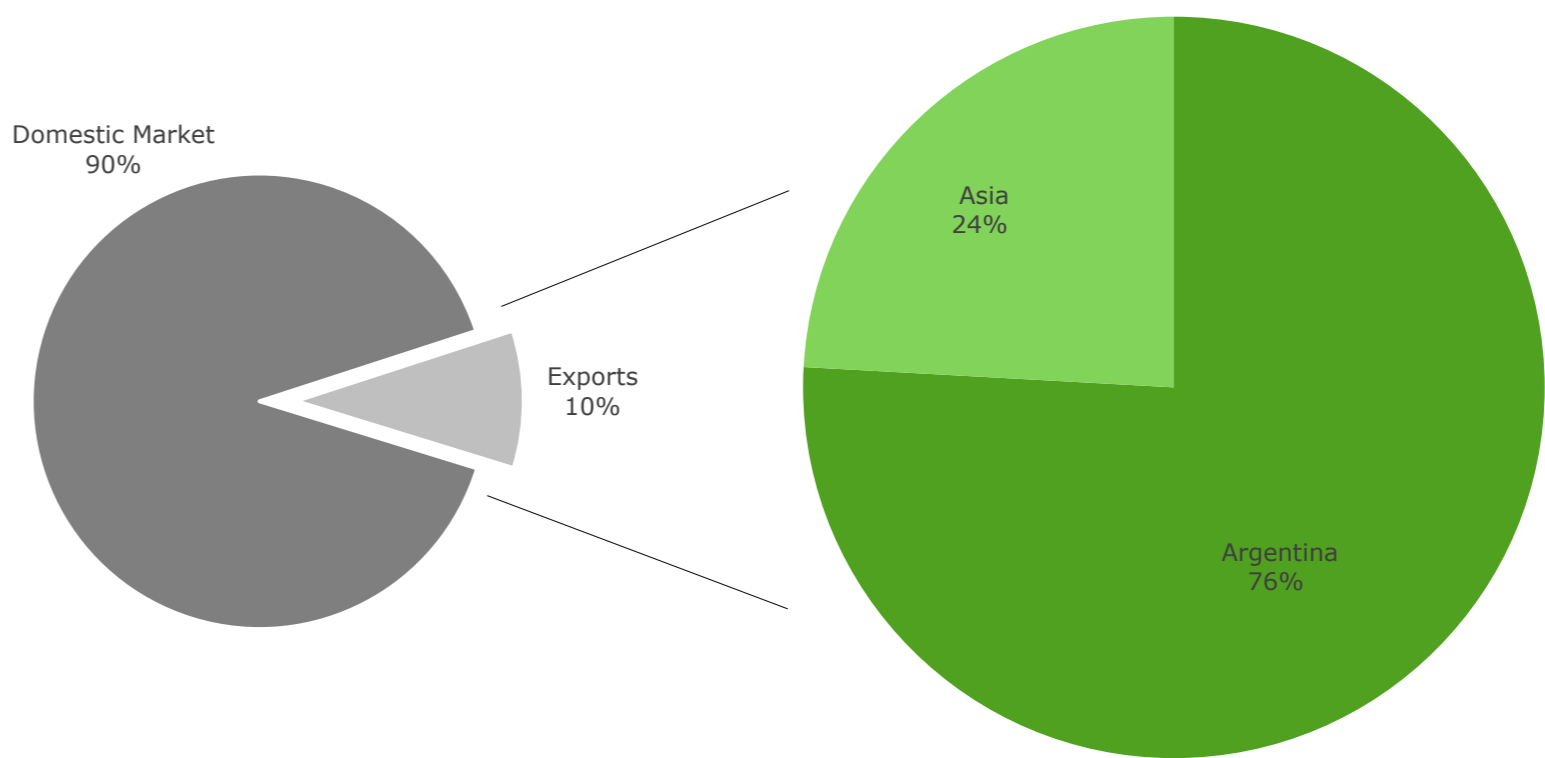
# Diversification Across Products and Markets

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, 1Q23, Domestic Market



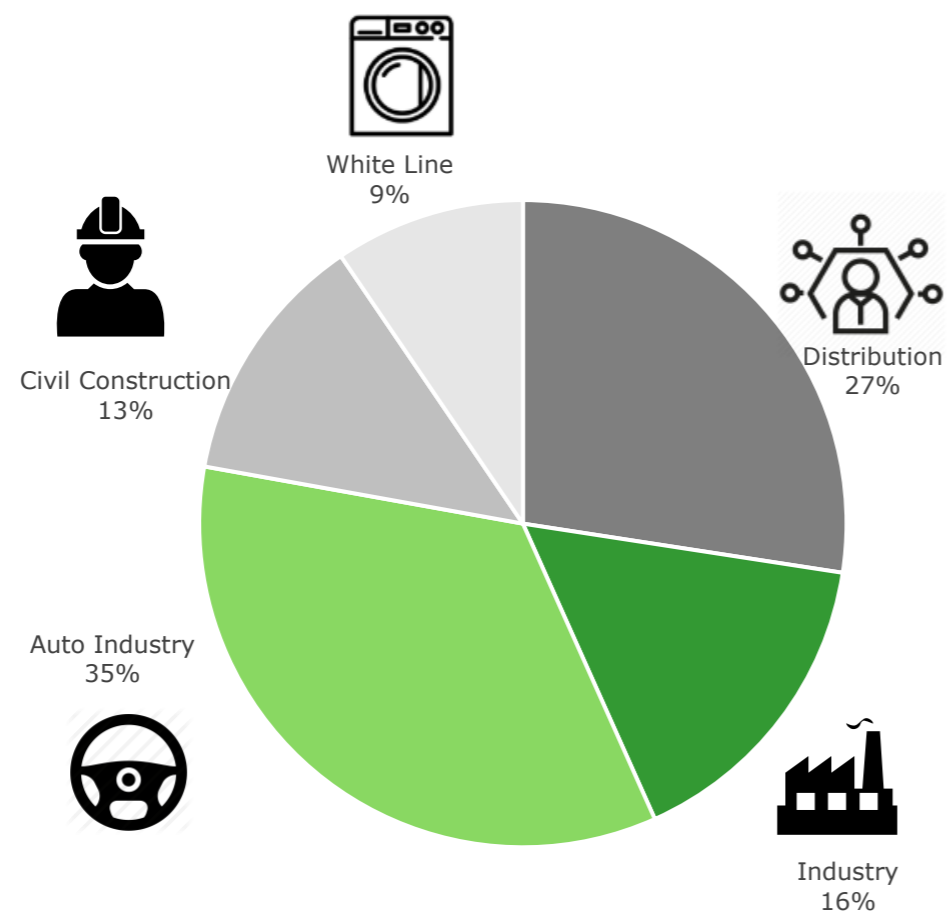
Revenues by Country Share of Net Revenue, 1Q23, Steel



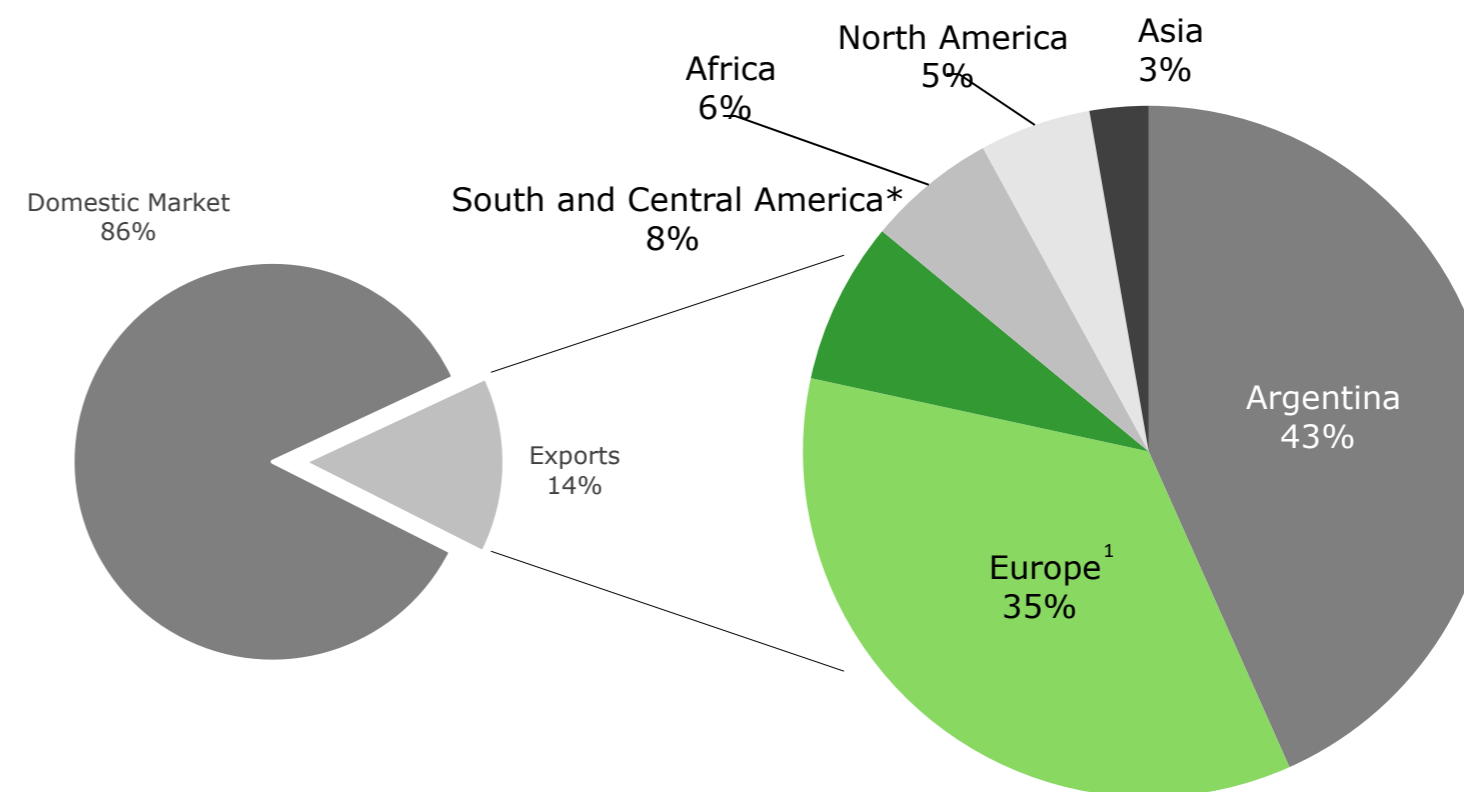
# Diversification Across Products and Markets

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



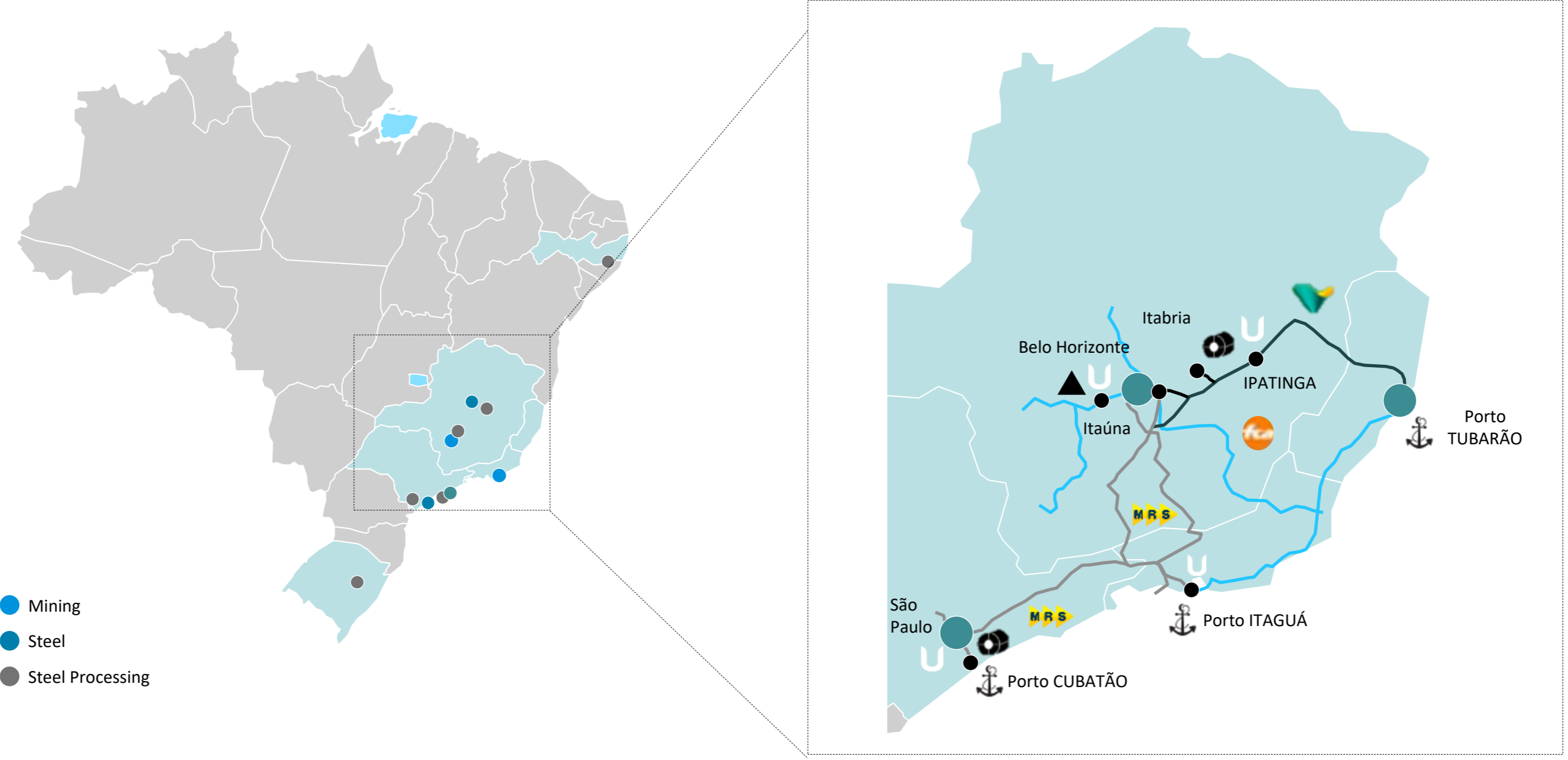
<sup>1</sup> Europe includes: Germany, Belgium, Spain, UK, Portugal, Switzerland, Italy, Netherlands and Luxembourg.

3

# 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 Hospitalitys
- ✓ 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





**Employee**  
*Investments in professional training and safety prove the ongoing commitment to the qualification, development and life of our people*

 <b>More than 800 thousand hours of training</b> average of 78.7 hours per employee in 2021	 <b>473 Apprentices</b> monitoring and training of apprentices at the company's first entry level	 <b>100%</b> of our employees performed a <b>performance evaluation</b> in 2021	 <b>"Mãos Seguras"</b> <b>627</b> hand safety devices created in 2021
--	--	---	--

**Social**  
*The company's sponsorship policy planned and executed by the Institute favors projects that promote inclusion, training and human development*

 <b>Inauguration of the Usiminas Memory Center</b> in Ipatinga (MG), with a collection of more than <b>300 works of art</b>	 More than <b>R\$75 million</b> allocated to <b>124</b> social, sports and cultural <b>projects</b> throughout Brazil in 2021	 <b>Construction of the Libertas Hospital</b> in Belo Horizonte (MG) scheduled to open in 2023	 <b>VOU – Usiminas volunteers</b> <b>964</b> registered employees and <b>12,181</b> items donated in 2021
--	--	---	---

**Environmental**  
*We believe that innovation and sustainability are essential to ensure that we continue to do business and stay competitive*

 <b>1.97 million tons</b> of recycled materials reused	 <b>12,500</b> tree seedlings produced in the nursery, <b>5,000</b> of which were planted	 <b>94,7%</b> of the water in the steel manufacturing process at Usiminas is recirculated	 <b>1.4 thousand springs preserved</b> by the Caminhos do Vale program
--	---	---	--

# 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\$m million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	10/23	4Q22	10/23	4Q22	10/23	4Q22	10/23	4Q22	10/23	4Q22
Net Revenue	784	812	6,390	6,569	2,134	2,203	(2,052)	(1,925)	7,255	7,660
Domestic Market	212	178	5,773	5,809	2,131	2,199	(2,052)	(1,925)	6,063	6,261
Exports	572	634	617	761	3	5	-	-	1,192	1,399
COGS	(493)	(596)	(5,875)	(6,182)	(2,054)	(2,126)	2,051	2,018	(6,370)	(6,887)
Gross Profit or Loss	291	216	516	387	80	77	(2)	92	885	773
Operating Income and Expenses	(106)	191	(258)	(1,992)	(25)	(39)	(1)	(21)	(389)	(1,861)
Selling	(65)	(73)	(39)	(43)	(5)	(10)	-	-	(109)	(126)
General and Administrative	(12)	(11)	(114)	(144)	(19)	(21)	5	5	(140)	(171)
Other Operating Income and expenses, Net	(30)	274	(104)	(1,804)	(2)	(7)	(6)	(26)	(141)	(1,564)
EBIT	185	407	258	(1,605)	55	39	(2)	72	495	(1,088)
Depreciation and amortization	68	57	179	175	10	12	(9)	(9)	249	234
Equity in the results of investees	19	32	206	424	-	-	(179)	(391)	45	65
<b>EBITDA (Instruction CVM 527)</b>	<b>271</b>	<b>496</b>	<b>643</b>	<b>(1,006)</b>	<b>65</b>	<b>50</b>	<b>(190)</b>	<b>(328)</b>	<b>789</b>	<b>(788)</b>
<b>EBITDA Margin</b>	<b>34.6%</b>	<b>61.0%</b>	<b>10.1%</b>	<b>-15.3%</b>	<b>3.1%</b>	<b>2.3%</b>	<b>9.3%</b>	<b>17.0%</b>	<b>10.9%</b>	<b>-10.3%</b>
<b>Adjusted EBITDA</b>	<b>254</b>	<b>171</b>	<b>438</b>	<b>264</b>	<b>65</b>	<b>50</b>	<b>25</b>	<b>93</b>	<b>783</b>	<b>579</b>
<b>Adj. EBITDA Margin</b>	<b>32.4%</b>	<b>21.1%</b>	<b>6.9%</b>	<b>4.0%</b>	<b>3.1%</b>	<b>2.3%</b>	<b>-1.2%</b>	<b>-4.9%</b>	<b>10.8%</b>	<b>7.6%</b>

\*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\$m, 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.

# Environmental, Social and Governance (ESG)

GOALS	SDG
Conducting a GHG inventory at Soluções Usiminas by 09/30/2023	
Objective of Zero Accidents, in compliance with the Strategic Safety Plan, with a focus on achieving a Safety Index of 1.0	 
Improvement in the General Customer Satisfaction Index	
Reach 18% of women in leadership positions by 2023	
Donation of 100% of the steel aggregate generated in 2023 to the Caminhos do Vale program	
Sustainability in the supply chain, strengthening relationships and reducing risks at 75% of strategic suppliers	
Strengthening relationships with formal and community leaders in Vale do Aço and Baixada Santista	
Adhesion of Mineração Usiminas to the Brazilian GHG Protocol Program	



ADR  
Nível I



**Leonardo Karam Rosa**  
*Head of IR*  
*leonardo.rosa@usiminas.com*  
*Tel: 55 31 3499-8550*

**Felipe Gabriel P. Rodrigues**  
*IR Analyst*  
*f.gabriel@usiminas.com*  
*Tel: 55 31 3499-8710*

**João Victor T. Ferreira**  
*IR Analyst*  
*Joao.vferreira@usiminas.com*  
*Tel: 55 31 3499-8178*

**[www.usiminas.com/ri](http://www.usiminas.com/ri)**

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.