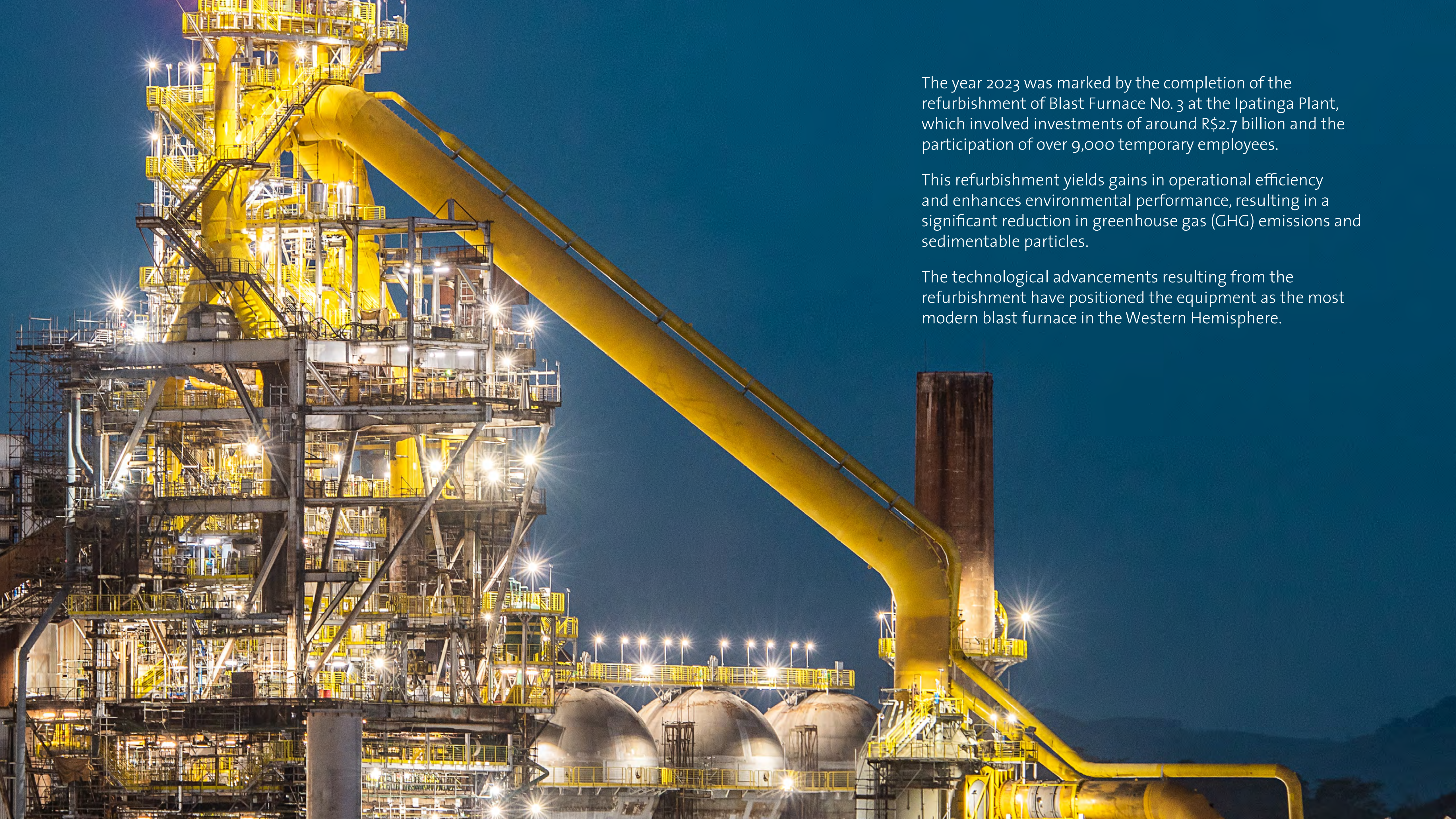




ANNUAL
SUSTAINABILITY
REPORT
2023

USIMINAS



The year 2023 was marked by the completion of the refurbishment of Blast Furnace No. 3 at the Ipatinga Plant, which involved investments of around R\$2.7 billion and the participation of over 9,000 temporary employees.

This refurbishment yields gains in operational efficiency and enhances environmental performance, resulting in a significant reduction in greenhouse gas (GHG) emissions and sedimentable particles.

The technological advancements resulting from the refurbishment have positioned the equipment as the most modern blast furnace in the Western Hemisphere.

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Introduction

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Usiminas' Sustainability Report is an annual publication that presents the organization's performance from January 1 to December 31, 2023, adhering to the guidelines of the most comprehensive and internationally recognized sustainability reporting standard, the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) Iron & Steel Producers e Metal & Mining; and the Task Force on Climate-related Financial Disclosures (TCFD).

This report highlights Usiminas' accomplishments in sustainable development, showcasing initiatives that create positive impacts for stakeholders and society as a whole, encompassing management, strategy, projects, goals, and indicators across governance, social, environmental, and economic-financial realms.

Notably, the report delves into Usiminas' Material Topics, which steer the organization's efforts toward maximizing the positive outcomes stemming from its activities.

The development of Usiminas' materiality and information related to the Material Topics are outlined in Chapter 1, under the section titled "Sustainability at Usiminas."

Throughout this document, references to Usiminas – encompassing the Usiminas Group, Company, or organization – include a consortium of companies whose data was collated and analyzed for this report.

- > **Usiminas S.A.**
- > **Unigal Usiminas Ltda.**
- > **Usiminas Mecânica S.A.**
- > **Mineração Usiminas S.A. (MUSA)**
- > **Soluções Usiminas S.A.**

The report is endorsed by the Board of Directors and undergoes external verification by LRQA.

At the document's conclusion is the GRI Content Summary, containing information compliant with GRI guidelines, arranged according to the methodology's numbering system. Additionally, historical data series are provided for reference.

For further inquiries or information regarding the report's content, please contact sustentabilidade@usiminas.com

Message from the Board of Directors

GRI 2-22

THE COMMITMENT TO SUSTAINABILITY STOOD AS A CORNERSTONE OF USIMINAS' OPERATIONS IN 2023.

Concern for people and the environment has been ingrained in Usiminas' history and values since its inception. Notably, our focus extends to our community, employees, the value chain, and nature. Now, we are called to broaden our perspective. Given the reality of climate change, we bear a responsibility to the entire world, from our children to future generations. It is imperative that we contemplate the future and strive to leave a better world for humanity and all living beings.

As a steel industry leader, we recognize that our operations drive investments and economic growth. However, we also acknowledge their environmental impact, particularly in terms of greenhouse gas (GHG) emissions, which is a pressing global concern. Hence, it is imperative that we scrutinize our environmental management and investments, aiming to mitigate these impacts and envisioning an increasingly sustainable and beneficial business model for the planet.

The year 2023 marks a significant milestone in Usiminas' history: the commencement of our journey towards decarbonization.

Our journey kicks off with the completion of the refurbishment of Blast Furnace No. 3 and the resumption of its operations. This landmark project, the largest undertaken by Usiminas in the past decade and our most substantial investment cycle to date, totaling R\$3 billion, has yielded state-of-the-art steelmaking equipment. Blast Furnace No. 3.0 stands as the epitome of modern steelmaking technology, efficiency, and performance, poised to enhance productivity while concurrently reducing CO2 emissions.

We are poised to advance further along this trajectory. In addition to Blast Furnace No. 3, our decarbonization initiative encompasses novel solutions for the production process and the harnessing of energy from renewable sources such as solar and biomass.



Beyond our environmental obligations, we uphold a social commitment to neighboring communities and our employees. Each day, we endeavor to uphold this bond by fostering income generation, employment opportunities, workforce development, and a plethora of social, educational, sporting, and cultural endeavors. These efforts invigorate the local economy and establish a legacy for future generations. We recognize that transparent dialogue is imperative to achieve this, alongside the cultivation of our economic and financial well-being, which is underpinned by effective governance and a business strategy aligned with the interests of all stakeholders.

Usiminas holds membership in B3's Corporate Sustainability Index (ISE). Our company is the only representative of the steel industry in this index, which evaluates companies based on their corporate sustainability, taking into account economic efficiency, environmental balance, social justice, and governance criteria. This underscores our ongoing commitment to enhancing governance practices, updating policies, and fortifying commitments and programs to solidify a management approach centered on sustainability and the ESG Agenda.

Ensuring the health and safety of our employees and all individuals involved in our operations remains a steadfast commitment that warrants continual attention. Management has always prioritized this aspect due to the inherent risks associated with our operations. Embracing the belief that there is always room for improvement and adopting a stance that prioritizes safeguarding lives are foundational principles guiding our ongoing efforts to enhance workplace safety.

Today, there is a growing societal expectation for large industries to provide more comprehensive responses. Customers and the market are increasingly seeking commitments to reducing environmental impacts and mitigating risks. They seek assurance regarding our efforts to deliver "green steel." In the current landscape, simply increasing production capacity is insufficient; instead, there is a pressing need to enhance the quality and technological sophistication of our steel production, striving to deliver superior products with minimal environmental impact. Our longstanding tradition of research and development, bolstered by a world-class Research Center, empowers us to deliver the finest products to the market while illuminating the pathways toward sustainable steel production

so that steel, a 100% recyclable material known for its strength and resilience, can also become synonymous with sustainability.

I INVITE READERS TO EXPLORE THE ACHIEVEMENTS WE HAVE MADE IN 2023 ON THIS JOURNEY TOWARDS CONSTRUCTING A BETTER WORLD FOR FUTURE GENERATIONS.

Alberto Ono
Chairman of Usiminas
Board of Directors



Letter from the CEO

GRI 2-22

FOCUS ON INDUSTRIAL EXCELLENCE TO ADVANCE SUSTAINABILITY.

2023 marked a pivotal year in Usiminas' history with the completion of the Blast Furnace No. 3 overhaul and the development of our Decarbonization Pathway, deepening our commitment to industrial modernization through state-of-the-art technology and meticulous project execution. These milestones underscore the Company's dedication to operational efficiency and competitiveness, with a keen focus on environmental and social impacts, benefiting both employees and neighboring communities. These elements are pivotal in our operations, as evidenced in Usiminas' materiality assessment. Our commitment to each of these aspects ensures the results that generate sustainable value for all our stakeholders.

As part of our decarbonization agenda, we have advanced in the internal monitoring of greenhouse gas (GHG) emissions in both steelmaking and mining operations. Through the collaboration of various teams and departments, we formulated a 2023 roadmap incorporating energy efficiency, enhancement of raw material mixes, optimization of metallic loads, and increased use of biomass, among other strategies, as foundations for Usiminas to meet established targets while maintaining operational excellence. In the upcoming years, Usiminas will initiate significant transformation projects in Ipatinga, Cubatão, and Mining to further the decarbonization of our operations, increase the value-added of our products, and enhance productivity and efficiency, continuing to compete with the world's leading plants across a diverse product range.

In this context, Blast Furnace No. 3 bolsters Usiminas' capacity to boost our efficiency, producing products with reduced energy consumption and emissions. As the Company's most significant investment in recent years, this will produce favorable results for all stakeholders, particularly our customers. We have invested in nurturing close relationships with those who best understand our products. By jointly crafting the most appropriate market solutions – increasingly technological steels tailored to the specific needs of each sector, with a reduced carbon footprint in both the production process and lifecycle — we are fostering a sustainability agenda that encompasses the entire value chain and will enhance the effectiveness of the decarbonization initiatives we propose.

WE ARE COMMITTED TO SUSTAINABLE INDUSTRIAL DEVELOPMENT IN BRAZIL.

Brazil features a clean energy matrix, high-quality human resources, and an abundant supply of raw materials. To be a leader in this emerging cycle, it is crucial to foster conditions that enhance the efficiency and competitiveness of the industrial system. Companies, including Usiminas, are investing in greater operational efficiency. This necessitates boosting productivity, investing in technology, and integrating digital tools throughout all management facets. These measures are vital for competing effectively and ensuring high-quality services and products throughout the value chain. Moreover, we must remember that our most valuable asset is our people. Therefore, ongoing training, addressing employees' needs, fostering motivation, and instilling pride in representing Usiminas are central to our transformation agenda.

This vision of collaborative development also embraces another significant stakeholder for Usiminas: the community. As we grow and expand our sustainable operations, we bring the community along. In recent years, notably in 2023, the city of Ipatinga welcomed the Blast Furnace No. 3 overhaul project. Over 60% of the jobs generated were local, and a considerable portion of the investment spurred economic growth in the region.

We aspire to be good neighbors. This focus pervades all our community interactions. We must remain engaged to demonstrate our actions that propel Usiminas' sustainability forward, enhancing both our environmental performance and our social agenda. Our focus on social investment is education, and we have already begun initiating projects that will positively influence the regions where we operate. Usiminas is firmly committed to this endeavor.

Marcelo Chara
CEO



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USIMINAS' highlights of 2023

61 years
IN OPERATION



13,928
direct employees and
11,512 contractors

EBITDA:
BRL 1.8 billion

Steel sales:
4.0 million
tons

IN IRON ORE SALES:
9.1 million
tons

NET REVENUE

- DOMESTIC MARKET 81%
- FOREIGN MARKET 19%



BRL 3 billion
in investments,
the highest amount
since 2010

B3's Corporate
Sustainability Index
portfolio (ISE B3)

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Company Overview

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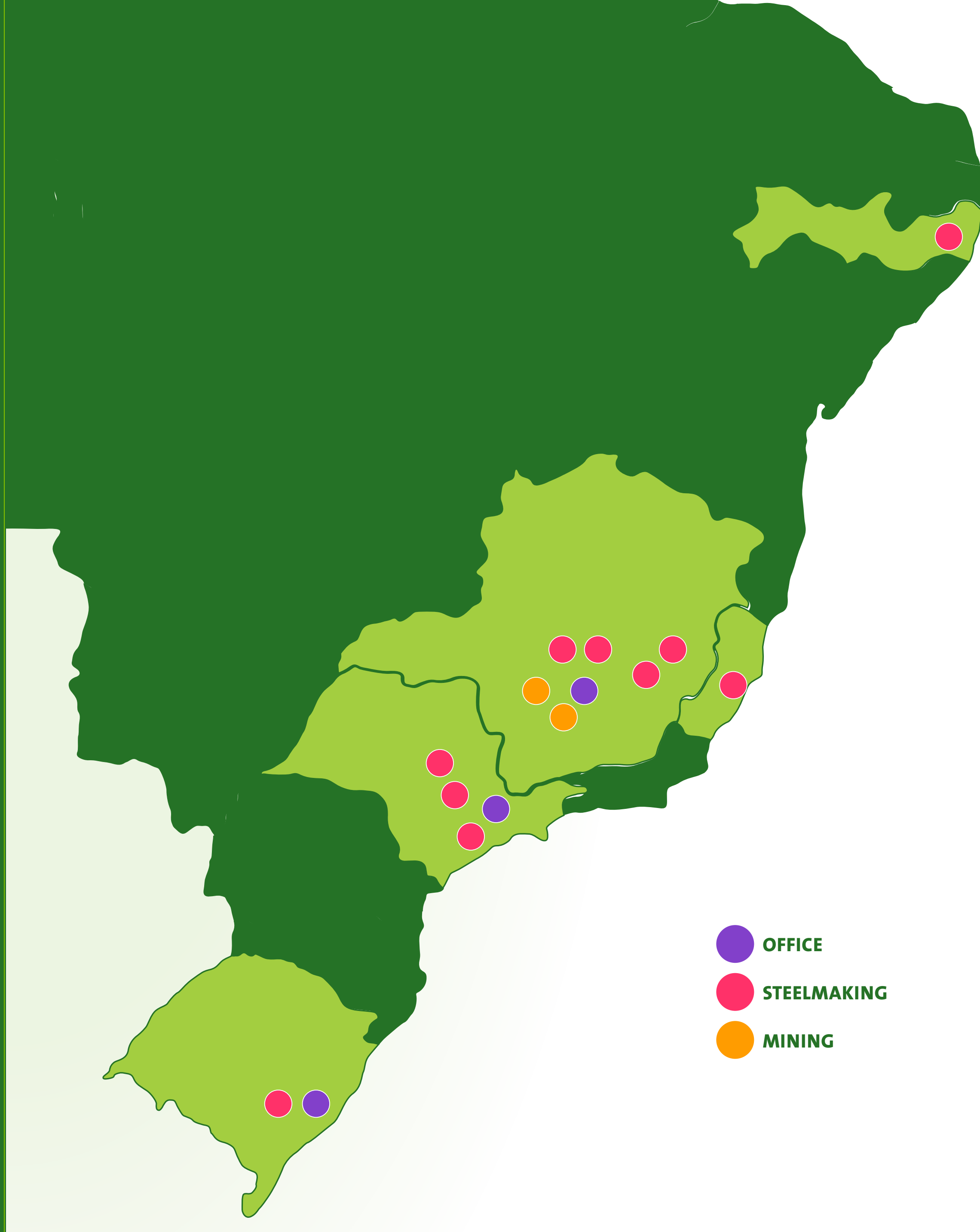
Usiminas – Usinas Siderúrgicas de Minas Gerais S.A. – stands as the national leader in the flat steel market, operating from ore extraction to steel production and its subsequent transformation.

Established in 1956 in Belo Horizonte/MG, where its headquarters remain, Usiminas commenced operations in 1962 with the inauguration of the Ipatinga Plant, located in the heart of Minas Gerais. This plant stands as one of the largest flat steel industrial complexes in Latin America. In 1991, Usiminas became the first Brazilian state-owned company to undergo privatization.

This pivotal transition marked the onset of significant growth and market consolidation as the company proceeded to acquire and integrate mining, steelmaking, distribution, and steel processing companies into its portfolio.

With a presence across various regions of Brazil, Usiminas sets a benchmark in the steel industry, offering integrated, tailor-made solutions that provide customers with products and services crucial to all stages of production chains.

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Through its operations, **USIMINAS IMPACTS THE LIVES OF MILLIONS OF BRAZILIANS**, directly through the results of its activities and economic contributions within its value chain, and indirectly by fostering the country's development.

BELO HORIZONTE/MG

- Usiminas Headquarters

IPATINGA/MG

- Operating Unit / UNIGAL / Usiminas Mecânica / Soluções Usiminas

ITATIAIUÇU/MG

- West Mine and Central Mine

MATEUS LEME/MG

- East Mine

BETIM/MG

- Operating Unit / Distribution Center

SANTA LUZIA/MG

- Operating Unit / Distribution Center

SÃO PAULO/SP

- Office

GUARULHOS/SP

- Operating Unit / Distribution Center

CUBATÃO/SP

- Operating Unit / Maritime Terminal

TAUBATÉ/SP

- Operating Unit / Distribution Center

PORTO ALEGRE/RS

- Office / Operating Unit / Distribution Center

VITÓRIA/ES

- Maritime Terminal

CABO DE SANTO AGOSTINHO/PE

- Operating Unit / Distribution Center

- OFFICE
- STEELMAKING
- MINING

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Organizational Culture

In its pursuit of excellence and the sharing of results, Usiminas operates with a commitment to sustainability and social responsibility.

Since its inception, Usiminas' organizational culture has been driven by a commitment to the sustainable development of society. The company's core principle is to create value for all stakeholders through the provision of quality products and services to customers, yielding returns for shareholders, fostering the personal and professional growth of its employees, implementing projects in the communities where it operates, managing and mitigating environmental and social impacts, and contributing to society by creating jobs and paying taxes.



OUR VISION

To be a reference in quality and management within the steel industry, focusing on people, customers and the generation of sustainable, safe results.

OUR VALUES



SAFETY

Usiminas is committed to reducing accident incidents to zero and prioritizes this goal in all daily activities. To foster awareness and engagement among employees, the company implements initiatives to strengthen a culture of safety and self-care. Usiminas has also invested heavily in training programs and courses in order to have an increasingly qualified team to carry out their activities properly and safely. Safety is paramount at all Usiminas facilities.



PEOPLE

Usiminas believes in and trusts its people. With a team of skilled professionals, the company promotes cooperation and commitment; it values each individual's contributions and potential and supports their professional development and growth. Efforts are continuously made to enhance the work environment and humanize workspaces, with a strong emphasis on respecting diversity. Respect and appreciation create a pleasant and fulfilling work atmosphere.



CUSTOMERS

Customer focus motivates every aspect of Usiminas' operations. By thoroughly understanding and maintaining close relationships with customers across various sectors, the company fosters robust, enduring partnerships characterized by mutual benefits. At Usiminas, there is a constant drive to learn and innovate, allowing the development of tailored products that preemptively meet each customer's needs. Together with partners and customers, day by day, Usiminas has been building the future it aspires.



RESULTS

Usiminas is committed to achieving outstanding results through rigorous collective and individual goals. The Company enhances its competitive edge in both domestic and foreign markets through agile decision-making, fiscal prudence, and bureaucratic simplification. Ultimately, achieving excellent results is critical for Usiminas' sustainability and growth.



QUALITY

Our focus is on excellence. Usiminas is dedicated to customer satisfaction, striving to secure their loyalty by fulfilling agreed-upon requirements and surpassing expectations. This commitment to quality involves training professionals, understanding customer needs, and crafting innovative, customized solutions, always with a focus on quality.



The Usiminas' DNA

- > **Protecting life**, through effective and perceived leadership, which consistently manifests safe and responsible behavior in all situations. Fostering ethics and sustainable development in conducting business, as well as acting transparently with all stakeholders, in addition to disseminating compliance culture and practices.
- > Ensuring **compliance with legal and other defined requirements** applicable to people, processes, products, and facilities.
- > Pursuing **customer satisfaction**, winning their loyalty, meeting agreed requirements, and offering technologically-advanced products and services, as well as identifying and managing the risks that may affect meeting said requirements.
- > Identifying and evaluating **environmental aspects**, acting preventively on significant impacts, as well as implementing pollution prevention practices or technologies, the efficient use of natural and energy resources, the mitigation of greenhouse gas emissions, and the improvement of environmental and energy performance.
- > Identifying hazards **and controlling risks of accidents and illnesses** in all facilities, processes and activities, protecting own and outsourced employees as well as other stakeholders through operational discipline, management and technological tools, and process safety.
- > Performing **laboratory activities** with impartiality and in compliance with regulatory requirements, customer specifications, regulatory and accreditation authorities, in addition to monitoring performance through inter-laboratory comparisons and/or proficiency testing.
- > Identifying **and controlling risks that may compromise confidentiality**, integrity and/or availability of information assets, aiming to ensure the Company's performance and operational continuity.
- > Creating a **fertile environment for innovation**, by inspiring, developing, appreciating and respecting diversity inside and outside the workplace, so that people can develop professionally and personally, ramping up their performance through commitment, skills development and openness to the new.

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Business and Strategy

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SASB EM-IS-000.A | SASB EM-IS-000.B

Usiminas' companies operate through two main segments:

 **STEELMAKING**



 **MINING**





STEELMAKING

The steelmaking division of Usiminas produces and markets a variety of flat steel products, including slabs, heavy plates, hot-rolled, uncoated cold-rolled, coated hot-dip galvanized, and electro-galvanized steel.

This range of steel products serves crucial industrial sectors across both domestic and international markets. The division's ability to produce diverse types of steel enhances its flexibility to meet the varied requirements of customers from multiple sectors.

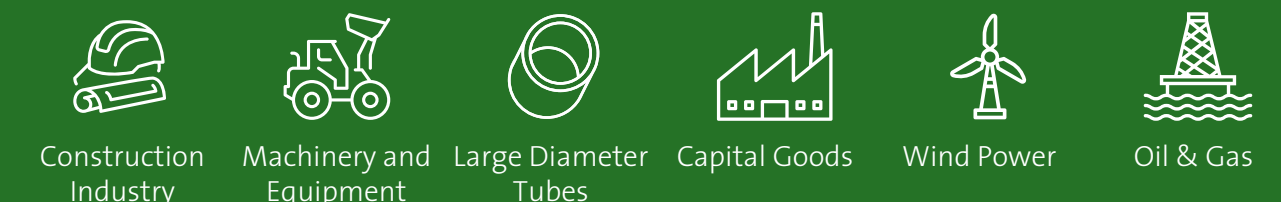
Operational facilities within this segment include two steel mills located in Ipatinga (MG) and Cubatão (SP), boasting a combined crude steel production capacity of 5 million tons per year. The segment also encompasses:

- > **Unigal:** Specializes in transforming cold-rolled coils into hot-dip galvanized coils.
- > **Soluções Usiminas:** Handles the processing of steel products and functions as a distribution hub.
- > **Usiminas Mecânica:** Provides maintenance and industrial assembly services.

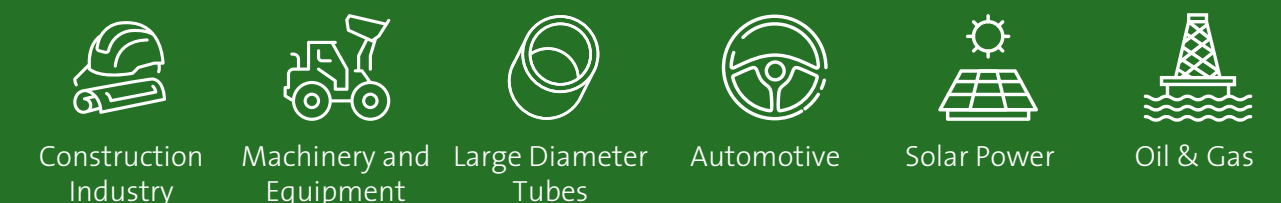
The logistics network supporting this segment comprises five distribution centers, seven customer warehouses, and two ports strategically positioned across the southeast, northeast, and south regions of Brazil to optimally serve its primary clientele.



Thick Plates



Hot Strips



Cold Rolled



Galvanized



Certifications

The steel plants in Ipatinga and Cubatão hold certifications in **ISO 9001, ISO 14001, ISO 4500 and IATF 16949.**



Research and Development Center (CP&D)

GRI 3-3

Located in Ipatinga (MG), Usiminas' Research and Development Center (CP&D) is dedicated to generating, mastering, and applying scientific and technological knowledge to gain competitive advantages for the organization. Operating for 52 years, the Center serves as a cornerstone for Usiminas' technological advancements. The knowledge produced there is utilized in various areas:

> **PRODUCT DEVELOPMENT** Creation of new steels and enhancement of existing ones.
In 2023, the R&D Centre developed or optimized 13 types of steel;

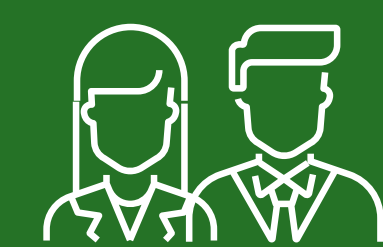
> **APPLICATION ENGINEERING** Studying the behavior of steels in service and providing technical support to customers.
In 2023, over 70 studies were conducted to ensure the optimal utilization of Usiminas steels;

> **IMPROVING INDUSTRIAL STEELMAKING PROCESSES**

> **IDENTIFYING AND EVALUATING NEW TECHNOLOGIES**

 **BRL 24.2 million**
INVESTED IN R&D IN 2023

 **315 R&D studies**
COMPLETED IN 2023



84 professionals involved, INCLUDING RESEARCHERS, TECHNICIANS, AND LABORATORY STAFF:
29 hold completed higher education degrees, comprising three with PhDs and 21 with master's degrees.

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Highlights of the R&D Center in 2023

> Development of a New High-Strength Steel

A pioneering high-strength cold-rolled steel (AHSS) has been successfully developed on a pilot scale. This steel exhibits superior total elongation, excellent fatigue resistance, and other properties essential for applications requiring high mechanical strength and robust flanging capacity, such as structural components in car bodies. Furthermore, this innovative steel holds the promise of reducing greenhouse gas emissions by decreasing the weight of combustion vehicles, subsequently lowering fuel consumption. Additionally, it enables the safe installation of batteries in hybrid and electric vehicles.

> Alternative Alloy Designs Using Niobium

Innovative alloy designs have been formulated for structural steels, utilizing niobium microadditions to reduce manganese consumption. This substitution not only lowers raw material expenses but also enhances cleanliness, microstructural uniformity, and weldability. Moreover, it reduces greenhouse gas emissions during the steelmaking process by requiring less energy to process in the steel mill.

> Developing New Products with Machine Learning

Leveraging Machine Learning (ML) algorithms, the Research and Development Center has devised a predictive model capable of forecasting material properties. This model aids in the development of new products, both in research and industrial settings. By implementing this model, the aim is to manufacture and

apply steels more efficiently, thereby diminishing the economic and environmental impacts associated with rejections and rework.

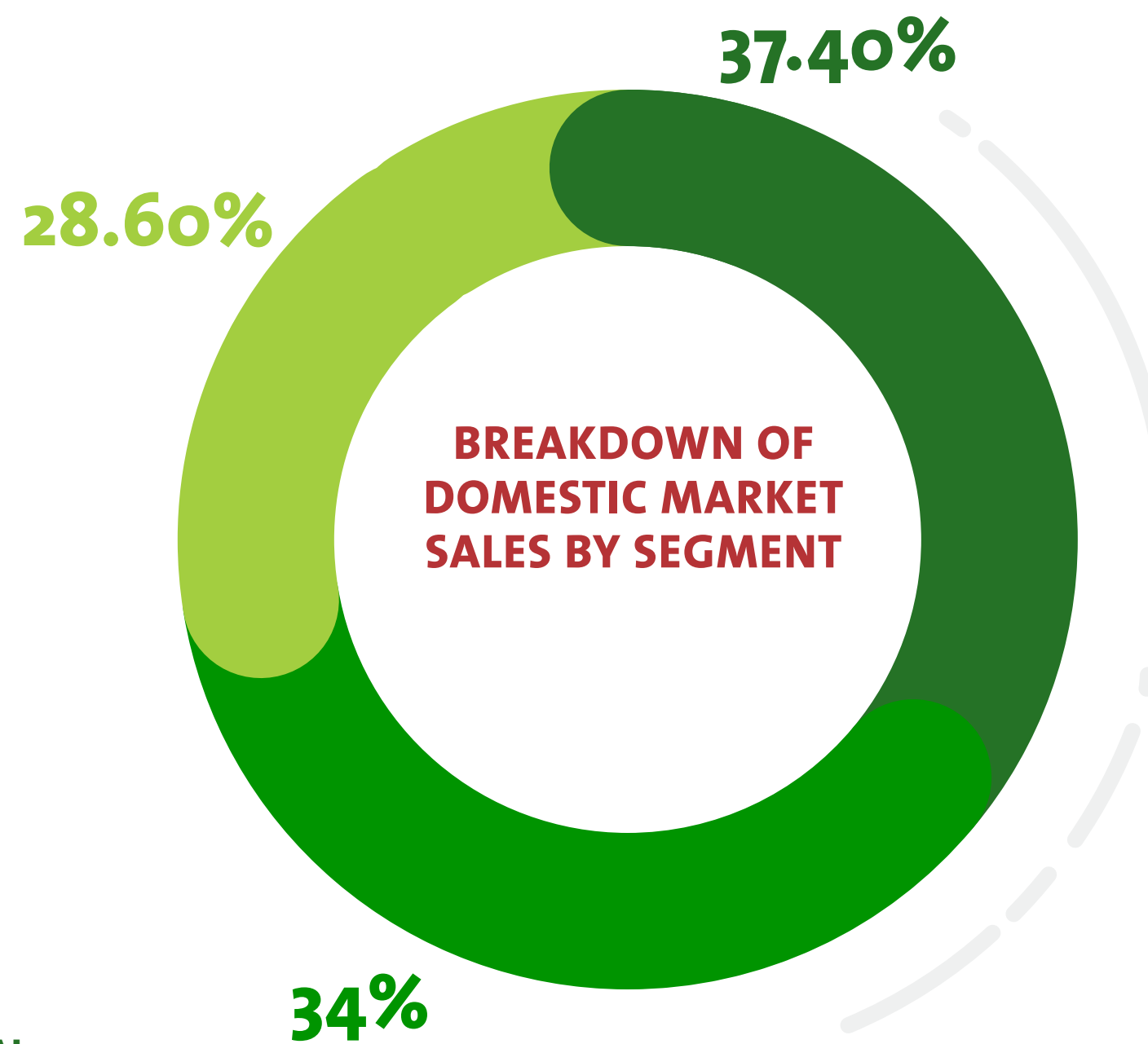
> Efficiency Enhancement in Industrial Processes

A groundbreaking system has been devised to streamline the cooling process of one of the furnaces on the Continuous Annealing Line. Presently, the cooling process from 400°C to 260°C can take up to two hours. However, the newly developed accelerated cooling system facilitates the same temperature drop in a mere 11 minutes. Currently, in the implementation phase, this project is poised to significantly enhance the efficiency and productivity of the line. Anticipated benefits include increased production volume and reduced electricity consumption.

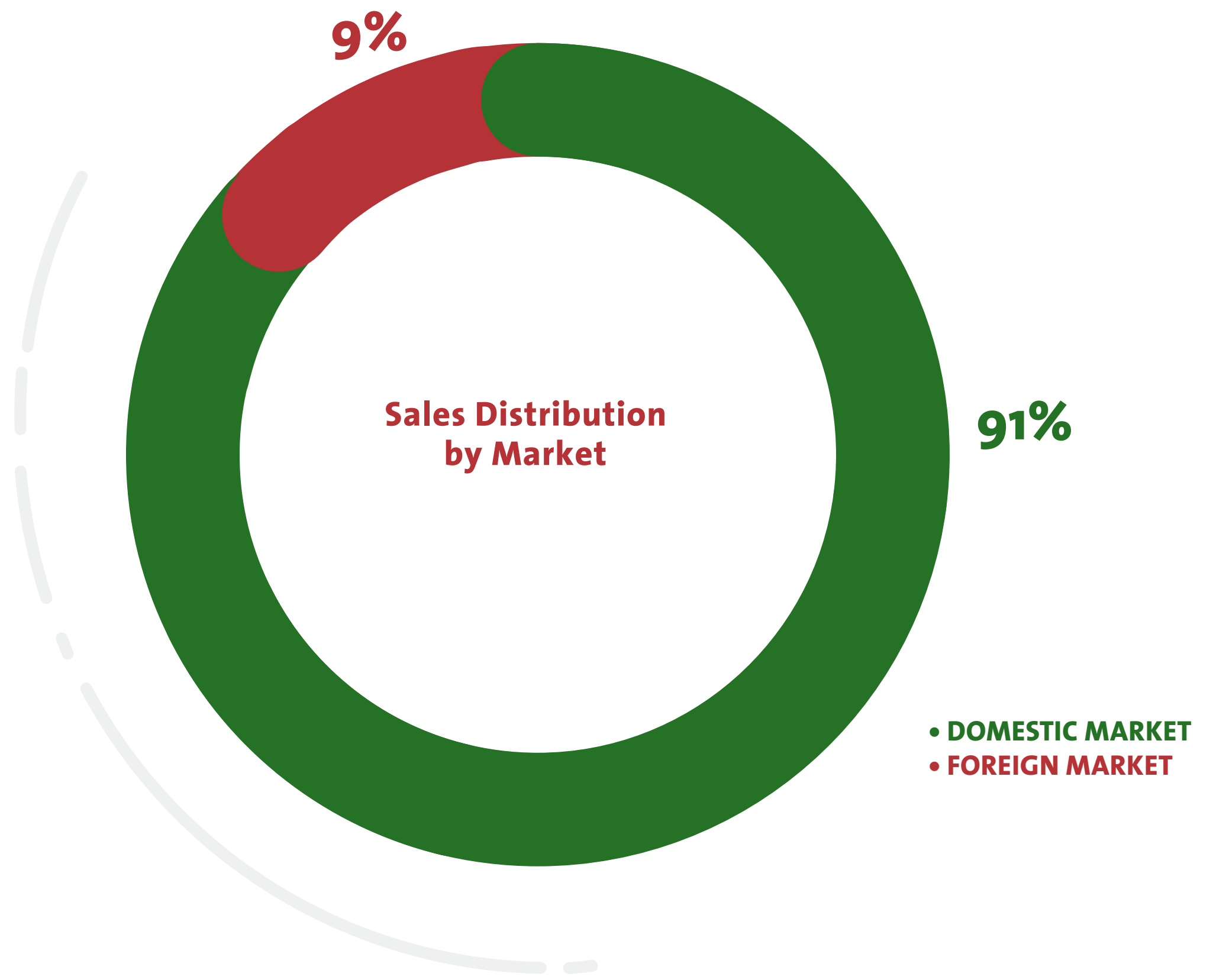
> Sustainable Pig Iron Production

In pursuit of enhanced sustainability, the pig iron production process through blast furnaces stands to benefit from heightened efficiency and productivity, resulting in diminished fuel consumption and operational stability. To realize these objectives, our Research and Development Center is actively engaged in the development of a self-reducing agglomerate (briquette) poised to potentially reduce fuel consumption during pig iron production. Throughout 2023, extensive exploration of briquetting parameters occurred, alongside pilot production of these briquettes, with a keen focus on their physical robustness and metallurgical excellence.

In 2023, the steelmaking sector achieved a sales volume totaling **4.0 million tons of steel.**



- INDUSTRIAL SECTOR
- AUTOMOTIVE
- LARGE RETAIL NETWORKS



- DOMESTIC MARKET
- FOREIGN MARKET



BLAST FURNACE NO. 3

The revamping of Blast Furnace No. 3 at the Ipatinga plant concluded in 2023 after **six years of planning** and **investments totaling around BRL 2.7 billion**.

The overhaul entailed the replacement of the entire furnace structure, originally inaugurated in 1974, resulting in enhanced operational efficiency and improved environmental performance, notably with a **significant reduction in greenhouse gas (GHG) and particulate emissions (black dust)**.

The revamped equipment now boasts improved distribution of metal and fuel

loads. The modernization and replacement of environmental equipment have enabled enhanced performance and control through the integration of real-time monitoring capabilities.

Associated projects and improvements to Blast Furnace No. 3 include:

- > Replacement and modernization of one of the converters;
- > Modernization of environmental systems;
- > Enhanced efficiency in cleaning gases generated in the steel mills;

- > Improvement in the dedusting process;
- > More efficient processing of all pig iron produced in Blast Furnace No. 3;
- > Preventive and significant maintenance of 100% of environmental equipment in the sintering area.

The technological advancements resulting from the refurbishment have positioned the equipment as the most modern blast furnace in the Western Hemisphere.

During the renovation, Usiminas stimulated the local economy by generating jobs and income:

 **Over 9,000 temporary jobs, with 60% of them going to residents of the Vale do Aço Region**

 **BRL 400 million invested in the purchase of equipment and materials for the works from suppliers in Vale do Aço**

 **BRL 17 million in ISSQN (Tax on Services of Any Nature) collected**

Blast Furnace No. 3 boasts a production capacity of **3 million tons per year**. **BLAST FURNACE NO. 3** is anticipated to be fully operational by 2024, providing a productivity boost for Usiminas.



SOLUÇÕES USIMINAS

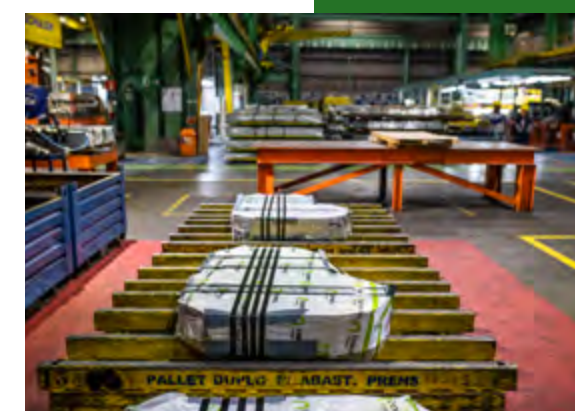


In the fourth quarter of 2023, Soluções em Aço Usiminas S.A. commenced consolidating its performance within the Steel segment. This processing facility offers a diverse array of steel processing and distribution solutions, including rolls, plates, slabs, tubes, profiles, welded assemblies, and blanks. The modern infrastructure of its industrial lines ensures quality and technology tailored for the most demanding sectors of the Brazilian market, such as automotive, agricultural, industrial, white goods, yellow goods, energy, civil construction, and distribution, with a high capacity for service and product customization.

Integration with the market enables the addition of competitiveness to industrial

processes through tailored developments and high service capacity. Soluções Usiminas also offers an online, sales platform, allowing it to serve both companies and end consumers, including individuals.

Today, Soluções Usiminas stands as one of the leading companies in the Brazilian market in flat steel processing, equipped to provide customized products and services in any quantity and format, including volumes below the minimum provided by steel mills, with “just-in-time” service. The proximity of its seven industrial units to major business centers facilitates an efficient logistics process, enabling it to serve the entire Brazilian territory by rail, cabotage, and road.



Markets Served

- Auto Parts and Stamping
- Automotive Sector
- Bicycles and Motorcycles
- Home Appliances
- Energy Sector
- Agricultural and Road Machinery
- Accessibility and Urban Furniture
- Construction Industry

Products

- Coils
- Thick plates
- Hot and cold rolled sheets
- Hot dip galvanized
- Slitters/Rolls
- Blank – regular, angular, shaped, and washed
- Laser-welded assemblies
- Round, square, rectangular, black, and galvanized structural pipes for non-corrosive fluids
- U-shaped steel profiles

Services

- Offline washing
- Cutting of coils, plates, blanks and slitters



Certifications

Soluções Usiminas holds **ISO 9001, ISO 14001, ISO 45001, IATF 16949 e NBR 5580** certifications.

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MINING

SASB EM-MM-000.A

Mineração Usiminas S.A. is engaged in the extraction and processing of iron ore to produce lump ore, sinter feed and pellet feed, which serve as essential raw materials for steel production.

The unit operates in the Serra Azul region, located within the Iron Quadrangle of Minas Gerais, encompassing three mines: Mina Oeste (“West Mine”) and Mina Central (“Central Mine”) in Itatiaiuçu/MG, and Mina Leste (“East Mine”) in Mateus Leme/MG.

These mines were acquired by Usiminas in 2008 to supply ore for the steelmaking operation. The mining company swiftly gained competitiveness in the international market, achieving successive production, sales, and export milestones, thereby solidifying its operational efficiency.

Efficient service to the world’s primary steel markets is facilitated by integrated logistics, managed by contracted carriers and MRS Logística, in which Mineração Usiminas and Usiminas hold shares through UPL (“Usiminas Participação e Logística”). These logistics operations ensure the transportation of products to rail and sea terminals, facilitating delivery to customers, including Usiminas itself.

Results from Mineração Usiminas in 2023:

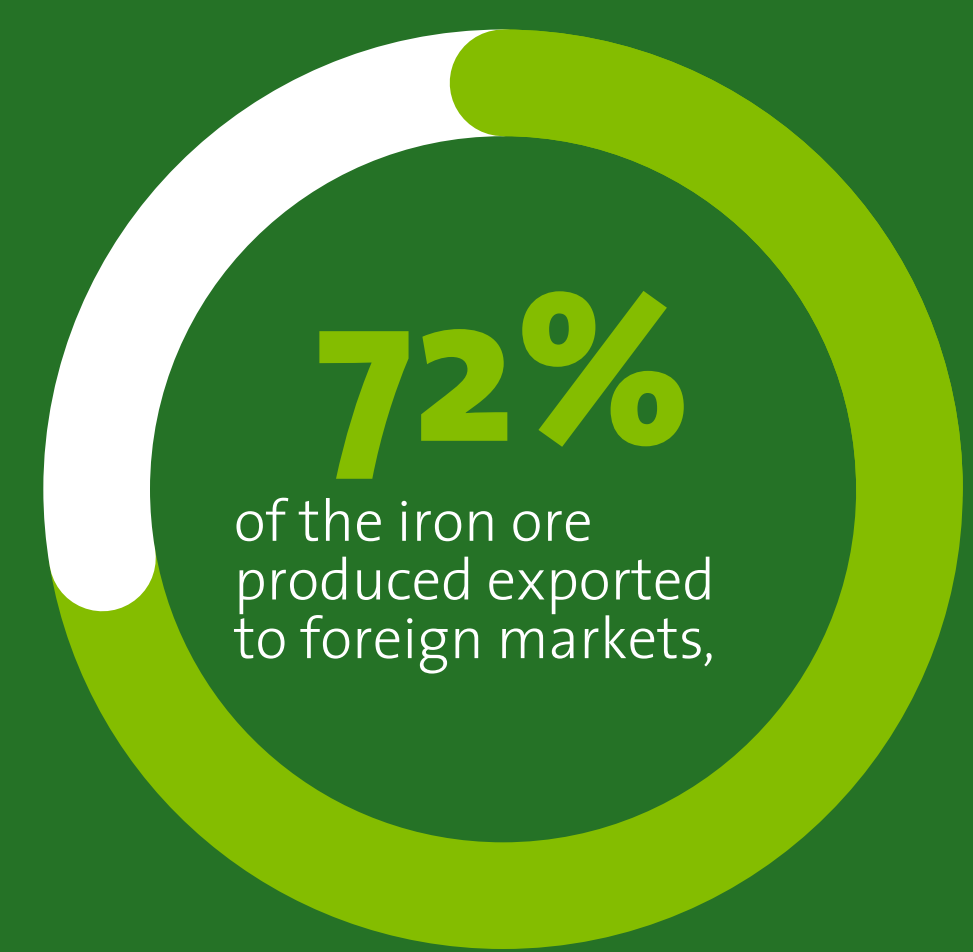
Production **8.8** million tons

Sales **9.1** million tons



Mineração Usiminas monitors the entire process up to final delivery, ensuring safety, quality, and socio-environmental commitment in its operational areas and neighboring communities.

The unit operates in the Serra Azul region, located within the Iron Quadrangle of Minas Gerais, encompassing three mines: Mina Oeste (“West Mine”) and Mina Central (“Central Mine”) in Itatiaiuçu/MG, and Mina Leste (“East Mine”) in Mateus Leme/MG.



28%
while was sold domestically.

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Safety and sustainability in operations

SASB EM-MM 540 a.1 | SASB EM-MM 540 a.2 | SASB EM-MM 540 a.3

Mineração Usiminas currently operates without active tailings containment dams. Tailings generated during the processes undergo meticulous treatment: they are initially filtered through press-type filters to separate the liquid from the solid components and then disposed of in piles.

The Samambaia o dam, constructed initially using the downstream raising method, is now deactivated and undergoing de-characterization, marking the third instance where the mining company has adopted this procedure. The planned stages of the Samambaia o dam de-characterization for 2023 were successfully completed on schedule.

Other dams, such as the former Somisa Dam in 2021 and the Central Dam in 2022, both built using the upstream method, have already been de-characterized.

The de-characterization of the Samambaia o Dam is projected for completion by 2025. This milestone will mark Mineração Usiminas' achievement of having no tailings containment dams, reaffirming its dedication to safety and sustainability across all operations.

Furthermore, the ITM Flotação (Pellet Feed Production by Flotation) plant serves a significant purpose: enabling the recovery of rich fines previously considered tailings. In addition to the 7.4 Mm³ from the de-characterization of the Central dam (now central park), approximately 10.3 Mm³ of the 12.5 Mm³ available for recovery in the structure have been mined to date.

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Sustainability at Usiminas

GRI 2-13 | 2-23 | 2-24

In 2023, Usiminas celebrated two significant milestones in its history: the refurbishment of Blast Furnace No. 3 and the development of the Decarbonization Plan (disclosed to stakeholders in March 2024). These initiatives mark a pivotal moment in promoting a more sustainable operation aimed at reducing negative impacts and amplifying positive results for all stakeholders.

Sustainability management at Usiminas is comprehensive and involves several committees, including Decarbonization, Environment, Diversity and Inclusion, and Integrity. These committees comprise specialists from various organizational areas and top leadership members tasked with addressing each Material Topic.

Sustainability is a recurring topic in Usiminas' Statutory Board meetings, which are held monthly. The Board of Directors is briefed on the most pertinent issues whenever necessary.

Building a collective agenda

Usiminas recognizes that its local performance within operating units and communities can be strengthened by aligning with global sustainability agendas, such as the UN Sustainable Development Goals (SDGs) and adhering to guidelines and best practices established by national and international institutions and associations like ISE B3 (B3 Corporate Sustainability Index), CDP (Carbon Disclosure Project), and Ecovadis, among others.

The sustainability agenda is a collaborative effort that must consider the entire Usiminas value chain. Partnering with customers, suppliers, communities, and sector associations such as Alacero, World Steel, and Aço Brasil transforms isolated plans into a robust mobilization for the sustainable development of the entire sector and, consequently, the broader market and society at large.

ESG Goals

In 2021, Usiminas implemented the practice of establishing public ESG goals, aligning with its Material Topics and the primary global sustainable development agendas. The outcomes of the objectives set for 2023 are outlined in the table below:

Material Topic	Goal	SDG	Status	Note
PEOPLE MANAGEMENT	Achieve a Safety Index of 1.0 through the Zero Accidents goal, which is based on the fulfillment of the Strategic Safety Planning.	3 and 8	●	The accumulated safety index was 2.15 as of December 31, 2023, a value above the established benchmark. The Company continually strives to eliminate accidents in its operations and achieve the goal of Zero Accidents.
PEOPLE MANAGEMENT	Achieve 18% of women in leadership positions in 2023	5	●	On December 31, 2023, the percentage of women in leadership positions reached 17.67%. The Company aims to become increasingly diverse and inclusive each day. Compared to 2022, the number of women in leadership positions has advanced by 3.2%.
CLIMATE CHANGE	Conduct a GHG Inventory and Soluções Usiminas by 9/30/2023	13	●	Goal achieved. The inventory was completed on June 30, 2023.
CLIMATE CHANGE	Adhere to the Brazilian GHG Protocol Program (Mineração Usiminas)	13	●	Goal achieved. The emissions inventory of Mineração Usiminas was submitted to the Brazilian GHG Protocol Program on July 25, 2023.
STAKEHOLDER ENGAGEMENT	Improve the Overall Customer Satisfaction Index	12	●	In 2023, interviews were conducted with 42 clients, whose combined revenue represented 54% of Usiminas' turnover in the previous year. Customer satisfaction reached a record performance compared to historical data, achieving 107.3% of the target.
STAKEHOLDER ENGAGEMENT	Promote sustainability in the supply chain by strengthening relationships and reducing risks in 75% of strategic suppliers	12	●	Goal achieved. The company mapped the risks and opportunities of 100% of the strategic suppliers assessed.
STAKEHOLDER ENGAGEMENT	Enhancement of relationships with formal and community leaders in the Vale do Aço and Baixada Santista regions.	17	●	Goal achieved. The engagement with mapped stakeholders exceeded the planned target, reaching 125% in 2023, mainly due to the strong interaction resulting from the overhaul of Blast Furnace No. 3.
NATURAL RESOURCES AND ENVIRONMENTAL IMPACTS MANAGEMENT	Donate 100% of the steel aggregate generated in 2023 to the "Caminhos do Vale" program	12	●	Goal achieved. 100% of the steel aggregate generated in 2023 to the "Caminhos do Vale" program was donated.

ACHIEVED ●

NOT ACHIEVED ●

Starting in 2024, with the aim of achieving medium and long-term objectives, Usiminas' formulation of ESG goals will adhere to a new model. The Company's commitments to key sustainability themes have been set in accordance with Sustainability Standards and aligned with the organization's Material Topics.

They are structured into the following pillars:



For each of these pillars, Usiminas outlines its objectives, the primary initiatives undertaken to achieve them, and the results obtained during the year. This information is detailed throughout the chapters of this report.

Through transparent dialogue and stakeholder engagement, Usiminas consistently progresses in defining its goals and pathways toward sustainable development.

Materiality

GRI 3-1 | 3-2 | 3-3

Materiality, as defined by Usiminas, encapsulates the paramount issues pertinent to the organization and its key stakeholders. These concerns resonate in its value creation, its societal interactions, and the socio-environmental and economic ramifications it imparts.


Beyond merely guiding this Sustainability Report, the materiality study serves as a vital instrument for navigating risks, seizing opportunities, addressing impacts, allocating investments, and prioritizing agendas essential for integrating sustainability practices into Usiminas' strategy and management.

Development

The formulation of Usiminas' materiality entailed identifying priority topics for both the Mining and Steelmaking units. By consolidating the concerns of these business units and recognizing the overarching nature of the topics across Usiminas, the process of development and identification of material topics was meticulously crafted. This process considered environmental, social, and economic perspectives, adhering to GRI principles and aligning with the strategic directives of management.

Methodology


- 1



Identifying stakeholders and their expectations

Strategic stakeholders were selected and qualitative interviews and online surveys were conducted to understand their expectations.


- 2



Mapping the key material topics for the Company

A sector analysis was performed with Usiminas' national and international peers along with frameworks, internal documents, and ratings and media analyses. Additionally, we conducted stakeholder interviews to identify, assess, and validate the listed topics that have an impact on the Company's sustainability performance.


- 3



Topic impacts analysis

The impacts of the 22 topics identified in the previous steps were analyzed were based on the 2020 Brazil Steel Databook and Usiminas' Reference Form (SRF). The investigation resulted in a survey of 34 effects the Company caused and/or suffered, which were correlated to the topics.

- 4

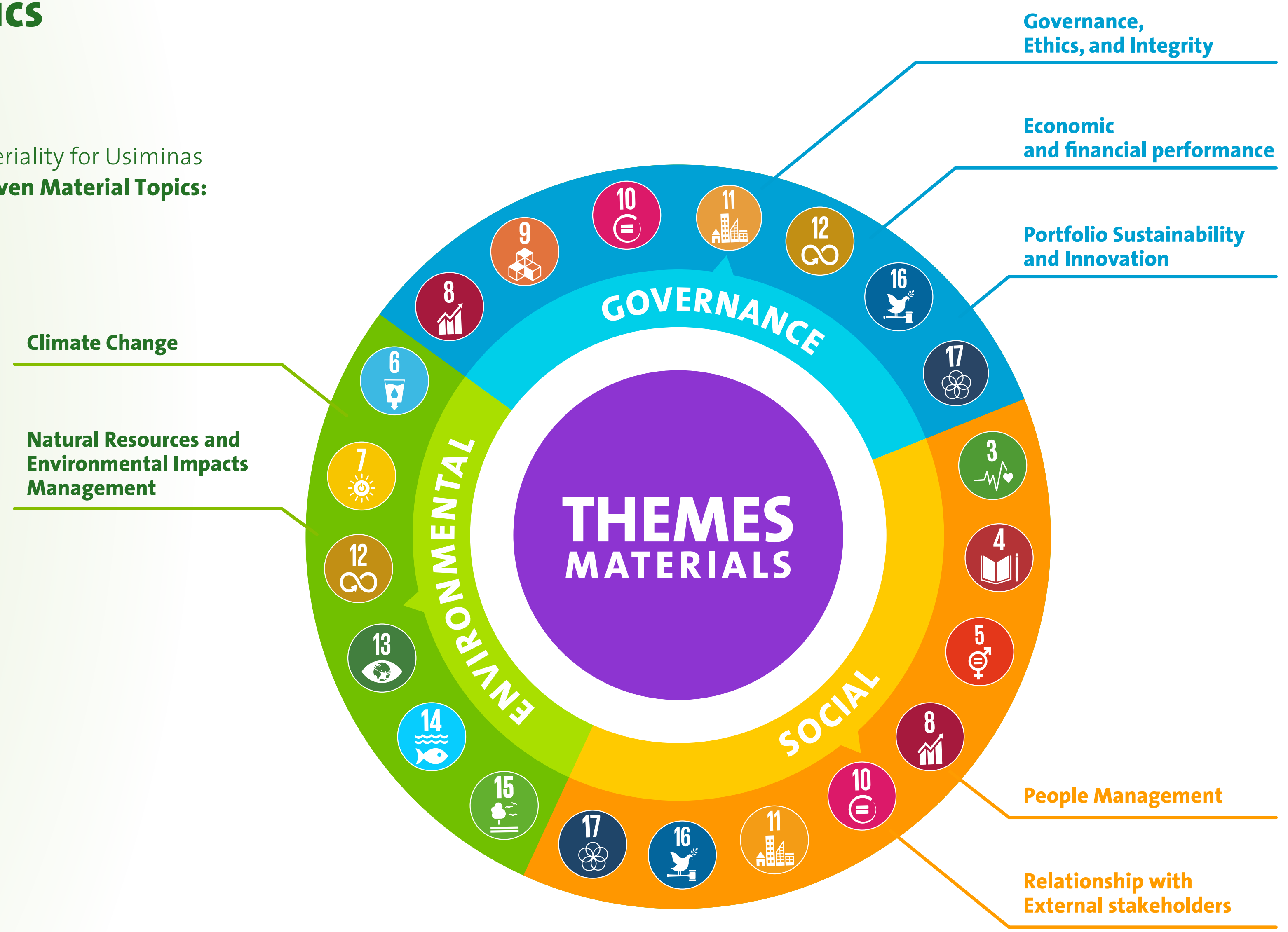


Online survey and topic prioritization

The topics were consolidated considering the scores given by the stakeholders consulted and the analysis of the impacts identified in the previous step.

Material Topics

The consolidation of materiality for Usiminas companies has yielded **seven Material Topics**:



 **CLICK HERE**
on the topics to learn more.

Innovation

GRI 3-3

For Usiminas, innovation entails envisioning novel approaches to accomplishing tasks, achieving superior outcomes, and fostering value creation for the Company. The advancement of technologies and investments in research have become imperative for the organization to sustain competitiveness in an increasingly efficient and sustainable market.

Throughout its history, Usiminas has consistently pursued enhancements in processes, products, and services, investing in pioneering technologies and devising innovative solutions across the steel production chain, thereby ensuring the continuity of its operations through innovation.

InovaAí was established as a catalyst for innovation. It serves as a platform designed to accelerate the implementation of creative ideas and cultivate a mindset shift conducive to maintaining Usiminas at the forefront of steel production while yielding sustainable outcomes through collaborative partnerships.

The corporate Innovation and Digital Transformation management implements specific initiatives to foster the emergence of innovative ideas. Among these initiatives is the InovaAí Ideias program, empowering all Usiminas professionals to propose innovative ideas and run pilots to determine if the project has potential for success.

Numerous innovation projects are currently in progress, aiming to deliver economic and environmental benefits while enhancing work quality, safety, and governance.

The gains achieved from innovative initiatives undergo measurement and validation by the Industrial Engineering department, which is responsible for conducting economic and financial evaluations. Additionally, an annual survey is conducted with all employees to gauge their perception of innovation within the company.



MATERIAL TOPIC
Portfolio Sustainability
and Innovation

Usiminas' Digital Transformation is an integral part of this innovation landscape. To drive this initiative forward, a comprehensive roadmap has been devised for the transformation of the entire organization, aiming to elevate it to the status of a fully interconnected entity across all levels. For the 2024-2025 period, plans are in place to integrate the Innovation and Digital Transformation department with the Information Technology and Automation workstreams, with the objective of validating resources and technologies with practical applications at Usiminas units.

Among the activities undertaken by the innovation team are events and cultural training sessions focused on disseminating its innovation framework. Since their inception, these innovation initiatives have attracted over 9,600 participants, contributing significantly to solidifying the organization's shift in mindset towards innovation and digital transformation.

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IN 2023, approximately 60 PILOT PROJECTS were implemented for innovative solutions developed by employees in collaboration with about 25 STARTUPS, companies, and associations.

One notable highlight among the pilot projects developed is the optimization of raw material blending in sintering plants located in Ipatinga. This solution utilizes artificial intelligence and machine learning to determine the optimal mix, minimizing losses and maximizing production.

Another significant project is the implementation of a monitoring and tracking system for individuals in critical areas. This initiative integrates with security and emergency teams, providing real-time information for decision-making

in sensitive situations. Utilizing dedicated technological devices, such as those for detecting intrusions and movements, it supports security personnel in monitoring critical locations within operational units.

With a focus on defined objectives, activities, and cultural reinforcement plans, these efforts aim to continuously enhance both financial and qualitative outcomes. Key objectives for the upcoming years include accelerating the deployment of rollout solutions resulting from initiatives in innovation and digital transformation, intensifying innovation actions, and fostering greater integration among partner areas and employees.

While Usiminas has made significant strides in innovation initiatives, it acknowledges that there is still much progress to be made in overcoming challenges and seizing opportunities to further enhance sustainability.



2

GOVERNANCE

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Corporate governance, founded on robust principles of transparency, ethics, and respect for all stakeholders, stands as a cornerstone for organizations to establish themselves successfully, securely, and reliably in the market.

Usiminas recognizes the imperative of this approach, emphasizing the need for ongoing enhancements in management practices, decision-making processes, and business strategies.

This commitment ensures the maintenance of increasingly efficient operations, enabling comprehensive and prudent risk assessments aimed at minimizing adverse impacts while maximizing positive outcomes, financial returns, and business resilience.



Objectives of the Governance Pillar



OBJECTIVES

- ▶ Implementing measures to combat all forms of corruption, guiding interactions with stakeholders based on ethics and transparency, and ensuring compliance with Law No. 12,846/2013 (Anti-Corruption Law), by establishing reporting channels and addressing instances of non-compliance with the principles set forth by Usiminas Companies;
- ▶ Operating in line with fair business practices, encompassing anti-corruption measures, responsible political engagement, fair competition, the promotion of social responsibility throughout the value chain, and the protection of property rights, with the aim of upholding its commitment to ethics and transparency;
- ▶ Adopting sound corporate governance practices whenever applicable, informed by market standards, laws, and regulations, and effectively managing crises or conflicts, with the pledge to safeguard the longevity and financial sustainability of Usiminas Companies;
- ▶ Fostering the accurate identification and assessment of inherent business risks, spanning regulatory, market, socio-environmental, reputational, strategic, operational risks, among others, to ensure the well-being of all Usiminas stakeholders and the endurance and sustainability of its operations;
- ▶ Ensuring that the Company's governing bodies deliberate on matters pertinent to its Sustainability Agenda, facilitating the dissemination of information and the management of issues across various hierarchical levels of Usiminas, as deemed relevant.

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INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> **Integrity Program** guiding practices and actions, bolstering ethical conduct among professionals and throughout the organization.

- Anti-corruption Policy: Preventive practices and initiatives to tackle corruption
- Open Channel: Management of complaints available 24/7, ensuring confidentiality and anonymity
- Corporate training for internal and external stakeholders
- Meetings and training sessions with suppliers on Integrity Program topics

> **On-Boarding Program** for newly appointed members of management and the Fiscal Council.

> **Permanent Fiscal Council** and other **advisory committees**, including: Audit Committee, Risk Management Committee, Human Resources Committee, and Conduct Committee.

> **Corporate Risk Management Policy:** integrating risk perspective into strategic decision-making and aligning with best governance practices.

RESULTS ACHIEVED IN 2023

> **98.6% of employees** have undergone training on the Code of Ethics and Conduct.

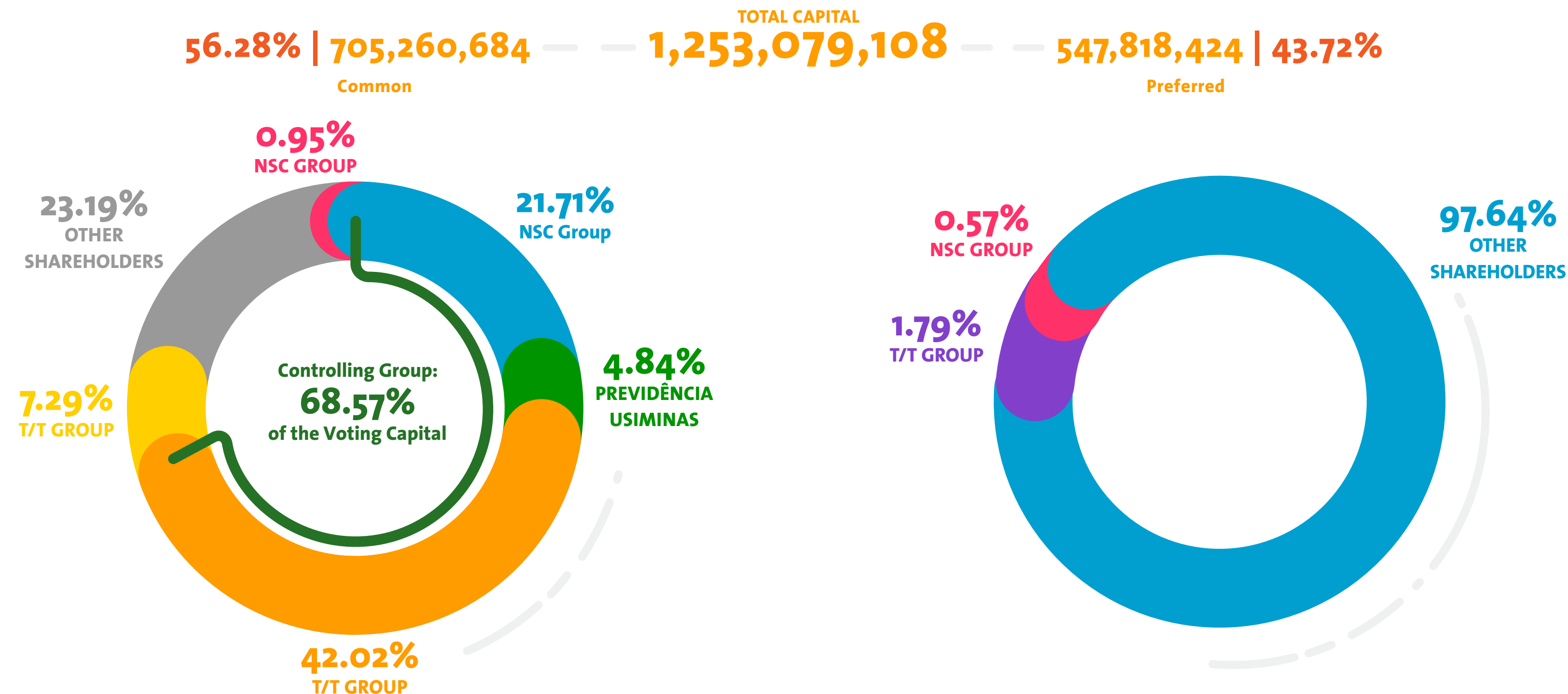
> **70% compliance** with the Brazilian Securities and Exchange Commission (CVM) Governance Code Report (ICBGC).

> **15 meetings** of the Board of Directors, comprising 4 ordinary meetings and 11 extraordinary meetings.

Shareholding Structure

GRI 2-1

Usiminas is a publicly traded company with shares listed on Level 1 of Governance of B3 (Brasil, Bolsa, Balcão); on New York’s Over-The-Counter (OTC); and on LATIBEX, an index that consolidates the shares of Latin American companies traded in euros on the Madrid Stock Exchange.



In July 2023, members of the T/T Group acquired shares issued by the Company previously owned by the NSC Group and entered into a new Shareholders’ Agreement (available [here](#)) that reflects a governance structure considered consistent with Usiminas’ best interests and took effect immediately. Following the transaction, the T/T Group now holds approximately 61.3% of the shares covered by the New Shareholders’ Agreement, while the NSC Group holds approximately 31.7%, and Previdência Usiminas maintains its holding of approximately 7.1% of such shares covered by the agreement.



VISIT THE WEBSITE

The new Shareholders’ Agreement is available [here](#).

Governance Structure

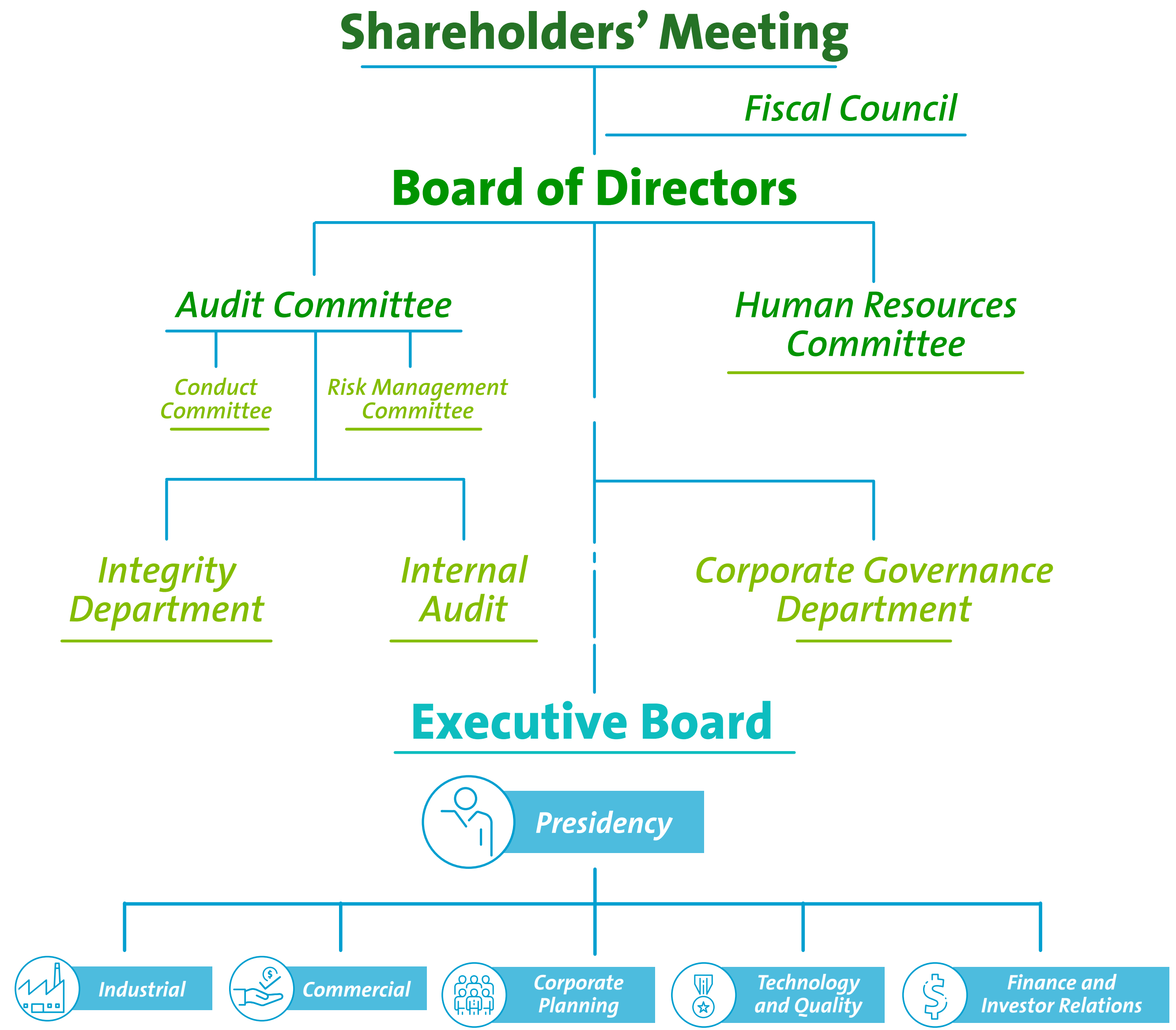
GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-14 | 2-15 | 2-16 | 2-17 | 2-18

Usiminas' management adheres to the guidelines outlined in the Bylaws (accessible here), a document endorsed by the General Shareholders' Meeting. This document delineates the powers and responsibilities of each governance body. According to the Bylaws, the Board of Directors and the Statutory Board oversee the business model, considering the impacts, risks, and opportunities arising from the organization's activities across social, environmental, and economic realms.



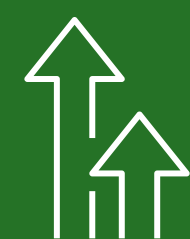
VISIT THE WEBSITE

The Corporate Bylaws are available [here](#).



Board of Directors

The Board of Directors stands as a pivotal decision-making body within Usiminas' governance structure. Continuously evolving to meet market demands, this body steers business conduct and deliberates on strategic matters, aiming to:



TO FOSTER CONTINUOUS GROWTH WHILE UPHOLDING ITS VALUES AND SOCIAL RESPONSIBILITY, exercising its legal and statutory authority, and adhering to Usiminas' corporate purpose across its subsidiaries and affiliates;



TO SAFEGUARD THE INTERESTS OF ALL SHAREHOLDERS, while considering the needs of other stakeholders;



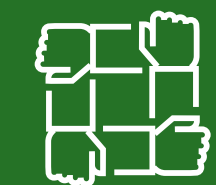
TO ENSURE THE ORGANIZATION'S LONG-TERM SUSTAINABILITY, by integrating social, environmental, and corporate governance concerns into business and operational decisions;



TO ESTABLISH AN AGILE MANAGEMENT FRAMEWORK, comprising skilled professionals of impeccable repute;



TO ENSURE EFFECTIVE IMPLEMENTATION OF STRATEGIES AND DIRECTIVES BY THE BOARD OF DIRECTORS, while refraining from involvement in operational matters;



TO PROACTIVELY ADDRESS AND MANAGE CONFLICTS OF INTEREST OR DIVERGENT OPINIONS, prioritizing Usiminas' best interests at all times.

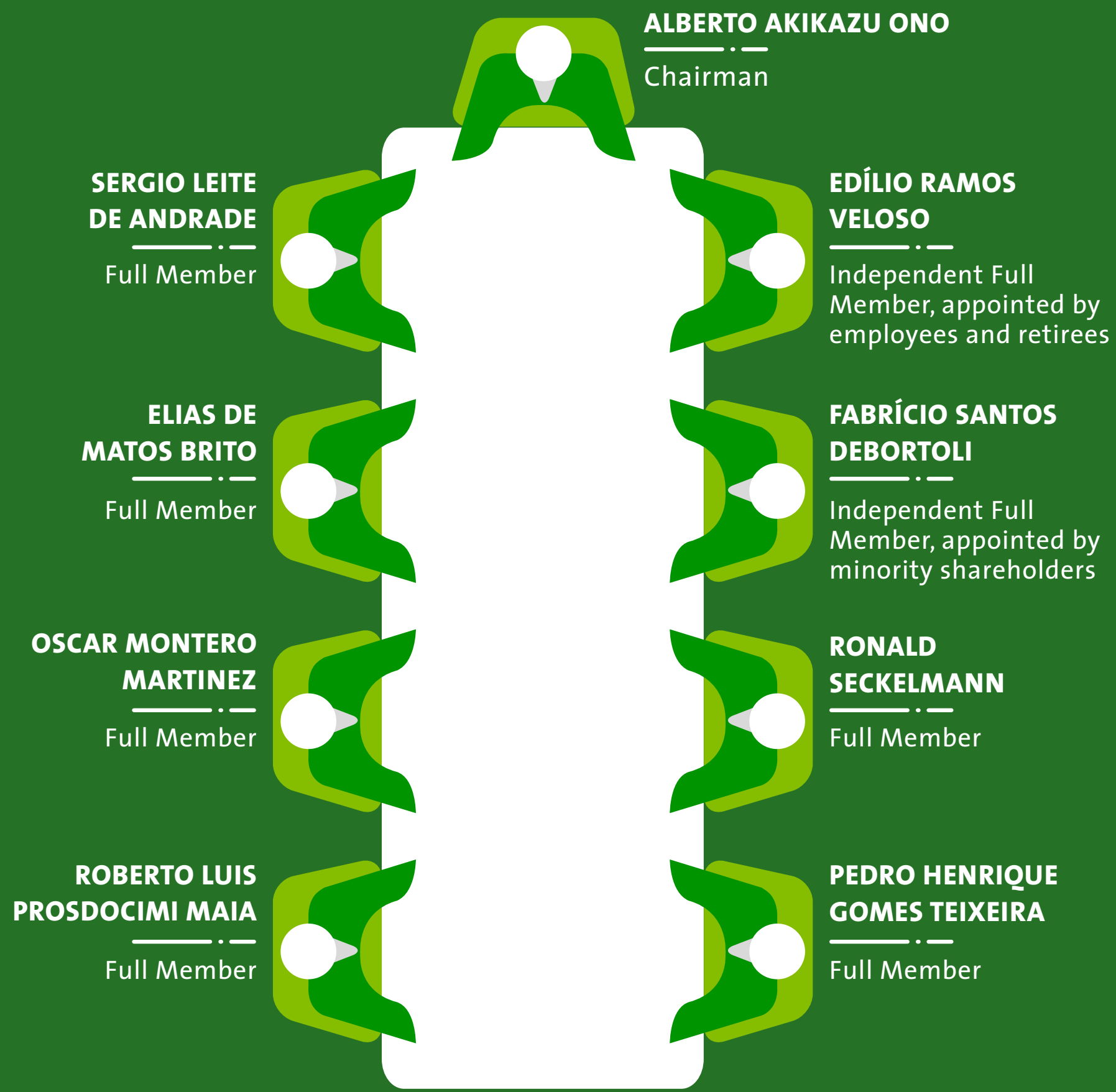
Board of directors comprises nine directors and their respective alternates appointed at the General Meeting, including the chairman, for a two-year term with the possibility of reelection. The roles of Chairman of the Board of Directors and Chief Executive Officer are not allowed to be merged.

In its ongoing mandate (2022-2024), the Board composition includes two independent members, one directly elected by Usiminas and Usiminas Mecânica S.A. employees and retirees and the other by minority shareholders. Additionally, other members are appointed in accordance with the regulations outlined in the Shareholders' Agreement.

The nominations consider a diverse profile, encompassing a variety of expertise, backgrounds, experiences, and cultures. This diversity facilitates the adoption of different viewpoints for systemic assessments of the issues at hand. The members also demonstrate proven performance in organizational roles and advisory committees to the Board.

Given the stringent nature of the biannual appointment process for directors, there is no annual evaluation process for the Board of Directors' performance.

Breakdown of Usiminas' Board of Directors – 2022-2024



The Board of Directors regularly convenes four times a year, according to a pre-established schedule, and as needed on an extraordinary basis.

In 2023, a total of 15 meetings were conducted, consisting of four ordinary sessions and 11 extraordinary sessions.

Discussions pertaining to risks, opportunities, and the impacts of activities, including matters related to sustainability and the organization's material issues, fall within the purview of the Board of Directors. It is responsible for analyzing the information and approving the strategic course of action. Agendas for these meetings are made available on the Governance Portal, enabling board members to adequately prepare and guide their decisions.

Additionally, the Executive Board periodically attends these meetings to present and deliberate on economic, social, and environmental matters relevant to Usiminas. It also communicates key concerns raised by the organization's primary stakeholders. The Corporate Sustainability and Institutional Relations Board holds a regular agenda every six months during board meetings, focusing on discussions concerning sustainable development and the Company's sustainability agenda.

In cases where a potential conflict of interest arises regarding matters under consideration by the Board of Directors, the concerned member is

required to disclose this fact to the Board and refrain from participating in the discussion and voting process. Instead, the other unaffected members will make the decision on the matter. Guidelines for maintaining integrity in resolving conflicts of interest are outlined in the Conflict of Interest and Related Party Transactions Policy, which aligns with Usiminas' Code of Ethics and Conduct and Bylaws.

Senior Management Integration Program

Since 2021, Usiminas has implemented a comprehensive integration program for newly appointed senior management members and Supervisory Board members. The program aims to ensure a thorough understanding of the Company's operations, growth trajectory, and commitment to sustainable development. It encompasses various initiatives, including in-depth presentation sessions and visits to Usiminas' primary facilities. These sessions cover not only the Company's business operations but also key aspects essential for understanding its sustainability agenda.

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Fiscal Council

The Fiscal Council, a permanent body whose members are elected at the General Meeting for a one-year term, oversees the actions of Usiminas' management, ensuring their compliance with legal obligations outlined in the Company's bylaws. Additionally, this Council reviews financial statements and carries out other duties mandated by law.

Currently, it comprises five members, two of whom are independent and elected by ordinary and preferred minority shareholders, respectively. None of these members holds any other position within Usiminas.

Advisory Committees

The governance structure includes two committees that provide advice and recommendations to the Board of Directors: the Audit Committee and the Human Resources Committee. Additionally, the Risk Management Committee advises the Audit Committee on assessing, managing, and controlling the organization's risks, while the Conduct Committee oversees and deliberates on processes related to investigating complaints.



The full composition of the Fiscal Council and Advisory Committees is detailed in the Reference Form, **available here.**

Audit Committee

This permanent body supports the Board of Directors by ensuring the accuracy and integrity of Usiminas' financial reporting and by managing the main financial, legal, and regulatory risks associated with the Company's operations. It periodically reviews the adequacy of these processes. Additionally, it oversees both internal and external audit activities and is responsible for the Integrity Program and upholding high standards of corporate governance within the organization.

The **Risk Management Committee** advises the Audit Committee on risk assessment, management, and control of both Usiminas and other companies under its responsibility, to ensure an adequate system for periodic risk identification and assessment.

Human Resources Committee

The Human Resources Committee is responsible for providing support to the Board of Directors in analyzing policies, structures, and practices related to direct and indirect compensation, recruitment, and dismissal, monitoring career development and succession plans of the Company's administrators, as well as overseeing health and safety indices at the workplace. Additionally, it is responsible for assisting the Board of Directors in determining the compensation and benefits policies for the Statutory Officers.

Conduct Committee

The attribution of the Conduct Committee is to analyze and decide on accountability processes related to the investigation of reports of violations of the rules defined by the Integrity Program. Its role also includes assisting and guiding the functions and activities performed by the General Integrity Management. The Conduct Committee is required to report its actions, decisions, and determinations to the Audit Committee.



Statutory Board

The Statutory Board’s mission is to implement and execute the guidelines set by the Board of Directors, managing the organization’s internal and external relations.

It is obligated to act ethically, considering the interests of all stakeholders in its operations while ensuring the high quality of products and services offered to clients and society and promoting corporate social and environmental responsibility.

The Board of Directors elects the Statutory Board and defines its responsibilities. Like the directors, the officers serve two-year terms with eligibility for re-election.

Usiminas also has a team of non-statutory Vice-President Directors who augment the Statutory Board by enhancing business management and striving for optimal outcomes, ensuring the efficiency and quality of internal processes.

Body	Position	
Statutory Board	CEO	Marcelo Chara
	VICE-PRESIDENT OF FINANCE AND INVESTOR RELATIONS	Thiago da Fonseca Rodrigues
	VICE-PRESIDENT, INDUSTRIAL DIRECTOR	Americo Ferreira Neto
	VICE-PRESIDENT OF CORPORATE PLANNING	Gino Ritagliati
	VICE-PRESIDENT OF TECHNOLOGY AND QUALITY	Toshihiro Miyakoshi
	VICE-PRESIDENT, COMMERCIAL DIRECTOR	Miguel Angel Homes Camejo

Body	Position	
Corporate Non-statutory Board	VICE-PRESIDENT OF STRATEGIC AFFAIRS	Sergio Leite de Andrade
	VICE-PRESIDENT OF PRIMARY AREAS	Célio de Assis Alves
	VICE PRESIDENT OF CAPEX, SAFETY AND ENVIRONMENT	Fernando Caracoche

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Ethics and Integrity

GRI 3-3 | 2-16 | 2-23 | 2-24 | 2-25 | 2-26 | 205-1 | 205-2 | 205-3

SASB EM-MM-510a.1

Compliance and Integrity Program

Usiminas champions the multiplication of ethical practices as a foundation for enhancing Brazilian society. Accordingly, it has established an Integrity Program that underscores its commitment to transparency, respect, integrity, professionalism, responsibility, and diversity, thereby guiding practices and actions to reinforce ethical behavior across the organization.

The Program was formulated with the expertise of both internal and external specialists, aligning with national legislation and the Company’s ethical standards. It encompasses the development and implementation of the Code of Ethics and Conduct and various policies that direct and frame daily interactions with colleagues, suppliers, partners, and clients, ensuring governance and transparency in all processes.



MATERIAL TOPIC
Governance, Ethics,
and Integrity

Management

The Integrity Program is managed by the General Integrity Management, which operates independently and autonomously. This department reports directly to the Board of Directors, ensuring that activities are supervised and monitored and that policies, along with the Code of Ethics and Conduct, are approved and upheld.






Integrity-related topics are addressed at monthly meetings with the Conduct Committee, which resolves cases submitted through the Open Channel, and at quarterly meetings—or more frequently if needed—with the Audit Committee and the Board of Directors.

The Integrity Program has corporate-wide scope, encompassing all Usiminas company units. To ensure this comprehensive coverage, the program relies on Integrity Ambassadors, who are trained to provide guidance or address issues within their respective sectors. Collaborating with area managers, they uphold the commitments and requirements of the policies integral to the Program, thereby fostering integrity and ethics throughout Usiminas.



**VISIT
THE WEBSITE**

The policies and the Code of Ethics and Conduct are available **here:**

-  Code of Ethics and Conduct
-  Anti-Corruption Policy
-  Gifts and Hospitality Policy
-  Competition Policy
-  Conflicts of Interest and Related Party Transactions Policy
-  Sponsorship and Donations Policy
-  Relationship Policy with Third-Party Intermediaries

The policies and other internal norms of Usiminas undergo changes and revisions conducted by the Compliance department and are approved by the Board of Directors. This ensures that the organization’s values, mission, and principles of good Compliance practices are reflected in the Company’s policies and procedures.

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Anti-corruption Practices

The Integrity Program implements measures to curb corruption, including the issuance and widespread dissemination of its Anti-Corruption Policy and other policies that promote ethical, upright, and transparent dealings with stakeholders. These policies specify acceptable standards of conduct for all employees, regardless of their rank, role, or location, and extend to third parties in situations potentially involving corrupt acts, especially in dealings with government entities.

The Usiminas' companies ensure that their business operations adhere to the highest standards of integrity, legality, and transparency, and explicitly reject any illicit activities by its employees, third parties, or representatives of the organization.

At the corporate level, the risk of corruption is evaluated according to the criteria and methods defined by the Risk Management and Internal Controls. When there is a potential risk of corruption or interaction with public agencies, thorough preventive analyses are conducted.

In 2023, no instances of corruption were confirmed within Usiminas companies.



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Stakeholder Commitment with Integrity

Upon joining the organization, all Usiminas employees sign a commitment to adhere to the policies and the Code of Ethics and Conduct. Suppliers also commit to the terms of the Integrity Program upon signing service contracts, which incorporate Usiminas' General Provisions. Furthermore, by registering as suppliers, they pledge to adhere to the Company's Code of Ethics and Conduct.

In 2023, Usiminas intensified communications about the Integrity Program and its policies, including anti-corruption efforts, across various stakeholders, such as customers and suppliers.



Integrity Communication Training and Initiatives

Policies and practices related to this matter are consistently reinforced through internal communication, training sessions, and daily meetings between leaders and teams.

Integrity Program Training Sessions

The training sessions focus on various topics outlined in specific policies and the Code of Ethics and Conduct, including corruption, moral and sexual harassment, bribery, conflicts of interest, competition, and relations with public authorities, among others.

Training on the Code of Ethics and Conduct, the Anti-corruption Policy, Gifts and Hospitality Policy, and Conflict of Interest and Related Party Transaction Policy is mandatory for all employees, irrespective of their hierarchical level.

98.6% OF EMPLOYEES, ACROSS ALL USIMINAS UNITS HAVE UNDERGONE TRAINING ON THE CODE OF ETHICS AND CONDUCT.

• As of **2023** over **200,000 hours of legal and regulatory trainings** had been completed at all Usiminas companies.

Training on other policies is tailored to the target audience, their requirements, and roles. The sessions can be delivered *online* or in-person, with *online* activities managed by the Corporate University, which centralizes this type of training.

Other communication and training initiatives

- > Integrity Week: – Conversations and interactions sessions centered on tackling corruption.
- > *Online and in-person* workshops.
- > Routine meetings with Integrity Ambassadors.
- > Quarterly reporting to leadership.
- > Meetings and training sessions with suppliers.
- > Monthly discussions on the topic during Daily Safety Dialogues (DDS).
- > Awareness and communication campaigns across various channels such as the intranet, “Fala Aí Colaborador,” and posters displayed in the units, among others.

Open Channel

Usiminas provides an Open Channel, a platform available to its employees, contractors, and the wider community to report ethical and integrity issues, as well as instances of non-compliance with Integrity Program policies or prevailing legislation. This includes concerns related to moral and sexual harassment, discrimination, prejudice, fraud, corruption, and health and safety risks, among others.

The Channel operates 24/7, and offers support from a lawyer and psychologist, with accessibility features such as sign language (LIBRAS), voice, and other inclusive options.

WEBSITE

TOLL FREE
0800-900-9030

APPLICATION

INTRANET

The General Integrity Management takes a proactive approach within operational units, raising awareness and promoting the use of the Open Channel. A primer, available on the Open Channel website in printed and video formats, outlines the process for submitting a complaint effectively and specifies the required information.

Upon the conclusion of a complaint, the whistleblower receives a unique, personal, and non-transferable protocol to track the status of their report, whether it's initiated, in progress, or concluded.

The Open Channel is managed by a specialized third-party company, ensuring confidentiality and impartiality when forwarding reports to Usiminas' Integrity team. Complaints are classified and distributed for investigation and internal inquiry, guided by principles of transparency, impartiality, confidentiality, respect, ethics, diversity, professionalism, commitment, and responsibility.

Qualified complaints are submitted monthly to the Conduct Committee, the governing body

responsible for deliberating on disciplinary and remedial actions concerning the matters investigated by the Integrity Department. This committee comprises the CEO, Commercial Vice President, Legal Director, Human Resources Director, and General Manager of Internal Audit. Additionally, reports are provided quarterly to the Audit Committee and the Board of Directors.

Open Channel Statistics for 2023

- > Out of all received registrations, 297 were deemed eligible for investigation.
- > 52% of qualified reports pertained to processes, while 48% concerned behavior.
- > 75% of recorded reports were submitted via the website, 21% by phone, and 4% through other means such as the app, letter, and email.

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Human Rights

GRI 2-23 | 406-1 | 408-1 | 409-1

Usiminas upholds and reinforces equal opportunities for all individuals and condemns prejudiced, discriminatory behavior or any form of harassment. The entire Usiminas team is dedicated to upholding values of respect, integrity, transparency, and fairness. These principles are obligatory and applicable in interactions within the organization, regardless of hierarchical position, as well as with external stakeholders such as customers, suppliers, public authorities, and the media.

Usiminas companies adhere to current labor laws and uphold individual working conditions. Compliance with human rights laws and regulations is non-negotiable within Usiminas. As stipulated in the Code of Ethics and Conduct, "All Employees must abide by the laws applicable to Usiminas, including the legislation of the countries where the companies operate or conduct business outside Brazil."

The Code of Ethics and Conduct mandates the promotion of human rights adherence in all internal and external activities and relationships, both interpersonal or with stakeholders. Usiminas unequivocally opposes any form of child labor, forced labor, or conditions akin to slavery within its operations. Similarly, the Company demands the same ethical standards from its customers and



MATERIAL TOPIC
Governance, Ethics,
and Integrity

suppliers. No suppliers known to Usiminas pose a risk of human rights violations.

In efforts to bolster a culture of human rights respect, the General Integrity Management conducted training sessions, lectures, and communication initiatives on this subject and other related topics outlined in the Code of Ethics and Conduct and other policies throughout 2023.

> **In 2023, Forensic Management confirmed three cases of discrimination. The implicated employees were terminated, and third parties were replaced. Daily Safety Dialogues (DDS) were also conducted, with a focus on guiding contractor leaders to ensure alignment of their third-party employees with the Company's values.**



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."





Objectives of the Human Rights Pillar



OBJECTIVES

- ▶ Upholding internationally recognized human rights standards and adhere to all relevant laws in every operational location, fostering and promoting a commitment to human rights throughout Usiminas Companies' value chain.
- ▶ Identifying, preventing, mitigating, and addressing any negative impacts on human rights directly linked to the Company's operations, products, or services provided by its business partners, even when Usiminas is not directly responsible for them, whenever feasible.
- ▶ Preventing and combating both direct (within its own operations) and indirect (within the operations of its suppliers and other value chain entities) involvement in any activities that violate the commitment to eliminating child labor and forced or compulsory labor.
- ▶ Implementing measures to prevent and address instances of moral or sexual harassment, both within the Company's own operations and those of its suppliers and other value chain entities.
- ▶ Preventing and combating the sexual exploitation of children and adolescents in locations where the company operates, whether directly or indirectly, by its partners, suppliers, and other value chain stakeholders. Special attention is given to the specific impact on the human rights of these groups, who are inherently more vulnerable or marginalized due to their unique circumstances.



INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> **Integrity Program** guiding practices and actions, bolstering ethical conduct among professionals and throughout the organization.

- **Code of Ethics and Conduct** that stipulates the necessity of ensuring adherence to human rights in all activities and relationships, both interpersonal and with stakeholders, within and outside the organization.

> **Steel Supply Chain Sustainability Program** aiming to enhance Usiminas' collaboration with its customers and suppliers, facilitating collective efforts with these stakeholders for sustainable development.

- Identifying sustainability risks and opportunities for strategic suppliers
- Training of internal staff (Supply Team) on Sustainable Procurement practices.

RESULTS ACHIEVED IN 2023

> **100%** of Usiminas' employees are covered by collective bargaining agreements, as stated in the Code of Ethics and Conduct.

> **+200,000** of Legal and Normative training and capacity-building.

> **100%** of strategic suppliers had sustainability risks and opportunities mapped.

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Risk Management

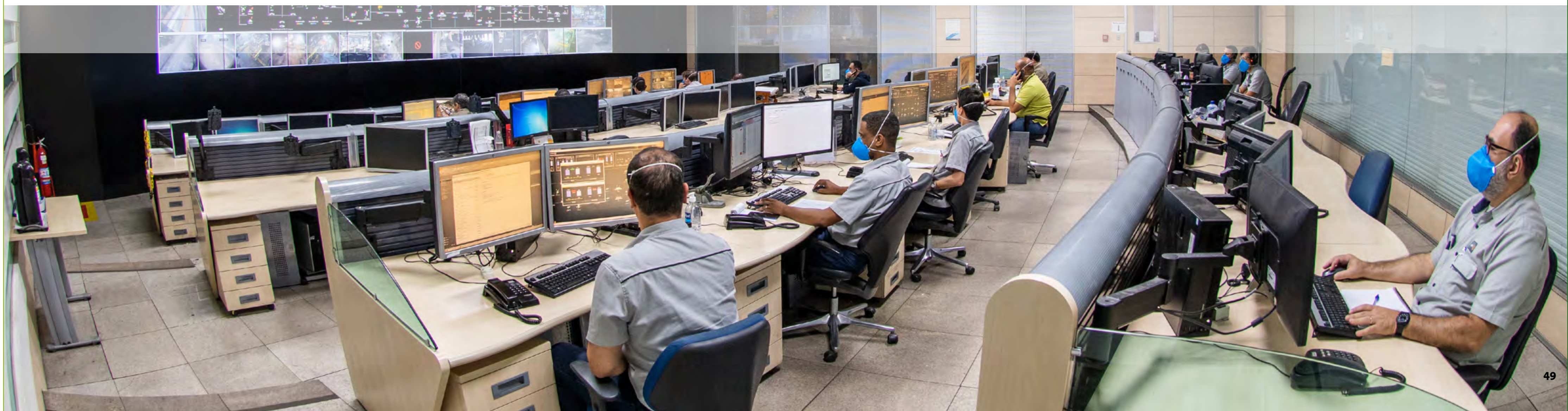


Usiminas' Risk Management evaluates potential impacts that could affect the organization across five dimensions. Identified risks undergo a thorough assessment process to determine appropriate mitigation strategies, considering factors such as people, business, the environment, infrastructure, and communication channels.

Usiminas aims to manage its primary risks by taking reactive and proactive measures. The Company employs effective control and monitoring to react to potential risks while taking preemptive actions to minimize any impacts or vulnerabilities that may arise from its processes. In essence, risk management involves identifying potential risks, assessing their impacts, and determining suitable responses. This process is continuous, continually evaluating threats and vulnerabilities specific to

the industry segment, company size, and operational type. Depending on the chosen approach, risks may be avoided, mitigated, accepted, or transferred to third parties.

In 2023, the Risk Management Department also integrated the Internal Controls function, with the goal of establishing an appropriate governance and management framework to ensure the organization's compliance with laws, regulations, and internal standards. Additionally, due to the consolidation of Usiminas' financial statements in Ternium's balance sheet, compliance with the Sarbanes-Oxley (SOX) Act became necessary for Usiminas. SOX controls play an essential role in risk management, helping to mitigate risks associated with the integrity of financial statements.



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Risk Assessment

In 2023, the risk assessment methodology underwent revision to align with the new shareholders' agreement. It adopts a conservative approach to classifying criticalities, analyzing all impact dimensions and considering worst-case scenarios for categorizing inherent and residual risks.

Usiminas assesses impact across five evaluation dimensions:


 **People:** Analysis of Occupational Health and Safety (OHS) impacts.

The Impact x Probability Scale utilized by the Company employs a 5x5 matrix. Impact and Probability are each rated on five scales:

 **Business:** Financial analysis, focusing on the materiality of the controlling group.

 **Environmental:** Evaluation of environmental impacts within business unit boundaries or at municipal, regional, or national levels, considering internal and external stakeholders and short-, medium-, and long-term aspects.

 **Infrastructure:** Assessment of the impact on direct company operations, including scenarios of production interruptions and asset damage.

 **Media:** Evaluation of risks' impact concerning exposure, considering local, regional, national, and international contexts, as well as factors like public interest involvement, internal organizational repercussions, and external ramifications involving government authorities, representatives, and media outlets.

Very High					
High					
Moderate					
Low					
Very Low					
	Very Low	Low	Moderate	High	Very High

Risk Management

Every business area within Usiminas must effectively manage risks associated with their activities, utilizing the risk assessment methodology as a supporting tool and implementing measures to oversee processes.

> Measures to prevent or mitigate negative impacts

These include the adoption of formally documented internal guidelines such as regulations, standards, policies, and procedures concerning business processes. Additionally, the adoption of indicators and monitoring of each business's results are essential, correlating them with the identified risks.

The Risk Committee is tasked with discussing identified risks and devising preventive measures. Internal Audit executes a work plan formally sanctioned by the Board of Directors, which encompasses active external and internal communication channels (e.g., the Open Channel/Whistleblowing Channel), along with other applicable Strategic Committees.

> Measures to address real negative impacts, provide for their remediation, or cooperate with them

To mitigate actual negative impacts, Usiminas enforces crisis and emergency management processes developed and implemented in collaboration with business areas and risk owners. Additionally, committees are established to advise on and identify materialized risks and define applicable actions.

The Company undergoes annual external and internal audits, with reports submitted to senior management regarding the performance of corrective and preventive action plans.

> Measures to manage actual and potential positive impacts

Opportunities are deliberated by the Executive Board and evaluated for project execution viability by the Corporate Planning team, and investment feasibility by the Finance and Investor Relations Vice-Presidency.

Among the assessment criteria, themes such as quality, sustainability, and tax benefits stand out.

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Information Security

GRI 418-1

To ensure the smooth operation of Usiminas' activities, ranging from the safety of workers to the accessibility of information on the intranet or external websites, it is imperative that the systems, applications, and cyber services supporting these operations function securely and effectively. This involves safeguarding all sensitive and confidential information, which is crucial for both the Company and the stakeholders involved in its processes.

To achieve this goal, Usiminas has developed a series of documents, standards, and policies dedicated to information security and data protection:

- > Information Security Policy
- > Information Security Process Policy
- > Information Security Primer

Throughout 2023, Usiminas conducted various awareness campaigns on information security, including training sessions, announcements, Information Security Day events, and phishing tests.



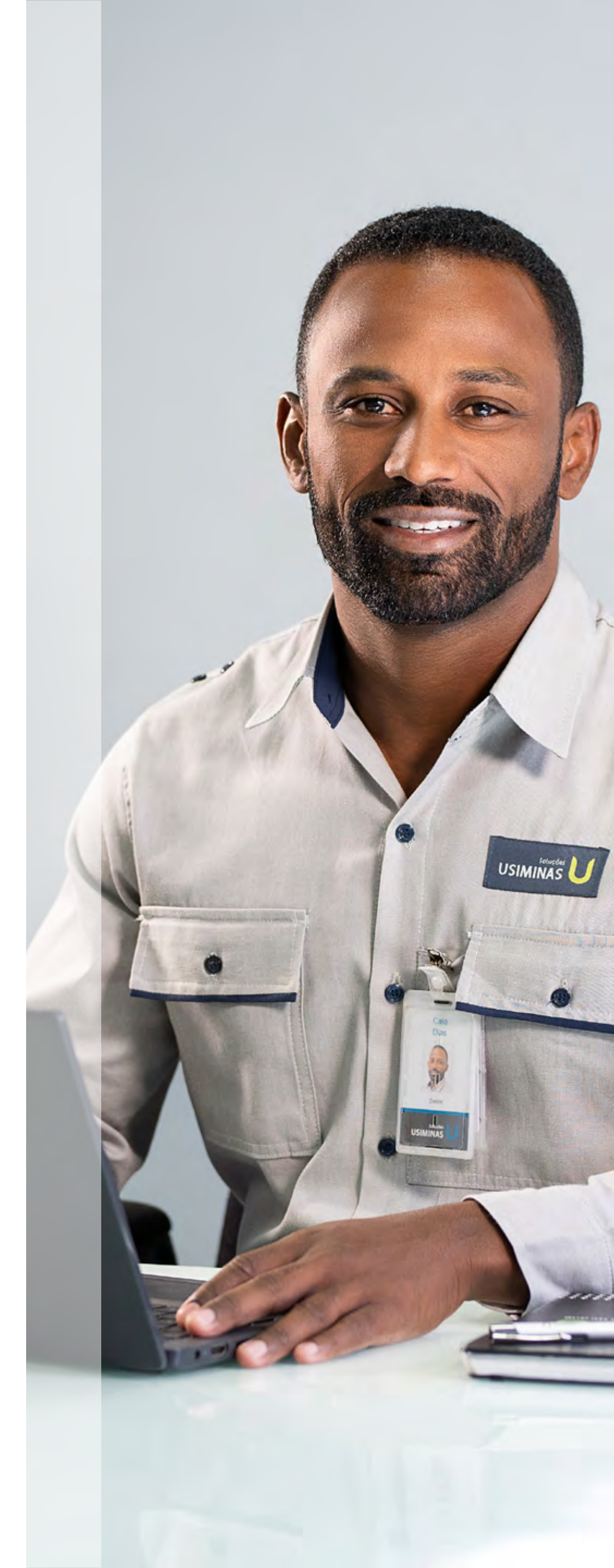
Cyber Risk Management

Annually, Usiminas conducts information security tests to evaluate the main applications accessible on the internet. Additionally, assessments are made to gauge the maturity of internal tools, along with a simulated cyber-attack exercise to test the efficacy of the incident response plan. Based on the latest reports from these tests, a set of actions to mitigate identified risks has been presented to senior management and directorates. These actions include:

Implementing rules to monitor or block the transmission of data to external environments to mitigate the risk of data leaks.

Opening Corrective and Preventive Action Records (CPARs) for every identified vulnerability. The progress of these corrections and any impediments are monitored in monthly meetings with the responsible parties. The results of this management are reported to the IT Board every six months.

NO INCIDENTS WERE REPORTED, nor were there any complaints of privacy violations or breaches of personal data protection in 2023 or in previous years.





3

SOCIAL

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To create value for society, deliver quality products and services to customers, and generate returns for shareholders, promoting social development—encompassing human, personal, professional, economic, health, and safety aspects—is essential for both our employees and the communities where Usiminas operates.

Moreover, it is crucial to cultivate and influence the entire steel value chain. Collaborating with customers and suppliers, we strive to produce high-performance steel that meets market expectations and society's demands for increased innovation and sustainability.

In this pursuit, Usiminas is committed to fostering relationships with all stakeholders, through ongoing dialogue and engagement, consistently aiming to amplify positive impacts and minimize the harmful effects of our operations. Achieving sustainable, safe, and efficient production aligns with our commitment to human rights, quality of life, health, safety, and the well-being of all stakeholders.



People Pillar Objectives



OBJECTIVES

- ▶ Continuously enhancing the Company's social performance, including workplace health and safety, by monitoring indicators and establishing targets where applicable.
- ▶ Implementing all necessary and appropriate measures to ensure the health and safety of all employees and contractors, adopting a preventative approach and ensuring legal compliance across all units, activities, products, and/or services.
- ▶ Promoting and fostering the quality of life for Usiminas employees by ensuring compliance with labor rights and legal requirements, and by encouraging voluntary welfare initiatives with employees and the local community.
- ▶ Actively working to combat discriminatory practices in all their forms, whether based on gender, race, age, sexual orientation, disability, among others, within the relationships of all employees, contractors, suppliers, and other stakeholders in the Company's value chain.
- ▶ Taking steps to respect and value diversity in practices related to people management, employment, and occupation, while aiming to diversify and make the workforce more inclusive, including at leadership levels.
- ▶ Respecting the right to free trade union association and collective bargaining for employees and contractors and promoting respect for this commitment among suppliers and other agents in the value chain.
- ▶ Encouraging and supporting, through the Volunteer Program, structured and ongoing initiatives that enhance the social engagement of Usiminas employees according to their skills, thereby enabling them to contribute to local community development and the reduction of social inequalities.

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INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> **Zero Accident Target**, implemented through actions across all hierarchical levels, encompassing 100% of both direct and contracted employees.

> **ISO 45001 Certification**, establishing a framework for managing risks and enhancing occupational health and safety performance.

> **Comprehensive work safety** training programs.

> **Occupational Health Medical Control Program** (PCMSO), featuring continuous monitoring of employee health and proactive disease prevention measures.

> **+ Attitude** (“More Attitude”) health promotion program, an interactive online platform dedicated to quality of life improvements and disease prevention.

> A **Code of Ethics and Conduct** that upholds the Company’s commitment to adhering to current legislation and internal policies, focusing on Health and Safety, Diversity, and compliance with labor rights.

> Diversity and Inclusion Program

- Public goal to achieve 18% female representation in leadership roles
- Exclusive mentorship programs for women
- Mandatory Diversity and Inclusion training for all employees
- Diversity and Inclusion Week

RESULTS ACHIEVED IN 2023

> **+ 216,000** hours of training delivered on safety regulations

> **100%** of steel-producing plants are certified under **ISO 45001**

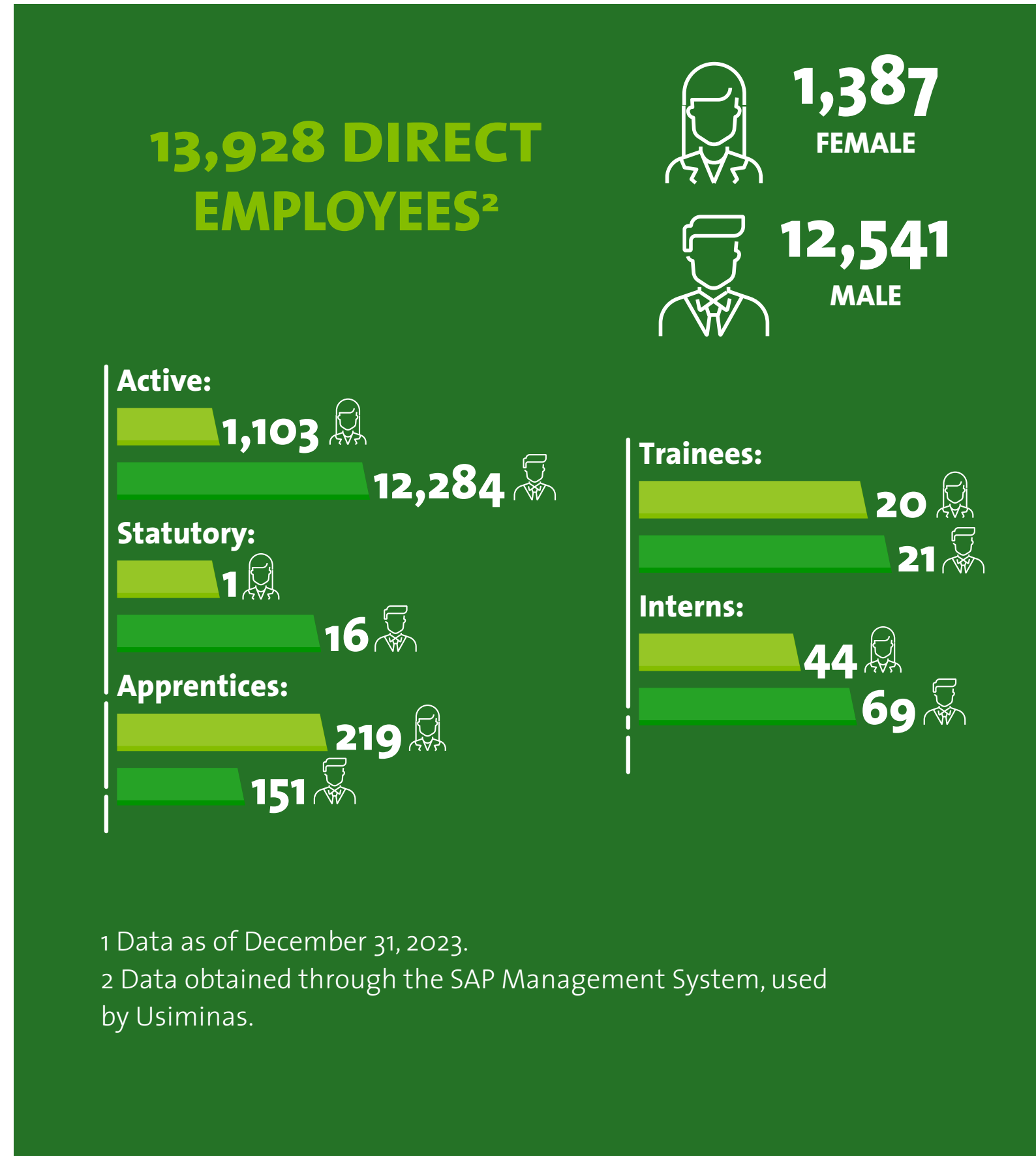
> **An increase of 3.2%** in female leadership, achieving a total of 17.67%

> **+ 1.5 thousand** volunteers

Employee Profile

GRI 2-7 | 2-8
SASB EM-MM-000.B

As of the end of 2023¹, Usiminas employed a total of **25,440 workers** across its operations. This workforce comprised **13,928 direct employees** and **11,512 contracted workers**, the latter accounting for 45% of the total workforce, primarily engaged in plant operations, work orders, construction, and maintenance tasks.



¹ Data as of December 31, 2023.
² Data obtained through the SAP Management System, used by Usiminas.

	Temporary	Permanent	TOTAL	Full-time	Part-time
Southeast					
Female	261	1,097	1,358	1,131	227
Male	226	12,045	12,271	12,090	181
South					
Female	3	18	21	21	0
Male	0	159	159	159	0
Northeast					
Female	2	6	8	8	0
Male	5	106	111	109	2
TOTAL	656	13,272	13,928	13,518	410

Contract types:

- > Permanent: Open-ended contract.
- > Temporary: Fixed-term contracts (including apprenticeships, traineeships, statutory positions, etc.).

Workload:

- > Full-time: Eight-hour workday.
- > Part-time: Workday shorter than eight hours.

Data from previous years (2021-2023) is available in the appendix titled "Historical Series."

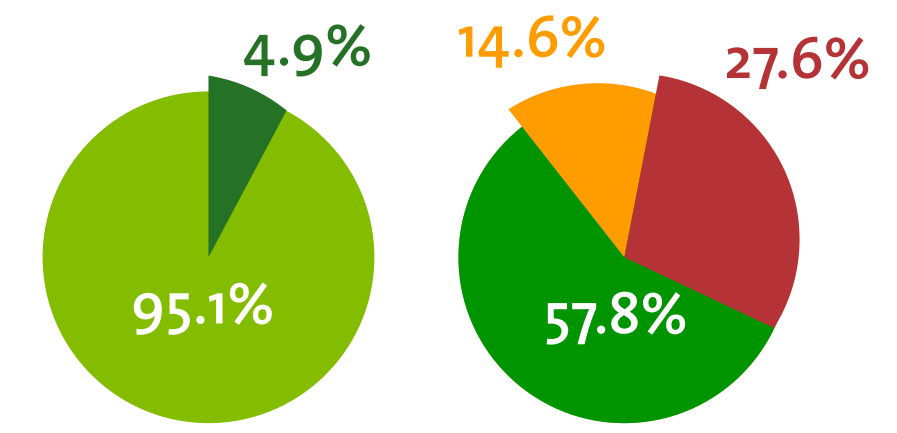
Turnover

GRI 2-7 | 401-1

In 2023, Usiminas hired **5,216 employees**, resulting in a new hiring rate of **34.2%**.

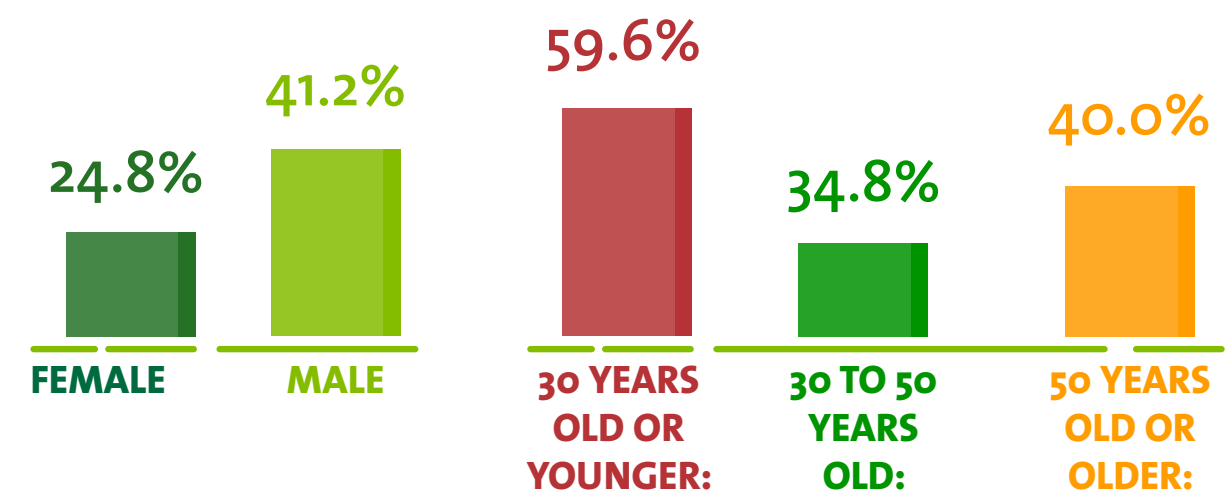
Hiring Rate

- FEMALE 254 hires
- MALE 4,962 hires
- 30 YEARS OLD OR YOUNGER: 1,441 hires
- 30 TO 50 YEARS OLD: 3,012 hires
- 50 YEARS OLD OR OLDER: 763 hires



However, the overall turnover rate, was 39.9%, reflecting a net reduction of 1,950 employees at Usiminas, comparing workforce levels from December 2023 with December 2022. The reduction is attributed to the completion of the refurbishment of Blast Furnace No. 3, budgetary premises (cost reduction), and increased productivity, while maintaining production at budgeted levels.

Turnover Rate



Outsourced workers

Out of the 11,512 outsourced workers, approximately **82% (9,426)** have permanent employment contracts, **4% (493)** are temporary, and **14% (1,593)** are professionals allocated to investment and CAPEX contracts.

A reduction of 2,962 contracted workers at Usiminas Companies was observed compared to the workforce in December 2022. This decrease is primarily attributed to the reduction in the number of work orders, the completion of the refurbishment of Blast Furnace No. 3, and maintenance services in general.

Distribution of outsourced workers across companies:

- > Parent Company: 8,702
- > Unigal: 117
- > Usiminas Mecânica: 32
- > Mineração: 2,050
- > Soluções: 602



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."



People Management

GRI 3-3

Usiminas recognizes that promoting the development of its employees is crucial for creating value for society, providing quality products and services to customers, and generating returns for shareholders. A competent, skilled, and appreciated team is essential to maintain Usiminas as a benchmark in quality and management within the steel industry, ensuring safety and delivering sustainable results.

The Integrated Management Policy, encompassing all Usiminas units, reinforces the commitment to the personal and professional growth of its employees, as well as ensuring the safety of each individual and enhancing the social and environmental fabric of the communities in which it operates. According to Usiminas' Health and

Safety Policy, life and well-being are universal human rights principles. As a socially responsible company, Usiminas has pledged to manage its workforce in a manner that values, supports, includes, and promotes health and safety for all those contributing to the organization's value creation.

Remuneration and Benefits

GRI 2-19 | 2-20 | 2-21 | 201-1

The remuneration and benefits provided to employees and senior management/ members of governance bodies serve as crucial factors in attracting, retaining, engaging, and motivating individuals dedicated to Usiminas' growth on a daily basis.

Consequently, the People Management Department diligently monitors the best remuneration practices in the market, conducting periodic studies and surveys independently or at the behest of members of the Statutory Board/Human Resources Committee. These efforts ensure Usiminas remains competitive within the sector and aligns policies and strategies to compose employees' total remuneration. The salary scale, reflecting the responsibilities of each position, is determined using the Hay points methodology, from the organizational consultancy Korn Ferry Hay Group. This approach assists Usiminas in remaining attractive to new talent and retaining its existing workforce.

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Top Management Remuneration

The remuneration of the Statutory Directors comprises both fixed and variable components. Fixed monthly installments are determined by the Board of Directors based on recommendations from the Human Resources Committee. Variable remuneration is tied to the achievement of quantitative and qualitative targets related to the Company's overall performance, including sustainability goals, and is disbursed after the Annual Balance Sheet has been audited and approved by the Board of Directors. Additionally, benefits such as car and driver services, medical and dental coverage, life insurance, and private pension plans are provided.

The Board of Directors receives fixed fees, as approved at the Annual General Meeting, without any variable remuneration practices. The monthly remuneration of the Audit Board is set at 10% of the average fixed remuneration paid to the Statutory Officers, with no variable remuneration.

Any remuneration project, study, or program aimed at Statutory Officers or members of the Board of Directors is undertaken by the Corporate People Management Department, approved by the Human Resources Committee in a formal meeting, and then presented to the Board of Directors for approval.

Profit Sharing

The Profit Sharing and Bonus programs (PLR) form part of the salary structure, with specific ranges and amounts defined for each employee group: CEO/Vice Presidents, Executive Directors, Directors, General Managers/Senior Specialists, Managers/Full Specialists, Coordinators/Specialists, and other employees.

Average salaries

The average annual salary of all Usiminas employees, excluding the highest-paid professional in 2023, increased by 5.38% compared to 2022. While the Company's highest earner experienced a 4.92% reduction compared to 2022, their salary remains 22.2 times higher than the average salary of all other employees. This calculation includes PLR and the annual bonus.

Usiminas' operating units utilize the national minimum wage as a reference, which amounted to R\$1,320.00 in December 2023. Additionally, the Company negotiates collective agreements with distinct categories and operating units to establish specific wage floors. Across all of the group's companies, the lowest salary is set at 4% above the minimum wage, with gender parity for individuals in this position.

Groups of employees whose salaries are tied to the minimum wage are monitored monthly by the Personnel Administration department, which tracks changes to salary scales and implements necessary adjustments.

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Benefits

Usiminas employees³ are offered a comprehensive benefits package, including: a co-participatory health plan covering medical assistance and dental care, a pension plan, food assistance through either an on-site restaurant or meal vouchers, food vouchers, transportation vouchers, group life insurance, childcare assistance, and extended maternity leave.³

Trainees and apprentices receive a health plan with a monthly fee paid by the Company, along with co-payment, food allowance, transport vouchers, and life insurance as part of their benefits.

³ Only employees on permanent contracts governed by the CLT are eligible for these benefits.



Previdência Usiminas

GRI 2-19 | 201-3

Previdência Usiminas is Usiminas’ pension plan. It manages supplementary pension plans designed to provide additional income beyond benefits provided by the INSS upon retirement.

In addition to Usiminas employees, the plans also encompass employees from other sponsors, including Previdência Usiminas itself. Contributions to the plans are made by both sponsors and employees, following the specific regulations of each plan.

As of December 31, 2023, **Previdência Usiminas managed a net asset of R\$ 10.4 billion and had 35,686 participants, comprising 19,497 retirees and pensioners, along with 16,189 active members across the four types of plans administered by the entity.**

According to the report from the Brazilian Association of Closed Pension Fund Entities (ABRAPP), Previdência Usiminas concluded the year ranked 18th among closed pension fund entities in terms of investment value and 8th among private entities. In 2023, Previdência Usiminas disbursed BRL 775 million in benefits to retired participants and pensioners.

 **Benefit Plan 1 (PB1)**

 **Social Security Benefits Plan 1 (Cosiprev)**

 **Defined Benefit Plan (DBP)**

 **Benefit Plan 2 (USIPREV)**

Currently, Usiprev is the only plan open to new members of the sponsoring companies’ staff.

During the accumulation phase, Usiprev participants determine their monthly contributions to build up their savings reserve. Upon retirement, participants can choose to receive their benefit as a monthly income ranging from 0.5% to 1.5% of their account balance or as a fixed-term monthly income spanning 60 to 360 months. Founding Participants (those enrolled in the plan before April 13, 2011) also have the option to convert their account balance into a lifetime monthly annuity. In this case, during the benefit phase, Usiprev functions as a Defined Benefit (DB) plan.

The benefits under this plan include scheduled retirement, benefits deriving from the option by the institute of the Deferred Proportional Benefit (DPB), benefits generated by ported resources, disability retirement, sickness benefit, and death pension – before and after retirement. Additionally, it guarantees the Institutes of Self-Sponsorship, Deferred Proportional Benefit (BPD), Portability, and Redemption.

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Parental Leave

GRI 401-3



In 2023, **693** EMPLOYEES WERE ELIGIBLE FOR MATERNITY AND PATERNITY LEAVE.



Employees eligible for leave:
FEMALE: 73
MALE: 620
TOTAL: 693



Employees who availed of leave:
FEMALE: 73
MALE: 526
TOTAL: 599



Employees who returned to work upon completion of their leave:
FEMALE: 71
MALE: 520
TOTAL: 591



Employees still employed 12 months after returning from leave:
FEMALE: 43
MALE: 418
TOTAL: 461

The figure for employees who remained employed 12 months after returning from parental leave corresponds to a **TOTAL OF 539** employees who resumed work in 2022. This indicates a retention rate of **85.5%**



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."

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Trade Union Relations

GRI 2-30 | 402-1

100% USIMINAS EMPLOYEES BENEFIT FROM COLLECTIVE BARGAINING AGREEMENTS, COVERING 100% OF THE WORKFORCE.

Usiminas upholds the right to free association and respects the involvement of its employees in trade unions, recognizing them as bodies that represent their interests. The Company maintains a continual and respectful relationship with trade unions across its diverse business segments, acknowledging their significance and appreciating their contributions.

Trade unions have direct access to employees through assemblies, union bulletins, and interactions at their workplaces. To ensure ongoing dialogue with these entities, Usiminas maintains open communication channels and provides an exclusive area – the General Corporate HR BP Employee Experience Management – to address collective employee interests, resolve conflicts, and mitigate any negative impacts on organizational climate and the Company’s reputation.

Negotiations and collective agreements are directly conducted with the unions representing the respective categories.

Any significant operational changes affecting employees at Usiminas are communicated by leadership to the concerned professionals at least one week in advance, adhering to the terms agreed with the unions and the registered instruments in the Ministry of Labor and Employment’s mediator system.



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Talent Attraction

GRI 3-3

Usiminas offers numerous opportunities for young students and recent graduates seeking to learn and contribute to the organization's present and future.

The programs for apprentices, interns, and trainees foster the inclusion and development of youth, facilitating a smooth transition from academia to the professional world through structured developmental paths, practical experiences, and knowledge exchange.

Apprentice Program

The Usiminas Apprentice Program integrates formal education with hands-on experience in the workplace. It provides opportunities for individuals aged between 16 and 23 (depending on location) to enhance technical and behavioral skills. Moreover, the program plays a vital role in community development by preparing qualified young individuals for the future.

Aligned with its Diversity and Inclusion Program, the company underscores that the initiative welcomes young individuals from

all social backgrounds, irrespective of their origin, race, gender, sexual orientation, or physical condition.

In 2023, **Usiminas engaged 374 apprentices.**

Internship Program

The internship program serves as a bridge between the Company and professionals pursuing technical or higher education, facilitating their practical application of academic knowledge and providing a conducive learning environment for their professional development journey. In 2023, 113 interns, including technical and higher education students, participated in the program.

Trainee Program

Comprising rotations across various functional areas, the trainee program offers a holistic perspective of the organization's operations. It includes technical visits to operational units, behavioral and technical development pathways, and project assignments. By the end of 2023, 43 individuals were engaged in the trainee program.

Usiminas' entry programs are designed to enhance diversity and inclusion within the organization:

- > Aim to recruit 50% women for the Trainee Program.
- > Allocating 55% of apprentice and internship program positions to diverse candidates.

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Fairs and Events

Participation in career fairs and events organized by Usiminas' partners attracts a diverse and engaged audience, thereby enhancing the efficiency of talent acquisition efforts. A notable highlight in 2023 was the Company's participation in the Incluir PDC Fair, the largest online job fair for individuals with disabilities, aimed at promoting their employability and inclusion.

- > **ABM Week** – HR Networking Session. São Paulo (SP)
- > **SEQ** – UFMG Chemical Engineering Academic Week. Belo Horizonte (MG)
- > **Incluir PCD** – 4th Online Job Fair for PWDs
- > **Conecta RH** – Senai. Ipatinga (MG)
- > **3rd Employability Fair** – Faculdade Única. Ipatinga (MG)
- > **Metallurgy Academic Week** – CEFET. Timóteo (MG)
- > **14th Employability Fair** – UNISANTA. Santos (SP)
- > **2023 Career Fair** – PUC Minas. Belo Horizonte (MG)

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Performance Evaluation

GRI 404-3

Usiminas' Performance Management program conducts an annual evaluation of employees across all functional categories, categorized into two main groups: administrative and operational.

The assessment of the administrative group hinges on targets, skills, and potential, whereas the operational group is evaluated solely on skills and potential.

PERFORMANCE EVALUATION STAGES:

1 HIRING, GOAL VALIDATION, AND REVIEW;

2 SELF-ASSESSMENT;

3 MANAGER ASSESSMENT;

4 MANAGEMENT ROUNDTABLE;

5 FEEDBACK, ENCOURAGING INTERACTION BETWEEN ASSESSEE AND ASSESSOR.

Following the completion of the assessment stages, the developmental phase commences within the Company, encompassing training, Individual Development Plans (IDPs), and career planning, among other initiatives. Tailored to each employee's profile, individual and collective actions are undertaken, potentially leading to lateral or upward mobility within Usiminas.

In 2023, all eligible employees actively engaged in the performance management process assessment.

Of the total workforce, 78.3% of employees are eligible for the performance management process, and all eligible employees, regardless of gender or job position, undergo evaluation. The remaining 21.7%—including trainees, apprentices, and Usiminas Mecânica employees engaged in construction projects—are

excluded from this process. Trainees and apprentices undergo their own assessment procedures in alignment with training, development, and apprenticeship programs.

The Executive Board of Usiminas undergoes a formalized performance evaluation process based on achieved results. To this end, the Board of Directors, with the assistance of the Human Resources Committee, sets quantitative and qualitative indicators annually, concerning the Company's performance and the attainment of collective and individual goals.

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Capacity Building, Training and Education

GRI 3-3 | 404-1 | 404-2

To ensure a skilled workforce prepared for forthcoming challenges, Usiminas fosters development and lifelong learning.

The establishment of the **Usiminas Corporate University** aims to cultivate and integrate competencies that bolster strategic objectives while fostering a culture of learning and innovation through comprehensive educational solutions.



Spanning all operational units, the Corporate University encompasses the **Business School, the School of Health, Safety, and Environment School, the School of Leadership and Culture, and the Steel School.** Content delivery occurs through in-person, online and distance learning modalities, covering leadership, self-development, productivity, safety, and quality of life, among other domains. Accessible via the intranet and internal communication channels, the university's virtual platform is available to all employees.



Business School

This school fosters essential business acumen with a customer-centric approach to foresee future trends and devise innovative operational strategies.



School of Leadership and Culture

It nurtures leaders equipped to tackle both present and future challenges. Finally, it empowers them as catalysts for change, thereby reinforcing the organization's culture and values among employees



School of Health, Safety, and Environment

The organization fosters a culture of health, safety, and environmental stewardship by cultivating critical knowledge to reinforce the Protecting Life DNA.



Steel School

Moreover, it consistently enhances process quality and refinement while bolstering the technical proficiency of its workforce and fostering a culture of innovation.

Throughout 2023, the Corporate University discerned employee training needs through various channels, including meetings, satisfaction surveys, and feedback from workshops, among others. This comprehensive approach allowed for a deep understanding of human and organizational development expectations that harmonize with the Company's strategic vision. Subsequently, these insights were translated into action through the adaptation of existing programs or the creation of new courses, such as those addressing decarbonization.

Active engagement with stakeholders ensures that training initiatives remain aligned with the organization's values, stakeholder expectations, and the ongoing enhancement of programs.

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AVERAGE TRAINING TIME IN 2023⁴

Gender	Average hours per employee
Female	79.25
Male	67.81

Functional Category	Average hours per employee	Total
Administrative Staff	34	4,488.21
Management	12.42	422.25
Managers	24.57	6,856.00
Operational Team	80.89	627,874.32
Officers	34.39	46,317.52
Technicians	56.31	123,769.26
OVERALL TOTAL	68.90	809,727.56

 Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

> EAD (Distance Education and Remote Learning)

Partner Company Program: With a focus on workforce training in the Vale do Aço region, the Usiminas/Senai partnership for technical training has made over 200 free slots available for technical courses in Industrial Automation, Electrotechnics, Administration, and Work Safety. These courses are accessible to both employees and their dependents located in Ipatinga and the surrounding region.

⁴ This figure does not include training hours for apprentices, trainees, and construction sites.

> Continuing Education and Language Program:

This initiative includes Undergraduate, Postgraduate, Master’s, MBA, International Postgraduate, and Language Programs aimed at complementing employees’ training to equip them for the challenges of their careers.

> Safe Behavior:

Over 450 employees received in-person training to reinforce the culture and concepts of safety, aligned with the Protect Life DNA. The goal is to empower them to act as safety advocates in their daily work and to develop a mindset where safety is paramount.

> Safety Day:

This event features live streamed lectures open to all employees, focusing on promoting a safety culture. Throughout 2023, topics such as safe driving, active care, safe traffic, and golden rules were covered. The invited speakers are professionals who are recognized authorities in the topics addressed. In 2023, the Safety Day featured speakers such as Gustavo Ziller, Lito Souza, and Luciano Burti.

> Procedural Videos:

detailed internal procedure videos are created, aimed at providing practical and effective training for employees. These videos cover various topics such as gas monitor usage, overhead crane operation, operational excellence including checklists and accessories, as well as trailer tipping, among others, developed throughout the year 2023.

> Environment Week:

In 2023, Environment Week showcased a diverse program open to the public, aiming to raise awareness and promote an environmental culture by emphasizing daily actions that impact both people and the environment, both within and beyond the plant. One of the program’s highlights was a special lecture on sustainability and waste management.

> Decarbonization:

Addressing a crucial topic in the ESG (Environmental, Social, and Governance) and sustainability agenda, discussions on decarbonization and its business implications, along with socio-environmental challenges and opportunities in the steel industry, were featured in a talk open to all employees. This was held in collaboration with *Way Carbon*.

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> **Environmental Compliance** Introduction of an online training course on Environmental Compliance, designed to educate employees at the Ipatinga Plant about the Usiminas Compliance Program and Policy. The initiative is dedicated to upholding legal and regulatory compliance in processes pertaining to environmental matters.

> **Quality Development Program:** This initiative cultivates professionals to become leaders in quality, advocating and disseminating continuous improvement and problem-solving related to products and processes. It encompasses courses in CQE, Minitab, 9001 Internal Auditor Training, Coretools + IATF, Management for Results, SNQC Renewals and Certifications, and Characteristic Report, among others.

> **Steelmaking for Non-steelworkers:** This training program focuses on imparting knowledge of the steelmaking process, from raw materials and intermediate processes to the final product. It includes a technical tour of the entire production flow at the Ipatinga mill, providing employees with a comprehensive understanding of the steel industry.

> **Internal Instructors Training:** This program offers training for employees interested in becoming knowledge multipliers in their respective areas. It covers learning techniques, behaviors, and theoretical and practical instructional tools to enhance employees' training abilities in the workplace and strengthen knowledge management. In 2023, over 500 internal instructors underwent training.

> **Startup Mundi:** In an unconventional and innovative training format, employees from Usiminas Companies were immersed in the main stages of a startup's evolution. Starting with idea validation and progressing through scalability processes, attracting investment, and culminating in Demoday, all training occurred on a gamified platform. The dynamic teaching methods aimed to stimulate participants' engagement, showcasing Usiminas' commitment to innovation.



Management, control and monitoring

The Corporate University sets targets and maintains a Training Matrix to gauge training completion indicators. Additionally, an Effectiveness Assessment is conducted on training programs deemed critical to the Quality Management System, measuring the retention and application of acquired knowledge.

Prioritizing, planning, and monitoring Usiminas' training processes are integral parts of the internal Risk Management procedure, utilizing the GUT Matrix methodology.

The ISO 9001, 14001, 45001, and IATF 16949 certifications mandate periodic audits of the training process by internal and external teams. Usiminas utilizes audits and monitoring as mechanisms for *feedback* and process enhancement.

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Diversity & Inclusion

GRI 3-3 | 202-2 | 405-1

Diversity and inclusion initiatives at Usiminas form an integral part of the Company’s sustainability strategy. These efforts not only serve as a catalyst for gaining a competitive edge but also hold significant implications for the organizational climate. Fostering a diverse, inclusive, and welcoming environment that respects all individuals enhances the potential of the organization’s human capital. It broadens perspectives and experiences and fosters innovative solutions, thereby cultivating a sense of belonging and psychological security among employees. Consequently, this positively impacts the Company’s reputation in the eyes of all stakeholders.

Equity, a cornerstone of social and political progress, is intrinsically linked to diversity. Since the inception of the **Diversity and Inclusion Program** in 2019, Usiminas has been steadfastly advancing initiatives aimed at cultivating a more inclusive and diverse workforce.

This program falls under the purview of the People Management Department and is overseen by the Diversity and Inclusion Strategic Committee, comprising managers from various areas within the Company.

The program is structured around five Affinity Groups:

- > GENDER EQUITY
- > PEOPLE WITH DISABILITIES
- > RACE AND ETHNICITY
- > GENERATIONS
- > LGBTI+

The groups consist of volunteer employees known as Diversity Ambassadors and Guardians. During monthly meetings, each group is dedicated to pinpointing opportunities for enhancing Diversity & Inclusion (D&I), proposing specific actions tailored to the social group they represent, serving as a focal point for the program within their units, disseminating initiatives, influencing colleagues, and, most importantly, keeping the program active and thriving.

The journey has already witnessed considerable progress in terms of cultural and *mindset* transformation. However, challenges persist in dismantling paradigms and addressing unconscious bias. Heightening awareness regarding the importance of fostering a diverse, safe, and inclusive environment necessitates more decisive actions that positively impact employee relationships, processes, and

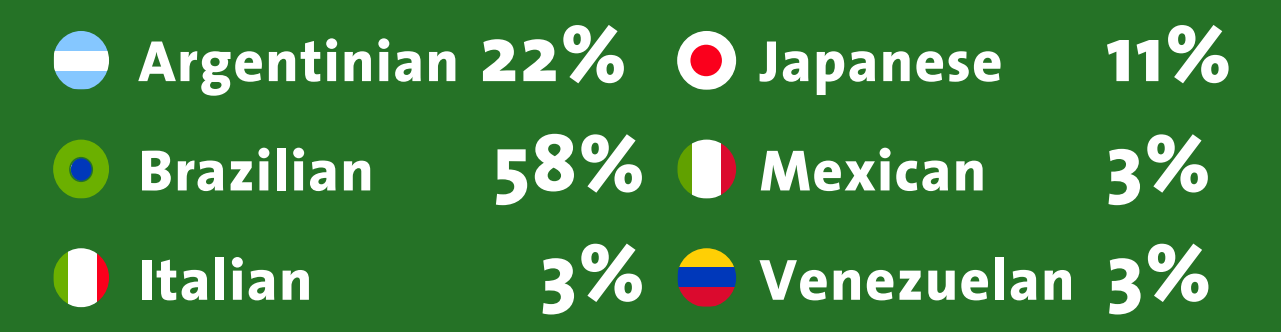


sustainability outcomes. The ongoing quest for skilled labor representing minority groups has intensified over the past year.

The topic of Diversity & Inclusion was discussed during two Board of Directors meetings in 2023.

Cultural Diversity on the Board

The composition of Usiminas’ Board of Directors, comprising area directors, directors from production units (such as the Ipatinga Plant and Cubatão Plant), and the Statutory Board of Directors (CEO and Vice Presidents), reflects a rich diversity of nationalities. In 2023, the board boasted a blend of backgrounds, with 58% of its members being Brazilian and 42% representing various foreign nationalities.



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D&I initiatives in 2023

> In 2023, the Diversity and Inclusion department was incorporated into the **Leadership and Culture School**.

> The Usiminas Corporate University provided the **Seven Steps for Diversity and Inclusion training**, with the aim of highlighting the importance of diversity and diverse perspectives in the workplace, while also nurturing a culture of inclusion and respect for differences.

> The topic of diversity was also addressed in entry-level programs: **Trainees, Interns, and Apprentices**.

> Inclusion of the **Diversity agenda in monthly Safety Talks (DDS)** held across all group companies.

> **The Diversity and Inclusion Standard**, initially launched in 2020, underwent revision in January 2023. This document sets forth guidelines for the Diversity and Inclusion Program, fostering inclusion and equity among employees and providing opportunities for all to realize their individual potential.

> Update of the **self-declaration feature for race/color and gender identity and sexual orientation** (optional) on the HR portal.

> The **Mentoring and Coaching Program**, a crucial tool for human development, engaged 19 female employees in mentoring, while coaching had 28 participants divided into two groups.

> **Diversity in Action** – an initiative focused on Affinity Groups – featured lectures on pertinent topics, nurturing knowledge and fostering rich discussions on diversity. In 2023, more than 370 employees participated in these activities.

> Organization of **lectures open** to all employees to celebrate and reinforce the culture of diversity and inclusion, covering themes from affinity groups such as: International Women’s Day, International LGBTI+ Pride Day, Youth Day, Day of People with Disabilities, and Black Awareness Day.

> The **4th Diversity Week** prompted profound reflections through lectures, debates, and roundtable discussions. Distinguished speakers like Guilherme Bara, a consultant specialized in developing, implementing, and managing corporate diversity and inclusion programs, engaged with the Usiminas team on the significance of diversity, integrity,

and sustainability in strategically shaping a Company’s longevity. The discussions delved into the challenges and opportunities associated with selection processes aimed at fostering greater diversity and inclusivity within companies. Diversity in Action – an initiative centered around Affinity Groups – showcased lectures on pertinent topics, fostering knowledge-sharing and robust discussions on diversity. **In 2023, these events attracted over 1500 participants.**

Diversity Calendar 2023

Dissemination of articles and news stories through internal channels and/or social media, along with internal lectures highlighting 12 significant dates:

Jan 29, 2023	National Day of Visibility for Trans and Transgender People
Mar 08, 2023	International Women’s Day
Mar 21, 2023	International Day for the Elimination of Racial Discrimination
Apr 13, 2023	Youth Day
May 22-26, 2023	Diversity Week – celebrating World Day for Cultural Diversity for Dialogue and Development on May 21.
Jun 23, 2023	Women in Engineering Day
Jun 28, 2023	International Day of LGBTI+ Pride
Jul 25, 2023	International Day of Afro-Latino-American and Caribbean Women
Oct 01, 2023	International Day of Older Persons
Oct 11, 2023	Persons with Disabilities Day
Nov 20, 2023	Black Awareness Day
Dec 03, 2023	International Day of Persons with Disabilities

Diversity in the organization’s functional categories – 2023

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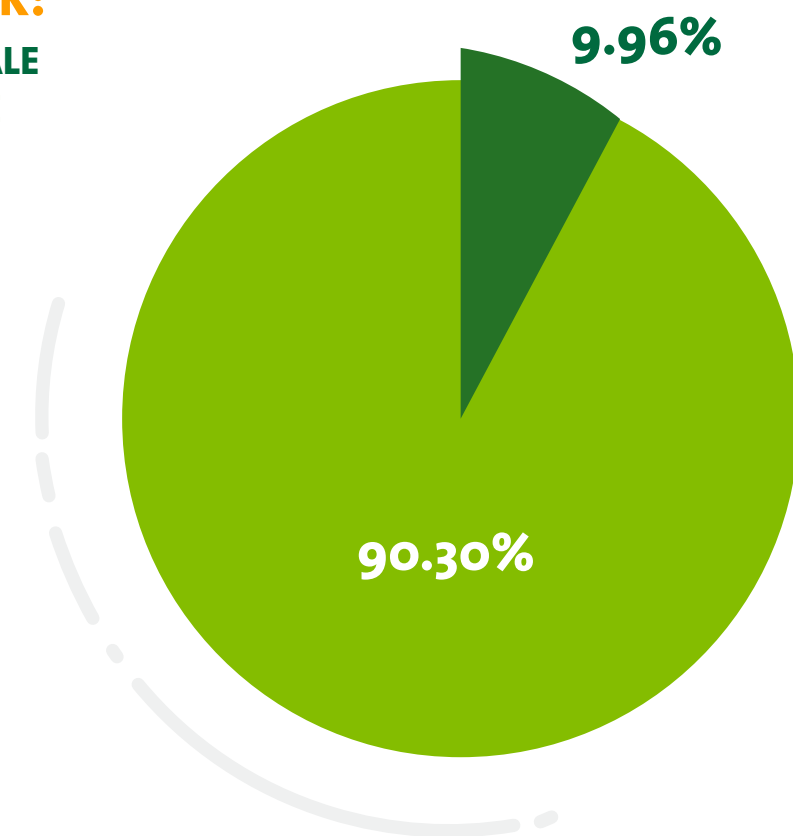
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Category	Female	Male	Under 30 years old	30 to 50 years old	Over 50 years old	Mixed	White (Caucasian)	of Black individuals	Asian	Indigenous	No answer
Executive Board	5.26%	94.74%	0%	36.84%	63.16%	5.26%	84.21%	0%	10.53%	0%	0%
Department Directors	0%	100%	0%	47.06%	52.94%	0%	100%	0%	0%	0%	0%
General Managers	8.89%	91.11%	0%	51.11%	48.89%	6.67%	91.11%	0%	0%	0%	2.22%
Managers	18.00%	82.00%	0.67%	77.33%	22.00%	26.67%	70.67%	2%	0.67%	0%	0%
Department Heads	27.27%	72.73%	3.03%	78.79%	18.18%	24.24%	63.64%	7.58%	1.52%	1.52%	1.52%
Officers	30.65%	69.35%	16.80%	67.00%	16.20%	30.04%	61.42%	4.03%	1.55%	0.20%	2.76%
Technicians	8.50%	91.50%	10.53%	77.78%	11.70%	50.88%	39.41%	6.70%	0.72%	0.18%	2.11%
Administrative Staff	36.13%	63.87%	31.09%	51.26%	17.65%	40.34%	50.42%	6.72%	0%	0%	2.52%
Operational Team	6.62%	93.38%	23.42%	62.21%	14.38%	50.99%	30.13%	11.07%	0.72%	0.24%	6.84%
Total	9.96%	90.30%	20.24%	65.26%	14.50%	47.99%	36.08%	9.41%	0.82%	0.23%	5.48%

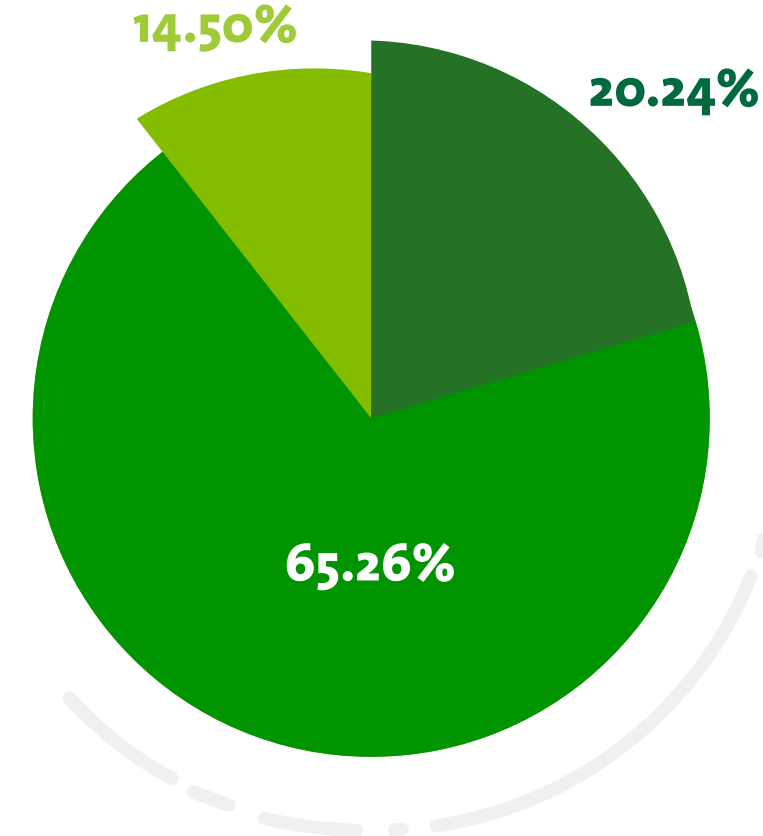
GENDER:

- FEMALE
- MALE



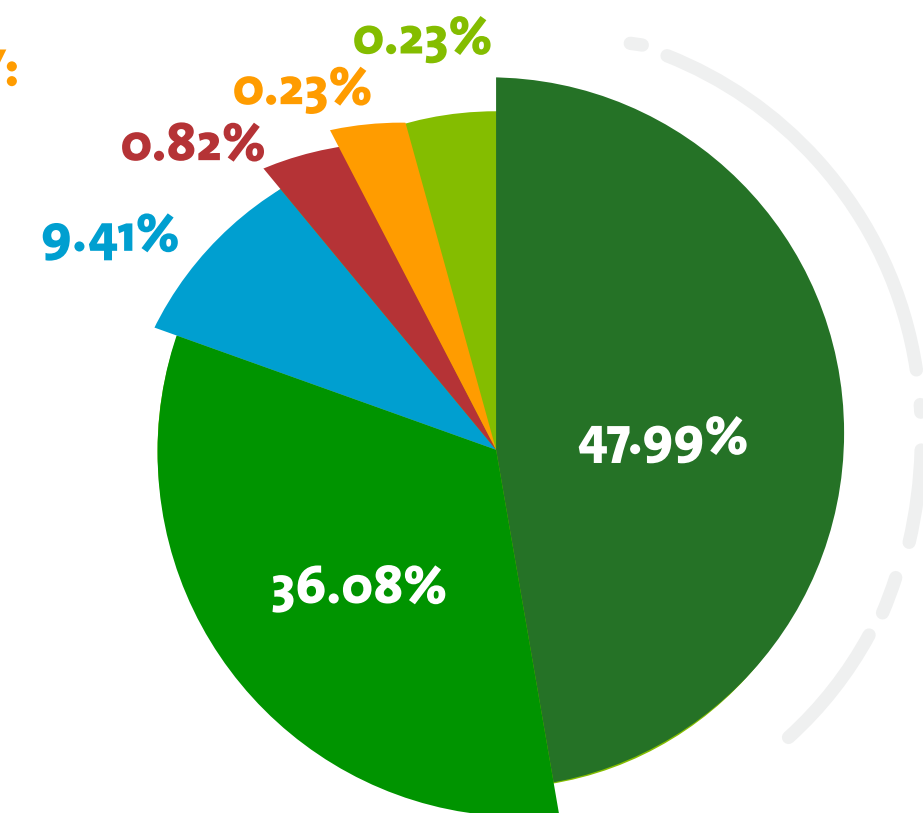
AGE:

- UNDER 30 YEARS OLD
- 30 to 50 YEARS OLD
- OVER 50 YEARS OLD



ETHNICITY:

- MIXED
- WHITE
- BLACK
- ASIAN
- INDIGENOUS
- NO ANSWER



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

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Occupational Health and Safety

GRI 3-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8 | 403-9 | 403-10

SASB EM-IS-320a.1 | EM-MM-320a.1

The health and safety of employees are paramount to Usiminas. Beyond merely mitigating and preventing accidents and risks to workers' lives and physical and mental well-being, the organization is dedicated to enhancing workers' quality of life. This commitment extends to preventing illnesses, fostering healthy habits, and implementing optimal safety practices in both daily operations and employees' personal lives, thereby enhancing the organization's productivity and sustainability.

Health and Safety Management System

Usiminas **Health and Safety Policy** upholds life and well-being as fundamental principles of human rights. Consequently, Usiminas is deeply committed to social responsibility. The



MATERIAL TOPIC
People Management

Integrated Management Policy, Golden Rules, Code of Ethics and Conduct, and established standards and procedures provide the framework for conducting activities safely, prioritizing the health and well-being of workers throughout their workday.

100% OF WORKERS ARE COVERED BY THE SAFETY MANAGEMENT SYSTEM.

The Âmbito system is utilized to oversee legal requirements, ensuring compliance with regulatory standards, updates, and other applicable legal mandates by the relevant authorities.

> **The ISO 45.001 certification of the Ipatinga and Cubatão plants confirms substantial compliance with legal health and safety requirements in the workplace.**



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Occupational Health

The **Usiminas Integrated Health System (SISU)** was established in 2016 to implement best practices in occupational health, medical assistance, social support, health promotion, emergency response, and disease prevention. It operates through collaboration with various interface areas, including legal, communications, and occupational safety and covers all employees of Usiminas companies. Its core principles are resource integration, service synergy, and the delivery of high-quality health initiatives tailored to workers' needs.

The Technical Health Group oversees the SISU's management and operations. Through bi-weekly meetings, the group addresses pertinent issues concerning employee health, identifies existing risks, devises prevention and health promotion strategies, and updates indicators and the progress of initiatives at each unit. Occasionally, representatives from the Workplace Safety, Communications, and Legal departments participate in these meetings.

The Occupational Health department focuses on maintaining employees' well-being in the workplace by proposing health promotion actions and minimizing medical absenteeism. The team identifies health risks and hazards by conducting various occupational examinations, including pre-employment, termination, routine check-ups, risk change assessments, and return-to-work evaluations.

The multidisciplinary team comprises professionals such as the PCMSO Coordinating Physician, Speech Therapists, Occupational Physicians, Medical Examiners, Occupational Nurses, Administrative Assistants, Administrative Analysts, Social Workers, Occupational Nursing Technicians, First Aid Nursing Technicians, First Aid Drivers, Supervisors, X-Ray Operators, and Ergonomists.

The team also operates in emergency health, providing urgent and immediate care during critical situations. Additionally, it conducts health promotion initiatives aimed at fostering

a culture of self-care and minimizing risks, including the prevention of musculoskeletal, infectious, and chronic diseases.

This department defines health protocols and procedures, sets indicators and targets, and ensures compliance with the Occupational Health Medical Control Program (PCMSO) while also monitoring cases of sick leave.

To mitigate legal risks, the department adheres to regulatory requirements (NR 07 and NR 17) E-Social guidelines and undergoes regular inspections. In accordance with these standards, Usiminas produces the Annual Report of the Occupational Health Medical Control Program (PCMSO), which continuously tracks employees' health status and implements ongoing disease prevention measures, encompassing both clinical and occupational aspects.

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Promotion of Worker Health

Usiminas employees benefit from the Usisaúde health plan, which covers medical and dental consultations, as well as services provided at Occupational Health units. During clinical care under Usisaúde, employees can be referred by the doctor to specialists, with the Company covering the costs.

Orthopedic concerns are directed to the Superar Project, where orthopedists and physiotherapists provide treatment. Pregnant women receive guidance on pregnancy and breastfeeding through the Gerar Project. Moreover, the “Espaço Mamãe” (“Mom’s Lounge”) facilitates optimal conditions for breastfeeding employees to express and store breast milk safely during working hours.

Usiminas also provides its employees with the “Fala Aí Saúde” (“Talk to Us – Health”) service, a mobile app offering health advice and scheduling for occupational tests.

In 2023, the “+ Atitude” (“More Attitude”) health promotion program was launched in collaboration with the São Francisco Xavier Foundation (FSFX). This *online* platform, accessible to all employees and their dependents, employs a gamification methodology to promote health and prevent diseases, with a focus on primary care services and comprehensive family care for beneficiaries.

Additionally, Usiminas conducts an annual flu vaccination campaign to reduce the incidence and complications of the disease among employees. The quadrivalent vaccine is available free of charge to employees and at a subsidized rate for dependents. The campaign has been ongoing since 1997, and in 2023, roughly 6,500 employees and their dependents received vaccinations.

In 2023, collaborative efforts with the Corporate University were undertaken to promote the mental health of operators and managers, aiming to destigmatize mental health issues and prevent illnesses.



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Occupational Safety

Usiminas is committed to achieving **Zero Accidents** and supports this objective with actions at all hierarchical levels, encompassing 100% of its own and contracted employees.

With a focus on the physical well-being and health of Usiminas employees, essential tools have been developed and implemented to cultivate a culture of workplace safety.

The General Management of Occupational and Process Safety is tasked with developing corrective and preventive measures, overseeing a team of managers, engineers, and technicians committed to identifying, assessing, and mitigating the risks inherent in all operational areas. It also counts on the assistance of a multidisciplinary team, spread across various management sectors, which comprises professionals in occupational medicine and nursing, analysts, ergonomists, and other collaborators. They collaborate

collectively to safeguard the health and well-being of employees.

Furthermore, the department devised and put into action a methodology that forms the foundation of the company's Strategic Safety Plan. This plan is a management instrument composed of six key components that unify production, management, and maintenance sectors concerning occupational safety. Each component includes specific actions, timelines, and designated individuals responsible for their execution.

Strategic Security Planning is developed in each of the units, grounded in an analysis of their indicators (both proactive and reactive) and an assessment of the prioritization of critical points. This standardized methodology enables actions to be targeted, taking into account the specificities of each operation and region.

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Identification and Analysis of Hazards and Risks

Ten Working Groups have been established to analyze and address the potential risks associated with the activities of Usiminas companies, prioritizing those that could lead to events with significant consequences.

Each working group comprises specialists in the field, safety advocates, and a vice president or director as a sponsor, who is responsible for ensuring resources and the implementation of all actions aimed at workers' health and safety. The vice president overseeing Workplace Safety routinely monitors these actions to provide guidance, support, and validate the analyses, work, and initiatives being institutionalized across all units as best practices.

To support this endeavor and ensure a thorough assessment of each activity, there is a collective effort to ensure that all Company activities have standards and procedures in

place. These standards delineate the optimal way to execute tasks, specify necessary tools control measures, and outline procedures in case of unforeseen events. The aim is to continuously enhance safety procedures and consolidate knowledge of leading practices for task execution.

This collective effort culminates in the **Operational Discipline program**, which identifies the need to create or revise procedures. The program employs a methodology to scrutinize the work cycle for potential process enhancements. Upon completion, it reports on the progress made by each area regarding their procedures.

ALL ACTIVITIES WITHIN USIMINAS COMPANIES ADHERE TO OCCUPATIONAL HEALTH AND SAFETY STANDARDS AND PROCEDURES.

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Preliminary Risk Analysis

The occupational safety team endeavors to ensure that each activity undergoes appropriate risk and hazard identification. The Preliminary Risk Analysis é capaz aids in pinpointing sites and services with hazardous execution conditions, along with their corresponding control measures.

Any situation or condition falling outside the scope is reported in **SIASSO – Integrated System for Occupational Health and Safety Actions**. his system allows all employees to report events, whether deviations or incidents. Safety professionals, in collaboration with the medical team, input information on workplace accidents, assessing the

associated injuries. Events reported in SIASSO are now accompanied by action plans integrated into the system, specifying responsibilities for all stakeholders involved in resolving the issue.

Serious or Imminent Risk

In line with regulatory principles and increasingly internalized values, Usiminas has **mechanisms to halt activities upon detection of serious and/or imminent risks** in the system. Moreover, frontline employees are empowered to refuse any work that could endanger them, as instructed. This proactive measure ensures that situations do not escalate into more serious incidents, directly safeguarding both the employee and the Company's assets.

The **Right to Refuse** contributes to consolidating and operationalizing a discourse increasingly embraced within the Company: the **valorization of life and the prioritization of safety**. Once invoked, this resource prompts the cessation of activity for a review of working conditions, potentially introducing additional control measures or strengthening existing ones. For this purpose, the organization primarily depends on behavioral factors, both in terms of risk perception and in formulating solutions for issues, recognizing that employees are essential in constructing and spreading a safety culture.

Indicator Management

The SIASSO database feeds into the Occupational Safety Website, a pivotal management tool that organizes information compiled by the program. This platform allows for unit-wise evaluation of event numbers, proactive and reactive indicator rates, and action plan execution rates, among other tabulated and graphically represented data, facilitating safety professionals' analysis. Consequently, the website emerges as a key resource for democratizing information and disseminating lessons learned from each Company event, ensuring all employees have access to occupational safety issues and their outcomes.

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Occupational health and safety training

Our steadfast dedication to occupational health and safety training is underscored by consistent training updates and the creation of novel training programs. These endeavors not only ensure adherence to regulatory standards but also foster an organizational ethos centered on accident prevention, advancing toward the objective of Zero Accidents.

Work safety training initiatives conducted in 2023:

> Regulatory Requirements Training: **+ 216,000 hours of training provided to more than 5,000 employees;**

> Safe Behavior Training – This program equips frontline employees to serve as Safety Agents: **+ 3,000 hours of training delivered to 485 individuals;**

> Hosting five livestreams on safety, open to the general public, addressing the following topics: Safe Road, Golden Rules, Safe Traffic, Active Care, and SIPAT Week. **Over 3.000 participants reached;**

> Occupational Health and Safety (OHS) and Major Accident (MA) Incident Analysis Training: **39 individuals received training.**

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Employee communication and participation in Health and Safety

Usiminas employs various channels to communicate, consult, and engage its employees in matters pertaining to health and safety and the Occupational Health and Safety Management System (OHSMS).

➤ Intranet Communication: Utilizing a virtual platform, employees can offer comments and suggestions, which are duly reviewed by the technical group tasked with addressing raised proposals.

➤ Internal Accident Prevention Commission (CIPA), in compliance with NR 05 regulations.

➤ Active participation of employees through their representatives in CIPA meetings;

➤ Employee involvement in identifying hazards, assessing risks and opportunities, and determining controls;

➤ Consultation and participation in the development of operational procedures;

➤ Participation in Safety Volunteer Groups (GVS), where employees can report risk situations and directly report to senior management;

➤ Conduction of Daily Safety Dialog (DDS) sessions, which include a daily review of important health and safety information;

➤ Communication about relevant security incidents.

➤ Additionally, the SIASSO platform facilitates employee reporting and access to safety-related information, while the Occupational Safety Website provides updates on deviations, events, and safety indicators.

Work-related Accidents

GRI 403-9 | 403-10

In 2023, Usiminas documented several incidents and accidents with serious potential consequences predominantly related to suspended loads, operational machinery, cargo transport, and exposure to toxic or asphyxiating gases.

Following any such incidents, comprehensive investigations were conducted by the occupational safety team along with a multidisciplinary group from the relevant departments. This led to the identification, documentation, and implementation of enhanced control measures at the affected work sites.

To mitigate risks associated with gas exposures, Usiminas established a round-the-clock gas leak monitoring and detection center. Additionally, the company upgraded


its leak prevention and detection technologies and inaugurated a dedicated gas safety training center at the Ipatinga plant.

Regarding occupational health, Usiminas reported no incidences of illness or fatalities due to work-related diseases in 2023, upheld by vigilant monitoring through the Occupational Health Medical Control Program (PCMSO).

Monitoring is conducted through the annual reports of the Occupational Health Medical Control Program (PCMSO), which continuously tracks the health status of employees and implements ongoing measures to prevent diseases, whether they are clinical or occupational in nature.

Despite rigorous safety protocols, the year concluded with the tragic loss of an employee, deeply affecting the Company’s commitment to occupational safety. This incident underscored the vital need for ongoing analysis, proactive change, and strategic renewal to further enhance workplace safety in the forthcoming year.

Reported work-related accidents	Employees		Third Parties	
	Number	Rate ⁵	Number	Rate
Fatalities resulting from work-related accidents	1	0.03	0	--
Work-related accidents with serious consequences (excluding fatalities)	17	0.54	10	0.28
Reportable work-related accidents	66	2.11	77	2.19
Hours worked	31,266,775.44		35,126,670.48	

 Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

⁵ The rates have been calculated per 1,000,000 hours worked.

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Stakeholders Engagement

GRI 3-3 | 2-29

SASB EM-IS-430a.1

Usiminas engages with its stakeholders through a well-established social, environmental, and governance strategy involving shareholders, employees, communities, customers, suppliers, industry groups, governments, and strategic partners. **Additionally, it is committed to creating societal value by actively listening, dialoguing, and engaging to enhance positive impacts and mitigate negative ones for each stakeholder group.**

The Company is dedicated to understanding and monitoring the impacts of its operations by maintaining a permanent involvement with the community through outreach initiatives, participating in committees and councils, and conducting surveys and polls to promote a better understanding of stakeholder expectations and demands.

Value chain

The relationship with the value chain poses the challenges of externalizing Usiminas' culture, values, and current rules to its suppliers, in order to foster **a sustainable and socially and environmentally responsible production chain.** The principles, guidelines, and regulations governing Usiminas's

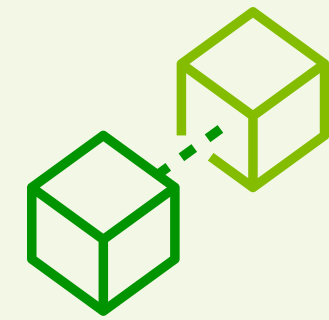


interactions with these partners are outlined in the Code of Ethics and Conduct and the General Corporate Administrative Standard for Supplies.

Steel is an indispensable product for several economic sectors. Recognizing the significance of its product and the potential impacts it can have – both positive and negative – Usiminas has increasingly committed to achieving **sustainable steel production. This, in turn, involves developing a high-performance product that aligns with the expectations of customers and society, offering enhanced durability and reduced emissions.** As customers and society grow more attuned to environmental and social issues, they demand innovation, workforce development, and sustainability investments.

THEREFORE, USIMINAS PRIORITIZES SUSTAINABLE, SAFE, AND EFFICIENT PRODUCTION ALIGNED WITH COMMITMENTS TO HUMAN RIGHTS, QUALITY OF LIFE, HEALTH, SAFETY, AND THE WELL-BEING OF ALL ITS STAKEHOLDERS.





Steel Chain Pillar Objectives



OBJECTIVES

➤ When planning new products and/or projects, or making significant changes to existing ones, and when seeking opportunities for innovation, assess the impacts on stakeholders with the aim of generating shared value.

➤ Fostering and cultivating responsible relationships with customers, founded on trust, quality, honesty, and transparency.

➤ Fostering sustainability across its value chain, with a particular emphasis on supply chain management, entails identifying, assessing,

mitigating, and addressing the negative socio-environmental impacts of its suppliers whenever feasible and relevant, once Usiminas companies become aware of such incidents.

➤ Investing in innovation and research and development (R&D) to develop processes, products, utilization of by-products and waste, and solutions with reduced socio-environmental impact, enhanced efficiency, greater competitiveness, and economic viability, thereby creating value for all stakeholders and establishing a sustainable position for its portfolio.

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INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> The Largest **Research and Development Center** in steelmaking in Latin America

> **Steel Supply Chain Sustainability Program** aiming to enhance Usiminas' collaboration with its customers and suppliers, facilitating collective efforts with these stakeholders for sustainable development.

- Development of a sustainability-focused agenda with customers and suppliers.

- Risk mapping and identification of opportunities with strategic suppliers.

- Training of internal staff interacting with customers and suppliers on sustainability topics.

- Training of internal staff (Supply Team) on Sustainable Procurement practices.

> Evaluation by Ecovadis and sharing of results with customers.

RESULTS ACHIEVED IN 2023

> **3 new steels types** completed their development

> **92.7%** customer satisfaction index, marking a record performance compared to the historical series

> **BRL 24.2 million** invested in R&D

> **100%** of strategic suppliers had sustainability risks and opportunities mapped

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Customer Relations

GRI 3-3 | 416-1 | 416-2 | 417-1 | 417-2 | 417-3

While steel is an essential product for the industry, customers must discern its value-added features. To address this, Usiminas strives to tailor the best solutions to specific customer needs, ensuring that the required product is delivered with excellence.

A testament to this commitment is the e-commerce platform launched by Soluções Usiminas in 2021, representing a novel business model that offers optimal cost-benefit solutions tailored to customer requirements.

Customer satisfaction has also been guaranteed through innovation, comprehensive team training, and investments in sustainability, aimed at developing increasingly sustainable products and social projects. Moreover, customers are increasingly opting for products from responsible and sustainable brands that are committed to environmental and social issues.



MATERIAL TOPIC
External stakeholders engagement



Customer Service

In the steel sector, technical service is segmented into pre-sales and post-sales phases. The pre-sales process is managed by the Product Team, which possesses a thorough understanding of the steel market, identifying needs, opportunities, and strategies for the development of new products.

Post-sales support is provided by the Technical Assistance team, which maintains close communication with customers, creates detailed contact reports, and organizes weekly meetings involving technicians and leaders from various levels to review customer interactions, suggested measures, insights, and demands. Key issues are escalated to senior management for further discussion and decision-making.

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Product Quality

For Usiminas, it is crucial to ensure its product portfolio aligns with the diverse demands of industry sectors and adheres to leading quality standards and certifications. This alignment is key to ensuring customer satisfaction and boosting Company performance.

Innovations in Usiminas' product offerings not only enhance its portfolio but also create new business opportunities and yield cost savings for customers.

Consequently, the portfolio is continually reviewed and updated to reflect market demands, technological advancements, and trends in steel consumption both in Brazil and globally, ensuring the company stays competitive and leads in the steel industry. This strategic portfolio management helps Usiminas increase its market share and generate additional revenue.

> **From 2014 to 2023, Usiminas developed over 50 new products**, many of which were unprecedented in the Brazilian market, all aligned with customer demands. Notable among these are advanced high-strength steels for the automotive industry, designed to satisfy automakers and governmental demands for reduced CO₂ emissions and enhanced passenger safety.

> Currently, Usiminas has **ten new steel projects under development and three more were completed in 2023.**

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Product Development

The Product Engineering division, under the General Management of Customer Service, Quality, and Product, is responsible for managing the portfolio of new steel product developments. Meanwhile, the established product portfolio in the market falls under the purview of Integrated Quality Control at the industrial plants in Ipatinga (MG) and Cubatão (SP).

The Product Engineering team is multidisciplinary, comprising specialists, engineers, and technicians from diverse fields who are committed to aligning with industry best practices and seeking innovative solutions for our customers. This includes periodic reviews of major trends and demands in both the national and global steel markets. In addition to innovating products, the team assesses existing products for technological gaps and potential enhancements and competitive positioning, always aiming to boost customer satisfaction.

This process is supported by computerized systems, laboratories, and appropriate equipment. Additionally,

Usiminas has a **Research and Development Center, dedicated to studying future steel solutions and providing technical support to the** Company's production areas in developing new products.

The primary technical information and characteristics of steel, including chemical composition and mechanical properties, are detailed in the Corporate Manual of Steel Products. This manual undergoes periodic review to ensure it stays current and serves as a reference for multiple areas of the company, particularly Sales, Technical Support, Quality, Production Technical Units, and Product.

New products are incorporated into our portfolio only after thorough standardization. Systematic and continual updates to the portfolio simplify stakeholder understanding of Usiminas' technical capabilities, facilitating quicker technical and commercial negotiations, while ensuring compliance with national and international steel standards and specifications.

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Labeling



Product labeling adheres strictly to product composition requirements. Products distributed directly to customers are accompanied by safety certificates, along with comprehensive pre- and post-sales guidance. Disposal procedures and associated environmental or social impacts are certified compliant with RoHS and ELV standards. All product or service categories undergo a thorough assessment to ensure alignment with the company's information and labeling protocols. Additionally, product safety data sheets are provided in accordance with ABNT NBR 14.725 standards, as indicated in the Inspection Certificate.

Product Safety



In terms of health and safety impacts, all significant product and service categories undergo comprehensive assessment to guarantee compliance with Material Safety Data Sheet (MSDS) indications. Furthermore, rigorous testing and certification procedures are implemented to ensure Usiminas products maintain radiation levels below one (1) kBq/kg. Additionally, INMETRO consistently maintains the accreditation of product release laboratories to uphold quality standards.

Customer Satisfaction

Customers have multiple avenues to assess Usiminas’ portfolio. These include periodic **Customer Satisfaction Surveys** feedback from technical assistants, and customer input in Technical Contact Reports with Clients and Metallurgical Consultation for Non-Standard Products.

> **Continuous market monitoring and customer feedback inform the development of new products, enriching Usiminas’ portfolio.**

Annually, Usiminas conducts comprehensive customer satisfaction assessments to gauge the level of expectations met, identifying needs, aspirations, and satisfaction levels regarding its roster of products and services. These surveys also provide insights into customers’ perceptions of Usiminas’ market position and highlight their main concerns.

Professionally conducted interviews, facilitated by audit experts independent of direct customer relationships, form the core of the satisfaction survey. Topics covered include procurement processes, product receipt/logistics, quality control/engineering, and production.

After conducting the survey and analyzing the results, the **Reaction Plan is developed, outlining proposals for improving the evaluated processes.**

This plan is presented to clients and meticulously monitored by Usiminas throughout its execution. It encompasses various areas, infrastructures, and activities, such as product storage facilities, information systems enhancements, procedure adaptations, new steel developments, and process refinements. Subsequent satisfaction surveys evaluate the plan’s effectiveness, aiming to fully meet customer expectations.

Internally, satisfaction survey results are regularly shared with the Board of Directors through the Monthly Quality Management System Performance Report. Externally, dissemination channels vary, ranging from direct client communication through presentations and technical meetings to participation in industry events and specialized media.

In 2023, **In 2023, 42 customers from different sectors were interviewed, representing approximately 54% of Usiminas’ turnover for products sold to the domestic market in the previous year.**



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Product and Services Quality Certifications

To uphold the quality of its products, Usiminas maintains certification of its Quality Management System according to NBR ISO 9001:2015 and IATF 16949:2016 standards, the latter being particularly relevant for manufacturers within the global automotive supply chain. Additionally, Usiminas holds key certifications pertinent to the global steel industry.

> **In 2023, Usiminas remained compliant with all legal requirements, ensuring that its products and services met stringent health and safety standards. There were no instances of non-compliance with respect to information, labeling, or marketing. In this regard, Usiminas did not incur any penalties or receive warnings related to its products or services.**






Supplier Relations

GRI 3-3 | 204-1 | 308-1 | 308-2 | 414-1 | 414-2

Usiminas is committed to fostering the development of the value chain, particularly its suppliers, as part of its societal commitment. The relationship with suppliers is guided by the organization’s core values and principles, as outlined in the Code of Ethics and Conduct and the General Corporate Administrative Standard for Supplies. These documents establish a governance standard for the supply chain to be adhered to by all departments responsible for procurement, services, and supply processes.

The **General Conditions for Service Execution and Supplies** and Supplies policy governs the rights and obligations of suppliers, service providers, and their subcontractors. It also covers crucial aspects such as environmental responsibility, social responsibility, and corporate responsibility.

> In cases where suppliers or other concerned parties encounter situations that compromise the integrity of the relationship or violate the aforementioned laws, norms, or rules, they can file complaints through the Open Channel, accessible on the Usiminas website  to the general public.

Supplier selection and contracting

The cited documents provide guidance for vendor approval and contracting processes, ensuring adherence to and evidence of compliance with labor, social security, civil, tax, and environmental regulations. They also encompass occupational health and safety standards, socio-environmental responsibility criteria (including human rights considerations), as well as integrity, quality, technical capability, certifications, performance, and commercial and technological competitiveness requirements. This ensures that Usiminas does not engage in practices that violate nationally and internationally agreed laws and standards or deviate from the Company’s values and integrity.

Usiminas incorporates mechanisms into its contracts to mitigate social and environmental risks. Compliance with labor and environmental legislation is verified throughout the contract term, and Integrity Due Diligences are conducted to analyze suppliers’ environmental and social performance. Occupational health and safety, in particular, is assessed through the Safe Supplier Program.

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Environmental and Social criteria for supplier selection

Environmental

When selecting new suppliers, environmental criteria play a pivotal role, including compliance with relevant environmental regulations.

For existing suppliers, ongoing risk monitoring evaluates their registration status with IBAMA and the validity of their Operating and Environmental Licenses. Some suppliers pose potential environmental risks, such as particulate emissions, greenhouse gas release, soil and water contamination, waste

disposal, and environmental non-compliance. Usiminas rigorously monitors the status of its Operational/Environmental Licenses to mitigate such risks.

> **Environmental documentation was verified for 11% of the 306 newly registered suppliers.**

Among the suppliers not subject to verification are primarily service providers and foreign suppliers exempt from environmental licensing, along with other suppliers ineligible for such verification.

> **3,218 suppliers are subject to environmental license control;**

> **and 757 suppliers have undergone assessment for compliance with operational licenses.**

Social

The selection and hiring of new suppliers assesses occupational safety requirements outlined in the **Supplier Safety Program**. The objective is to evaluate the maturity of suppliers' occupational safety management systems, especially for services involving critical safety activities.

Suppliers with existing contracts may undergo the occupational safety qualification process if they pose potential negative social impacts.

Direct impacts pertain to the Occupational Health and Safety (OHS) of third-party service providers at Usiminas company units, encompassing accidents, incidents, and deviations.

Indirect impacts, such as slave labor and child labor, are evaluated upon supplier registration approval and subsequent risk monitoring.

Suppliers qualify for accreditation when they demonstrate the implementation of an OHS management system within their organizations, meeting Usiminas' expectations in terms of maturity and effectiveness.

> **5% of the total of 306 newly registered suppliers** were accredited through the Safe Supplier program;

> **602 companies had received safety accreditation** by December 2023;

> **218 companies underwent** an assessment regarding their occupational safety management systems, as part of the Safe Supplier 2023 program. Among these, 19% (42 companies) were rated as At Risk or Severe. Additionally, 3% (7 companies) were precluded from new business opportunities due to serious occupational safety deviations that remained untreated or inadequately addressed in the provision of contracted services.

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Supply process management

The procurement process is driven by key indicators and associated targets, meticulously monitored on a monthly basis by the Procurement Department through Strategic Key Performance Indicator (KPI) reports.

In 2023, the results demonstrated exemplary performance in supply chain management, surpassing the predefined targets:

> **The Supplier Management, Quality, and Supply Efficiency indicator – which includes the results of performance evaluations of suppliers of materials, inputs, raw materials, and services; the execution of the supplier audit plan; the joint Supply/Sustainability target; and the completion of innovation projects and internal customer satisfaction – surpassed the target of 90.0%.**

The **monitoring of relevant supplier risks** considers analyses of financial health and searches conducted on the Transparency Portal and the CEIS, CEFIN CNEP lists, as well as verification of lists of companies penalized for slave labor and environmental license compliance. This meticulous approach ensures the maintenance of a robust supplier base that remains compliant with legal obligations and possesses the capability to deliver products and services at the standard expected by Usiminas companies.

Supplier performance evaluation

The performance evaluations of suppliers deemed critical and strategic for quality - encompassing raw materials, services, and MRO (maintenance of equipment, repairs, and daily operations)/inputs – are routinely shared monthly with the Procurement and Quality Assurance departments. These evaluations utilize the Supplier Development Index (SDI), providing insights into the level of compliance with expected results.

> **The MRO/inputs IDF achieved an impressive result of 98.6%, surpassing the target of 94.2%.**

> **Raw Materials IDF attained a perfect score of 100%, exceeding the target of 99.1%.**

> **Services achieved a remarkable 100% result, surpassing the target of 97.2%.**

> **The General IDF, representing the average of the indices, stood at an impressive 99.4%, exceeding the target of 97.2%.**

The evaluation of suppliers and service providers with medium and high risk at Usiminas units participating in the **Safe Supplier Program** is monthly disclosed in a report sent to the Procurement, Occupational Safety, and managing areas of the contractors.

> **The results reveal that 93% of Usiminas' contractors either met or exceeded their objectives, receiving ratings ranging from Excellent to Good and Fair.)**

In instances where proposed objectives have not been met, contract managers are tasked with presenting detailed action plans to rectify deviations to the respective contractors.

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Achievements in 2023

- > **Full compliance was achieved with the public goals outlined in the ESG agenda set for the supply chain.**
- > **A recognition event was held for the Safe Supplier Program, where 45 companies received certification for meeting the stipulated safety requirements without any accidents.**
- > **Complete adherence to the supplier audit plan was accomplished, ensuring thorough checks on compliance with quality, safety, and environmental standards.**
- > **A total of 131 new companies were accredited for security this year.**

Local suppliers

Usiminas actively contributes to the growth of local suppliers⁶, by prioritizing their procurement of supplies and services, thereby fostering opportunities for expansion and enhancing the local economy. This approach includes hiring local labor and promoting the marketing of regional products and services.

The Materials Development Committee and the Committee for the Development of Alternatives to Single Brands collaborate with technical departments to explore innovative solutions. These initiatives aim to replace traditional materials used in the production process or diversify specifications to accommodate multiple brands, thereby creating market alternatives. These efforts not only increase opportunities for local suppliers

but also promote the adoption of environmentally friendly technologies, fostering a competitive and sustainable market economy.

In 2023, expenditures on local suppliers by Usiminas accounted for 11% of total disbursements, distributed as follows:

- > **Steelmaking (Usiminas + Unigal): 71%**
- > **Usiminas Mecânica: 2%**
- > **Mineração Usiminas: 17%**
- > **Soluções Usiminas: 10%**

⁶ Suppliers are located in the Metropolitan Region of Vale do Aço within a hundred kilometers radius of Ipatinga (MG); in the Baixada Santista region (SP); in the Metropolitan Region of São Paulo, in Vale do Paraíba (SP); Porto Alegre (RS), Betim, Ipatinga, and Santa Luzia (MG); and Cabo de Santo Agostinho (PE). Cities of Itatiaiuçu, Mateus Leme, Itaúna, Igarapé, Brumadinho, Divinópolis, Formiga, and Pará de Minas, all in the state of Minas Gerais.



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Sector relationships, associations and partnerships

GRI 2-28

Usiminas acknowledges that its activities both influence and are influenced by various public and private sectors. To actively engage in open dialogues with public authorities and civil society, shaping public policies across economic, social, environmental, infrastructure, logistics, and energy realms, Usiminas collaborates with over 60 entities and autonomous entities. Moreover, Usiminas actively participates in their Councils, Boards, Committees, or Working Groups.

Key associations and partnerships include:

> **World Steel Association**

> **Asociación Latinoamericana del Fierro y el Acero (Alacero)**

> **Brazil Steel Institute**

> **Brazilian Mining Institute (IBRAM)**

> **Brazilian Institute of Steel Distributors (INDA)**

> **Brazilian Metallurgy, Materials and Mining Association (ABM)**

> **Brazilian Large Industrial Energy Consumers Association (ABRACE)**

> **Brazilian Association of Cargo Transportation Users (ANUT)**

> **Association of Private Port Terminals (ATP)**

> **Center for Chemical Processs Safety (CCPS)**

> **Brazilian Institute of Corporate Governance (IBGC)**

> **Brazilian Investor Relations Institute (IBRI)**

> **Mineral Industry Union of the State of Minas Gerais (SINDIEXTRA)**

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Local Communities

GRI 3-3 | 203-2 | 413-1 | 413-2

> **Since the commencement of construction work on Usiminas in Ipatinga, Minas Gerais, in 1958, the company has nurtured a robust relationship characterized by dialogue, partnership, and community development.**

Following its privatization in 1991 and the subsequent integration of new companies over the decades, Usiminas has expanded its operations to other cities while maintaining community engagement initiatives across all territories.

In 2023, through cultural, sports, educational, social responsibility, and relationship initiatives, Usiminas, in partnership with the Usiminas Institute, interacted with communities in **cities located across Minas Gerais, São Paulo, Pernambuco, and Rio Grande do Sul. The focus was on the Vale do Aço (MG), Baixada Santista (SP), and Serra Azul (MG) regions**, where the main operations and the largest contingent of direct and contracted employees are based. Notably, the Company conducted relationship initiatives in 100% of locations where it operates industrially, including Usiminas itself, as well as units such as Unigal Usiminas, Soluções Usiminas, Usiminas Mecânica, and Mineração Usiminas.

Mobiliza Program

Beyond municipalities within its direct sphere of influence, Usiminas also collaborates with and contributes to the development of communities in 50 towns in eastern Minas Gerais. Through the Mobiliza Caminhos do Vale (“Valley Pathways”) program, the Company has donated approximately 700,000 tons of steel aggregates derived from steel mill slag for rural road paving. Conversely, beneficiary towns undertake sidewalk application, as well as the mapping and restoration of springs, as part of the Mobiliza Todos pela Água (“All for Water”) program.

With an annual investment of BRL 35 million, **Usiminas Mobiliza contributes to the flow of agricultural production and provides access to health and education services for communities in remote rural areas. Additionally, it helps** reduce the negative impact on traffic flow of people and materials during the rainy season.

Social Lending Model

In the Vale do Aço region of Minas Gerais, where it initiated its operations, Usiminas has been fostering community development for decades through partnerships with various institutions via social lending agreements. Through this framework, the **Company offers its properties and land for free to support initiatives centered around culture, education, sports, recreation, religion, health, and social advancement.**

One notable contribution is the Ipanema Park, spanning approximately 1 million square meters, making it one of the largest urban green areas in Minas Gerais. This park, meticulously maintained and managed by the City of Ipatinga, stands as a testament to Usiminas’ commitment to community welfare. Additionally, Usiminas extends its support to the main recreational clubs, further enriching the leisure options available to the residents of Ipatinga and the surrounding region, thereby enhancing their overall well-being.





Communities Pillar Objectives



OBJECTIVES

- ▶ Identifying, assessing, mitigating negative impacts, and enhancing positive impacts on the local community resulting from its activities, in partnership with the Usiminas Institute, ensuring a commitment to human rights, quality of life, health, safety, and well-being of the population neighboring Usiminas Companies. When it is not possible to avoid impacts and residual impacts persist even after mitigation, making efforts to remedy them.
- ▶ Ensuring that complaints from local communities are managed appropriately, ensuring good relations and transparency with this stakeholder.
- ▶ Ensuring that relevant social information is disclosed and disseminated through Usiminas companies' official channels, promoting and providing appropriate means of engagement with the community.
- ▶ In defining social investments, in partnership with the Usiminas Institute, engaging in dialogue and maintaining open channels with the community, valuing the leadership of local actors, and prioritizing structuring social investments that align with collective sustainable development agendas.
- ▶ In private social investments, in partnership with the Usiminas Institute, establishing monitoring indicators for the established goals according to the institution's guidelines, and monitoring, evaluating, and communicating the results.



INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> Usiminas Institute

- Management of cultural venues in the city of Ipatinga.
- Organization of cultural, educational, and sports events.

> Management of various **communication channels** with communities, such as the Open Channel and “FalaAí Comunidades” (“Talk to Us Community”) (Newspaper and WhatsApp).

> **Usiminas’ Sponsorship and Donations Policy**, which guides, assists, and ensures ethical and integrity standards in sponsorship and donation processes.

> **A partnership with over 60 entities** to engage in open dialogues with the government and civil society aiming to shape public policies in economic, social, environmental, infrastructure, logistics, and energy sectors, among others.

> São Francisco Xavier Foundation (FSFX)

- Management of six (6) healthcare service units in Ipatinga
- Construction of the Libertas Hospital in Belo Horizonte
- São Francisco Xavier Education Foundation

RESULTS ACHIEVED IN 2023

R\$19.8 million invested in cultural, sports, social, and health initiatives through federal and state incentive laws

78 projects supported

235 meetings with community and institutional stakeholders

119 properties provided through social lending agreements

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Community engagement in numbers – 2023

The figures underscore Usiminas' steadfast dedication to maximizing its social investments to yield significant benefits for the communities it serves.

> **24 cities supported** across five Brazilian states: Minas Gerais, São Paulo, Pernambuco, Rio Grande do Sul, and Espírito Santo

> **+ 1.500 volunteers** registered

> **311 community complaints** were promptly addressed

> **235 meetings** with community and institutional stakeholder were conducted

> **119 properties** offered as part of social lending agreements, fostering initiatives in education, social welfare, culture, sports, health, recreation, and religion, among others.

> **5,149 individuals** employed in properties provided through social lending agreements

> **847 volunteers** working in properties provided through social lending agreements

> **5,416 individuals** supported through social lending arrangements targeted at education

> **26,163 individuals** supported through social lending arrangements targeted at entities

> **870 individuals** supported through social lending arrangements targeted at sports initiatives

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Community Dialogue

> In addition to contributing to the development of the regions where it operates, Usiminas relies on dialogue and transparency to enhance trust in an increasingly close relationship with surrounding communities. After all, over decades, it has been a partnership of growth, development, and facing challenges together.

To maintain a close and constructive relationship with society, the company maintains dialogue channels such as **FalaÁi Comunidade** and **Contact Us**, as well as interaction through programs like **“Usiminas na Comunidade” (“Usiminas in the Community”)** and **“Portas Abertas Usiminas” (“Usiminas Open Doors”)** and participation in regional committees and forums such as the **Vale do Aço Convergence Agenda** and the **Cubatão Community Council**.

Community Gathering

In late 2023, Usiminas also hosted the Community Gathering, which convened the Usiminas board, including **along with approximately 150 community leaders and project stakeholders** supported by the company in the Vale do Aço region. This event provided an opportunity to share results and expectations, celebrate recent investments, reaffirm environmental and social commitments, present challenges in the steel market, and engage in transparent dialogue, fostering optimism for the future.

The Institutional and Community Relations team maps the feedback received through various dialogue channels, analyzes significant topics, involves internal departments, and monitors actions. With the data collected, a deeper understanding of the impact is achieved, resulting in more effective action planning.

Dialogue, active listening, research, and participation in committees, meetings, councils, and various events are essential components of Usiminas’ community engagement strategy. Through these efforts, the company remains deeply involved with the community, acknowledging both the positive and negative impacts of its operations.

> **Usiminas in the Community:** Regular meetings with community leaders from the neighborhoods surrounding the Ipatinga plant provide a platform to discuss and comprehend the operation’s effects, both positive and negative.

> **Usiminas Dialogues:** Regular institutional meetings with various institutional and community stakeholders.

> **Conducting diagnostics** to better understand the social and economic environment of the communities where the company operates. In 2023, assessments were conducted at the Soluções Usiminas units located in Betim, Santa Luzia, Porto Alegre, Taubaté, Guarulhos, and Cabo de Santo Agostinho.



Blast Furnace No. 3 and Community Engagement

The relationship with the community of Ipatinga and the surrounding region intensified in 2023 due to the refurbishment work on Blast Furnace 3. At its peak, the project employed 9,000 temporary workers, necessitating proactive and coordinated efforts between the company, society, and public authorities to mitigate potential impacts.

> **Prioritization of local labor**

(with approximately 60% of the workforce from Vale do Aço);

> **Prioritization of local suppliers**

(with approximately R\$1 billion spent on equipment, materials, and services acquired from companies in Vale do Aço);

> Decentralization of contractor accommodations across cities within Vale do Aço;

Continuous monitoring, in collaboration with community leaders, public authorities, and security forces, ensured the identification and resolution of any significant negative impacts associated with the works.

> Adjusting the Company's entry and exit times by altering gates and staggering shifts;

> Offering **health insurance to employees** to reduce the burden on the public healthcare system;

> **Engaging in robust dialogue with residents' associations and the wider community** to integrate individuals from outside the region, among other measures.

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Social Responsibility

GRI 413-1

Usiminas goes beyond merely existing within the steel production chain; it aims to forge connections with the individuals who shape society, fostering sustainable development and striving to create a brighter present and future for all.

For Usiminas, social responsibility manifests in various ways.

Embracing cultural diversity and honoring the tangible and intangible heritage of its operating areas, promoting initiatives that enhance people's quality of life, and driving local development all underscore the Company's dedication to empowering the communities it serves.

Usiminas Institute

The Usiminas Institute was established in 1993 with the aim of managing the social investments of Usiminas companies through sponsorships, with or without tax incentives, or donations. Currently, it also coordinates the social responsibility initiatives of Usiminas companies, both within the cultural spaces under its management and in the surrounding communities.

All sponsorships and donations facilitated by Usiminas companies adhere to the Sponsorship and Donation Policy, which provides guidance and support throughout the process.



VISIT THE WEBSITE

The platform for submitting projects is accessible [here](#).

Cultural Venues

Usiminas maintains four cultural venues in the city of Ipatinga (MG), collectively hosting over 164,000 visitors and organizing more than 700 events in 2023, including regional and national shows, exhibitions, guided tours, and artistic interventions.

USIMINAS CULTURAL CENTER



Established in 1998, this complex features a theater, gallery, library, and other spaces equipped with modern facilities and equipment. It offers ongoing educational and artistic programs for the Vale do Aço population.

USIMINAS MEMORY CENTER



Opened in 2021 within an architectural heritage site of Ipatinga, this venue presents the history of the steel industry, Usiminas, and the municipality. It also showcases significant works by prominent modern and contemporary artists from Brazil.

ZÉLIA OLGUIN THEATER



The inaugural professional theater in the region has been recognized as a historical heritage site in Ipatinga. Equipped with a theater and gallery, it hosts performances by local and nationally renowned artists and groups.

PEDRA MOLE STATION



Originally a railway station dating back to 1922, this space has been restored by Usiminas and transformed into a tourist and cultural attraction in Ipatinga. Visitors can explore a trail featuring historical information about the site and witness the confluence of the Doce and Piracicaba rivers.

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Cultural, Sports, and Social Projects

Usiminas companies undertake numerous social, cultural, and sporting initiatives in the various cities where they operate through their proprietary programs, sponsored projects, and the Usiminas Institute.

The selection of projects sponsored through tax incentives follows the criteria outlined in the Company's Sponsorship and Donation Policy, prioritizing actions focused on training, inclusion, and human development.

> In 2023, 78 initiatives were sponsored in the cities where Usiminas operates, underscoring the company's commitment to its community engagement and its role in fostering the development and growth of these regions.

Initiatives that stimulate development are crucial for enriching the educational process and expanding knowledge. Incentivized projects also facilitate the promotion of sports and artistic training.

Cultural and social projects additionally provide professional training to bolster local institutions and stakeholders, as well as to foster social enterprises. These endeavors advance community development and enhance job opportunities and income generation.

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Partner School Program

One of the highlights of the Usiminas Institute's educational efforts in 2023 was the implementation of the Partner School Program. Three schools were selected in collaboration with the municipal education departments of Ipatinga (MG), Itatiaiuçu (MG), and Cubatão (SP), and they received a variety of art education activities aimed at fostering holistic human development, with art serving as the guiding principle for learning. Overall, the program reached 1,300 students and 140 teachers, providing over 360 hours of activities integrated into the curricula of the participating schools. Furthermore, the Partner School initiative organized the "Palavra Ilustrada" drawing and writing competition across the three schools, attracting a total of 3,100 entries and awarding laptops to 11 students.

The Usiminas Institute developed all the proposed programming for use within schools, aligning it with the demands and needs of each institution. This approach aims to address the specific characteristics of each space individually. The selection of participating schools occurred through dialogue with the Municipal Education Departments and adhered to the guidelines of the National Common Core Curriculum (BNCC) for arts education in schools, which delineate the essential skills students should develop throughout Basic Education.



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Educational Initiative

The Usiminas Institute’s “Ação Educativa” (“Educational Initiative”) encompasses training programs tailored for artists, educators, students, and the wider community in the regions where Usiminas operates.

As part of the Heritage Education Program, visits were organized to cultural and educational sites in cities renowned for their cultural contributions, where discussions on heritage, memory, city history, and sustainability took place.

Through the Performing Arts Program, the Usiminas Institute stages artistic performances at the Usiminas Cultural Center and the Zélia Olguin Theater. These presentations aim to educate audiences, engage with topics from the school curriculum and theater history, and explore various artistic languages and formats.

In the Visits Program, cultural mediation and art education initiatives enable the public to engage more closely with the arts and heritage in Usiminas Institute spaces. Additionally, the Educational Action program conducts Art Workshops held within the institute’s facilities. For educators and students alike, training courses cover topics relevant to both the school and academic spheres.

Another notable initiative is the upkeep of the Central Ideas Library and its book delivery service. This space offers a collection of 6,000 titles available for borrowing, with books delivered and returned via a literary motorcycle courier service.



Solidarity and Volunteerism Initiatives

For over 30 years, Usiminas volunteers have been actively engaged in collecting clothes, food, and toys, as well as organizing one-off campaigns to support communities in the regions where Usiminas operates.

Usiminas believes that volunteering is a transformative experience that can make a significant difference in the lives of both employees and communities, underscoring its commitment to fostering a more equitable and inclusive society.

In 2023, the **Usiminas Volunteers Program (VOU)** completed three years of operation, fostering connections among Usiminas employees, the São Francisco Xavier Foundation (FSFX), the Usiminas Pension Fund, and the Usiminas Institute in charitable endeavors focused on sharing time, labor, and expertise.

Life Plan Mentorship Program

The Life Plan Mentorship Program is an inclusion project designed for public school students from the communities where Usiminas conducts its industrial activities. Usiminas employee volunteers, who generously devote part of their time, share their valuable experiences with those embarking on their personal and professional journeys.

In 2023, this initiative brought together **48 volunteers from the company and 48 students**. Through ten virtual sessions, participants engaged in discussions about goals, aspirations, behaviors, career paths, challenges, and obstacles encountered by young individuals. The exchange of experiences on these diverse topics aimed to contribute to the personal and professional development of all involved.



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São Francisco Xavier Foundation

Established 54 years ago, the São Francisco Xavier Foundation is a private, non-profit organization with an indefinite duration.

with operations spanning five Brazilian states and a workforce of over 5,500 employees, in 2023, the São Francisco Xavier Foundation continued to lead in healthcare and education institutions.

- > Márcio Cunha Hospital (HMC)
- > Carlos Chagas Municipal Hospital (HMCC)
- > Usisaúde – Health Insurance Operator
- > Integrated Dental Center (COI)
- > VITA – Occupational Health Solutions
- > São Francisco Xavier Education Foundation

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Márcio Cunha Hospital

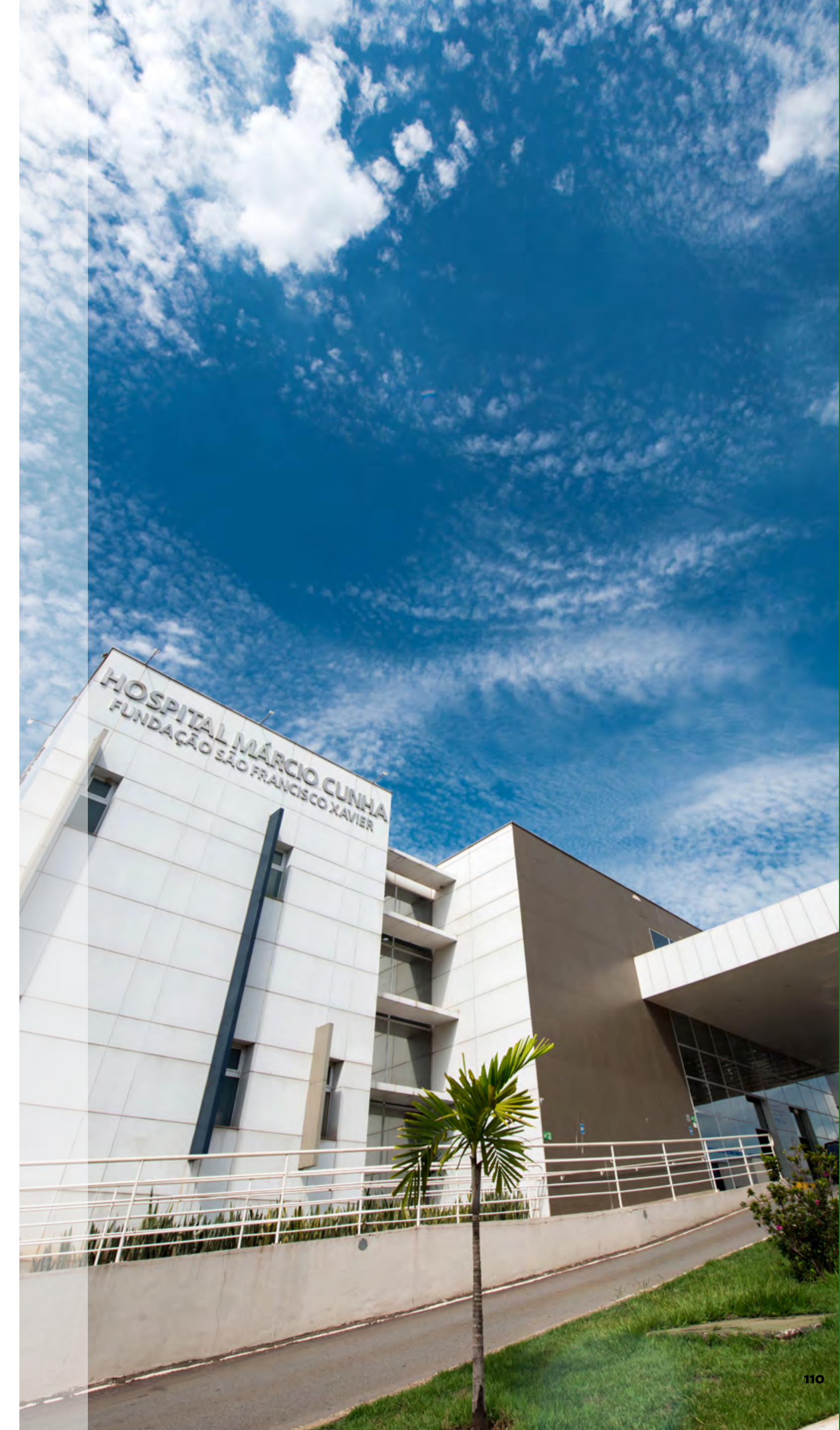
The Márcio Cunha Hospital (HMC) stands as a highly complex healthcare institution, boasting 558 beds across three units, including two general hospitals and one dedicated to cancer treatment. It caters to a population of over 1.3 million people living across 67 municipalities in the eastern region of Minas Gerais and provides services in the areas of outpatient care, emergency care, hospitalization, and diagnostic support. With approximately 550 physicians specializing in 50 fields, serving patients from the Unified Health System (SUS), private health plans, and Usisaúde, the Márcio Cunha Hospital was the first in the country to achieve excellence accreditation (ONA III) from the National Accreditation Organization (ONA). In 2023, the institution marked 20 years since receiving this pioneering certification in Brazil.

Furthermore, it is part of a select group of Brazilian hospitals recognized by the DIAS-DNV International Healthcare Accreditation Standard, a European standard also acknowledged in the United States as the National Integrated Accreditation for Healthcare Organizations (NIAHO),

and by the Healthcare Information and Management Systems Society (HIMSS). These recognitions authorize the Foundation to share its management model with other hospitals and regions.

In line with FSFX's mission of delivering outstanding healthcare and education services in the communities it serves, the Márcio Cunha Hospital was ranked among Brazil's top hospitals in the World's Best Hospitals 2023, published by the American magazine Newsweek. The hospital secured the 21st position in the Brazilian ranking with a score of 78.46%. In Minas Gerais, it ranked 4th among the state's leading hospitals.

A significant milestone in 2023 was the inauguration of the Integrated Nuclear Medicine Center at the Márcio Cunha Hospital, marking a crucial advancement for cancer patients under SUS and health insurance coverage. Equipped with state-of-the-art PET-CT diagnostic imaging technology, the center offers enhanced efficiency and diagnostic precision in cancer treatment.



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Carlos Chagas Municipal Hospital (HMCC)

The Carlos Chagas Municipal Hospital (HMCC) boasts a team of 153 physicians specializing in a variety of fields, including clinical medicine, surgery, anesthesiology, cardiology, gastroenterology, rheumatology, hematology, intensive care, colonoscopy, radiology, echocardiography, and ophthalmology. Complementing this medical staff, the multidisciplinary and administrative team comprises 500 dedicated employees.

With a total of 117 beds, including 20 ICU beds, the HMCC offers a comprehensive range of services, encompassing outpatient, inpatient, ICU, maternity, pediatric, surgical center, and diagnostic services, exclusively catering to patients of the Unified Health System (SUS).

Since May 2016, the hospital has been under the management of the São Francisco Xavier Foundation (FSFX) and serves as a vital healthcare resource for a population of 130,000 residents spanning 13 municipalities in the Itabira (MG) micro-region. In 2023, the facility facilitated 4,446 hospitalizations and 1,104 births, all of which were provided under the SUS.

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Usisaúde

For 31 years, Usisaúde has provided quality medical and dental care through an extensive network of partner providers. As one of the leading health insurance providers in Minas Gerais, Usisaúde serves over 200,000 beneficiaries, ranking fifth in terms of the number of lives covered. In the Vale do Aço region (MG), where it primarily operates, Usisaúde commands a market share of over 60%.

Offering medical and hospital services, dental care, and aeromedical transportation, Usisaúde boasts its network and partners with 199 hospitals, 1,332 medical clinics, 518 laboratories, 813 medical practices, and 237 dental clinics.

In 2023, the operator maintained its streak of achieving the highest score for the sixth consecutive year on the Supplementary Health Performance Index (IDSS), the primary evaluation index applied by the National Supplementary Health Agency. The IDSS comprises a set of indicators grouped into four dimensions: Quality in Healthcare, Access Guarantee, Market Sustainability, and Regulation Process Management.

During the same year, Usisaúde celebrated a significant milestone with its major expansion project, earning recognition as the second health insurance operator with the highest growth rate in Minas Gerais, among the more than 500 operators functioning in the state. Furthermore, Usisaúde obtained the RN 507 – Level II (Silver) certification, a standard set by the National Supplementary Health Agency (ANS), aimed at ensuring and promoting good organizational management practices and healthcare management for services provided by operators.



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Vita

Vita – Occupational Health Solutions – offers specialized services in safety, occupational health, and the environment, with more than 180,000 lives under its management. The Company’s activities are regulated by the Ministry of Labor and Employment (MTE). At the VITA unit in Bom Retiro, all occupational exams are conducted on-site, eliminating the need for clients to visit multiple clinics. VITA specializes in occupational hygiene, including environmental assessments of chemical, physical, and biological agents, as well as employee occupational health monitoring. In 2023, VITA Occupational Health Solutions maintained its ISO 9001:20 certification.

Integrated Dentistry Center

In 2023, the Integrated Dental Center (COI) in Ipatinga (MG) marked 42 years of serving the community. It holds the distinction of being the first dental institution in the state to achieve ISO 9001 certification and maintains the highest oral health standards in Brazil. With 46 dental units offering care across 12 specialties, the COI boasts a team of 66 dental surgeons, 29 oral health technicians, six radiologists, and 68 oral health assistants.

Throughout the year, the COI conducted approximately 383,000 procedures, ranging from health promotion to high-complexity care. In addition to the main clinic, the COI operates another clinic for service provision, situated at the Canaã Advanced Unit. It also features a Sterile Materials Center, two X-ray rooms, a computerized tomography room, and a digital prosthesis laboratory.

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São Francisco Xavier Education Foundation (FESFX)

The São Francisco Xavier School is an educational leader in the region, boasting approximately 2,012 students. It holds the distinction of being the first school in the country to attain ISO 9001 certification for its Quality Management System in Elementary and High School Education.

Based in Ipatinga (MG), the headquarters oversees other educational units renowned for their high performance. Committed to nurturing responsible citizens and delivering excellence

in education, the Educational Foundation comprises São Francisco Xavier School (offering Early Childhood, Primary, and Secondary Education) and CSFX Technical School.

In its ongoing pursuit of educational prowess, CSFX forged a partnership with the Bernoulli Teaching System in 2023, enhancing pedagogical strategies, enriching the teaching-learning process, and ensuring the delivery of quality education, meaningful learning experiences, and technological integration.

CSFX students actively participated in the Knowledge Olympics, engaging in both national and international competitions. Through theoretical and practical assessments covering a spectrum of Basic Education disciplines, these Olympics aim to broaden knowledge and foster the development of critical thinking and socio-emotional skills. In 2023, CSFX students secured over 512 awards in national competitions.





4

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Usiminas' dedication to environmental preservation and the responsible use of natural resources is deeply ingrained in its history. The Company diligently identifies and assesses all environmental aspects associated with its operations, proactively addressing significant impacts. It implements advanced practices and technologies to prevent pollution, reduce greenhouse gas emissions, optimize the use of natural and energy resources, foster circular economy principles, enhance environmental, energy, and water efficiency, and safeguard biodiversity.

In 2023, Usiminas advanced its environmental and global sustainability agenda by formulating a decarbonization plan with targets and commitments for 2030. The overhaul of Blast Furnace No. 3, one of Usiminas' most significant investments to date, yielded efficiency improvements in fuel consumption and productivity, resulting in reduced CO₂ emissions. Additionally, various other investments were made throughout the year to prevent and mitigate impacts, maintain environmental control equipment, monitor atmospheric emissions and wastewater effluents, monitor air quality, and manage waste disposal.



Decarbonization Pillar Objectives



OBJECTIVES

➤ Reducing emissions intensity by 15% by 2030 (Scope 1 and 2 tCO₂/tcs).

➤ Encouraging and supporting energy efficiency and energy self-sufficiency in the Company's operations, whenever possible and applicable, in line with the characteristic energy demand of the steel and mining sectors, encouraging conscious consumption, the adoption of eco-efficient technologies, and the replacement of obsolete equipment.

➤ Encouraging and supporting the use of alternative renewable energies, when applicable, seeking to reduce greenhouse gas emissions associated with non-renewable energy consumption.

➤ Identifying, monitoring, and managing greenhouse gas emissions associated with the Company's operations, mapping the main sources, emission reduction opportunities, and reducing them when possible, with the aim of contributing to climate change mitigation.

➤ Usiminas will encourage and support, if possible and applicable, the inclusion of the greenhouse gas emissions mitigation potential associated with the production and commercialization of its products and/or services as a criterion for analyzing R&D and technological innovation projects, whether focused on reviewing existing products and/or services or conceiving new products and/or services.

➤ Identifying and managing the risks and vulnerabilities of the Company's operations, aiming, among other objectives, to adapt to climate change and promote discussion within Usiminas Companies about socio-environmental risks.

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INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> Decarbonization Committee

> A partnership for self-production of 120 average megawatts of renewable energy for 15 years from 2025

> Refurbishment of Blast Furnace No. 3 with an investment of BRL 2.7 billion

> Utilization of Steel Mill Gases from the production process

> Optimization of Raw Materials and Inputs in the production process, such as the use of steel scrap

RESULTS ACHIEVED IN 2023

> Completion of the refurbishment of Blast Furnace No. 3

> Development of the Decarbonization Roadmap

> Completion of the GHG inventory at Soluções Usiminas

> Adherence by Mineração Usiminas to the Brazilian GHG Protocol Program

Addressing Climate Change

GRI 3-3 | 201-2

TCFD Disclosures

Widespread in almost every structure that constitutes modern society – from household appliances to industrial machinery, from agricultural equipment to wind towers and solar panels, and countless other tools, structures, goods, and means of living, transportation, production, and consumption – steel stands as a noble and versatile material. It is resilient and sustainable, facilitating endless recycling and driving the circular economy, a vital mechanism for conserving the planet’s resources essential for society’s survival.

However, steel production hinges on the steel industry and its energy-intensive processes, heavily reliant on coal and other fossil fuels. These fuels contribute significantly to the rise in greenhouse gas (GHG) emissions.

In the current global scenario, characterized by a collective shift towards a low-carbon economy aimed at mitigating the impacts of climate change, the steel industry confronts the intricate challenge of curbing its carbon footprint while also preparing for a potential surge in steel demand.

Acknowledging this challenge and recognizing its profound responsibility and influence across the supply chain and within the steel market, Usiminas is steadfast in its commitment to reducing greenhouse gas emissions. This commitment is complemented by the company's steadfast dedication to fostering the growth of other sectors of the economy, particularly those directly engaged in decarbonization and the transition to renewable energy sources. Usiminas invests in the research and development of lightweight and high-strength steels to minimize vehicle emissions, manufactures infrastructure for renewable energy systems such as solar panels and wind turbines, and makes substantial contributions toward fostering sustainability in various industries.

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Usiminas 2030 Decarbonization Plan

> **Usiminas' Decarbonization Plan is integral to its ESG agenda, aiming to diminish the intensity of greenhouse gas emissions in its steelmaking processes.**



THE FIRST PHASE OF THE PLAN ENVISIONS A REDUCTION, BY 2030, OF 15% IN EMISSIONS INTENSITY PER TON OF STEEL PRODUCED, CONSIDERING THE VALUES OBTAINED IN 2019 AS A BASE.

Focus Areas

To realize this objective, Usiminas has delineated four primary focus areas. The foremost, already in motion, centers on **energy efficiency**. A focal point of this initiative is the refurbishment of Blast Furnace No. 3, the Company's largest,



MATERIAL TOPIC
Climate change

completed in 2023. The comprehensive overhaul of this equipment has already demonstrated gains in efficiency, reducing fuel consumption and enhancing productivity, thereby enabling a reduction in CO2 emissions.

Continuing on the energy efficiency trajectory, the Company has championed the enhanced utilization of gases derived from the steelmaking process as alternative fuels. Additionally, significant strides have been made in managing overall energy consumption across all operations, with the implementation of projects aimed at minimizing losses and optimizing process performance.

The other areas encompass the **optimization of raw material blends in manufacturing processes**, with a heightened incorporation of scrap metal in steelmaking; **the integration of biomass as a partial substitute for mineral coal**, and the expanded utilization of **renewable energy sources within the Company's energy matrix**.

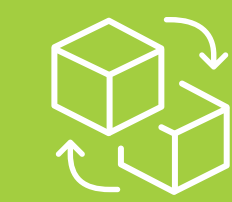


Energy efficiency

> **Usiminas Blast Furnace 3 Refurbishment**
Investment of R\$2.7 billion, completed in November, 2023. The most advanced blast furnace in the Western Hemisphere.

> New Plant for PCI Injection Maximization.

> Management of energy efficiency and related projects.



Biomass

> Utilization of charcoal in large-scale blast furnaces.

> Partial replacement of Pulverized Coal Injection (PCI).



Optimization of Raw Materials

> Maximization of steel manufacturing scrap.

> Optimization of the blast furnace metallic charge.



Renewable Energy

Partnership with Canadian Solar for the installation of a photovoltaic park in Jaíba (MG) with a self-production capacity of 120MW from 2025 onwards.

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Management and Governance

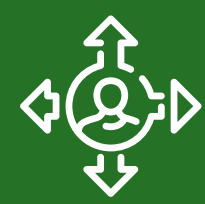
the imperative of decarbonization is increasingly central to Usiminas' operations. Hence, the Board of Directors conducts biannual reviews of the formulation and execution of the decarbonization strategy. To ensure diligent oversight of progress and the implementation of initiatives, the Board has appointed a Vice-President to oversee the climate change strategy, who convenes the Decarbonization Committee on a quarterly basis. This committee comprises executives and managers from various areas, including Sustainability, Corporate Planning, Industrial Operations, CAPEX Engineering, Industrial Engineering, Environment, Legal, and Research and Development.

Additionally, the Company has established a Corporate Sustainability Board tasked with monitoring all facets of Usiminas' sustainability agenda. Collaborating closely with other company departments, this board focuses on decarbonization efforts, GHG emissions performance, market dynamics, regulatory updates, and other pertinent aspects pertaining to climate change mitigation.



> **Supervision by Senior Management: Appointment of the Vice President of Usiminas as the *sponsor* of the Decarbonization Roadmap.** ✓

> **Decarbonization Committee; Quarterly meetings with Usiminas CEO and Board of Directors and biannual meetings with the Board of Administration for performance management and project oversight.** ✓



> **Scenario analyses and internal carbon price establishment for project evaluations. Price determined: US\$ 80 per ton of CO₂.** ✓



> **Allocation of resources for the development of projects and studies on low-carbon technologies for steel production.** ⌚



> **Study to assess physical and transition risks related to Climate Change.** ✓

> **Incorporation of Climate Risks into the Company's corporate risk matrix.** ✓

> **Critical Risks Committee** ✓



> **Annual quantification of greenhouse gas emissions through corporate inventories employing GHG Protocol and WSA methodology.** ✓

> **Third-party verification in accordance with standard NBR 14.064 and Gold Seal in the program: Public Emissions Registry – GHG Protocol.** ✓

✓ EXECUTED

⌚ IN PROGRESS



Research & Development

A primary long-term challenge confronting the steel industry is achieving greenhouse gas emissions neutrality, a goal reliant on numerous technological breakthroughs and innovative approaches to steel production with minimal CO₂ emissions. Notable among these is the utilization of green hydrogen and other gases as reducing agents in the steelmaking process, alongside carbon capture, storage, and utilization technologies (CCUS).

Usiminas is at the forefront of research and development efforts aimed at refining steelmaking processes and products. Indeed, the Company actively engages in collaborative endeavors with technology centers, universities, startups, and other stakeholders to foster innovation in this domain.

The Usiminas Research and Development Center stands as a pivotal asset, furnishing the technical groundwork for advancing steelmaking processes toward decarbonization. It also plays a crucial role in developing new products that contribute to the climate agenda, providing support to customers for optimizing the use of Usiminas' steels, thereby advancing the entire production chain.



➤ **The Company is committed to cultivating a portfolio of increasingly sustainable products: lightweight, durable, versatile, with a reduced carbon footprint, tailored for applications in the low-carbon economy.**

Climate Risks

Usiminas has conducted a comprehensive mapping and assessment of the climate-related risks and opportunities affecting the Company's operations. These risk factors have been integrated into the Company's risk matrix, and mitigation plans have been devised accordingly.

The Risk Management Department is the unit responsible for overseeing these controls across various areas, providing updates to the Risk Management Committee, and ensuring the execution of measures aimed at minimizing the likelihood of identified risks materializing. Additionally, it initiates improvements and initiatives aimed at reducing their severity.

Usiminas' operations have previously encountered and may continue to face challenges stemming from adverse weather conditions in its operational areas, which can significantly impact its operations and financial performance. Extreme weather phenomena and natural calamities, such as high winds, storms, droughts, heatwaves, floods, and fires, pose threats to various facets of business operations, including workforce safety, market dynamics, infrastructure integrity, raw material supply chains, and asset maintenance.

Potential Risks

In recent years, the Ipatinga region has experienced periods of drought, leading to reduced water levels in the Piracicaba River, a critical water source for the Ipatinga Plant. Additionally, nearby communities have faced the risk of flooding during heavy rainfall, potentially affecting company assets and impeding workforce mobility. Operations situated in coastal regions, such as the Cubatão Plant (SP) and Port Terminals (SP and ES), could face future challenges due to rising sea levels.

While the impact of these specific events on Usiminas' operations has been limited thus far, the Company acknowledges the uncertainty surrounding the potential escalation of such events and their implications for operational continuity and financial stability.

Persistent climate changes, such as alterations in precipitation patterns and increases in average temperatures and sea levels, can lead to higher operational costs or capital expenses due to supply

shortages or damage to facilities, personnel evacuation, increased insurance premiums, or reduced insurance availability. Moreover, there may be revenue reductions from lower sales, operational disruptions, or decreased production levels, which can negatively impact the workforce and result in attrition and/or early retirement of assets. Such outcomes could adversely affect Usiminas' financial standing, operational performance, and cash flow.

Additionally, Usiminas' operations are susceptible to transition risks, particularly those associated with evolving regulatory frameworks and carbon pricing mechanisms. The Company regularly evaluates the potential impact of forthcoming regulatory mandates proposed by governmental bodies at both the federal and local levels, ensuring proactive adaptation to emerging regulatory landscapes.

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Training in decarbonization and climate change

Usiminas conducts ESG training and capacity-building initiatives through the Health, Safety, and Environment School (SSMA), which is part of the Corporate University. Throughout 2023, four training modules were offered on Decarbonization and Climate Change.


MODULE 1	MODULE 2	MODULE 3	EXTRA MODULE
Climate Change and Business Transformation	Decarbonization: Understanding how and why to mitigate it	GHG Management: Tracking and monitoring	European CBAM Regulation

Over 50 employees from various departments of Usiminas participated in the training sessions, including Industrial, Planning, Commercial, Finance and Investor Relations, Engineering, Sustainability, Environment, Legal, Logistics, among others. Participants gained knowledge and shared experiences on the decarbonization challenge facing the steel industry, devising various strategies to tackle climate change. These efforts will bolster Usiminas' sustainability agenda.

Recognition of management, reporting and decarbonization initiatives


Carbon Efficient Index (ICO2)

As the sole steelmaker enlisted in the B3 Corporate Sustainability Index (ISE) portfolio, Usiminas was also chosen by the stock exchange to be part of the 2024 Carbon Efficient Index (ICO2 B3) portfolio. Established in 2010, the ICO2 serves as a tool to stimulate discussions on climate change in Brazil.

 [For further information, click here.](#)

GHG Protocol Public Registry – Gold Seal

Usiminas (Steelmaking and Mining) received the gold seal in the 2023 cycle of the “Public Emissions Registry” initiative, maintained by the Getúlio Vargas Foundation (FGV). This platform aids in publishing corporate inventories and currently stands as the largest database of GHG inventories in Latin America. The gold seal is awarded to inventories that are comprehensive and validated by accredited entities.

 [For further information, click here.](#)

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Emissions

GRI 3-3 | 305-1 | 305-2 | 305-3 | 305-4 | 305-5
SASB EM-IS-110 a.1 | EM-IS-110 a.2



STEELMAKING

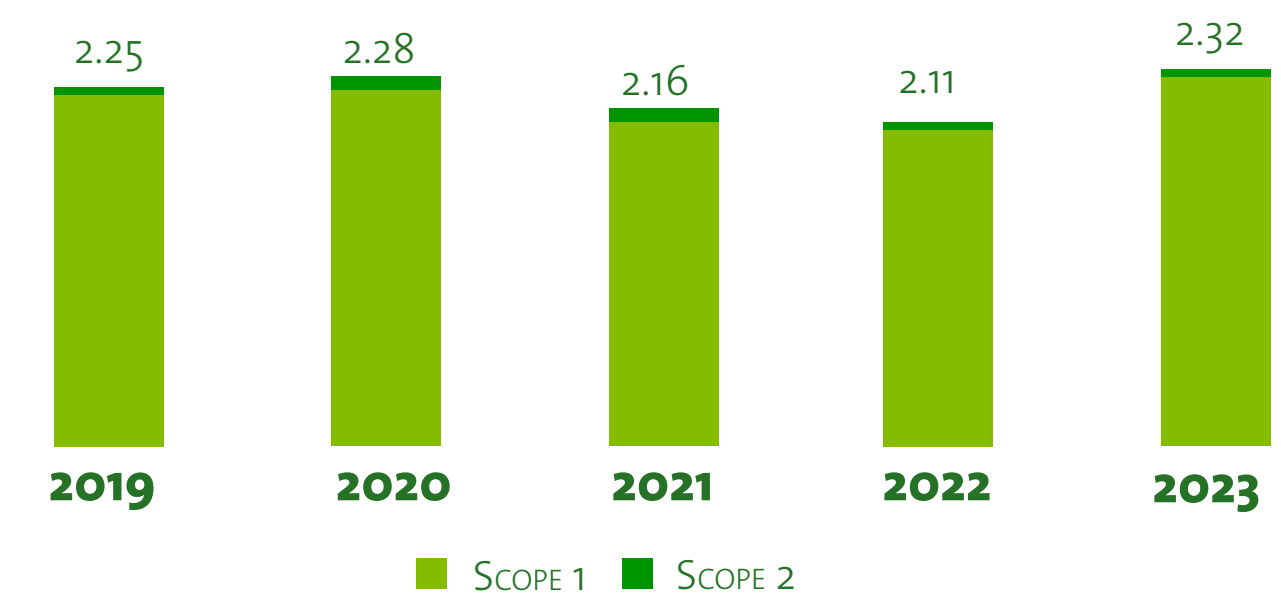
In 2023, there was an unusual operational situation due to the temporary shutdown of Blast Furnace No. 3 and Steel Mill No. 2 for several months. These facilities are responsible for the majority of the company's pig iron and steel production, respectively, and underwent equipment refurbishments. Despite their resumption of operations, the interruption had an impact on the result of CO2 emission intensity, as it is a performance indicator linked to the volume of steel production.

Usiminas adheres to the methodologies outlined by WorldSteel (WSA) and GHG Protocol for compiling corporate greenhouse gas emission inventories. These inventories undergo third-party verification by an accredited entity. To further enhance its Monitoring, Reporting, and Verification (MRV) mechanisms, the Company intends to introduce monthly monitoring of GHG emissions as a performance indicator. Additionally, it plans to conduct a materiality analysis of Scope 3 categories to quantify and incorporate pertinent categories into its future inventories.



MATERIAL TOPIC
Climate change

CO2 Emission Intensity of Usiminas in 2023:
2.32 tCO2/tcs ⁷



Steel Industry Emissions (in millions of tCO2e) – Base year 2023			
	2021	2022	2023
Scope 1 – Direct GHG emissions	6.67	5.55	4.74
Scope 2 – Indirect GHG emissions related to the purchase of electricity	0.19	0.06	0.05
Scope 3 – Other indirect emissions	0.79	0.86	0.61
TOTAL	7.65	6.47	5.4

⁷ Usiminas' CO2 emission intensity (tons of CO2 emitted per ton of crude steel produced) considers scopes 1 and 2 and was calculated using the WorldSteel (WSA) methodology.

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SOLUÇÕES USIMINAS

In 2023, Soluções Usiminas completed its own GHG emissions inventory, using 2022 as the base year. Emissions accounting encompassed the eight company units (Betim, Ipatinga, and Santa Luzia in Minas Gerais; Bonsucesso, São Roque, and Taubaté in São Paulo; Cabo de Santo Agostinho in Pernambuco; and Porto Alegre in Rio Grande do Sul), as well as the holding company, established to allocate emissions from air travel.

The survey enabled the identification of the most critical emission points in the Company’s activities, supporting the proposal for improvements in managing the issue.

Scope 3 contributes the most to total emissions, with the highest value attributed to the Transportation and Distribution category (90.28%), representing activities conducted by third parties. This area will stand out as a key focus for emission reduction efforts in the coming years.

It is worth noting that compared to the inventory conducted in 2021, there was a **17.53% reduction in emissions** (total emissions in 2021 were 32,963.48 tCO₂e), signifying a notable improvement in the Company’s internal efforts to address its impacts.

CO₂ Emission Intensity of Soluções Usiminas in 2023: 1.20 tCO₂/tcs

Soluções Usiminas Emissions (in millions of tCO ₂ e) – Base year 2022	
Scope 1 – Direct GHG emissions	0.00048
Scope 2 – Indirect emissions from the purchase of electricity	0.00069
Scope 3 – Other indirect emissions	0.02600
TOTAL	0.02720



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”



MINING

Mineração Usiminas has taken significant strides toward fostering a low-carbon economy aimed at reducing emissions and mitigating the environmental impacts of economic activities. The completion of its GHG inventory⁸, already carried out for the years 2021, 2022, and 2023, has enabled Mineração Usiminas to enhance the transparency and credibility of its emissions data, improve environmental management and eco-efficiency, and decrease operational costs and risks linked to climate change.

Furthermore, this initiative serves to drive innovation geared towards the creation and development of products, services, and strategies aligned with low-carbon emissions and climate change adaptation. It fosters a proactive approach to identifying opportunities within the carbon market and facilitates the planning of process enhancements to boost economic, energy, and operational efficiency.

Biogenic CO₂ emissions from Mineração Usiminas in 2023

(in millions of tCO₂e)

Scope 1: 0.0042
Scope 3: 0.0062

Mining Emissions (in millions of tCO₂e) – Base year 2023

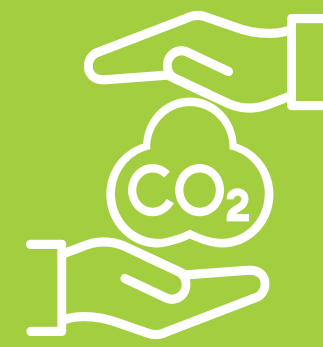
Scope 1 – Direct GHG emissions	0.0380
Scope 2 – Indirect emissions from the purchase of electricity	0.0086
Scope 3 – Other indirect emissions	0.1056
TOTAL	0.1522

CO₂ Emission Intensity of Mineração Usiminas in 2023:
5.27 tCO₂e/ton of iron ore produced



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

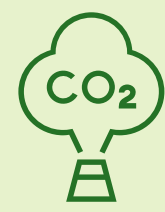
⁸ Inventory conducted in accordance with the Brazilian Greenhouse Gas Protocol Program – GHG Protocol.



Decarbonization

In an effort to mitigate the adverse effects of emissions resulting from its current operational framework, Mineração Usiminas formulated its **ESG Plan in 2023, outlining directives for implementing practices and initiatives aimed at reducing its carbon footprint**, all of which require integrated and collaborative efforts involving all areas of the Company.

Key sustainable emission reduction initiatives undertaken in 2023



Fuel consumption: A study focused on identifying measures to decrease fuel consumption and GHG emissions. This involves route reorganization, technological investments, and awareness-raising among logistics and transport partners. Additionally, there is a shift towards a more efficient fleet of off-road trucks (CFE), aiming to enhance performance and efficiency while reducing diesel consumption—a fuel derived from a non-renewable and highly polluting source.



Energy efficiency: Mapping potential points for consumption reduction by optimizing operational processes. This includes replacing less energy-efficient motors, transitioning to LED lighting, and re-evaluating existing processes to enhance efficiency.



Biodiversity conservation: Implementation of programs aimed at conserving and restoring natural habitats, with a particular focus on protecting endangered species. These efforts contribute to minimizing the adverse impacts associated with emissions.



Education and awareness: Implementation of the ESG agenda to disseminate information regarding the negative impacts of emissions and the adoption of sustainable practices. This initiative aims to encourage and promote behavioral changes within the Company.

The **Decarbonization Plan** of Mineração Usiminas is currently under development and is anticipated to be finalized in 2024. It will facilitate the analysis of GHG emissions management, with a focus on recommending improvements and best practices. Objectives, targets, and indicators are presently under evaluation.

In its journey towards decarbonization, Mineração Usiminas has enlisted the support of an external consultancy specializing in the climate agenda. Together, they are conducting essential studies to establish targets and delineate strategies for achievement. Furthermore, actions focused on energy efficiency, risk mapping related to climate change, and reduction of fuel consumption are aligned with this overarching objective.

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Energy Efficiency

GRI 3-3 | 302-1 | 302-3 | 302-4 | 302-5
 SASB EM-IS-130a.1 | EM-IS-130a.2

Usiminas is committed to enhancing energy efficiency to bolster the Company’s competitiveness, curtail operational costs, minimize environmental impacts, and mitigate greenhouse gas emissions.



Energy Efficiency Goals:

- > Increase the utilization of steelmaking gases.
- > Enhance equipment efficiency to reduce consumption.
- > Optimize the utilization of domestic electricity and other renewable energy sources.
- > Promote awareness regarding energy conservation and environmental stewardship.



STEELMAKING

Usiminas’ commitment to energy efficiency is articulated in the Integrated Management Policy, which underscores the enhancement of energy performance as fundamental for the organization.

Each year, energy efficiency targets are

The primary process performance indicators are bolstered by well-established work plans aimed at achieving and maintaining results. The management of the results is carried out through specific meetings involving employees, process managers, and the board, focusing on critical consumption and costs.

Usiminas has a dedicated technical team responsible for diagnosing processes, developing engineering solutions, and proposing preventive and corrective actions to reduce consumption.

On a daily basis, the energy performance indicators are monitored through computerized systems. The results are discussed during specific meetings with the active participation of employees and the Company’s management.

established, incorporating process energy performance indicators and drawing upon market best practices, nominal project data, and internal/ external *benchmarking* for reference.



Energy consumption at the Ipatinga and Cubatão plants (GJ)	
Total energy consumption from non-renewable sources ⁹	62,577,587
Total energy consumption from renewable sources ¹⁰	4,947,014
Electricity consumption	11,994,534
Total energy consumed	79,519,134

Energy intensity at the Ipatinga and Cubatão plants (GL/tcs)	
Amount of energy consumed ¹¹ (Gigajoule) within the organization per ton of crude steel	39.63



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

⁹ Non-renewable energy sources in the steel industry include coal, diesel, natural gas, LPG, purchased coke, and hydrogen.
¹⁰ Renewable energy sources in the steel industry encompass hydrated alcohol, oxygen, nitrogen, and argon.
¹¹ The energy incorporated into the intensity rate comprises all renewable sources (such as alcohol, nitrogen, oxygen, and argon), all non-renewable sources (including coal, oil, gasoline, diesel, fuel oil, natural gas, LPG, purchased coke, and hydrogen), along with purchased electricity.

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Reduction in energy requirements of products and services

Usiminas is continuously working on the development of new products that enable improved performance during application. The Advanced High-Strength Steel (AHSS) for the automotive and auto parts sectors are examples of products allowing the manufacture of safer, lighter and more economical vehicles in terms of fuel consumption. Other examples are the high-strength steels developed for wind towers and solar panels, which help generate clean energy and reduce environmental impact. High-performance electrical steels also allow the manufacture of more efficient

motors and compressors for refrigerators, *freezers*, etc., with consequent reduction in electricity consumption.

The Research and Development Center is engaged in developing these and various other products, as well as generating knowledge about the behavior of steels in service, allowing an intensive work of application engineering and technical support to customers in the most effective use of steels.



Energy Saving

Improvements implemented in several Steelworks processes and equipment resulted in enhanced energy performance, leading to a **reduction of 291,099 GJ in energy consumption.**

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SOLUÇÕES USIMINAS

Soluções Usiminas' energy consumption comprises electricity and fuel usage. Machinery, primarily employed for sheet metal cutting, is powered by electricity procured from suppliers through participation in the free energy market. As of now, electricity generation is not conducted at Soluções Usiminas facilities. On the other hand, fuel consumption involves generators for occasional and emergency needs, natural gas-powered forklifts, and a diesel-powered tractor at the Ipatinga unit.

> **In 2023, Soluções Usiminas operations consumed 172,925 GJ of diesel and 8,502.03 GJ of LPG.**

> **Electricity consumption at the 8 Soluções Usiminas units amounted to 54,044.26 GJ.**

> **The energy intensity stood at 19.56 kWh/ton (0.07 GJ/ton) of steel produced in 2023.**

The Environmental Management System (EMS) sets forth an electricity consumption indicator for each plant, subject to annual review, correlating electricity consumption with steel processing volume (kWh/ton). Whenever targets are not achieved, action plans are devised to enhance energy efficiency.

> **In 2023, Soluções Usiminas witnessed an 8.68% reduction in energy consumption compared to 2022.**



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."





MINING

The preservation and effective utilization of natural resources, with a particular emphasis on energy efficiency, remain ongoing priorities at Mineração Usiminas, reflecting the Company’s commitment to operational sustainability. In pursuit of this objective, the Company channels its endeavors towards leveraging renewable energy sources and establishing robust management metrics.

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Initiatives aimed at enhancing energy efficiency

- > Identifying potential areas for **consumption reduction through operational process enhancements**, such as replacing less energy-efficient motors, transitioning to LED lighting, and reassessing processes, among others.
- > Prioritizing **renewable sources** when they offer demonstrable superiority over other options in the market, with the goal of curbing greenhouse gas (GHG) emissions linked to non-renewable energy production.
- > Development of performance indicators **to monitor direct energy consumption.**

Presently, Mineração Usiminas procures electricity through conventional contracting methods. Sourced from hydroelectric plants, this electricity is deemed renewable and environmentally friendly despite its associated impacts, such as erosion, area flooding, and GHG emissions. To mitigate

the direct and indirect consequences of electricity consumption, Mineração Usiminas has engaged a specialized firm to aid in formulating a strategic decarbonization plan, informed by *benchmarking*, literature review, and internal operational assessments.

The plan will delineate initiatives geared towards bolstering energy efficiency with positive outcomes.

The Company utilizes power generators exclusively in the event of electricity supply disruptions. To mitigate the environmental repercussions of fossil fuel usage, Mineração Usiminas implements stringent control, prevention, and mitigation measures. Notably, one key initiative involves analyzing GHG emissions stemming from such power generation, with a focus on enhancing resource management practices.

Energy Consumption

Energy Consumption (GJ) ¹² in Mining Activities	
Total energy consumption from non-renewable sources ¹³	539,388
Electricity consumption	801,152
TOTAL	1,340,540

Energy Intensity

Energy Intensity (GL/ton) in Mining Activities	
Amount of electricity consumed within the organization per ton of iron ore produced	0.09
Amount of electricity consumed within the organization per ton of iron ore sold	0.025

¹² Data extracted from the ARCA System and emission factors (Ton Density, Calorific Power) derived from the GHG Protocol tool.

¹³ Non-renewable energy sources utilized in mining: diesel, gasoline, LPG.



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”



Environmental Pillar Objectives



OBJECTIVES

➤ Ensuring environmental legal compliance across all Company units, activities, products, and services, for both its direct and indirect operations, while also monitoring this compliance throughout its value chain, particularly in the supply chain.

➤ Employing a preventive approach to environmental aspects, mitigating and managing risks before they manifest, and striving for continuous enhancement of environmental performance through monitoring indicators and establishing goals when applicable

➤ Overseeing the emissions of atmospheric pollutants arising from Usiminas' operations, identifying primary emission sources, monitoring them, reducing them where feasible, and implementing remediation measures where reduction is not feasible, with the objective of ensuring air quality across all locations where the Company operates.

➤ Advocating for sustainable management of water resources by promoting mindful water consumption, embracing eco-efficient processes and technologies, treating and appropriately

discharging effluents generated by operations, preserving springs in operational regions, and monitoring and ensuring water quality in water resources affected by Usiminas' activities.

➤ Utilizing natural resources and ecosystem services essential to the Company's operations, such as fresh water, energy, and iron ore, responsibly, with the goal of preventing and mitigating environmental degradation, securing natural replenishment time and future resource availability, and fostering circular economy principles.

➤ Undertaking efforts to minimize, reuse, and recycle waste produced by Company activities, with particular focus on hazardous waste, investing in the development of by-products, innovation, and technology to diminish adverse environmental impacts throughout the lifecycle, and promoting circular economy practices when applicable.

➤ Contributing to biodiversity preservation by identifying, assessing, and mitigating the impacts of Company operations and engaging in local initiatives aimed at conserving biodiversity.

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INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

> Environmental Compliance Program

implemented for risk management and prevention of events that may cause environmental impacts from operations in Ipatinga.

> **ISO 14001 Certification** achieved at both the Ipatinga and Cubatão plants.

> Environmental Monitoring Center

, established for managing atmospheric emissions, water effluents, and air quality in Ipatinga.

> **Water Master Plan** developed to assess improvements, identify risks, and prioritize investments for optimizing water resources.

> **Usiminas Mobiliza – Water for All Program** focused on spring restoration efforts.

> Mina D'água (“Water Spring”) Project

, which executes actions to recover and protect springs and riparian forests in Permanent Preservation Areas.

> Usiminas Mobiliza – Caminhos do Vale (“Valley Pathways”) Program

, supported by circular economy guidelines.

> Fauna and flora protection programs.

- Nursery for Seedlings
- Program for the Recovery and Preservation of Green Areas.
- Homeless Fauna Rehabilitation Program
- Forest Recovery Project
- Monitoring and Conservation of Fauna

RESULTS ACHIEVED IN 2023

> **100% of environmental commitments** established with public agencies, the community, and society at large were met.

> **100% of targets** for sedimentary particle deposition rate, as defined in collaboration with MPMG, were achieved.

> **100%** of steel-producing plants are certified under **ISO 14001**.

> **94.5%** of water recirculation rate reached in our processes.

> **98%** of material efficiency.

> **100% of steel aggregate generated** in 2023 was donated to the Caminhos do Vale program

> **20,000 seedlings** were produced in the Seedling Nursery.

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MATERIAL TOPIC
Natural Resources and
Environmental Impacts
Management

NATURAL RESOURCES AND ENVIRONMENTAL IMPACTS MANAGEMENT

GRI 3-3

Environmental Compliance

In 2023, Usiminas initiated an Environmental Compliance Program, aligning with the organization’s strategic goals to manage risks and prevent events that could lead to environmental impacts from its operations in Ipatinga (MG).

The program adheres to the requirements outlined in ISO Standards 37301:2021 and 14001:2015 in accordance with the terms of the Conduct Adjustment Agreement established with the Public Prosecutor’s Office of Minas Gerais in 2021. Endorsed by senior management, its activities encompass various elements:

- > Ensuring ongoing compliance with environmental laws and regulations governing the Company’s operations;
- > Establishing a mechanism for reporting and investigating environmental non-conformities;
- > Continuously enhancing controls, reflecting a commitment to ethical and responsible business conduct.

Throughout 2023, the program’s framework was meticulously developed and internally sanctioned, including:

- > **Environmental Compliance Policy;**
- > **Program Scope, Objectives, and Macro Flow;**
- > **Procedures for Change Management and Continuous Improvement;**
- > **Communication and Training Guidelines** , slated for implementation among all Usiminas employees in Ipatinga, commencing in November 2023.

An integral part of the Environmental Compliance Program is Risk Assessment, entailing the identification and formulation of a risk matrix concerning “environmental non-compliance.” This process spans sensitive areas such as Environment, Procurement, Sustainability, Communication, Legal, Auditing, Integrity, Human Resources, and Risk Management.



> With progress in implementing the Environmental Compliance Program in Ipatinga (MG), Usiminas consistently and effectively honors its environmental commitments to public agencies, the community, and society at large.

Environmental Monitoring Center

Usiminas operates an Environmental Monitoring Center in Ipatinga, which oversees atmospheric emissions, liquid effluents, and air quality in the region. Established to address the increasing need for environmental data and the vast volume of information generated, its primary goal is to

furnish the company with dependable technical insights, facilitating swift responses to mitigate environmental impact. Operating around the clock with a dedicated team, this facility enables continuous monitoring and management of various aspects, such as:

- › atmospheric emissions and water effluent discharges using the Closed Circuit Television (CCTV) visual monitoring system, comprising a network of cameras;

- › fugitive emissions of particulate matter from processes through the Automatic Particulate Monitoring Network – RAMP;

- › continuous gas and particulate meters from various emission points (chimneys) at the Ipatinga and Cubatão plants;

- › results from continuous sediment particle deposition rate meters obtained through the Automatic Sediment Particle Monitoring Network (ECOPS), deployed at nine stations around the plant;

- › results from atmospheric pollutants affecting air quality in Ipatinga using the Automatic Air Quality and Meteorology Stations (RAMQAM);

- › pH levels through the Chão de Fábrica Portal.

Additionally, the Central team provides support and guidance to operational staff during non-routine situations that may pose environmental risks.

By 2024, visible emissions from the Cubatão plant will also be monitored by the Ipatinga Environmental Monitoring Center. Furthermore, an artificial intelligence solution is being developed to automatically detect fugitive emissions and chimney activity.

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Air Quality

GRI 3-3 | 305-7

Air quality significantly impacts neighboring communities, making it a vital concern for Usiminas not just environmentally but also socially. Consequently, the Company undertakes a series of initiatives to monitor, mitigate, and minimize its atmospheric emissions.



STEELMAKING

SASB EM-IS-120a.1

Usiminas' General Environmental Management oversees the air quality and meteorological monitoring network in the Ipatinga region.

The Company engages specialized external firms under contract to ensure the impartiality of results from Ipatinga's air quality monitoring network. This network comprises four comprehensive continuous air quality monitoring stations equipped with analysis tools for monitoring 13 atmospheric pollutants and seven meteorological parameters. Additionally, nine stations are designated for discontinuous monitoring of settleable particles.

One of Usiminas' primary challenges is reducing the deposition rate of settleable particles in the Ipatinga (MG) area. The Company has committed to quantitative reduction targets in collaboration with the 9th Environmental Prosecutor's Office of the Public Prosecutor's Office of Minas Gerais. This endeavor aligns with the objectives outlined in the Conduct Adjustment Agreement (TAC), which Usiminas signed in October 2019.

> Air quality management is conducted with the aim of monitoring and producing reliable results in an impartial and responsible manner, thereby earning the trust of the community and addressing any inquiries that may arise.

The monitoring systems comprising the air quality monitoring stations undergo daily inspections and calibration in accordance with the technical guidelines provided by the Ministry of the Environment for monitoring and assessing air quality. The parameters obtained from the air quality monitoring stations are compared to the legal requirements outlined in CONAMA Resolution 491/2018. Monitoring of the settleable particle deposition

rate in Ipatinga is currently conducted at eight sites or monitoring points established in neighborhoods including Das Águas, Cariru, Bom Retiro, Centro, Veneza, Novo Cruzeiro, Bela Vista, and Horto. At the conclusion of each month, samples of settleable particle deposition rate are collected by a specialized company and forwarded to an external chemical laboratory. Here, they are weighed and dried, and the deposition rate is determined in grams per square meter over a 30-day period. The results are then submitted monthly to the Minas Gerais Public Prosecutor's Office for monitoring purposes.

> In 2023, the targets for the sedimentary particle deposition rate, established in collaboration with MPMG, were successfully met in all neighborhoods.



MATERIAL TOPIC
Natural Resources and Environmental Impacts Management



Significant atmospheric emissions¹⁴

POLLUTANTS	2023 TOTAL (TON/YEAR)
NOX ¹⁵	2,927.46
SOX ¹⁶	7,443.76
POPS ¹⁷	0.000000833
VOC ¹⁸	3.59
PARTICULATE MATTER	4,043.89



Key projects:

- > In 2023, over R\$279 million was allocated to engineering projects at the Ipatinga plant.
- > Overhauling of systems OG No. 4 and 5 – Primary Refining of Steel Mill No. 2
- > Replacement of gas scrubbers in the raw materials area of Blast Furnace No. 3
- > Adjustment of Secondary Dedusting in Converters No. 4 and 5 of Steel Mill No. 2
- > Adjustment of the Dust Removal System of the Sinter Transportation System
- > Replacement of the existing gas scrubber with a single pulse jet bag filter

To further diminish the burden of particulate matter and its impact on air quality, Usiminas has augmented its investments in short- and long-term environmental initiatives and projects.

Structured measures to regulate atmospheric emissions encompass road wetting, application of polymers to piles, covering conveyor belts, sealing and enclosing warehouses, and substantial repairs to existing environmental control equipment.



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

¹⁴ The emission factors used take into account the EPA’s normative references. The formulas used for the calculation consider: the emission rate of the pollutants; the concentration of the pollutant, obtained from periodic measurements in the various chimneys; the flow rate of the exhaust gases; and the pollutant emission factor.

¹⁵ NOx: Nitrogen Oxides.

¹⁶ SOx: Sulfur Oxides.

¹⁷ POP: Persistent organic pollutants.

¹⁸ COV: Volatile organic compounds.



SOLUÇÕES USIMINAS

Air quality management at Soluções Usiminas entails monitoring black smoke emissions from conveyor trucks through random sampling. Suppliers providing this service are involved through notification and required to submit an action plan if their vehicles fail to meet satisfactory parameters during the monitoring process.

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MINING

SASB EM-MM-130a.1

The primary impact on air quality attributed to Mineração Usiminas is the dust generated by the dispersion of particulate matter from product piles, belts, pits, motor vehicles, roads, drills, crushers, blasting, and wind erosion. To mitigate the dispersion of pollutants into the surrounding community and environment while adhering to all necessary legal standards, Mineração Usiminas implements measures to control particulate matter.

> **Soil rehabilitation** : This involves restoring areas degraded by mining through vegetation replantation to enhance the landscape, biodiversity, and air quality.

> **Haul road moisturizing** : Water is sprayed on unpaved roads in areas prone to dust accumulation, such as roads, transfer points, and waste rock piles.

> **Covering exposed areas** to prevent the release of particulate matter.

In addition to instrumental monitoring of particle concentration, Mineração Usiminas teams conduct field visits for visual inspections, noting any occurrences and intensifying control measures related to road spraying.

To involve all sectors of the Company in air quality management, preventive and proactive actions are deliberated within the Particulate Matter Emission Committee. This committee aims to foster information exchange among involved departments (management, coordination, and operation) to discuss and propose solutions aimed at minimizing air pollution.

> **Installation of automated water sprinklers** adjusted to operate at hourly intervals.

> **Measurement of suspended particulate matter** using instruments to gauge the concentration of total suspended particles (TSP), inhalable particles (PM10), and fine inhalable particles (PM2.5) in the atmosphere. The monitoring is through five fixed points installed around the project.

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WATER AND EFFLUENTS

GRI 3.3 | 303-1 | 303-2 | 303-3 | 303-4 | 303-5
SASB EM-IS-140a.1 | EM-IS-150a.1

Water is an indispensable natural resource in Usiminas' production processes, playing a vital role in iron ore processing activities and equipment cooling at the steelworks. Its scarcity or compromised quality can have adverse economic and environmental consequences. Therefore, every department within the Company is dedicated to implementing best practices in water resource management. Usiminas is actively engaged in formulating a plan to enhance water security and efficiency for the city of Ipatinga (MG).

Multiple departments work together to control the environmental impacts that arise from water consumption during industrial operations and effluent generation. The standards for effluent discharge comply with state and federal legislation and always adhere to the most restrictive standards.

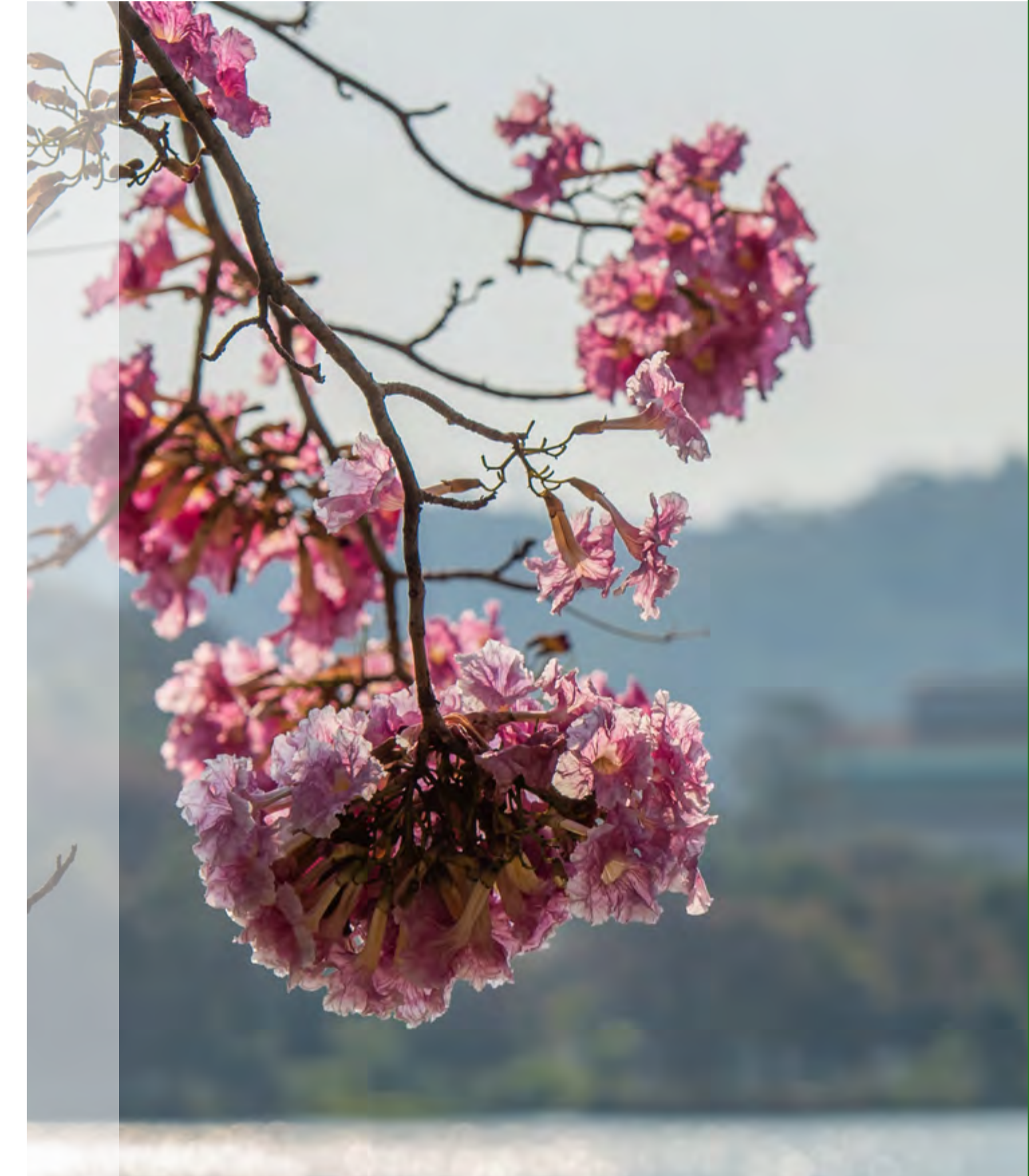


MATERIAL TOPIC
Natural Resources and Environmental Impacts Management

Effective water resource management helps mitigate potential negative impacts from operations and addresses critical issues. Additionally, Usiminas undertakes ongoing efforts to maximize the positive impacts of its activities and implements various environmental preservation projects.

Every year, goals are defined based on historical records and are monitored on a monthly basis through meetings. Identified deviations are documented in occurrence reports (SIASSO), root causes are analyzed, and corrective actions are implemented to prevent recurrence. Environmental targets include:

- > **Captured water volume;**
- > **water recirculation index;**
- > **recirculated volume.**



Usiminas is an advisor to the Piracicaba and Doce river basins Committees, assisting in the development of water management policies. The Company focuses on the region where it operates to prevent water scarcity, flooding, and water quality deterioration that could negatively impact its various uses.

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STEELMAKING

SASB EM-IS-140a.1

The water consumed at the Ipatinga Plant is collected from the Piracicaba River. After being used, the water undergoes treatment and is then returned to the same river. The plant implements a water monitoring plan at the effluent discharge points in the General Emissary, conducting chemical analyses to assess effluent quality. Should any parameter exceed the permitted value, a deviation occurrence (SIASSO) is initiated to identify causes and establish corrective actions.

Usiminas also conducts an analysis of the water quality of the Piracicaba River, both upstream and downstream of the intake point, to ensure that the classification of the receiving body remains unchanged

despite the Company's effluent discharge.

In Cubatão, water is sourced from the Quilombo, Brites, and Morrão rivers, and enters the plant through the WTP. It is then distributed to operational units and for human consumption. Discharges are conducted through Canal A (Onça River) and Canal C (Estuary – Piaçaguera Canal).

Similar to Ipatinga, the Cubatão facility performs water monitoring at two discharge points: Canal A and Canal C.

The self-monitoring plan, outlining collection points and parameters to be monitored, was established by the environmental agencies of the respective states during the environmental licensing

procedures. The findings from these monitoring activities are regularly submitted to the environmental agencies.

> **The plant utilizes recirculation towers to mitigate the impact of water consumption, replenishing only the amount lost through processes such as evaporation, carryover, and purging. APPROXIMATELY 94.5% OF ALL WATER USED IN ITS PROCESSES IS RECIRCULATED BY THE PLANT.**

Water Withdrawal

Monitoring the volume of water abstracted aligns with the values established in the Grant.

> The Ipatinga Plant relies solely on freshwater. It holds authorization from the Minas Gerais Water Management Institute (IGAM) for the use of state public water resources, as stipulated by Ordinance No. 1504377/2020, to collect water from the Piracicaba River at a volume of 3m³/s. The permit was renewed on 05/26/02 for a period of ten years.

> Currently, the Cubatão plant only withdraws freshwater from the Quilombo, Brites, and Morrão rivers, under DAEE ORDINANCE No. 7,459 of 12/22/2020 and DAEE ORDINANCE No. 2.303 of 4/8/2021, valid for five years. Grant no. 7,459 authorizes the withdrawal of 1,500 m³/h from the Quilombo river and 90 m³/h from the Morrão river, while grant no. 2.303 authorizes withdrawal of 25.5 m³/h from the Brites river.

Water Discharge

Effluent discharge standards at Usiminas adhere to prevailing legislation at both state and federal levels, maintaining a compliance rate of approximately 98%. The Company consistently adopts the most stringent standards.

Prior to discharge into the environment, all effluents from the plants undergo comprehensive treatment. This treatment process includes decantation, flocculation, filtration, neutralization, and/or pH adjustment stages. Through these measures, Usiminas ensures full compliance with legal standards for effluent discharge.

Water Consumption

Water consumption at the Ipatinga plant is quantified using the meter situated in Pump Station No. 2, positioned after the water reservoir. In Cubatão, measurements are conducted at both the water treatment plant (ETA) and Pump Station No. 2.

Water is stored within the industrial plant in a reservoir, posing no significant environmental impact.

Water and Effluent Management (in megaliters) Steelmaking – Ipatinga and Cubatão

Surface Water Withdrawal	55,770.71
Water Discharge	37,009.39
Water Consumption	53,808.05



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”



SOLUÇÕES USIMINAS

Soluções Usiminas has an internal procedure for **Environmental Aspects Identification and Environmental Impacts Assessment**, which guides all activities and processes carried out at the units. This procedure is reviewed every two years or whenever significant changes occur in operations.

Water management at Soluções Usiminas includes indicators and targets in the Environmental Management System, primarily focusing on controlling the consumption of this natural resource. The indicator selected for this purpose correlates water consumption with the total number of hours worked in a given period.

Awareness campaigns and efforts to reduce

consumption aim to engage employees, ensuring that targets are met with maximum resource efficiency. Moreover, ongoing efforts to identify and implement best practices, both in consumption and in actions to prevent contamination, are prioritized across all units.

Most of Soluções Usiminas' activities require only a modest volume of water. Only the Porto Alegre unit utilizes water directly in its tube-forming process. The remaining units utilize water solely for human consumption and warehouse cleaning purposes.

The collection and disposal of water and sanitary effluents are conducted in compliance with legal regulations in all units.

› **All water consumed by Soluções in 2023 was supplied by public utilities Total consumption: 44.28 ML**

› **Effluents are treated by licensed companies at units lacking their own treatment systems. For units equipped with a WWTP, its efficiency is monitored through monthly effluent analysis conducted by accredited laboratories. Total discharge: 35.42 ML**



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."



MINING

SASB EM-MM-140a.1

Water and effluent management is a transversal topic across Mineração Usiminas, with a focus on maintaining the quality of water. In order to comply fully with the standards established by legislation, water safety is a top priority for the company.

Mineração Usiminas, which is currently comprised of three operations (West, Central, and East Mines), uses water for the ore beneficiation process in the West and Central operations. Additionally, water resources are utilized for tailings transportation, employee consumption, cleaning of support buildings, sprinkling access routes, and worksites to enhance the condition of rolling floors and suppress dust.

The significant impacts on water resource management are primarily associated with water consumption, alteration of water flow, and biodiversity impact.

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Water Quality

In order to evaluate the impacts related to water, the Mineração Usiminas monitors its operations on a daily basis to assess the effectiveness of operational measures taken.

> There are **64 water quality monitoring points** installed throughout the mining complex, analyzing a wide range of physical and chemical parameters to observe and maintain the quality of watercourses. Water analysis is conducted by calibration and testing laboratories accredited according to ABNT NBR ISO/IEC 17025/17.

To effectively address risks related to water contamination and quality, the company undertakes preventive and proactive measures, which are deliberated within the Water Resources Committee. This committee serves to facilitate information exchange among relevant departments (management, coordination, and operations) and to facilitate discussions and propose solutions aimed at safeguarding water quality.

Water Consumption and Withdrawal

Water is sourced through groundwater withdrawal in the São Francisco and Paraopeba river basins. For human supply, water from underground wells is collected and treated to ensure potability.

All water necessary for production processes and human consumption is monitored using flow measuring instruments (hour meters and hydrometers) to quantify consumption and control potential aquifer recharge.

Mineração Usiminas aims to recirculate the water used in the process.

Water and Effluent Management (in megaliters) Mining	
Groundwater Withdrawal	4,051.65
Consumption of Freshwater from Wells	4,051.65
Recovered Water Consumption	68.021,04

> In 2023, the **RECIRCULATION RATE REACHED 94%**, a significant achievement contributing to reduced water consumption in the processing process.

> **Sustainable water use during ore extraction has become crucial for reducing the Company’s consumption of fresh water.**

Water consumption data per ton of iron ore produced is reported monthly by the Water Resources Committee.



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”

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Water Discharge

Liquid effluents generated at Mineração Usiminas primarily originate from toilets, with these effluents directed to septic tanks and upward-flow biological filters.

The Company’s drainage system, in conjunction with the environmental controls of the dykes and sediment containment basins, plays a pivotal role in managing water discharge, contributing to the responsible stewardship of water resources and environmental protection. These structures are designed to prevent substances from reaching water bodies.

Through mitigation actions and monitoring, the Company has implemented procedures, excavations, and devices to ensure the proper management of liquid effluents (rainwater), which is crucial for directing rainwater correctly to sumps and/or containment dykes downstream of the project. Additionally, continuous monitoring of surface water quality

is imperative to preserve the integrity of this vital resource.

Dams and Containment Structures

SASB EM-MM-540a.1 | EM-MM-540a.2 | EM-MM-540a.3

The containment structures, including dikes, *sumps*, internal access drains, and dams constructed by Mineração Usiminas, significantly contribute to maintaining water quality downstream of operations. These structures are integral to the formal and operational drainage system of the Serra Azul mining complex, containing sediment from the nature of the operation and, depending on the structure, mitigating peak flows that could impact the river basin.

Regular monitoring and periodic geotechnical inspections of these structures are fundamental to their operation and maintenance. During the rainy season, inspections are intensified based on rainfall events. Any identified anomalies that could compromise the safety and stability

of the structure in the short, medium, or long term are documented on inspection forms, and action plans are developed in collaboration with responsible parties for implementation, following technical guidelines.

Mineração Usiminas currently operates without active tailings containment dams. Tailings generated during the processes undergo meticulous treatment. They are filtered through press-type filters to separate the liquid from the solid components and then disposed of in piles. The mining company only maintains one tailings dam, Samambaia Dam o, constructed initially using the downstream raising method, but now deactivated and undergoing de-characterization, marking the third instance where the mining company has adopted this procedure.

> **Mineração Usiminas maintains an open channel with the neighboring community to ensure traceability, treatment, and resolution of public concerns, considering various issues, including watercourse quality.**

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Waste, Materials and Circular Economy

GRI 3-3 | 301-1 | 301-2 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5



MATERIAL TOPIC
Natural Resources and Environmental Impacts Management

The steel and mining industries necessitate substantial volumes of raw materials and inputs, concurrently generating waste as an inherent part of their processes and production stages.

Usiminas acknowledges the environmental implications associated with this reality. Hence, the primary objective of waste management is to prioritize waste reuse and minimize generation wherever feasible. Moreover, the organization implements a series of precautions that extend beyond conventional production and disposal practices, often entailing the repurposing of waste within the Company or in collaboration with external partners. These initiatives not only promote environmental sustainability but end up presenting opportunities to transform costs into revenue, thereby bolstering the principles of the circular economy.

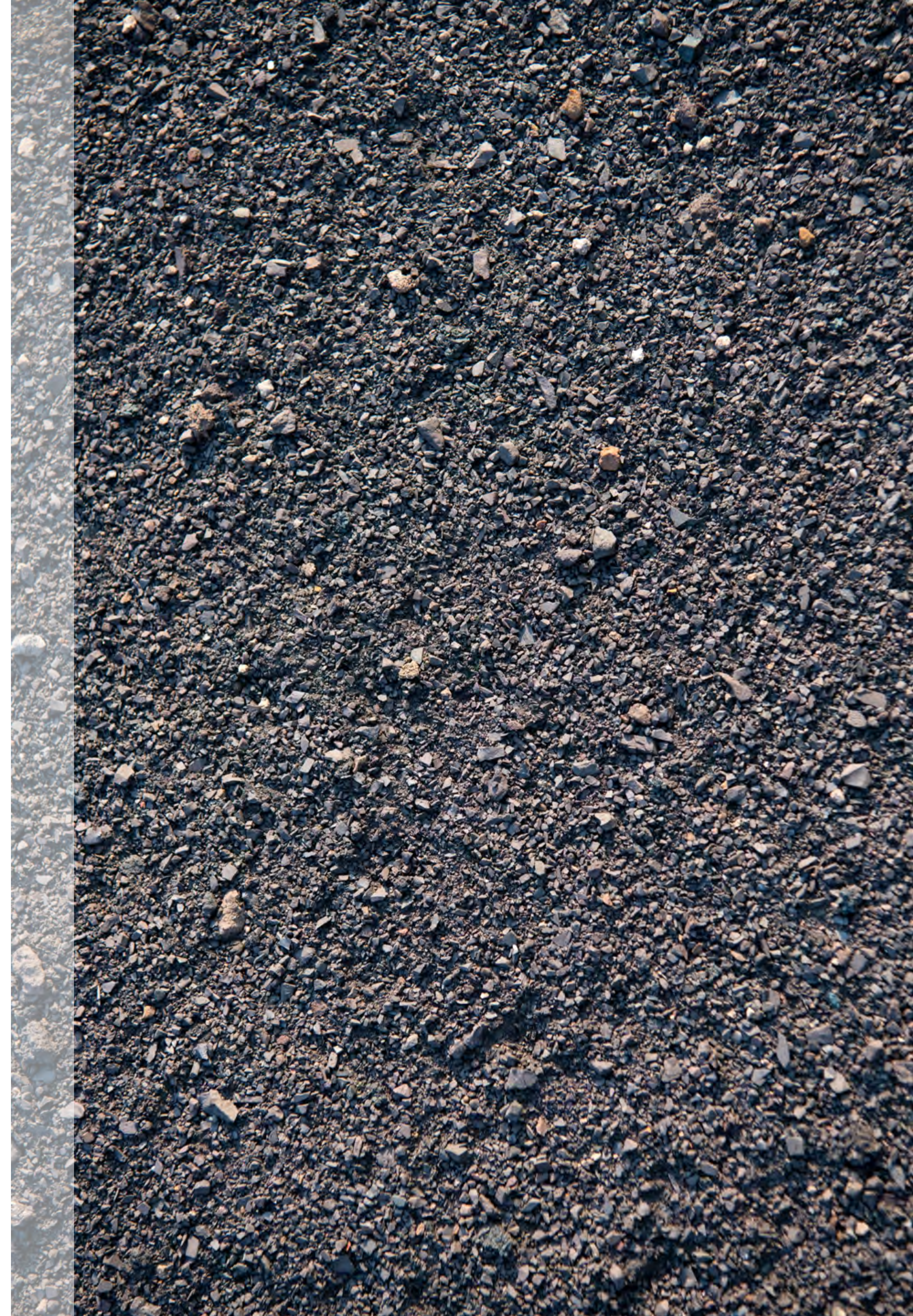


STEELMAKING

SASB EM-IS-150a.1

Control measures aimed at minimizing or eliminating waste-related impacts involve contracting duly licensed partners who adhere to environmental laws and regulations for handling and environmentally sound disposal.

Usiminas embraces best practices for waste disposal, including reusing materials in other Company activities or in collaboration with third parties. These initiatives not only promote sustainability but also present opportunities to convert costs into revenue, reinforcing the principles of the circular economy.



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In 2023, the Ipatinga plant repurposed over 2.7 million tons of waste, leading to a reduction in stored liabilities by more than 430,000 tons.

> Usiminas has a **Waste Management Plan** focused on prioritizing waste reduction, promoting recycling and/or commercialization, and minimizing waste in the production process. Disposal in duly licensed landfills is the last resort. Apart from the legal implications, poor waste management can degrade and/or contaminate the soil, and pollute water and air sources, posing risks to the health and quality of life of the population.

> Each year, objectives and targets are established to enhance waste management performance, with Usiminas' primary goal being to increase reuse and consequently decrease the final disposal of solid waste.

Indicators:

- > **Solid Waste Generation**
- > **Solid Waste Disposal**
- > **Solid Waste Marketing**
- > **Solid Waste Recycling**

All generation and destination procedures are regulated by the Waste Handling Declaration (DMRs), as mandated by the Minas Gerais state environmental agency and the Ministry of the Environment. The appropriate disposal method is determined based on the best available technologies.

Actions implemented are continually monitored since waste is generated daily, requiring an effective collection and disposal flow in a company the size of Usiminas.

To ensure compliance with current legislation, the Company maintains an environmental department equipped with tools for identifying and controlling relevant legal requirements, with support from the legal department.

In terms of operations, which encompass the requisite conditions for temporary storage, transportation, and ultimate disposal, Usiminas depends on its Industrial, Environmental, and Procurement departments to uphold existing contracts with partners who oversee effective waste management practices.

In administrative environments, the impacts of waste generated primarily involve the use of non-renewable materials such as disposable plastic cups, cutlery, and plates. Efforts have been made to reduce this consumption by replacing these utensils with others that generate less waste.

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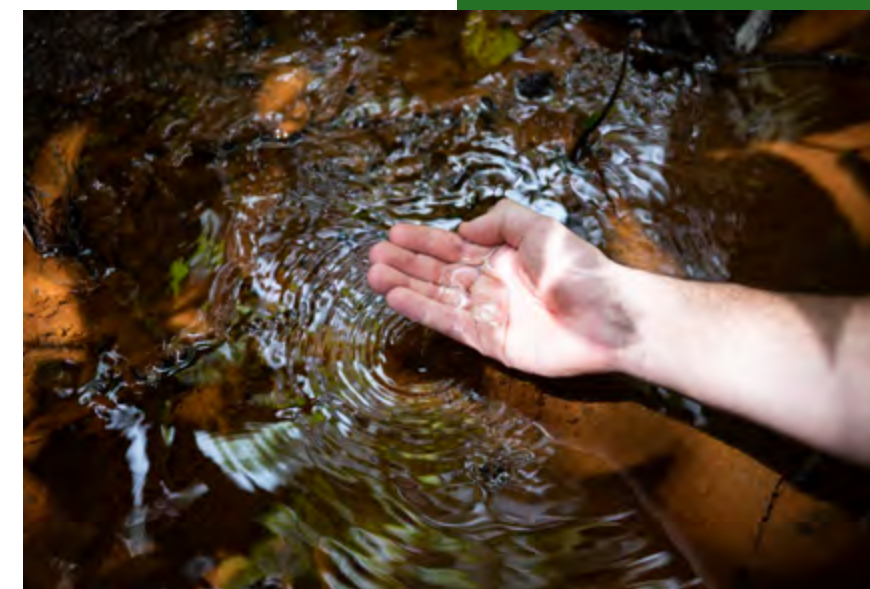
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Mobiliza Program

Usiminas implements social and environmental programs aligned with circular economy principles, such as the **Usiminas Mobiliza** program, which significantly impacts surrounding communities, fostering environmental awareness and enhancing living conditions for society.

The Usiminas **Mobiliza pelos Caminhos do Vale**, (“Mobiliza – Valley Pathways) program, initiated in 2015, utilizes steel aggregate for the primary surfacing of rural roads in municipalities across the state of Minas Gerais. By donating this material, the program enhances local infrastructure and community life, granting thousands of individuals access to healthcare and education with improved road safety and convenience.

In exchange, these municipalities commit to developing socio-environmental projects that benefit communities and contribute to spring restoration through the Usiminas **Mobiliza Todos pela Água** (“Mobiliza – All for Water”) program.



> Over **4,600 kilometers** of rural roads have been rehabilitated, benefiting more than **1.3 million** people across **60 participating municipalities** in the Mobiliza pelos Caminhos do Vale initiative.

> In 2023 alone, over **705,000 tons of aggregate** were donated to participating municipalities.

> Approximately **6,030 springs have been cataloged** by the program in the Vale do Aço region and eastern Minas Gerais, with **511 added to the registry throughout 2023.**

> **Of these, 1,680 springs are now either protected** or situated within a Permanent Preservation Area.

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Use of Materials and Circular Economy Initiatives

At Usiminas, the transition to a circular economy is not just a goal but a tangible reality, reflecting a responsible ethos ingrained in the organization’s history.

Currently, 98% of the waste generated in our processes is managed in accordance with circular economy principles and sustainability guidelines.

> **1,438,000 tons of renewable materials were utilized by the steel industry in 2023** while 7,231,000 tons of non-renewable materials were utilized during the same period;

> **20% of the raw materials used in steel manufacturing are recycled;**

> **14% of the crude steel produced originates from steel scrap.**

Waste management practices encompass recycling, donation, sale, reverse logistics to partners, energy production, road improvement, and input sourcing, among other purposes. These outcomes stem from meticulous planning initiated well before production, coupled with investments in

research, studies, and partnerships with institutions like FIEMG, which aid in process enhancement and evolution.

Waste generated and disposal.	Quantity (in tons)
Waste destined to final disposal	60,316
Non-hazardous waste	47,729
Incineration	-
Landfilling	47,729
Other disposal operations	-
Hazardous waste	12,587
Incineration	-
Landfilling	125
Other disposal operations	12,463
Waste diverted from disposal	2,812,948
Non-hazardous waste	2,809,000
Recycling	1,004,283
Preparation for reuse	-
Other recovery operations	1,804,716
Hazardous waste	3,949
Recycling	4,534
Preparation for reuse	-
Other recovery operations	585
Total	2,873,265

 **Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”**

INOVA 2030 PROGRAM

In 2023, Usiminas actively participated in the Inova 2030 – Young SDG Innovators Program, initiated by the UN Global Compact – Brazil Network, in collaboration with the Liga de Intraempreendedores (“Intrapreneurs League”) and the Dom Cabral Foundation.

This program aims to cultivate intrapreneurial skills among young professionals, enabling them to engage in sustainability and innovation endeavors, thereby fostering tangible solutions for the business. Moreover, it facilitates cross-company collaboration to address common challenges and explore joint opportunities. Furthermore, to enhance solid waste management

and foster sustainable practices, the Company has established **Working Groups** dedicated to specific waste streams characterized by significant generation volumes. These groups comprise members from diverse functional areas, ensuring a breadth of perspectives, proposals, tools, and solution scenarios.

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SOLUÇÕES USIMINAS

As a consequence of its production processes, Soluções Usiminas generates a significant volume of solid waste, with ferrous scrap constituting the bulk of it. Waste management protocols are designed to minimize generation, implement selective collection, and ensure the proper disposal of generated waste.

Collection and transportation activities are outsourced to third-party entities, as is the final disposal process. Information regarding the waste generated and its external transfer is meticulously managed through Waste Transfer Declarations (DMRs).

Whenever economically viable (a criterion that may vary across units), waste is directed toward recycling. Waste that cannot undergo recycling processes is entrusted to partner companies possessing environmental licenses for waste reception. **Soluções Usiminas consistently seeks out environmentally responsible partners for waste disposal arrangements.**

¹⁹ Materials sent for recycling include scrap steel, scrap steel tape, PET tape used to attach the blanks, paper, cardboard, plastics, and wood.

> In 2023, **Soluções Usiminas units generated a total of 25,513.33 tons** of waste.

> **A noteworthy 93.45% (23,842.36 tons) of this waste** was diverted away from landfills.

Hazardous Waste Disposal

> **341.38 tons underwent co-processing** (incineration with energy recovery), conducted by licensed entities. This category includes contaminated water with oil, contaminated solid waste, and Class I waste

> **345.65 tons were allocated to various disposal methods**, encompassing recycling, external treatment, and decontamination.

Non-hazardous Waste Disposal:

> **23,155.33 tons were directed towards recycling¹⁹**, animal feed utilization, and external treatment;

> **1,670.96 of Class II waste** were appropriately disposed of in a landfill.



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."



MINING

SASB EM-MM-150a.7 | EM-MM-150a.8 | EM-MM-150a.10

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Mineração Usiminas also strives to reduce the rate of waste by establishing a flow of actions to prevent the accumulation of waste in operational areas. To achieve this goal, the Company has dedicated teams to address the potential impacts of waste generation and conducts Daily Safety Dialogues (DDS) to disseminate best practices.

In order to effectively manage the contractual and legal obligations of outsourced companies responsible for waste management, Mineração Usiminas conducts inspections at collection sites, utilizes *checklists* for collection points, and conducts internal audits focused on health and safety through its Safe Supplier Program.

To monitor data, the Company employs a weighing control spreadsheet that records all waste generated on a daily basis. Furthermore, the issuance of Waste Transportation Manifest (MTR) documents for the waste generated in operations ensures traceability and proper treatment of materials.

The operation features a large solid waste shed for segregation and disposal, aiming to utilize the best alternatives for each type of waste in alignment with the principles of the circular economy.

> All waste generated at Mineração Usiminas is either reused or disposed of properly.



Data from previous years (2021-2023) is available in the appendix titled “Historical Series.”



Waste generated and disposal. (in tons)

Waste destined to final disposal	8
Non-hazardous waste	0
Hazardous waste	8
Waste diverted from disposal	2,543
Non-hazardous waste	1,905
Hazardous waste	638
Total	2,551

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BIODIVERSITY AND LAND USE

GRI 3-3 | 304-1 | 304-2 | 304-3 | 304-4

Usiminas is committed to biodiversity preservation by identifying, assessing, and mitigating the impacts of its operations while actively participating in local initiatives aimed at biodiversity conservation. The Company ensures that protected and preserved areas are interconnected, forming ecological corridors to facilitate the movement of fauna and flora within the region. Its primary objective is to minimize disturbances to native vegetation and wildlife caused by its activities while also maintaining gene flows and preserving biodiversity in surrounding areas.



MATERIAL TOPIC
Natural Resources and Environmental Impacts Management



STEELMAKING

The establishment of the Usiminas steel plant in the Vale do Aço region in 1956 necessitated the harmonious integration of operational activities with the city of Ipatinga and the surrounding environment.

This endeavor led to the inception of the Usiminas Green Areas Program in 1958, which initially focused on incorporating the Industrial Green Belt and the former Ipatinga Zoo and Botanical Park into the Vila Operária planning guidelines.

Subsequently, in 1965, the establishment of the Seedling Garden and the introduction of vegetation in previously barren or eucalyptus-covered areas contributed to enhancing biodiversity.



Usiminas' commitment to environmental stewardship transcends mere adherence to legal and regulatory requirements.



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Green Areas Recovery and Preservation Program

The program is designed to ensure that all green areas are fully occupied by native tree and shrub species, aiming for 100% coverage. To achieve this objective, Usiminas has been investing in the maintenance and restoration of areas susceptible to environmental degradation, such as erosion and fires, since the program's inception.

Actions include seedling production, restoration of vegetation using native Atlantic Forest species in urban woodlands and riparian forests, and maintaining the landscape harmony of the steel plant with the community.

In 2023, the seedling nursery produced approximately 11,800 units, comprising trees, fruit trees, and ornamental plants. Of these, 2,300 were donated to employees and the community during social and environmental projects initiated by Usiminas. The remaining seedlings were planted in various green areas surrounding the plant in Ipatinga (MG) to restore and preserve the local ecosystem.

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The Company presently maintains two Private Natural Heritage Reserves (RPPNs), both situated in the Vale do Aço region:

> **The Usipa RPPN spans over 200 hectares** and is the outcome of a collaboration between Usiminas and the Minas Gerais Public Prosecutor's Office (MPMG). This collaboration recognized the ecological significance of the area, justifying its permanent preservation. Located in the city of Ipatinga, it encompasses the Seedling Nursery, where seedlings utilized for site conservation, green area restoration throughout the region, and various social initiatives with local communities are produced.

> **The Lagoa Silvana RPPN conserves an area of over 250 hectares** in the municipality of Caratinga.

The Management Plans for the two Private Natural Heritage Reserves (RPPNs) are currently undergoing approval with the environmental agency of the state of Minas Gerais.

In accordance with Law 9.985/2000, which established the National System of Conservation Units, Usiminas participates in the Advisory Council of the Rio Doce State Park. As a representative of the private sector, the company also works in the surrounding area of the conservation unit. The Cubatão Plant is located in a unique estuary region characterized by mangroves, permeated by rivers (Permanent Preservation Areas), and situated in the buffer zone of the Serra do Mar State Park (Conservation Unit).

Recovery and preservation of green areas	Location	Area (in ha)
Permanent Preservation Area (APP)	Banks of the Doce and Piracicaba rivers	190.94
Urban woods	Ipatinga, Caratinga, Santana do Paraíso and Coronel Fabriciano	1,791.54
Private Natural Heritage Reserve (RPPN)	Usipa	204.13
Private Natural Heritage Reserve (RPPN)	Silvana Lake	255.86
Industrial Belt	Green area surrounding the Ipatinga Plant	249.22

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The Xerimbabo Project

As a platform for environmental education, reflection, and information exchange, the Xerimbabo Usiminas Project continually introduces new resources and initiatives with each edition to engage and raise awareness about sustainability.

In its 38th edition, held in 2023, the project featured a special attraction: the Ciclo Cênico Arte em Movimento (“Arte em Movimento Scenic Cycle”) and its theatrical show “The Time Machine,” along with storytelling sessions, urban dance *workshops*, and makeup and scenic activities.

During October and November, the Usipa Biodiversity Center (CEBUS) welcomed visitors with enhanced resources and initiatives aimed at engaging and raising awareness about the importance of environmental preservation and respect.

More than 11,000 visitors, including community members and students from 105 educational institutions and schools across 31 municipalities in Minas Gerais, participated in the event.



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“Fauna sem lar” Rehabilitation Program

Usiminas supports the Fauna Sem Lar (“Homeless Fauna”) Rehabilitation Program, facilitated by Usipa’s Biodiversity Center (CEBUS). In 2017, a Cooperation Agreement was established with the IEF, endorsing the program’s activities, regulating its operations, and facilitating the search for partners and sponsors, such as the Regional Association for Environmental Protection of Vale do Aço (ARPAVA).

The program encompasses the reception, treatment, and rehabilitation of endangered wild animals that have been seized or rescued by the Environmental Police, Fire Department, and IEF.

Given its strategic location, CEBUS serves as the sole point of support and connection for the eastern region of Minas Gerais to the IEF’s CETAS (Wild Animal Screening Center) in Belo Horizonte. Acting as a primary care facility, it is crucial for animals affected by accidents, hunting, or trafficking.

Approximately 42% of the animals received undergo successful rehabilitation and are released back into the wild. These include anteaters, opossums, passerines, pacas, ferrets, bush dogs, coatis, macaws, hawks, and various owl species. Many of these animals are classified as endangered species, such as the duck hawk, ocelot, puma, maned wolf, purple-breasted parrot, and true parrot, among others.

In some instances, rehabilitation for release into the wild is not feasible due to the prolonged period these animals have spent in captivity, their exposure to different food than their natural habitat, and the development of behaviors that hinder rehabilitation efforts. In such cases, the animals await placement in the zoo’s roster or are transferred to other institutions.



SOLUÇÕES USIMINAS

All units of Soluções Usiminas are situated in urbanized and human-modified areas. The Santa Luzia unit (MG) is the sole facility that borders a Permanent Preservation Area (APP), adhering to the protection strip outlined by Law No. 12,651/2012. This particular area comprises a stretch of riparian forest, approximately 400 linear meters in length, situated along the left bank of the Rio das Velhas. Nonetheless, it is deemed that the activities conducted by Soluções Usiminas across all its units, have no discernible impact on local biodiversity.

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MINING

SASB EM-MM-160a.1 | EM-MM-160a.3

The extraction of iron ore necessitates environmental interventions that inevitably affect biodiversity. Recognizing this inherent challenge, Usiminas diligently monitors the environmental surroundings of its mining operations and has intensified efforts to enhance control across all operational domains. The goal is to mitigate the environmental footprint of mining activities on fauna and flora.

Mineração Usiminas is situated in Serra Azul, spanning the municipalities of Mateus Leme, Itaúna, Itatiaiuçu, and Igarapé (MG). Mining operations are conducted in an open pit, employing sequenced drilling, blasting, and loading procedures. The process is executed in a meticulously planned and controlled manner, prioritizing the optimal utilization of mineral reserves while safeguarding environmental integrity.

A suite of measures has been implemented to safeguard remnants of native vegetation in the vicinity of mining operations. These include preserving legal reserve areas within the Company's properties and

establishing various forest compensation zones. This strategic planning has facilitated the creation of extensive areas capable of forming ecological corridors, facilitating gene flow among fauna and flora species and contributing to ecosystem preservation.

In 2023, Mineração Usiminas initiated projects to expand its mining footprint, leading to vegetation suppression and alteration of the natural landscape. To mitigate these significant impacts, the organization conducted impact assessments and formulated mitigation programs and actions aimed at promoting and conserving local biodiversity.

Furthermore, 100% of the degraded areas not included in the mining plan are subject to restoration efforts, with the objective of reinstating the surrounding fauna and flora composition. Currently, ten areas are under monitoring through the Terrestrial Fauna and Sensitive Amphibians Monitoring Program.

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To enhance the restoration of impacted areas, Mineração Usiminas invests in soil treatment to adjust pH levels and organic fertilization, aiming to enhance the effectiveness of plantings. Additionally, agronomic plant species are introduced to facilitate the sustained presence of native species, aligning with the site's natural characteristics and thereby increasing the survival rate of native flora.

Initiatives are undertaken to protect species affected by mining operations, including the rescue of flora during land clearing and the implementation of a terrestrial fauna scaring program to mitigate negative impacts associated with vegetation removal.

In instances where prevention proves unfeasible, measures are implemented to offset irreversible impacts. This includes the preservation of green areas crucial for local biodiversity conservation, with the objective of minimizing biodiversity disturbances. Such actions are outlined in the **Conservation Program for forest easement areas.**

All biodiversity impacts are meticulously identified within the framework of environmental licensing processes, with mitigation measures outlined in the **Environmental Control Plan.**

Recovery and preservation of green areas	Area (in ha)
Conservation	865
Environmental Protection Areas	5,564
Legal Reserve	1,416.5



> In 2023, through the Forest Recovery Project, Mineração Usiminas planted 87,418 native seedlings over approximately 132 hectares allocated for forest compensation.

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Mina d'Água Project

The Mina d'Água (“Water Spring”) Project, undertaken by Mineração Usiminas, aims to restore and protect springs and riparian forests located in the Permanent Preservation Areas (APPs) of the Company and the surrounding region. Through ongoing efforts and well-defined strategies, the company endeavors to contribute to biodiversity conservation, water source protection, and environmental equilibrium in the Serra Azul region.

In 2023, the project advanced its environmental restoration efforts by planting native seedlings sourced from Mineração Usiminas’ own nursery. Additionally, it implemented fencing measures to protect the headwaters of the Samambaia stream in Itatiaiuçu.

Mountain Footprints – Fauna Monitoring and Conservation Program

Since 2012, Mineração Usiminas has been implementing a Fauna Monitoring and Conservation Program within its operational area in Serra Azul. The objectives of this program include:

- > **Monitoring the occurrence of species in the remaining habitats surrounding the mining site.**
- > **Identifying endangered, rare, endemic, and migratory species.**
- > **Proposing management and conservation strategies for both the species and their habitats.**
- > **Evaluating the effectiveness of the fauna mitigation measures implemented by the Company.**

The program has enabled the compilation of a comprehensive database indicating

a correlation between mining activities conducted not only by Mineração Usiminas in Serra Azul and the preservation of local fauna. In 2020, the program underwent a significant overhaul, becoming more robust with the inclusion of additional fauna groups, an increase in sampling efforts, and the enhancement of telemetry-based monitoring for large carnivores. These enhancements have elevated the program to a new level, involving extensive research work, including behavioral studies, on a larger scale.

Since 2021, significant biological data has been gathered on individuals of the maned wolf species equipped with GPS collars. In 2023, these individuals continued to be closely monitored to track their movements in detail on a daily basis without any compromise to their quality of life.

Species Identified by the Program in the Region

- > Birdlife: 200 species were identified, including four that are threatened with extinction.
- > Entomofauna: 114 species identified.
- > Herpetofauna: 44 species identified.
- > Ichthyofauna: 35 species identified, including one endangered species.
- > Mastofauna: 44 species were identified, including five endangered ones.



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ECONOMIC AND FINANCIAL PERFORMANCE

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The sustainable economic and financial performance of Usiminas companies is essential for the continuity of the business and for the distribution of results that promote the development of society as a whole. When carried out with transparency, operational efficiency, and a focus on results, dedicated to employing the best tools and practices

aimed at increasingly sustainable performance, aligned with the changes and demands of both domestic and international markets, as well as the associated risks and opportunities, Financial Management allows the Company to maintain a competitive stance that generates value for society and other stakeholders.

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Financial Pillar Objectives



OBJECTIVES

> To prioritize value creation for shareholders and implement all necessary measures to ensure the financial sustainability of Usiminas Companies. This includes preventing financial losses, avoiding share devaluation, and guaranteeing the reliability of data and dividend distribution.

> To prioritize transparency with all stakeholders, offering both internal and external visibility into the Company's performance, commitments, significant events, implemented changes, and other relevant information that may influence stakeholders' decisions.



INITIATIVES IMPLEMENTED TO ACHIEVE OBJECTIVES

- > Investment Portfolio Policy
- > Results Allocation Policy
- > Information Disclosure and Securities Trading Policy
- > Listing on B3's Level 1 of governance, which enhances transparency practices and provides investors with additional information beyond legal requirements
- > Active engagement with investors and rating agencies
- > Establishment of a Permanent Fiscal Council, tasked with analyzing the Company's financial statements and other duties
- > Conducting gap analyses and implementing improvements to enhance performance in the participation process of B3's Corporate Sustainability Index (ISE)

RESULTS ACHIEVED IN 2023

> **BRL 3 billion**
of CAPEX investments

> **4 million tons**
of steel sold

> **9.1 million tons**
of iron ore sold

> **BRL 1.8 billion**
adjusted EBITDA

> **Leverage of -0.05x**

> **Inclusion in the ISE**
(Corporate Sustainability Index) of B3

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Financial²⁰ and Operational Performance

GRI 3-3 | 201-1 | 201-3 | 201-4

2023 posed significant challenges and will be remembered as one of the most pivotal years in Usiminas' history, marked by the refurbishment of Blast Furnace No. 3 and substantial investments in equipment at the Ipatinga plant.

All this occurred amidst a backdrop of a notable increase in the volume of steel imports under unfavorable competitive conditions for domestic producers.

The Brazil Steel Institute foresees a scenario for 2024 with moderate growth in demand, with certain industrial sectors displaying resilience, particularly the automotive segment, which represents Usiminas' largest market. Usiminas aims to uphold operational excellence in 2024 and anticipates cost reductions in the Steelmaking Unit, particularly in the first half of the year.

²⁰ The Parent Company's individual and consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), along with the accounting practices adopted in Brazil by the Accounting Pronouncements Committee (CPC), approved by the Brazilian Securities Commission (CVM).

Consolidated Results – 2023

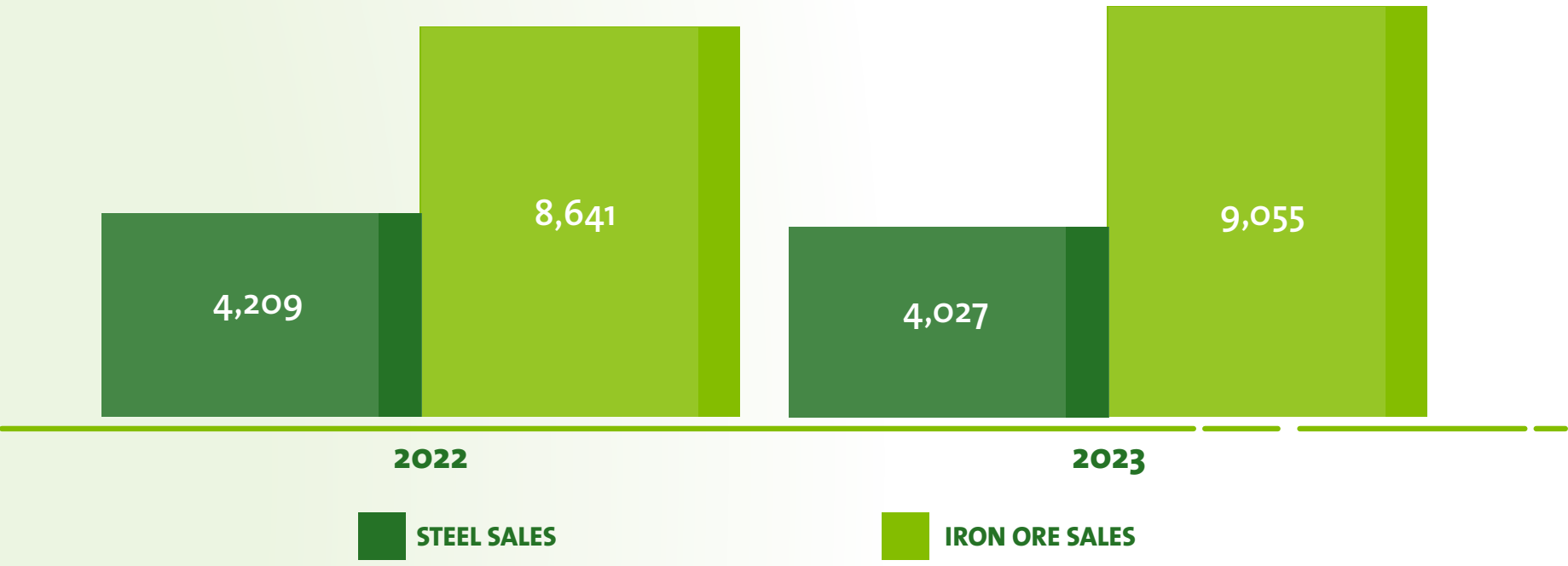
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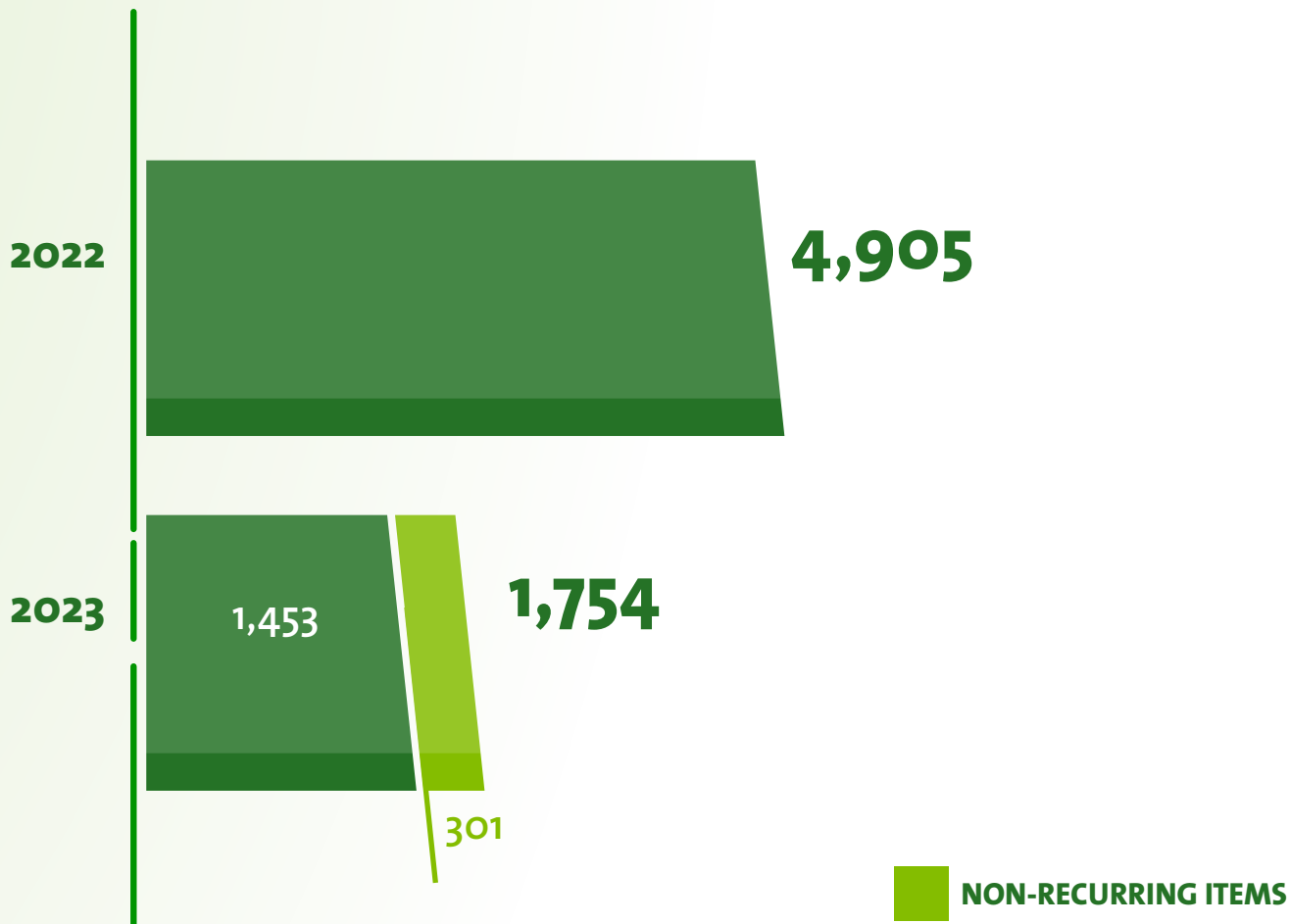
Steel and Iron Ore Sales – in thousand tons



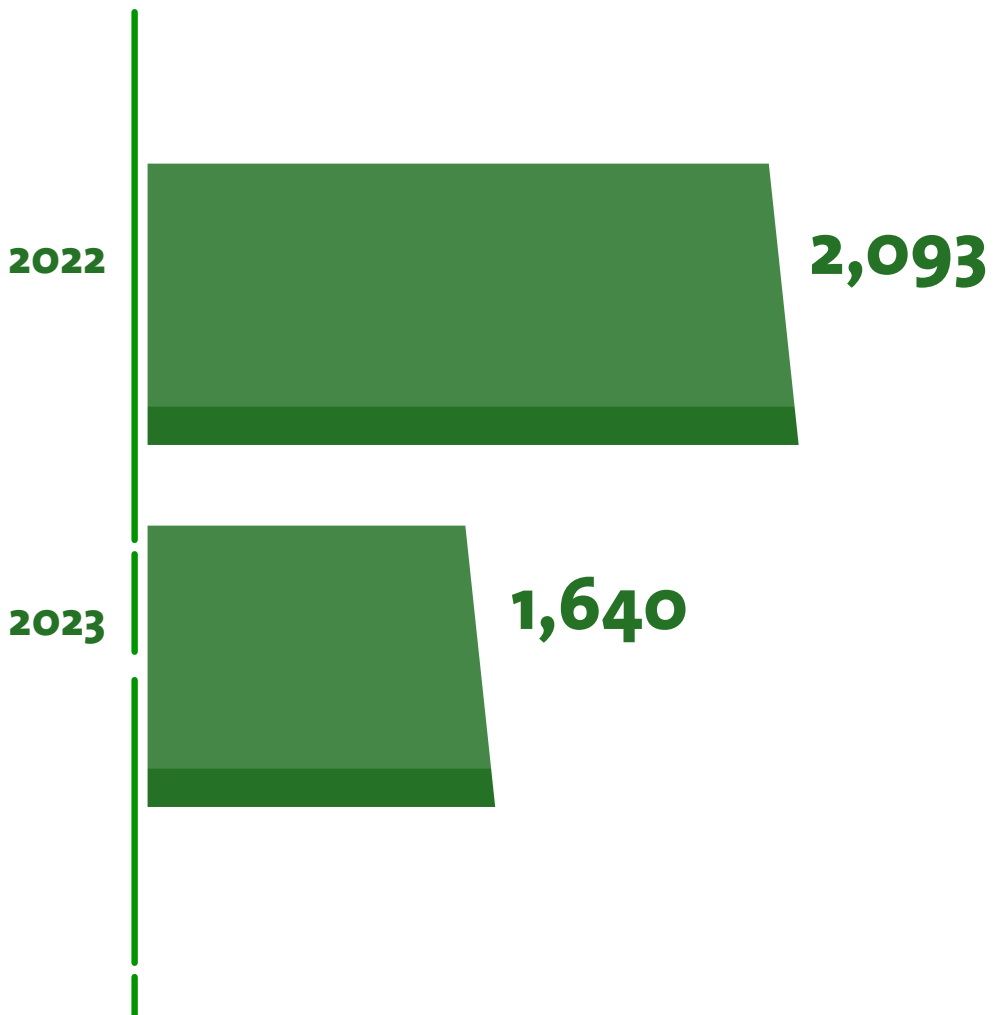
Net Revenue – in millions of BRL



Adjusted Consolidated EBITDA – in millions of BRL



Consolidated Net Profit – in millions of BRL



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Consolidated Annual Operating Results

Thousands of BRL	2023	2022	Δ
Net Sales	27,638,348	32,470,510	-15%
Domestic Market	22,433,024	25,971,830	-14%
Foreign Market	5,205,324	6,498,680	-20%
Cost of Goods Sold	(25,850,518)	(26,790,835)	-4%
Gross Profit	1,787,830	5,679,675	-69%
Gross Profit Margin	6.5%	17.5%	-11.0 pp
Operating Revenue (Expenses)	(988,394)	(3,013,254)	-67%
Sales	(500,195)	(629,494)	-21%
General & Administrative Expenses	(634,021)	(588,807)	8%
Other Income and Expenses	(123,177)	(2,015,878)	-94%
Equity in the Comprehensive Income Subsidiaries and Affiliates	268,999	220,925	22%
Operating Profit (Loss)	799,436	2,666,421	-70%
Operating Margin	2.9%	8.2%	-5.3 pp
Depreciation and amortization	1,061,971	902,681	18%
EBITDA (CVM Instruction 156)	1,861,407	3,569,102	-48%
EBITDA Margin (CVM Instruction 156)	6.7%	11.0%	-4.3 pp
(-) Equity in the Comprehensive Income Subsidiaries and Affiliates	(268,999)	(220,925)	22%
(+) Proportional EBITDA from jointly controlled entities	164,894	159,620	3%
(-) Impairment of non-financial assets (net realized value)	(3,534)	1,396,784	-
Adjusted EBITDA	1,753,768	4,904,581	-64%
Adjusted EBITDA Margin	6.3%	15.1%	-8.8 pp

Direct economic value generated and distributed

(in thousands of BRL)

Revenues	
Sales of goods, products and services	32,568,693
Reversal of provisions for expected credit losses	11,650
Other revenues	52,468
	32,632,811
Inputs Acquired from Third Parties	
Costs of Products Goods and Services Sold	(26,404,456)
Materials, Energy, Third-Party Services and Other Expenses	(1,237,017)
Reversal of impairment of assets	1,562
	(27,639,911)
Gross Value Added	
	4,992,900
Depreciation, Amortization and Depletion	(1,061,970)
Net Value Added Produced	
	3,930,930
Value Added Received in Transfer	
Equity in the Comprehensive Income Subsidiaries and Affiliates	268,999
Financial Revenues	1,118,332
Revenue from Exchange Transactions	(114,999)
Actuarial Gains (Losses)	434,814
	1,707,146
Total Value Added to be Distributed	
	5,638,076
Personnel and Charges	
Salaries and Charges	1,313,079
Severance Guarantee Fund (FGTS)	107,813
Management Compensation	70,579
Employee Profit Sharing	112,097
Retirement Plans	14,528
	1,618,096
Taxes, Rates and Contributions	
Federal (i)	(1,556,266)
State	3,176,836
Municipal	111,393
Tax Incentives	10,705
	1,742,668
Remuneration of Third Parties	
Interest	966,236
Foreign Exchange Variations	(347,346)
Derivative financial instruments	18,054
	636,944
Equity Compensation	
Dividends and Interest on Own Capital	625,525
Retained Profits (Accumulated Losses)	1,060,581
Non-controlling Shareholders' Share in Retained Profits	(45,738)
	1,640,368
Distributed Added Value	
	5,638,076



Data from previous years (2021-2023) is available in the appendix titled "Historical Series."



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Capex

In 2023, Usiminas' investments totaled R\$3 billion, marking a 37.3% increase compared to 2022 (R\$2.2 billion). A significant portion, 88.5%, was allocated to the Steelmaking Unit, which included the refurbishment of Blast Furnace No. 3, while the remaining 11.5% went to the Mining Unit. This represents the highest investment volume since 2010.

Financial Management

GRI 3-3 | 203-2

Usiminas prioritizes transparency in its financial management, ensuring both internal and external visibility into the Company's performance, commitments, relevant developments, implemented changes, and other pertinent information that may influence stakeholders' decisions.


All business activities and relationships adhere to national and international standards, guided by Usiminas' Investment Portfolio Policy, which extends to its subsidiaries and affiliates. Implemented in 2024, this policy signifies an evolution in Usiminas' investment portfolio management, supplanting the previously disclosed Financial Policy. Its principles aim to optimize the Company's earnings and pinpoint areas for process improvement and enhanced performance.

Dialogue across different sectors within the Company fosters precision in assessing the variables at play. Notably, financial performance stands as one of the Company's key indicators of productivity and efficiency, rigorously monitored to enable swift adaptation to market dynamics.

The Finance Department plays a crucial role in devising the financial strategy and overseeing the management of the Company's cash flow. This includes monitoring market trends and proposing various financial operations such as financing, loans, and credit assignments.

Cash management is conducted with the dual objective of ensuring a substantial liquidity reserve while prudently maximizing the Company's earnings. Presently, the group's debt position remains sustainable, with the department diligently identifying potential movements that could further fortify the organization's financial standing. Effective debt management instills confidence in the market, thereby fostering increased investment. Moreover, the Company actively works to mitigate risks associated with exchange rate fluctuations, currency volatility, commodity prices, interest rates, cash flow, and currency mismatches.

Effective management instills confidence in a sustainable financial future. Usiminas has already witnessed the outcomes of this management, impacting its stakeholders in various positive ways:

 **MARKET** – Provision of more eco-efficient products, with resources dedicated to research and development, equipment refurbishment, and maintenance.

 **SHAREHOLDERS AND INVESTORS** – Distribution of profits and dividends, leading to an increase in share prices.

 **SUPPLIERS AND PARTNERS** – Timely payment of financial liabilities and meticulous control of receipts.

 **EMPLOYEES** – Retention of the workforce, profit sharing initiatives.

 **COMMUNITY/SOCIETY** – Creation of job opportunities and implementation of programs that generate social benefits.

 **ENVIRONMENT** – Investment in more efficient and sustainable operations.

 **GOVERNMENT** – Stimulus to the economy and tax revenue collection.

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Tax Strategy

GRI 3-3 | 207-1 | 207-2 | 207-3

Usiminas' tax management encompasses various aspects, including thorough tax analysis conducted during the registration process of materials and services to be acquired by the Company. The objective is to optimize tax credits and mitigate tax risks associated with the acquisition of supplies. This strategy involves close collaboration with the business areas where the Company operates, fostering partnerships, sharing knowledge, and raising awareness of fiscal and tax impacts that affect costs and gains throughout the value chain. Additionally, it entails coordinating and implementing tax planning projects aimed at maximizing shareholder value.

Furthermore, the strategy emphasizes building transparent relationships with government entities and trade associations to minimize potential impacts on Usiminas' operations. The Company also diligently monitors updates to tax legislation and judicial precedents related to tax matters. The overarching goal of this management framework is to maximize the utilization of tax assets while mitigating tax risks.

In its interactions with stakeholders, including government bodies, customers, and suppliers, Usiminas presents transparent analyses of the impacts and effects of tax collection measures under discussion. These analyses are always supported by technical evidence, demonstrating the basis of the assessment and the origin of the data.

Management

The Controllership Department/Tax Planning Department, at the executive level, is tasked with analyzing and approving the tax strategy and periodically reviewing it. This department collaborates with all areas of the Company in tax planning, ranging from registering materials, customers, and suppliers to determining tax parameters within purchasing and sales processes, as well as developing business models and special regimes for accessing tax incentives and reviewing existing processes.

To mitigate tax risks, the Company monitors changes in legislation and case law, employs automated systemic tax controls, conducts periodic reviews of the database, and provides specific and ongoing training for its team. Additionally, external audits focusing on tax compliance are conducted, with specialized firms hired to scrutinize procedures and processes. Internal audits of processes are also conducted to validate controls in the tax area.

Usiminas consistently strives to comply with tax regulations, evaluating current legislation, recent case law, and the best available doctrine in collaboration with the legal department.



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Investor Relations

GRI 3-3

The Investor Relations (IR) area at Usiminas plays a strategic role in the Company’s dialogue with the financial market, providing clear, accessible, and timely information to all of the Company’s stakeholders.

In compliance with laws, instructions, and regulations from regulatory bodies such as the Brazilian Securities Commission (CVM) and the Brazilian Stock Exchange (B3), Usiminas operates in the market listed as Level 1 of B3 governance. The Company adopts practices that prioritize transparency and access to information for investors, periodically disclosing relevant information in the CVM/B3 system and on its website, ensuring quality, transparency, and fairness.

Before releasing financial results to the market, the IR department holds a series of meetings with various areas and with the executive board to align how the issues will be addressed publicly. With this, Usiminas aims to enhance its ability to exchange information with the market, striving for transparency and providing internal and external visibility to the Company’s performance.

Recognition

The recognition of the excellence of the IR team, chosen in 2023 as the **Best IR Team in Latin America in the Metals & Mining** according to Sell Sides by Institutional Investor, magazine, highlights Usiminas’ commitment to transparency and quality in communication with investors. The Fale com RI (“**Talk to the IR Team**”)(investidores@usiminas.com) serves as one of the

For the second consecutive year, Usiminas has been listed on the Corporate Sustainability Index (ISE B3), being the only company in the steel industry to achieve this recognition. This acknowledgment reflects the Company’s commitment to corporate sustainability and the positive impact of its ESG (Environmental, Social, and Corporate Governance) practices on its business. Additionally, its inclusion in the B3 Carbon Efficient Index (ICO2) demonstrates its commitment to transparently reporting its emissions and anticipates the vision of how the organization is preparing for a low-carbon economy.

Interaction with fixed-income investors and rating agencies is also a responsibility of the IR department. Usiminas’ debt consists mainly of a Bond and two Debenture issues with various series and maturities spread from 2027 to 2032. Usiminas’ local debt rating is AAA, affirmed by the Rating S&P Global, while the Company’s global rating is BBF or the agencies S&P and Fitch Ratings, equivalent to the Ba2 level credited by Moody’s.

bridges of this communication, receiving questions, criticisms, or comments from stakeholders, which are promptly addressed by the IR team.

Another example of the Company’s commitment to its stakeholders is receiving the **Platinum Seal from APIMEC Brasil** – the Brazilian Association of Capital Market Analysts and Investment Professionals – for holding its 20th uninterrupted annual public meeting with the association in 2023.





AWARDS AND RECOGNITIONS

Awards and Recognitions

2023

➤ PARTNER-LEVEL SUPPLIER AWARD – JOHN DEERE

For the 18th consecutive year, Usiminas and Soluções Usiminas were honored with the Achieving Excellence award from John Deere’s Supplier Evaluation Program. Notably, Soluções Usiminas received the Partner-Level Supplier distinction, the highest accolade in the John Deere customer award program.

➤ EXCELLENCE AWARD FOR THE BRAZILIAN MINING-METALLURGY INDUSTRY – 2023

Mineração Usiminas was recognized at the 2023 Mining and Metallurgical Industry Excellence Awards, hosted by Minérios & Minerales magazine. The Company was commended for a project that demonstrated significant advancements in safety, cost reduction, and operational efficiency through the implementation of an operations simulator

for the CAT 777G off-highway truck. Another notable project titled “Reducing the circulating load and increasing the service life of cone crusher liners with chamber level control” also received acclaim.

➤ TOYOTA AWARD

Usiminas and Soluções Usiminas were awarded by Toyota in the “Special Recognition 2022”, category, which recognizes the best suppliers of the Japanese automaker worldwide.

➤ BRASA/TOYOTA AWARD

In recognition of their commitment to safety, continuous process improvement, and increased productivity, Soluções Usiminas Betim was honored with the TBP – Toyota Business Practices Award for the Safety category by Brasa – Brazilian Automotive Suppliers Association and Toyota do Brasil.

The objective of the award is to encourage suppliers to develop projects aimed at enhancing safety in the process, thereby contributing to the strengthening of the entire Toyota supplier chain. The winning project, the Scrap Collection Box, implemented in the Press Blank Line (PBL) process, significantly reduced risks associated with scrap collection, thereby eliminating manual activities.

➤ MOTO HONDA AWARD – 2023

Usiminas and Soluções Usiminas achieved Gold certification at the annual Supplier Meeting hosted by Moto Honda in acknowledgment of their exceptional service throughout 2022.

Moto Honda evaluates various indicators such as quality, service, environmental stewardship, innovation results, proactivity, and competitiveness to select outstanding companies for this award.

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> RAIZ AWARD

Usiminas and Soluções Usiminas were honored in the ESG pillar of the RAIZ Partner Award, presented by client Raízen.

In its fourth edition, the RAIZ Partner Award recognized suppliers exhibiting high performance, alignment with the Company's culture, and exemplary ESG practices. This category seeks to acknowledge partners demonstrating best practices and a prominent level of maturity concerning ESG issues and the UN Sustainable Development Goals (SDGs).

> ACHIEVING EXCELLENCE AWARD RECOGNITION – JOHN DEERE

Usiminas' and Soluções Usiminas' dedication to providing quality products and services tailored to customers' needs was acknowledged during the Achieving Excellence Award Recognition, an international accolade for John Deere suppliers.

Both companies were honored for Best Performance in the global JDCROP program. Among John Deere's 42,000 suppliers, only four received this award. JDCROP is one of the topics evaluated in the Value Creation category, focusing on projects aimed at reducing costs and enhancing competitiveness.

> INSTITUTIONAL INVESTOR RANKING

Usiminas was prominently featured in the annual ranking of Institutional Investor magazine, one of the foremost international publications in investment and finance. Among steel and mining companies, Usiminas' Investor Relations team secured top positions across all three divisions of the ranking – Overall, Buy Side e Sell Side*- , earning the title of best in the sector, according to Sell Side analysts.

The Company's Investor Relations program also achieved top-three rankings in all categories, as did the annual investor event hosted by

Usiminas and its Board of Directors. Usiminas' ESG Agenda received recognition, ranking among the top three in the Sell Side category.

> IMMERSIVE TECHNOLOGIES' 14TH ANNUAL BUSINESS IMPROVEMENT AWARDS

Mineração Usiminas was recognized in the Safety category at the 14th Annual Global Business Improvement Awards by Immersive Technologies, the partner responsible for the Off-Highway Truck Operation Simulator. The award acknowledges the outstanding achievements of mining companies that utilize simulation as a pivotal element in enhancing processes within mines.

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> AB2L LEGAL DEPARTMENT CERTIFICATE 4.0

Usiminas Legal Department was honored with the AB2L Legal Department 4.0 Certificate, achieving the Gold category, the highest level, signifying that the department meets all requirements of an innovative legal area. The award acknowledges legal departments making significant contributions to innovation in the sector.

Recipients are selected based on their performance in efficiency, people management, legal business partnership, and legal innovation. The award is part of the initiatives of the Brazilian Association of Lawtechs and Legaltech (AB2L), established in 2017 to organize, foster, and educate the legal market while promoting a regulatory environment conducive to innovation, the central focus of the award.

> INDUSTRIAL AWARD

Usiminas was honored with the “Industrial Award” from the Brazilian Association of Metallurgy, Materials, and Mining (ABM), bestowed by the Alloy Phase Diagram International Commission (APCID).

This accolade celebrates the Research Center’s work in phase diagrams and computational thermodynamics, essential tools employed in the area’s developmental studies.

> RANKING 100 OPEN CORP – 2023

For the fourth consecutive time, Usiminas has been recognized as one of Brazil’s leading companies in fostering relationships with startups. In the “Mining and Metals” sector, Usiminas secured a position within the top five.

This prestigious corporate ranking in Latin America serves as a benchmark for the market, showcasing organizations’ efforts in nurturing open innovation within the country since 2018.

> MAXION SUPPLIER AWARD - 2023

Soluções Usiminas was honored with the Maxion Supplier Award, at Maxion’s annual convention, recognizing the top suppliers of the year. The Company’s outstanding performance in the Quality category earned it the title of best processing supplier.

> 25th MINAS BUSINESS PERFORMANCE AWARD – BEST AND BIGGEST 2023

Usiminas, Mineração Usiminas, and Soluções Usiminas were once again distinguished at the 25th Minas Business Performance Award – Best and Biggest 2023. Organized by Mercado Comum, a national magazine covering Economics, Finance, and Business, this award celebrates exemplary companies in Minas Gerais across various categories.



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Assurance Statement

LRQA carried out an independent verification of the preparation process for Usiminas' Annual Sustainability Report 2023 developed in accordance with the *GRI (Global Reporting Initiative) Standards 2021*. The process aims to provide interested parties with an independent opinion on the quality of the information provided in the report.

Independence, competence and responsibilities

We work independently and ensure that no member of LRQA maintains consulting contracts or other commercial ties with Usiminas. LRQA is a company specialized in sustainability. The work was conducted by a team of professionals with experience and skills in external verification processes. The preparation of the Annual Sustainability Report, as well as the definition of its content, is the responsibility of Usiminas. Verification of the report was the object of LRQA's work.

Scope and Limitations

The scope of our work includes information contained in the full version of the 2023 Annual Sustainability Report, for the period covered by the report from January 1, 2023 to December 31, 2023. The independent verification process was conducted in accordance with the AA1000AS v3 standard (*AccountAbility 1000 Assurance Standard v3*), in Type 1 verification condition, providing a moderate level of *Assurance*. The verification of financial data was not the object of LRQA's work. The financial data were audited by a specialized company as stated in the Financial Statements.

Methodology

The procedures developed during the assurance work included:

- Review of the content of the Annual Sustainability Report 2023;
- Understanding the flow of obtaining and generating information for the Sustainability Report;
- Sample selection of items and indicators to verify the information provided;
- Interviews with managers from key areas regarding the relevance of information for reporting and managing sustainability and to verify the source of information for the selected indicators;
- Based on sample tests, corroboration of information of the Sustainability Report with supporting documentation, management reports, internal controls and official correspondences;
- Checking compliance with the GRI Standards and requesting adjustments to the report.

Disclaimer

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Main Conclusions

Based on the analysis of the evidence and interviews carried out to verify selected indicators, we summarize the following main conclusions:

- During interviews with managers, LRQA verified the evidence for the following selected indicators: GRI 2-10, GRI 202-1, GRI 302-4, GRI 303-1, GRI 305-3, GRI 305-5, GRI 306 -1, GRI 308-1, GRI 401-1, GRI 404-3 and GRI 413-1. Furthermore, we verified the efforts made by the company to comply with TCFD recommendations.
- It was found that the information related to these indicators and topics was collected consistently within the organization, through solid information management systems and with metrics that enable monitoring and comparability of data with previous years. LRQA requested adjustments in the presentation of data for three indicators, which were met by the reporting areas.
- The company achieved six of the eight established strategic sustainability goals in 2023, with emphasis on the goals related to the publication of the emissions inventory, which was completed in 2023, and customer satisfaction, which had a higher result than previous years. The two goals where the company will have to concentrate more efforts are related to the accident rate and the participation of women in leadership positions: The accumulated safety index was 2.15 on 12/31/2023, a value above the reference established by Company, which is 1.0. The company reports that it continually maintains its efforts to eliminate accidents in its operations and achieve the goal of Zero Accidents. The percentage of women in leadership positions reached 17.67% on 12/31/2023, a value below the established target of 18%, however, in comparison with 2022, the number of women in leadership positions was increased by 3.2%.
- In 2023, the company completed the renovation of Blast Furnace 3 at the Ipatinga plant. Both the work and the necessary interruptions impacted some social and environmental indicators, such as the increase in the intensity of emissions due to the lower volume of steel production and a high turnover caused by the demobilization of the Usiminas Mechancis-employees involved in the renovation. With the new furnace in operation, it is expected that energy efficiency and emissions rates will see significant improvements from 2024 onwards.
- In 2023, the company maintained the progress in its community engagement programs. With the maturity in the management of this topic, the diagnostics to improve the understanding of the social and economic context of the communities where the company has operations has expanded, reaching out also to all Usiminas Solutions units.
- Regarding compliance with the GRI standards adopted in the 2023 Sustainability Report, Usiminas followed the standards in its essence, using the metrics and formats and principles provided by the GRI. The company has already started working internally on some TCFD recommendations, but there are still some internal steps to present in the report in compliance with these guidelines.

Final considerations

Based on the scope of our work and the assurance procedures we carried out, we conclude that nothing has come to our attention that leads us to believe that the information regarding sustainability performance in Usiminas' Annual Sustainability Report 2023 is not presented fairly in all material aspects.

The company presents its performance with clearness and in compliance with the GRI 2021 Standards and is providing a balanced view of its sustainability management and the impacts related to its operation.

São Paulo, April 19, 2024.



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GRI Index						
Statement of Use		USIMINAS has provided the information mentioned in this GRI content summary for the period from Sunday, January 1, 2023, to Sunday, December 31, 2023, in accordance with the GRI Standards.				
GRI 2021		GRI 1: Foundation 2021				
General Disclosures						
GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 2 2021	The organization and its reporting practices	2.1	Organizational details	11, 16, 36		
		2.2	Entities included in the organization's sustainability report	4, 11, 16		
		2.3	Reporting period, frequency and contact point	4		
		2.4	Restatements of information		There are no restatements of information from previous cycles.	
		2.5	External assurance	4		
		2.6	Activities, value chain and other business relationship	16		
	Activities and workers	2.7	Employees	57, 58		
		2.8	Workers who are not employees	57		
	Governance	2.9	Governance structure and composition	37		
		2.10	Nomination and selection of the highest governance body	37		
		2.11	Chair of the highest governance body	37		
		2.12	Role of the highest governance body in overseeing the management of impacts	37		
		2.13	Delegation of responsibility for managing impacts	37		
		2.14	Role of the highest governance body in sustainability reporting	37		
		2.15	Conflicts of interest	37		
		2.16	Communication of critical concerns	37, 42		
		2.17	Collective knowledge of the highest governance body	37		
		2.18	Evaluation of the performance of the highest governance body	37		
		2.19	Remuneration Policies	59, 62		
		2.20	Process to determine remuneration	59		
		2.21	Annual total compensation ratio	59		

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GRI Index						
	Strategy, policies and practices	2.22	Statement on sustainable development strategy	57		
		2.23	Policy commitments	25, 42, 46		
		2.24	Embedding policy commitments	25, 42		
		2.25	Processes to remediate negative impacts	42		
		2.26	Mechanisms for seeking advice and raising concerns	42		
		2.27	Compliance with laws and regulations			In defining “significant non-compliance cases,” Usiminas relied on the criteria outlined in item 4.4 of CVM Resolution No. 80, dated March 29, 2022, and Circular Letter Annual 2023 CVM/SEP, along with an assessment of the issue’s sensitivity to the Company.
	Stakeholder engagement	2.28	Membership associations	96		
		2.29	Approach to stakeholder engagement	83		
		2.30	Collective bargaining agreement	64		
GRI 3 2021	Material Topics	3.1	Process to determine material topics	28		
		3.2	List of material topics	28		
Material Topic: Economic and Financial Performance						
GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3.3	Management Approach	164, 168, 169, 170		
GRI 201 2016	Economic Performance	201-1	Direct economic value generated and distributed	59, 164		
		201-3	Defined benefit plan obligations and other retirement plans	62, 164		
GRI 203 2016	Indirect Economic Impacts	203-2	Significant indirect economic impacts	97, 168		
GRI 207 2016	Tax	207-1	Approach to tax	169		
		207-2	Tax governance, control, and risk management	169		

GRI Index

Material Topic: External Stakeholder Engagement

GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3-3	Management Approach	83, 86, 92, 97		
GRI 203 2016	Indirect Economic Impacts	203-2	Significant indirect economic impacts	97, 168		
GRI 204 2016	Procurement Practices	204-1	Proportion of spending on local suppliers	92		
GRI 308 2016	Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	92		
		308-2	Negative environmental impacts in the supply chain and actions taken	92		
GRI 413 2016	Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	97, 103		
		413-2	Operations with significant actual and potential negative impacts on local communities	97		
GRI 414 2016	Supplier Social Assessment	414-1	New suppliers that were screened using Social criteria	92		
		414-2	Negative Social impacts in the supply chain and actions taken	92		
GRI 416 2016	Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	86		
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	86		
GRI 417 2016	Marketing and Labeling	417-1	Requirements for product and service information and labeling	86		
		417-2	Incidents of non-compliance concerning product and service information and labeling	86		
		417-3	Incidents of non-compliance concerning marketing communications	86		

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GRI Index

Material Topic: Governance*, Ethics, and Integrity

GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3.3	Management Approach	42, 46, 49, 52		
GRI 205 2016	Anti-corruption	205-1	Operations assessed for risks related to corruption	42		
		205-2	Communication and training about anti-corruption policies	42		
		205-3	Confirmed incidents of corruption and actions taken	42		
GRI 206 2016	Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No cases to be reported for the year 2023.	
GRI 406 2016	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	46		
GRI 408 2016	Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	46		
GRI 409 2016	Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	46		
GRI 410 2016	Security Practices	410-1	Security personnel trained in human rights policies or procedures		All employees undergo training and education on Usiminas' Code of Ethics and Conduct.	
GRI 418 2016	Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	52		

* Governance items listed in the General GRI Content Table 2, 2021.

Material Topic: Portfolio Sustainability and Innovation

GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3.3	Management Approach	18, 30, 87		

Material Topic: People Management

GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3.3	Management Approach	59, 65, 68, 71, 74		
GRI 201 2016	Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	62		
GRI 202 2016	Market Presence	202-2	Proportion of senior management hired from the local community	71		

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GRI Index						
GRI 401 2016	Employment	401-1	New employee hires and employee turnover	58		
		401-3	Parental leave	63		
GRI 402 2016	Labor/ Management Relations	402-1	Minimum Notice Period for Operational Changes	64		
GRI 403 2018	Occupational Health and Safety	403-1	Occupational health and safety management system	74		
		403-2	Hazard Identification, Risk Assessment, and Incident Investigation	74		
		403-3	Occupational Health Services	74		
		403-4	Worker participation, consultation and communication to workers regarding health and safety at work	74		
		403-5	Worker training on occupational health and safety	74		
		403-6	Promotion of worker health	74		
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	74		
		403-8	Workers covered by an occupational health and safety management system	47		
		403-9	Work-related Accidents	47		
		403-10	Occupational Diseases	47, 82		
GRI 404 2016	Training and Education	404-1	Average hours of training per year per employee	68		
		404-2	Programs for upgrading employee skills and transition assistance programs	68		
		404-3	Percentage of employees receiving regular performance and career development reviews	67		
GRI 405 2016	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	71		
GRI 407 2016	Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	64		

GRI Index

Material Topic: Climate Change						
GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3-3	Management Approach	120, 126, 130		
GRI 201 2016	Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	120		
GRI 302 2016	Energy	302-1	Energy consumption within the organization	130		
		302-3	Energy Intensity	130		
		302-4	Reduction of energy consumption	130		
		302-5	Reduction in energy requirements of products and services	130		
GRI 305 2016	Emissions	305-1	Direct (Scope 1) GHG Emissions	126		
		305-2	Energy indirect (Scope 2) GHG emissions	126		
		305-3	Other Indirect (Scope 3) GHG Emissions	126		
		305-4	Intensity of Greenhouse Gas Emissions (GEE)	126		
		305-5	Reducing Greenhouse Gas Emissions (GEE)	126		

Material Topic: Natural Resources and Environmental Impacts Management						
GRI Series	Content	GRI Standard	GRI Topic	Page	Indicator information	Reasons for omission
GRI 3 2021	Material Topics	3-3	Management Approach	136,138,141, 147, 153		
GRI 301 2016	Materials	301-1	Materials used by weight or volume	147		
		301-2	Recycled input materials used	147		
GRI 303 2018	Water and Effluents	303-1	Interactions with water as a shared resource	141		
		303-2	Management of water discharge-related impacts	141		
		303-3	Water collection	141		
		303-4	Water discharge	141		
		303-5	Water consumption	141		

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GRI Index						
GRI 304 2016	Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	153		
		304-2	Significant impacts of activities, products, and services	153		
		304-3	Habitats Protected or Restored	153		
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	153		
GRI 305 2016	Emissions	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	138		
GRI 306 2020	Waste	306-1	Waste generation and significant waste-related impacts	147		
		306-2	Management of significant waste-related impacts	147		
		306-3	Waste Generation	147		
		306-4	Waste diverted from disposal	147		
		306-5	Waste destined to final disposal	147		

SASB Content Index

SASB	Topic	Code	Title	Page	Indicator information		
EM-IS	About the Company	EM-IS-000.A	Crude steel production, percentage of: (1) basic oxygen furnace processes, (2) electric arc furnace processes	16			
		EM-IS-000.B	Total iron ore production	16			
	Greenhouse Gas Emissions	EM-IS-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	126			
		EM-IS-110a.2	Discussion of long and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	126			
	Air Quality	EM-IS-120a.1	Air emissions of the following pollutants: (1) CO, (2) NOX (excluding N ₂ O), (3) SOX, (4) particulate matter (PM ₁₀), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs),	138			
	Air Quality	EM-IS-130a.1	(1) Total energy consumed, (2) Percentage grid electricity, and (3) Percentage renewable	130			
		EM-IS-130a.2	(1) Total fuel consumed, (2) Percentage coal, (3) Percentage natural gas, (4) Percentage renewable	130			
	Water Management	EM-IS-140a.1	(1) Total water withdrawn, (2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	141, 142			
	Waste Management	EM-IS-150a.1	(1) Amount of waste generated, (2) Percentage hazardous, (3) Percentage recycled	141, 147			
	Occupational Health and Safety	EM-IS-320a.1	(1) Total recordable incident rate (TRIR), (2) Fatality rate, (3) Near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	74			
Supply Chain Management	EM-IS-430a.1	Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues	83				

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SASB Content Index

EM-MM	About the Company	EM-MM-000.A	Production of (1) metal ores and (2) finished metal products	16, 23		
		EM-MM-000.B	Total number of employees, percentage contractors	16, 57		
	Greenhouse Gas Emissions	EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	128		
		EM-MM-110a.2	Discussion of long and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	128		
	Air Quality	EM-MM-120a.1	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	140		
	Energy Management	EM-MM-130a.1	(1) Total energy consumed, (2) Percentage grid electricity, and (3) Percentage renewable	133		
	Water Management	EM-MM-140a.1	(1) Total water withdrawn, (2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	144		
	Waste Management	EM-MM-150a.7	Total weight of hazardous waste generated	152		
		EM-MM-150a.8	Total weight of hazardous waste recycled	152		
		EM-MM-150a.10	Description of policies and procedures for managing hazardous waste and materials for active and inactive operations	152		
	Biodiversity Impacts	EM-MM-160a.1	Description of environmental management policies and practices for active sites	158		
		EM-MM-160a.3	Percentage of (1) proven and (2) probable reserves in or near sites with protected conservation status or habitat of threatened species	158		
	Workforce Health and Safety	EM-MM-320a.1	(1) Total incidence rate, (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) direct employees and (b) contracted employees	74		
	Business Ethics and Transparency	EM-MM-510a.1	Description of the management system for preventing corruption and bribery throughout the value chain	42, 146		
	Management of Tailings Storage Facilities	EM-MM-540a.1	Inventory table of tailings storage facility: (1) facility name, (2) location, (3) ownership status, (4) operational status, (5) construction method, (6) maximum permitted storage capacity, (7) current quantity of stored tailings, (8) consequence classification, (9) date of most recent independent technical review, (10) relevant findings, (11) mitigation measures, (12) site-specific EPRP	24, 146		
		EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain stability of tailings storage facilities	24, 146		
EM-MM-540a.3		Approach to developing Emergency Preparedness and Response Plans (EPRPs) for tailings storage facilities	24, 146			

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TCFD Content Index

TCFD Topic	Disclosures	Page	Indicator information
GOVERNANCE	Describe the board’s oversight of climate related risks and opportunities.	117	All information related to TCFD Disclosures is provided in Chapter 4 (Climate Change).
	Describe management’s role in assessing and managing climate related risks and opportunities.	120, 122	
STRATEGY	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	124	
	Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	121, 124	
	Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	124	
RISK MANAGEMENT	Describe the organization’s processes for identifying and assessing climate related risk.	124	
	Describe the organization’s processes for managing climate related risks.	124	
	Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization’s overall risk management.	124	
METRICS AND TARGETS	Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	121, 126	
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	126	
	Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	121	

USIMINAS HISTORICAL DATA		2021 – 2023		
Governance Data				
Corruption		2021	2022	2023
GRI 205.2 205.3				
Total number of corruption cases		0	0	0
Discrimination		2021	2022	2023
GRI 406.1				
Total number of discrimination cases that occurred during the reporting period		3	0	3
Total number of cases related to the practice and use of child labor (including suppliers)		0	0	0
Total number of cases related to the practice and use of forced or compulsory labor (including suppliers).		0	0	0
Social Data				
Employees				
GRI 2-30 2-7 2-8 202.2 401.1 404.3 405.1				
Employee Profile		2021	2022	2023
Direct employees	Female	1,283	1,540	1,387
	Male	12,842	14,338	12,541
	Total	14,125	15,878	13,928
Active	Female	968	1,193	1,103
	Male	12,513	14,037	12,284
Statutory	Female	1	1	1
	Male	15	15	16
Apprentices	Female	238	291	219
	Male	235	237	151
Trainees	Female	19	12	20
	Male	16	8	21
Interns	Female	57	43	44
	Male	63	41	69
Hiring rate		2021	2022	2023
Female		7.61%	10.08%	4.90%
Male		92.39%	89.92%	95.10%
30 years old or younger		34.22%	40.56%	27.60%
30-50 years old		56.43%	50.10%	57.80%
50 years old or older		9.35%	9.34%	14.60%
Turnover rate (%)		2021	2022	2023
Female		26.2	29.6	24.77
Male		25.4	22	41.21
Total		25.50	22.50	39.92
Outsourced workers		2021	2022	2023
Permanent		9,632	10,632	9,426
Temporary		1,354	2,197	493
Investment/CAPEX		945	1,646	1,593
Parental Leave		2021	2022	2023
Employees still employed 12 months after returning from leave (Retention rate)		76.40%	77.40%	85.50%

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USIMINAS HISTORICAL DATA
2021 – 2023

Training and Development (Average hours of training per year per employee)		2021	2022	2023
GRI 404.1				
Female		84.08	76.59	79.25
Male		78.20	56.71	67.81
Administrative Staff	Total credit hours	5,809.25	2,157.11	4,488.21
	Hours per employee	33.39	16.47	34.00
Management	Total credit hours	776.97	743.60	422.25
	Hours per employee	20.45	17.70	12.42
Managers	Total credit hours	8,161.83	10,812.66	6,856.00
	Hours per employee	45.34	39.75	24.57
Operational Team	Total credit hours	647,262.49	549,712.69	627,874.32
	Hours per employee	66.39	66.13	80.89
Officers	Total credit hours	69,544.77	51,708.48	46,317.52
	Hours per employee	49.82	37.28	34.39
Technicians	Total credit hours	145,685.82	100,134.84	123,769.26
	Hours per employee	72.30	47.73	56.31
Total overall workload		877,241.13	715,269.38	809,727.56
Total hours per employee		78.7	58.4	68.90
Diversity of governance bodies and employees(%)		2021	2022	2023
Board of Directors				
Female		12.50%	0%	0%
Male		87.50%	100%	100%
30 years old or younger				
		0%	0%	0.00%
30-50 years old				
		0%	17.00%	12.50%
50 years old or older				
		100%	83.00%	87.50%
Workforce diversity within the organization		2021	2022	2023
Female				
		9.08%	9.70%	9.96%
Male				
		90.92%	90.30%	90.04%
30 years old or younger				
		21.64%	24.88%	20.24%
30-50 years old				
		66.37%	63.60%	65.26%
50 years old or older				
		11.99%	11.51%	14.50%
Mixed				
		49.93%	48.89%	47.99%
White (Caucasian)				
		37.55%	34.84%	36.08%
of Black individuals				
		9.33%	9.84%	9.41%
Asian				
		0.75%	0.83%	0.82%
Indigenous				
		0.25%	0.21%	0.23%
No answer				
		2.19%	5.38%	5.48%

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USIMINAS HISTORICAL DATA

2021 – 2023

Diversity in the organization’s functional categories – 2023 (%)

Category	Female	Male	30 years old or younger	30-50 years old	50 years old or older	Mixed	White (Caucasian)	of Black individuals	Asian	Indigenous	No answer
Executive Board	5.26%	94.74%	0%	36.84%	63.16%	5.26%	84.21%	0%	10.53%	0%	0%
Units’ Executive Officers	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Department Directors	0%	100%	0%	47.06%	52.94%	0%	100%	0%	0%	0%	0%
General Managers	8.89%	91.11%	0%	51.11%	48.89%	6.67%	91.11%	0%	0%	0%	2.22%
Managers	18.00%	82.00%	0.67%	77.33%	22.00%	26.67%	70.67%	2.00%	0.67%	0%	0%
Department Heads	27.27%	72.73%	3.03%	78.79%	18.18%	24.24%	63.64%	7.58%	1.52%	1.52%	1.52%
Officers	30.65%	69.35%	16.80%	67.00%	16.20%	30.04%	61.42%	4.03%	1.55%	0.20%	2.76%
Technicians	8.50%	91.50%	10.53%	77.78%	11.70%	50.88%	39.41%	6.70%	0.72%	0.18%	2.11%
Administrative Staff	36.13%	63.87%	31.09%	51.26%	17.65%	40.34%	50.42%	6.72%	0%	0%	2.52%
Operational Team	6.62%	93.38%	23.42%	62.21%	14.38%	50.99%	30.13%	11.07%	0.72%	0.24%	6.84%

Diversity in the organization’s functional categories – 2022 (%)

Category	Female	Male	30 years old or younger	30-50 years old	50 years old or older	Mixed	White (Caucasian)	of Black individuals	Asian	Indigenous	No answer
Executive Board	6.25%	93.75%	0%	43.75%	56.25%	12.50%	62.50%	0%	25.00%	0%	0%
Units’ Executive Officers	0%	100%	0%	50.00%	50.00%	0%	100%	0%	0%	0%	0%
Department Directors	5.88%	94.12%	0%	35.29%	64.71%	5.88%	88.24%	0%	0%	0%	5.88%
General Managers	6.98%	93.02%	0%	55.81%	44.19%	6.98%	90.70%	0%	0%	0%	2.33%
Managers	17.95%	82.05%	0%	81.41%	18.59%	26.28%	70.51%	2.56%	0.64%	0%	0%
Department Heads	23.94%	76.06%	1.41%	73.24%	25.35%	25.35%	63.38%	7.04%	2.82%	0%	1.41%
Officers	30.38%	69.62%	17.19%	68.42%	14.39%	29.38%	61.09%	2.60%	1.53%	0.07%	5.33%
Technicians	9.24%	90.76%	13.75%	76.72%	9.53%	50.59%	40.50%	5.68%	0.75%	0.28%	2.21%
Administrative Staff	36.75%	63.25%	33.73%	53.61%	12.65%	36.14%	50.00%	8.43%	1.20%	0%	4.22%
Operational Team	6.59%	93.41%	28.39%	60.56%	11.05%	51.97%	29.28%	11.71%	0.71%	0.23%	6.10%

Diversity in the organization’s functional categories – 2021 (%)

Category	Female	Male	30 years old or younger	30-50 years old	50 years old or older	Mixed	White (Caucasian)	of Black individuals	Asian	Indigenous	No answer
Executive Board	6.25%	93.75%	0%	25.00%	75.00%	12.50%	56.25%	0%	31.25%	0%	0%
Units’ Executive Officers	0.00%	100%	0%	50.00%	50.00%	0.00%	100%	0%	0%	0%	0%
Department Directors	6.67%	93.33%	0%	26.67%	73.33%	6.67%	86.67%	0%	0%	0%	6.67%
General Managers	4.76%	95.24%	0%	57.14%	42.86%	9.52%	88.10%	0%	0%	0%	2.38%
Managers	17.69%	82.31%	0%	76.15%	23.85%	26.92%	70.00%	3.08%	0%	0%	0%
Department Heads	16.42%	83.58%	1.49%	70.15%	28.36%	29.85%	62.69%	5.97%	1.49%	0%	0%
Officers	31.31%	68.69%	15.80%	69.32%	14.88%	29.20%	63.12%	2.96%	1.41%	0.07%	3.24%
Technicians	8.22%	91.78%	11.60%	78.02%	10.38%	50.71%	41.21%	5.82%	0.59%	0.24%	1.42%
Administrative Staff	41.28%	58.72%	24.42%	62.21%	13.37%	35.47%	57.56%	6.40%	0.58%	0.00%	0.00%
Operational Team	5.50%	94.50%	24.98%	63.72%	11.30%	53.62%	32.04%	11.14%	0.66%	0.28%	2.27%

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USIMINAS HISTORICAL DATA
2021 – 2023

Social investments		2021	2022	2023
GRI 413-1				
Social investments (in millions of BRL)		75.40	27.50	19.80
Supported Projects (units)		124.00	79.00	78.00
Health and Safety		2021	2022	2023
GRI 403.1 403.8 403.9				
Percentage of workers covered by an occupational health and safety management system		100%	100%	100%
Work-related Accidents 2023		2021	2022	2023
All employees				
Fatalities resulting from work-related accidents	Number of fatalities	0	0	1
	Fatality rate	0.00	0.00	0.03
Work-related accidents with serious consequences (excluding fatalities)	Number of incidents	6	7	17
	Rate of incidents	0.25	0.27	0.54
Reportable work-related accidents	Number of incidents	52	38	66
	Rate of incidents	2.13	1.46	2.11
		24,427,159	26,091,042	31,266,775
Workers who are NOT employees but whose work and/or workplace are controlled by the organization:				
Fatalities resulting from work-related accidents	Number of fatalities	0	1	0
	Fatality rate	0.00	0.03	0.00
Work-related accidents with serious consequences (excluding fatalities)	Number of incidents	6	22	10
	Rate of incidents	0.23	0.62	0.28
Reportable work-related accidents	Number of incidents	50	57	77
	Rate of incidents	1.89	1.55	2.19
Man-hours worked		26,417,456	36,831,378.46	35,126,670.48
Main types of work-related accidents:		Manual tasks (handling parts or tools)		
		Personnel movement		

* The rates have been calculated based on 1,000,000 hours worked.

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USIMINAS HISTORICAL DATA		2021 – 2023		
Environmental Data				
Energy and Emissions				
GRI 302.1 302.3 302.4 302.5 305.4 305.7				
GHG emissions		2021	2022	2023
Steelmaking (Total GHG Emissions in Million Metric Tons of CO ₂ /WSA Methodology)	Scope 1 – Direct GHG emissions	7.65	6.47	5.40
	Scope 2 – Indirect emissions from the purchase of electricity	6.67	5.55	4.74
	Scope 3 – Indirect GHG emissions related to raw materials	0.19	0.06	0.05
	Scope 3 – Indirect GHG emissions related to raw materials	0.79	0.86	0.61
Total GHG Emissions in Million Metric Tons of CO ₂ (WSA Methodology)	Total	0.08	0.03	(Note 1)
	Scope 1 – Direct GHG emissions	0.0005	0.0005	(Note 1)
	Scope 2 – Indirect emissions from the purchase of electricity	0.0021	0.0007	(Note 1)
	Scope 3 – Other indirect emissions	0.0303	0.0260	(Note 1)
Mining (Total GHG Emissions in Million Metric Tons of CO ₂ /WSA Methodology)	Total	0.1545	0.1438	0.1565
	Scope 1 – Direct GHG emissions	0.0330	0.0334	0.0423
	Scope 2 – Indirect emissions from the purchase of electricity	0.0265	0.0083	0.0086
	Scope 3 – Other indirect emissions	0.0950	0.1022	0.1056
Intensity of Greenhouse Gas Emissions (GEE)		2021	2022	2023
Steelmaking (tCO ₂ /tcs)		2.16	2.11	2.32
Soluções	Total	2.38	1.20	(Note 1)
Mining (kgCO ₂ e per ton produced)	Total	6.51	4.68	5.27
Energy Consumption within the organization (in GJ)		2021	2022	2023
Steelmaking		74,632,031.00	77,971,322.00	79,519,135.00
	Total energy consumption from non-renewable sources	47,386,970.00	60,091,724.00	62,577,587.00
	Total energy consumption from renewable sources	6,189,220.00	5,838,958.00	4,947,014.00
	Electricity consumption	21,055,841.00	12,040,640.00	11,994,534.00
Soluções	Total	79,466.00	58,737.42	62,619.22
	Total energy consumption from non-renewable sources	7,974.00	7,808.16	8,574.96
	Total energy consumption from renewable sources	15.40	0.00	-
	Electricity consumption	71,476.00	50,929.30	54,044.26
Mining	Total	1,617,387.00	1,397,265.24	1,340,540.00
	Total energy consumption from non-renewable sources	869,455.00	502,656.70	539,388.00
	Total energy consumption from renewable sources	0.00	0.00	0.00
	Electricity consumption	747,932.00	894,608.54	801,152.00
Energy intensity (GJ/t)		2021	2022	2023
Steelmaking (Amount of energy consumed in Gigajoules within the organization per ton of crude steel) – Ipatinga		20.55	27.94	36.74

(Note 1): The greenhouse gas (GHG) emissions inventory of Soluções Usiminas is currently under development.

USIMINAS HISTORICAL DATA		2021 – 2023		
Environmental Data				
Steelmaking (Amount of energy consumed in Gigajoules within the organization per ton of crude steel) – Cubatão		2.81	2.75	2.89
Soluções	Total	0.06	0.06	0.07
Mining	Total	–	–	–
Amount of electricity consumed within the organization per ton of iron ore produced		0.08	0.30	0.09
Amount of electricity consumed within the organization per ton of iron ore sold (in MWH/T)		0.02	0.08	0.025
Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		2021	2022	2023
Steelmaking		20,531.09	16,378.31	14,418.46
	NOx	4,243.26	5,208.42	2,927.46
	SOx	10,474.83	5,902.49	7,444.00
	POPs	0.00	0.00	0.00
	VOCs	2.53	1.69	4.00
	Particulate Matter	5,810.47	5,265.71	4,043.00
Soluções Usiminas (tCO2e)	Total	32,963.48	27,184.27	(Note 1)
Mining	Total	N/A.	N/A.	N/A.
Water Management				
GRI 303.3 303.4 303.5				
Water withdrawal (in megaliters)		2021	2022	2023
Steelmaking		60,067.50	54,656.66	55,770.71
Soluções		5.83	--	--
Mining		4,747.79	3,923.42	4,051.65
Water consumption (in megaliters)		2021	2022	2023
Steelmaking		60,307.50	52,809.94	53,808.05
Soluções		49.03	49.02	44.28
Mining		4,761.33	3,923.42	68,021.04
Water discharge (in megaliters)		2021	2022	2023
Steelmaking		52,446.85	41,857.80	37,009.39
Soluções		39.22	39.22	35.42
Mining		–	–	–
Recirculation rate (%)		2021	2022	2023
Steelmaking		94.5	94.7	94.50
Mining		92.5	93.3	94.0

(Note 1): The greenhouse gas (GHG) emissions inventory of Soluções Usiminas is currently under development.

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USIMINAS HISTORICAL DATA
2021 – 2023
Materials and Waste
Percentage of recycled material used in production (%)
2021 2022 2023

GRI 306.3 | 306.4 | 306.5

Steelmaking

Percentage of recycled input materials used in the manufacturing of its main products and services	21%	21%	20%
Steel scrap content per ton of crude steel	14%	15%	14%

Waste generated and disposal (in tons)
2021 2022 2023

		2021	2022	2023
Steelmaking	Waste destined to final disposal		97,727.00	106,124.00
		Non-hazardous waste	92,275.00	96,171.00
		Hazardous waste	5,452.00	9,953.00
	Waste diverted from disposal		3,408,226.00	3,030,070.00
		Non-hazardous waste	3,385,872.00	3,017,922.00
		Hazardous waste	22,355.00	12,148.00
Total		3,505,953.00	3,136,194.00	2,873,265.00
Soluções	Waste Generation		33,954.35	26,501.46
		Non-hazardous waste	25,283.62	25,818.19
		Hazardous waste	8,670.73	683.27
Mining	Waste destined to final disposal		2,914.16	1,274.85
		Non-hazardous waste	2,900.82	1,215.38
		Hazardous waste	13.34	59.47
	Waste diverted from disposal		2,975.80	3,008.46
		Non-hazardous waste	2,278.40	2,622.31
		Hazardous waste	697.40	386.15
Total		5,889.96	4,283.31	2,550.60

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USIMINAS HISTORICAL DATA		2021 – 2023		
Economic and Financial Performance				
Direct economic value generated and distributed		2021	2022	2023
GRI 201.1				
Revenues	Sales of goods, products and services	41,853,879.00	40,061,815.00	32,568,693.00
	Reversal of provisions for expected credit losses	-3,240.00	2,615.00	11,650.00
	Other revenues	38,796.00	53,727.00	52,468.00
	Total	41,889,435.00	40,118,157.00	32,632,811.00
Inputs Acquired from Third Parties	Costs of Products Goods and Services Sold	-27,461,257.00	-28,127,923.00	-26,404,456.00
	Materials, Energy, Third-Party Services and Other Expenses	714,712.00	-1,257,306	-1,237,017.00
	Reversal of impairment of assets	-397,257.00	-1,396,784.00	1,562.00
	Total	-27,143,802.00	-30,782,013.00	-27,639,911.00
	Gross Value Added	14,745,633.00	9,336,144.00	4,992,900.00
	Depreciation, Amortization and Depletion	-982,741.00	-902,681.00	-1,061,970.00
	Net value added produced	13,762,892.00	8,433,463.00	3,930,930.00
	Equity in the Comprehensive Income Subsidiaries and Affiliates	218,788.00	220,925.00	268,999.00
	Financial Revenues	1,809,297.00	1,254,477.00	1,118,332.00
	Revenue from Exchange Transactions	120,405.00	26,076.00	-114,999.00
	Actuarial Gains (Losses)	234,967.00	-111,263.00	434,814.00
	Total	2,383,457.00	1,390,215.00	1,707,146.00
	Total Value Added to be Distributed	16,146,349.00	9,823,678.00	5,638,076.00
Personnel and Charges	Salaries and Charges	883,824.00	1,083,331.00	1,313,079.00
	Severance Guarantee Fund (FGTS)	75,104.00	86,527.00	107,813.00
	Management Compensation	47,605.00	67,509.00	70,579.00
	Employee Profit Sharing	174,468.00	142,691.00	112,097.00
	Retirement Plans	21,966.00	25,570.00	14,528.00
	Total	1,202,967.00	1,405,628.00	1,618,096.00
Taxes, Rates and Contributions	Federal (i)	1,208,250.00	2,830,948.00	-1,556,266.00
	State	2,405,912.00	2,700,500.00	3,176,836.00
	Municipal	81,040.00	92,182.00	111,393.00
	Tax Incentives	104,339.00	33,471.00	10,705.00
	Total	3,799,541.00	5,657,101.00	1,742,668.00
Remuneration of Third Parties	Interest	673,217.00	866,150.00	966,236.00
	Foreign Exchange Variations	410,670.00	-198,090.00	-347,346.00
	Derivative financial instruments	0.00	0.00	18,054.00
	Total	1,083,887.00	668,060.00	636,944.00
Equity Compensation	Dividends and Interest on Own Capital	2,586,170.00	735,086.00	625,525.00
	Retained Profits (Accumulated Losses)	6,832,601.00	1,231,849.00	1,060,581.00
	Non-controlling Shareholders' Share in Retained Profits	641,183.00	125,954.00	-45,738.00
	Total	10,059,954.00	2,092,889.00	1,640,368.00
	Distributed Added Value	16,146,349.00	9,823,678.00	5,638,076.00

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GOVERNANCE, ETHICS, AND INTEGRITY

-  **Cybersecurity and Data Privacy**
-  **Risk Management**
-  **Legal Compliance**
-  **Human Rights**

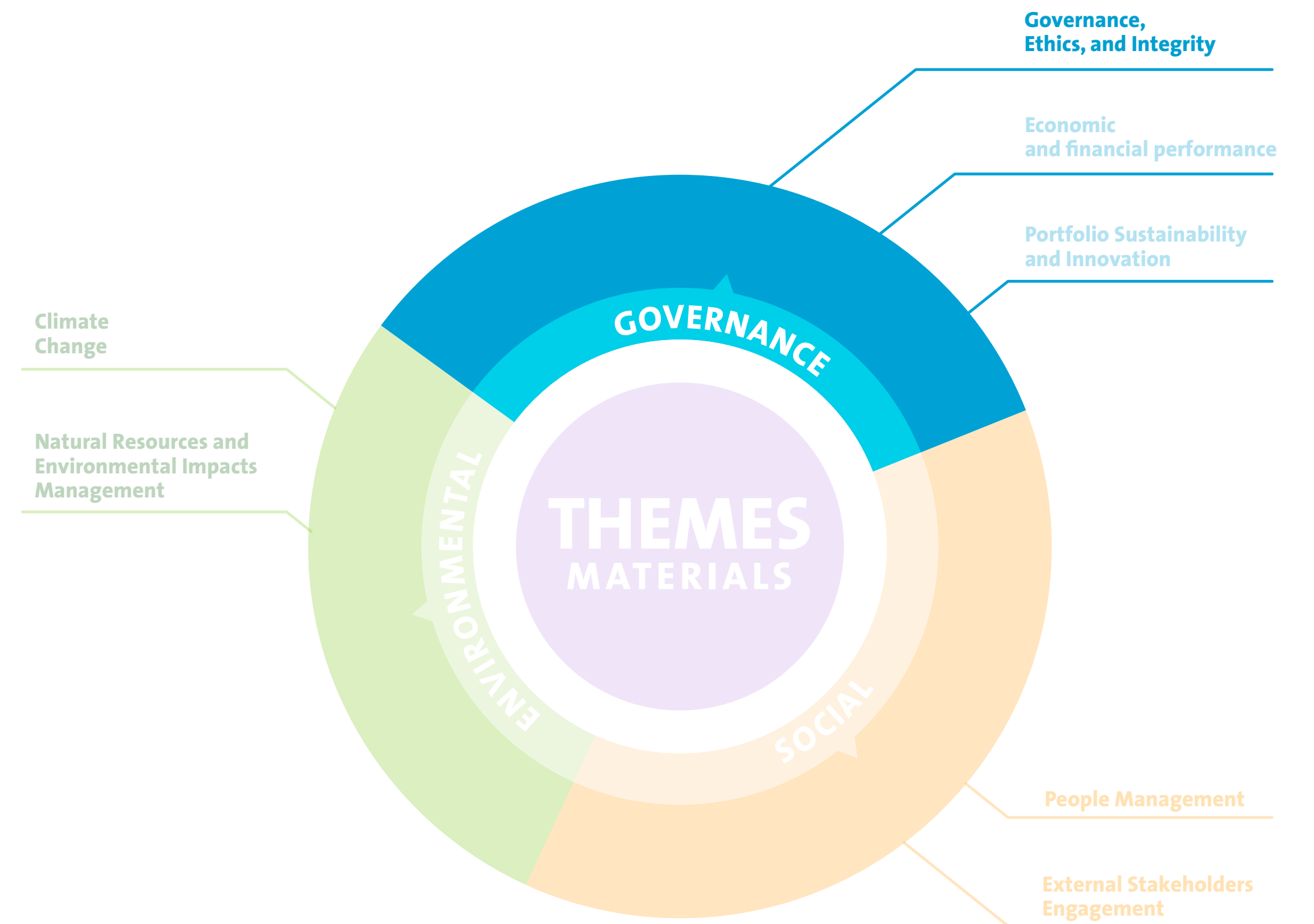
GRI: 205: Anti-Corruption | 206: Anti-competitive Behavior | 406: Non-discrimination | 408: Child Labor | 409: Forced or Compulsory Labor | 410: Security Practices | 418: Customer Privacy



Usiminas aims to manage its primary risks by taking reactive and proactive measures. The Company employs effective control and monitoring to react to potential risks while taking preemptive actions to minimize any impacts or vulnerabilities that may arise from its processes.

Prioritizing integrity and ethics in its stakeholder relations, the Company acknowledges the significance of emphasizing

data security and adhering to legal regulations to evolve as a responsible and sustainable organization. Identifying potential risks, analyzing impacts, and evaluating appropriate responses is an ongoing process that enables us to avoid, mitigate, accept, or transfer imminent risks to others.



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ECONOMIC AND FINANCIAL PERFORMANCE

 **Financial and Operational Performance**

 **Tax Strategy**

 **Investor Relations**

GRI: 201: Economic Performance | 203: Indirect Economic Impacts | 207: Tax

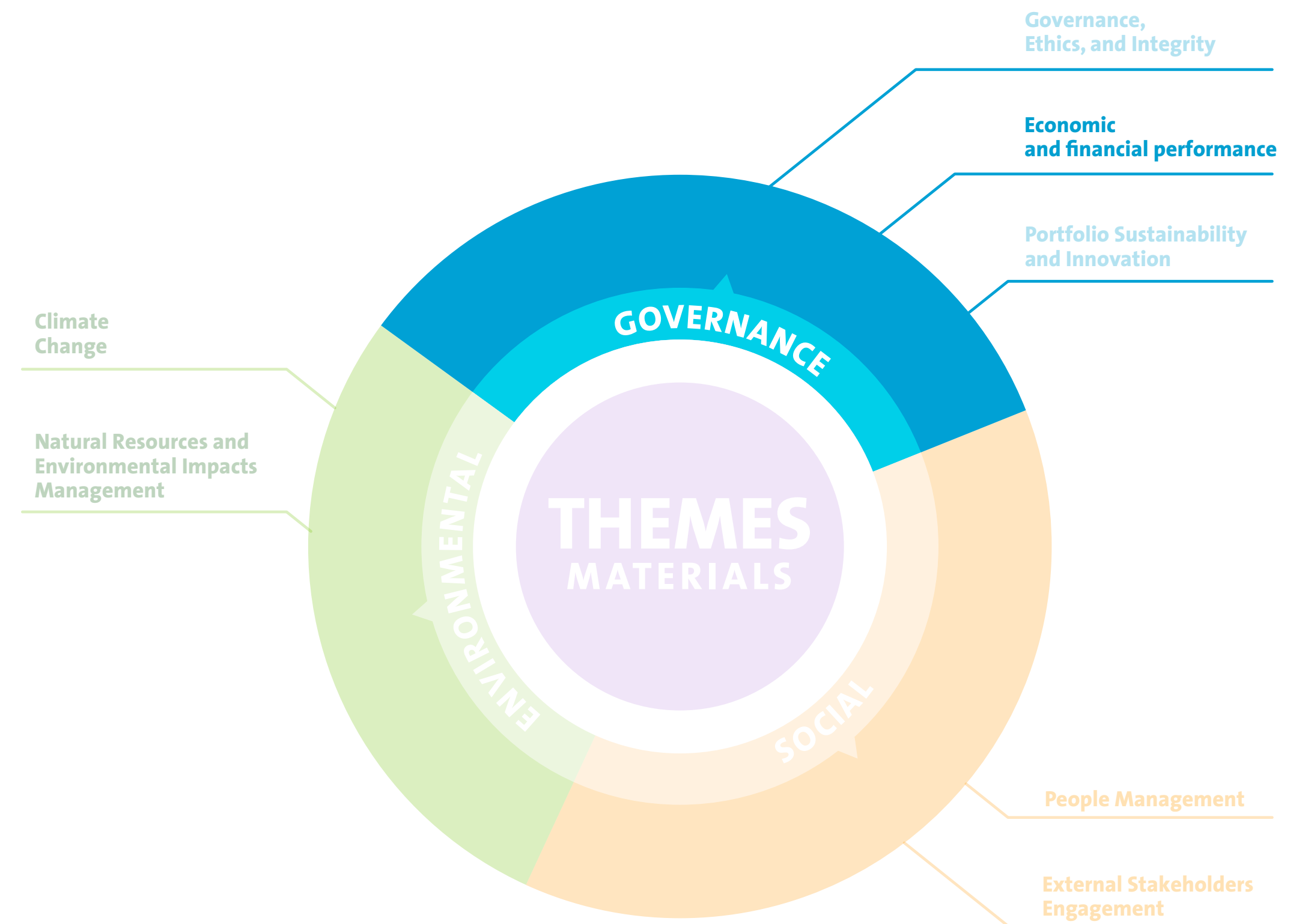


A robust financial performance stands as a cornerstone for the Company’s enduring success, ensuring not only short-term operational stability but also the sustained ability to create and distribute value to shareholders over time.

The activities and business relationships are governed by established policies aimed at maximizing company gains and

identifying potential process and performance improvement opportunities.

Usiminas values transparency in its financial management, compliance with national and international standards, and the commitments outlined in its Sustainability Standard.



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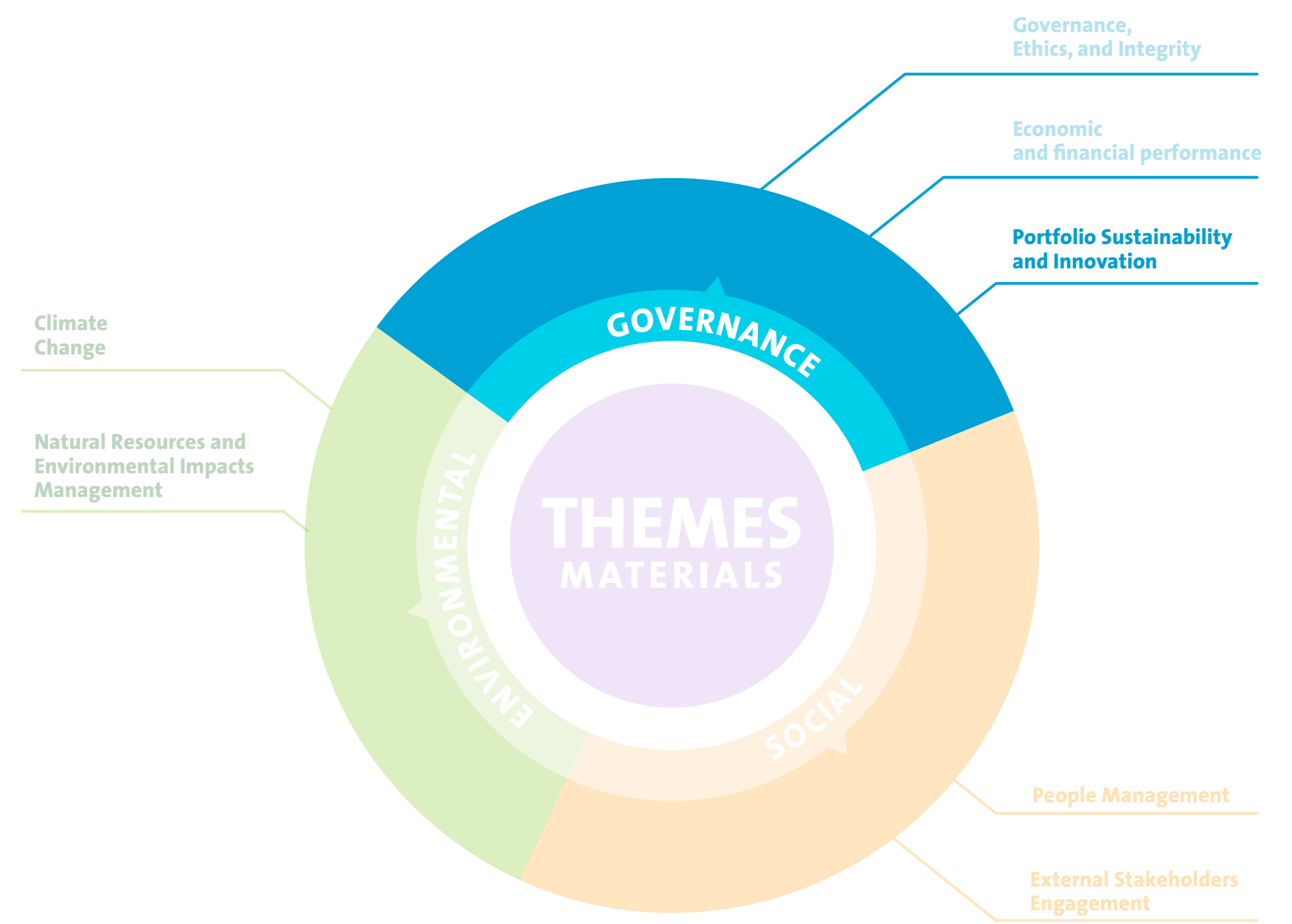
PORTFOLIO SUSTAINABILITY AND INNOVATION

-  **Innovation and Technology**
-  **Research & Development**
-  **Product Quality**



Developing efficient technologies is key to improving the production process's efficiency while respecting the environment and society. Therefore, Usiminas has established a Research and Development Center (R&D) in Ipatinga (MG) that focuses on generating, mastering, and applying scientific and technological knowledge to provide the Company with competitive advantages, ranging from product development and application engineering to

improving industrial steelmaking processes and identifying and evaluating innovative technologies. Usiminas also maintains a Corporate Innovation and Digital Transformation Management department tasked with spearheading initiatives to foster innovative ideas and bridge challenges with existing solutions, both domestically and in foreign markets.



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PEOPLE MANAGEMENT

-  **Occupational Health and Safety**
-  **Diversity**
-  **Attraction and Retention**
-  **Training**

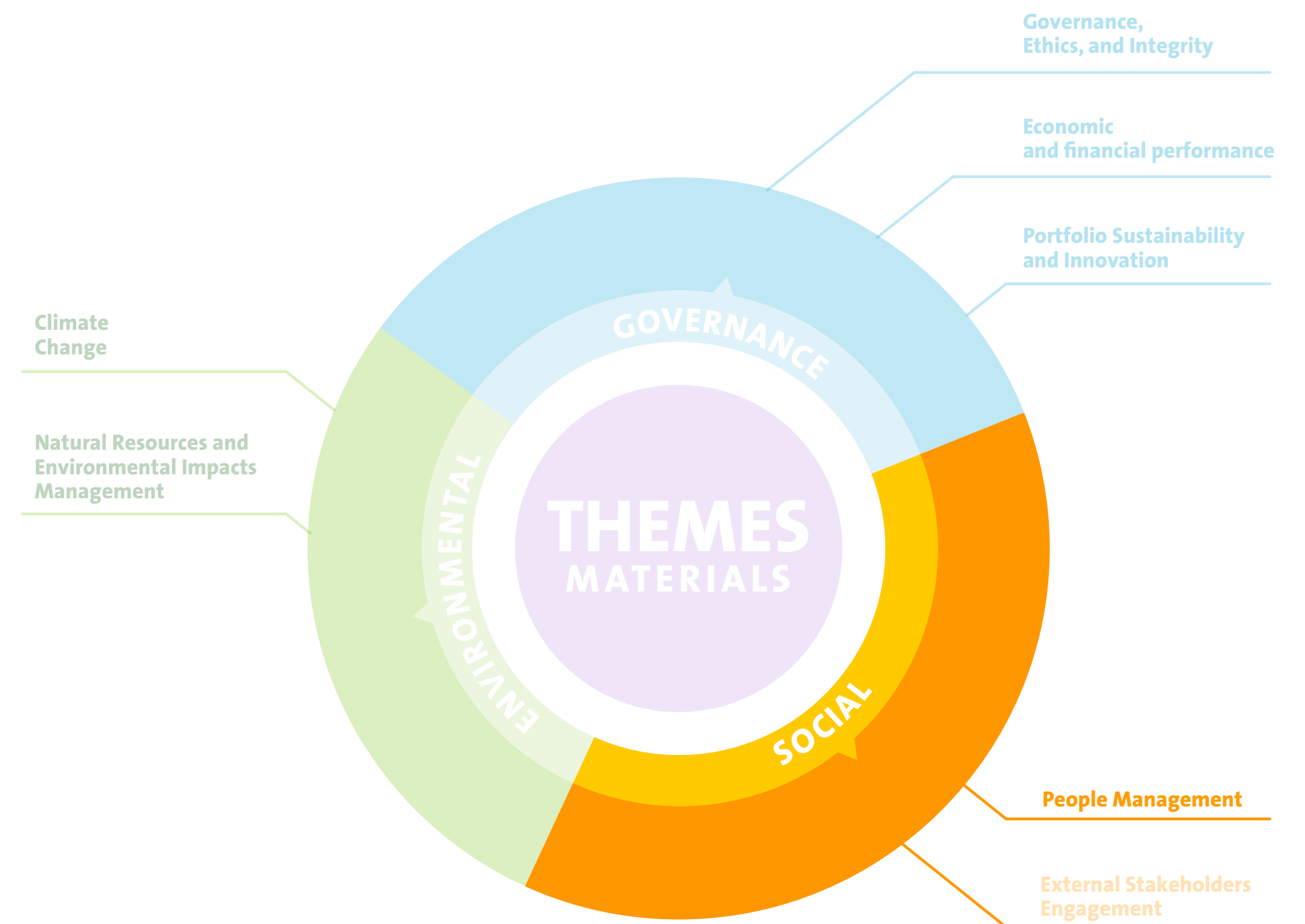
GRI: 401: Employment | 402: Labor/ Management Relations | 403: Occupational Health and Safety | 404: Training and Education | 405: Diversity and Equal Opportunity | 407: Freedom of Association and Collective Bargaining



Usiminas approaches human resource management and workplace relations through a lens of social responsibility, prioritizing employee development and guided by principles of respect, transparency, and diversity. Aspiring to set a standard for quality and management in the steel industry, it aims to achieve sustainable results while

prioritizing safety. Recognizing that people and their individual growth are pivotal to sustaining the business, the Company pursues growth in tandem with economic equilibrium, market competitiveness, and social and environmental integrity. Its efforts center on fostering inclusion and equity among employees, promoting engagement,

awareness, and active participation in cultural transformation toward a society that respects cultural, social, and identity differences. Human and Labor Rights are transversal across the Company.



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EXTERNAL STAKEHOLDERS ENGAGEMENT

-  **Community Engagement**
-  **Sustainable Management of the Value Chain (customers and suppliers)**

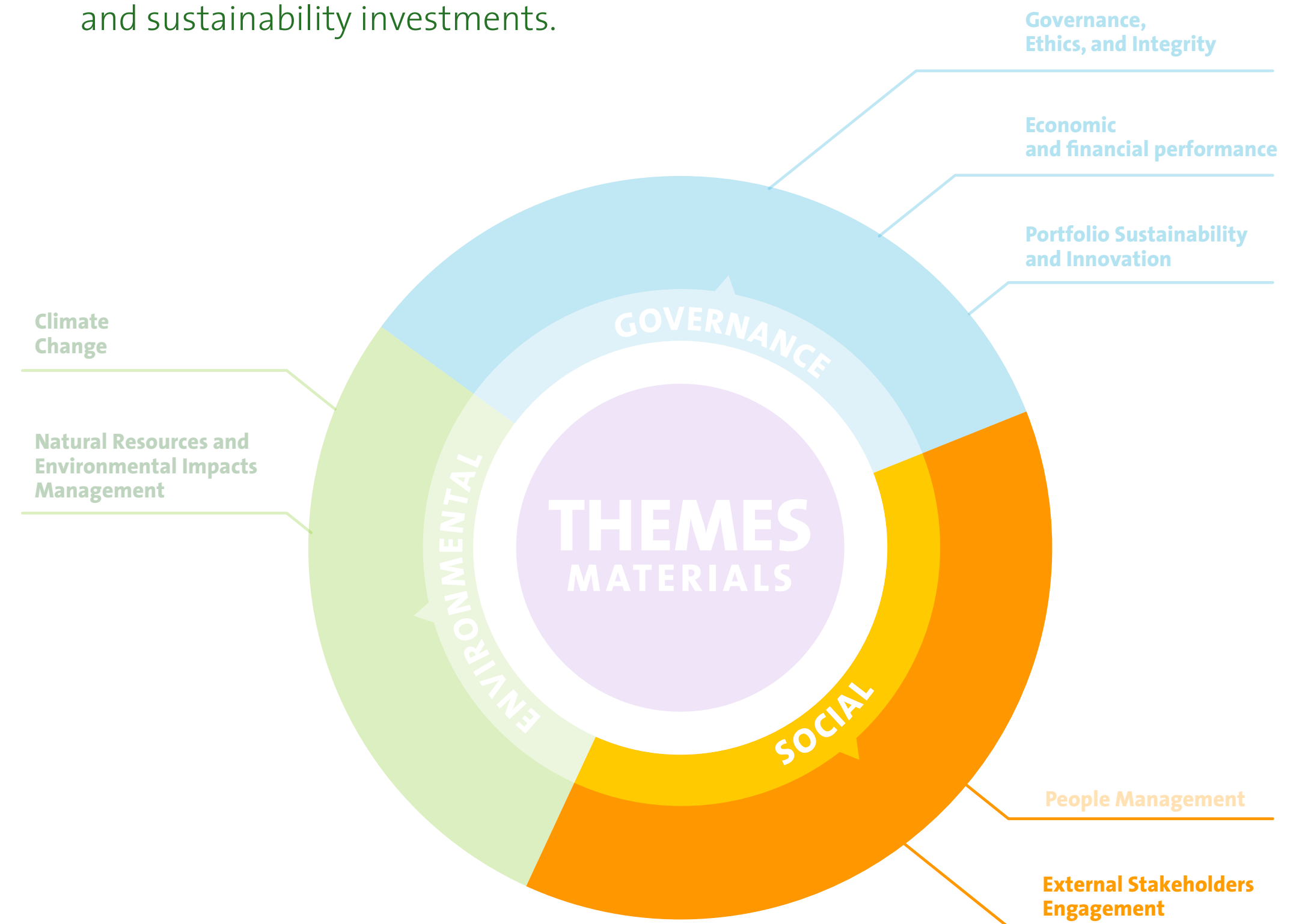
GRI: 203: Indirect Economic Impacts | 204: Procurement Practices | 308: Environmental Assessment of Suppliers | 413: Local Communities | 414: Supplier Social Assessment



Usiminas’ stance on sustainable production underscores its dedication to upholding human rights, enhancing the quality of life, and ensuring the health, safety, and well-being of the communities surrounding its operations, as well as its customers and suppliers, thereby fostering sustainability across the entire value chain. Committed to understanding and monitoring the positive and negative impacts associated with

its activities, Usiminas maintains continuous engagement with the community through various initiatives such as participation in committees and councils, as well as surveys to gain insights into stakeholders’ expectations and needs. Suppliers, customers, and the community are increasingly conscious of environmental and social issues, driving a focus on innovation, team training, and sustainability investments.

Usiminas is thus committed to projects that address societal demands by fostering development, mitigating negative impacts, and enhancing positive outcomes.



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CLIMATE CHANGE

 **Decarbonization**

 **Emissions**

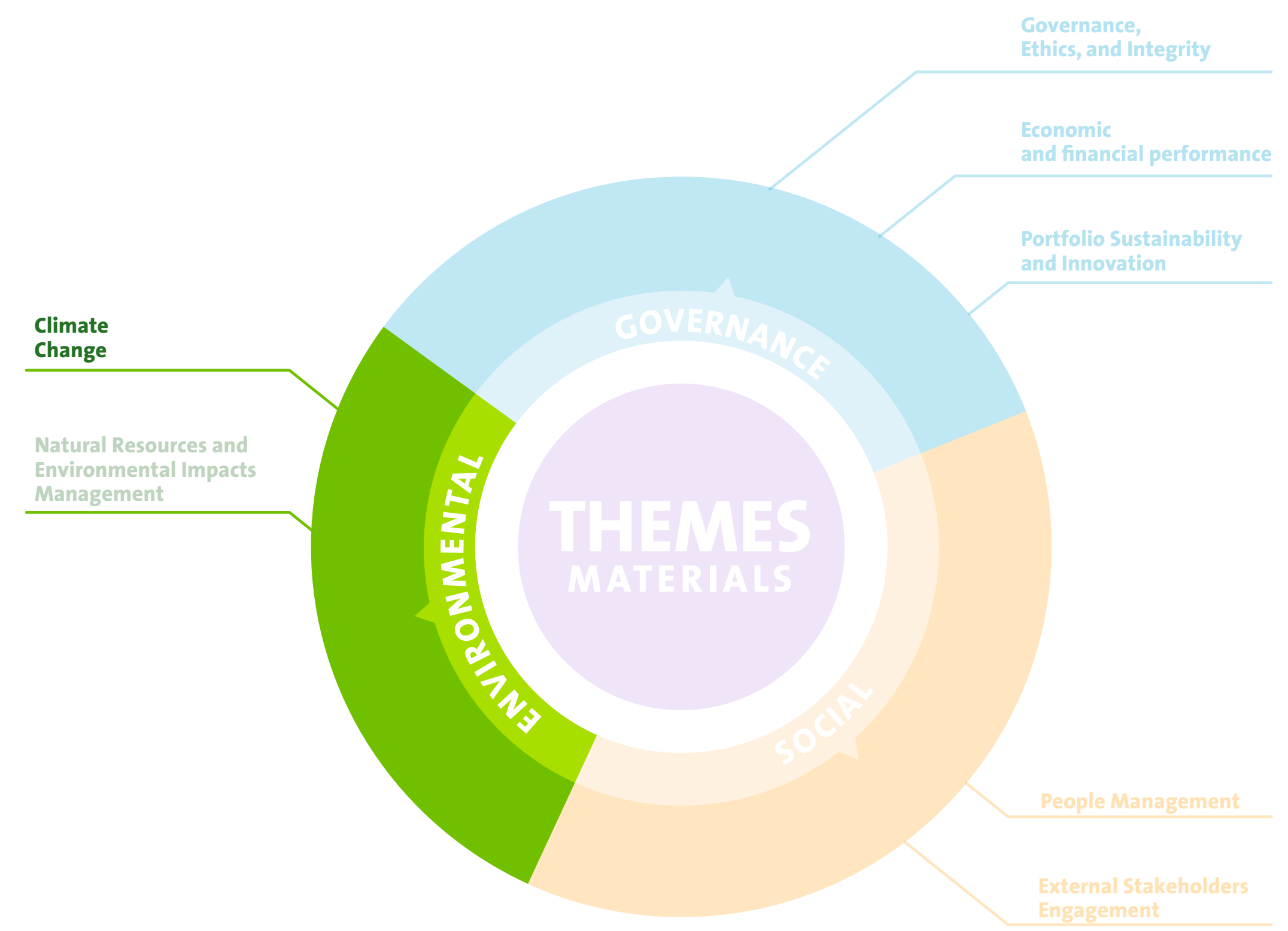
 **Energy efficiency**

GRI: 201: Economic Performance | 302: Energy | 305 Emissions



Steel is ubiquitous and plays a pivotal role in transitioning to a low-carbon economy, thanks to its high recyclability and versatile applications. It serves as a core element in solutions for a more sustainable future, including its importance in developing renewable energy systems, robust transportation networks, and climate-resilient infrastructure. However, steel production via the predominantly utilized method continues to be characterized by significant CO2 emissions.

Recognizing its responsibility and influence across the steel chain and market, Usiminas is dedicated to reducing its GHG emissions. The Company disclosed a Decarbonization Plan in 2024, structured around four primary pillars: enhancing energy efficiency, utilizing biomass, optimizing the raw material mix, and expanding the use of renewable energy.



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NATURAL RESOURCES AND ENVIRONMENTAL IMPACTS MANAGEMENT

-  **Water Management**
-  **Biodiversity and Land Use**
-  **Materials and Waste Management**
-  **Air Quality and Pollution**

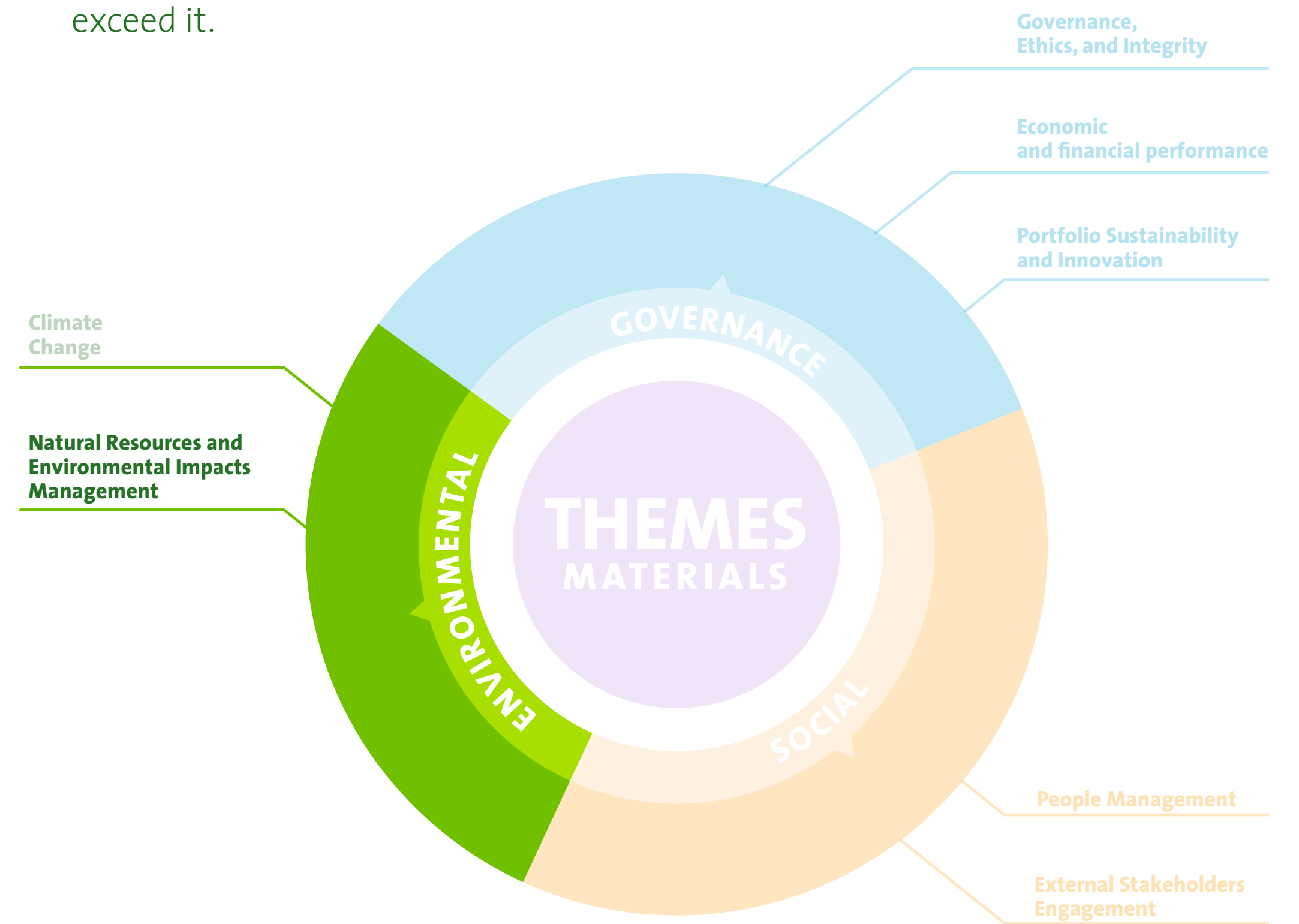
GRI: 301: Materials | 303: Water and Effluents | 304: Biodiversity | 305: Emissions | 306: Waste



Environmental stewardship stands as a cornerstone value for Usiminas. The Company is committed to the principles of social and corporate responsibility and acknowledges that environmental sustainability is crucial for ensuring its long-term viability.

The organization boasts a comprehensive array of management devices and tools, including the Waste Management Plan, Water Management Plan, Environmental Compliance

Program, atmospheric emissions monitoring, liquid effluent monitoring, conservation and preservation projects for green areas, among others. These facilitate the execution of its activities and processes in a manner that minimizes its environmental impact to the greatest extent possible. Usiminas' initiatives pertaining to the topic meet regulatory legal compliance and, in some aspects, exceed it.



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USIMINAS