



# CSN CMIN DAY | 2021

In this presentation, unless the context otherwise requires, references to “CSN,” “Company,” “we,” “us” and “our” refer to Companhia Siderúrgica Nacional, its consolidated subsidiaries, its joint ventures and other affiliated companies, taken as a whole.

This presentation may contain forward-looking statements that are mere expectations or trends and are based on the current assumptions and opinions of the Company’s Management and that future results, performance and events may differ materially from those expressed herein, which do not constitute projections. In fact, actual results, performances or events may differ materially from those expressed or implied by forward-looking statements, as a result of several factors, such as the general and economic conditions in Brazil and other countries, interest rate and exchange rate levels, future rescheduling or prepayment of debt denominated in foreign currencies, protectionist measures in the US, Brazil and other countries, changes in laws and regulations and general competitive factors (on a global, regional or national basis). The words “believe,” “may,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect” and similar words are intended to identify forward-looking statements. Such statements are not statements of historical facts, and reflect management’s current estimates regarding future performance.

You should consult your own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent that you deem necessary, and you must make your own investment, hedging or trading decision based upon your own judgment and advice from such advisers, as you deem necessary, and not upon any views expressed herein.

# Agenda



Companhia Siderúrgica Nacional



Opening Messages

**Benjamin Steinbruch**, *Chairman*  
**Marcelo Ribeiro**, *CFO*

ESG

**Helena Guerra**, *Sustainability Director*

Innovation

**Felipe Steinbruch**, *Head of CSN Inova*

Mining

**Pedro Oliva**, *CFO CSN Mineração*

Steel

**Luis Fernando Martinez**, *Executive Commercial Director*  
**Milton Picinini**, *Executive Director of Production*

Cement

**Luis Fernando Martinez**, *Executive Commercial Director*  
**Edvaldo Rabelo**, *Production Director*

Other Business

**Marcelo Ribeiro**, *CFO*

Financial Results

**Marcelo Ribeiro**, *CFO*

# Opening Messages

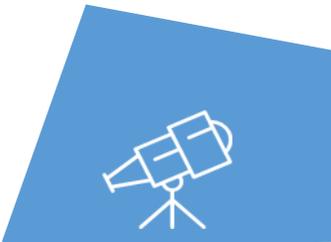


# Strategic Priorities

Fazer bem, fazer mais,  
fazer para sempre.

## Outlook 2022

Positive outlook: demand growth and room for price recovery



## Operational efficiency

Integration and cost austerity to maximize results



## Industry 4.0 and Innovation

Transformational investments in disruptive solutions and trends



## Low Leverage

Growth with disciplined capital allocation



## ESG in practice

*Excellence track record, challenging goals and focus on results*



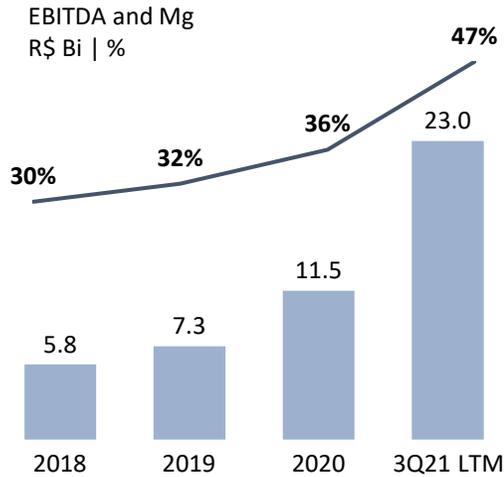
## Geographical Diversification

International expansion strategy in mature markets



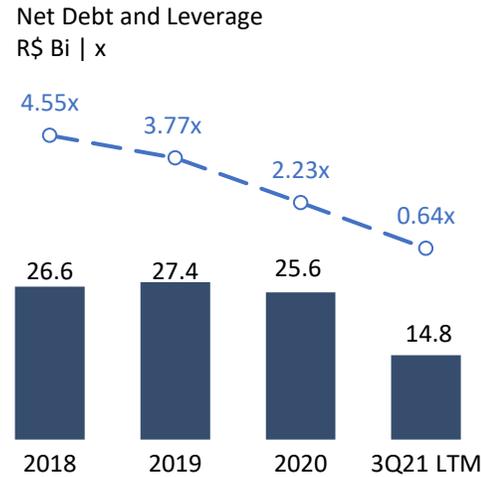
# 2021 Highlights

The year when CSN celebrates its 80<sup>th</sup> anniversary is marked by the strengthening of all its businesses, due to a **strict cost control** and focus on **operational excellence**, supported by the commitment to **ESG**, technological transformation and **innovation** agendas.



## Stronger Business

- Record Results
  - IPO CMIN
- Cement Transformation



## Financial Discipline

- Sharp Debt Decrease
- Recovered Investment Capacity



- ESG as a Key Pillar of Strategy
  - Progress on All Relevant Indicators



- Focus on New Technologies Generating Concrete Results

# 2022 Prospects



## STRONG DEMAND IN BRAZIL

Expected maintenance of consumption of flat steel, long steel and cement, with international prices at high levels



## QUALITY AND VOLUMES AT CSN MINERAÇÃO

Advancing strategic projects: Higher production with improved quality rebounds to lower Platts breakeven



## COMPETITIVENESS IN THE STEEL INDUSTRY

Large sustaining projects increase the efficiency and remove production gaps



## TRANSFORMATION IN CEMENT

Integration of acquisitions with capture of synergies, optimization of the fuel matrix (co-processing): national player with the most competitive platform in the industry



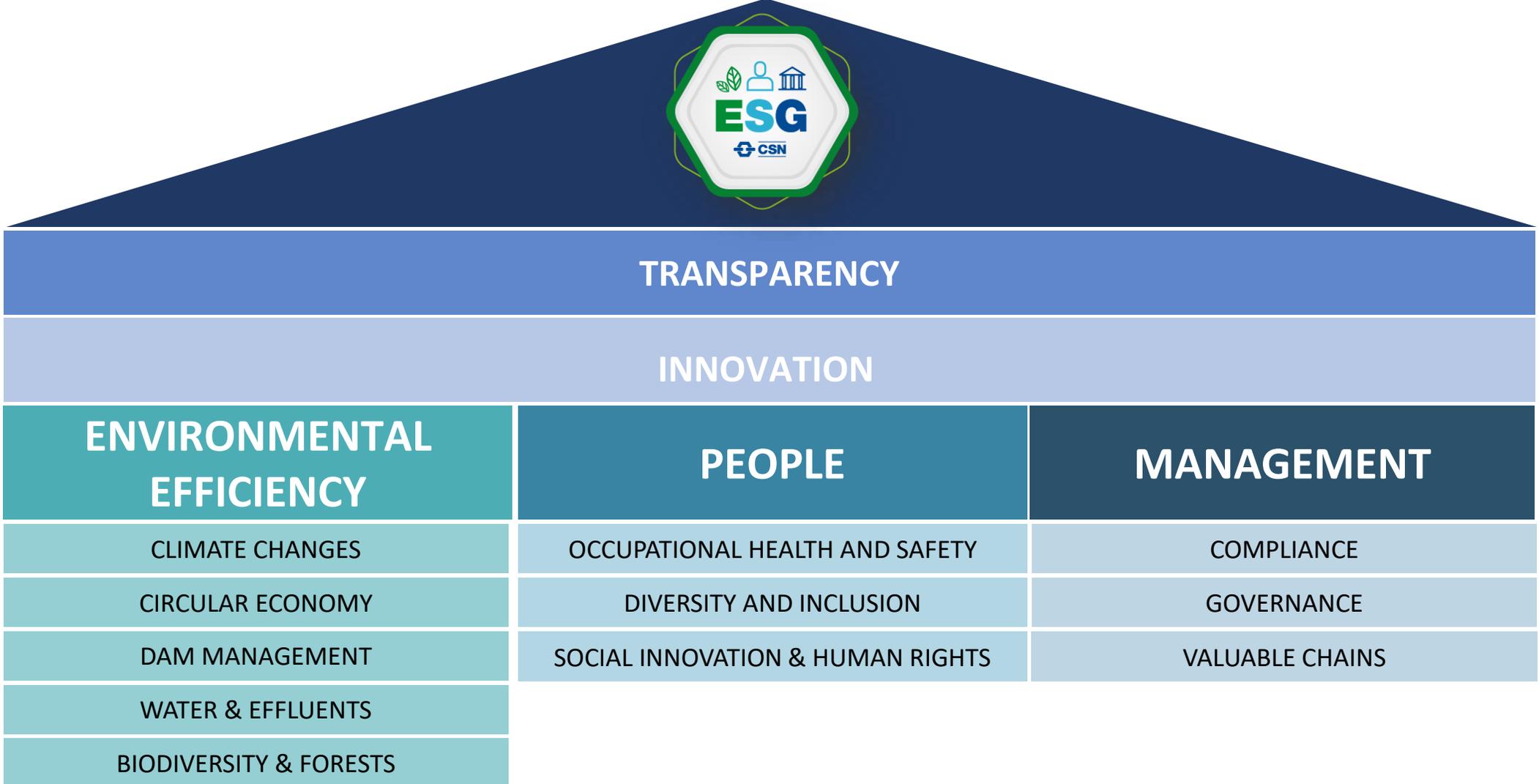
## AUSTERITY IN COSTS

Efficient structure to offset the business impact due to inflationary pressure

# ESG



# We Define the Pillars of Our ESG Strategy...



# We Continue to Heighten Our Transparency...



- ✓ Integrated Report Grupo CSN 2020 with **maximum score** in the S&P and Sustainalytics Ratings
- ✓ Published the **1st Integrated Report** of CSN Mineração
- ✓ **Release of Quarterly** ESG Results
- ✓ ESG exclusive **website** (indicators center in 2022)



- ✓ **Reporting to CDP** Climate, Water and Supply Chain
- ✓ 7th year **Gold Seal GHG Procol** Grupo CSN
- ✓ 1st year **Report GHG** CSN Mineração already with **Gold Seal**
- ✓ Adherence to **ICO2**

## ... and Establishing New Commitments



- BRL 5 billion in investments in ESG projects until 2035
- New GHG reduction targets
- Investments in **Renewable Energy**
- **Reduction** in water consumption



- Increased **female participation** in the workforce
- **Expand** CSN Foundation projects
- Formal **Human Rights Due Diligence** Process

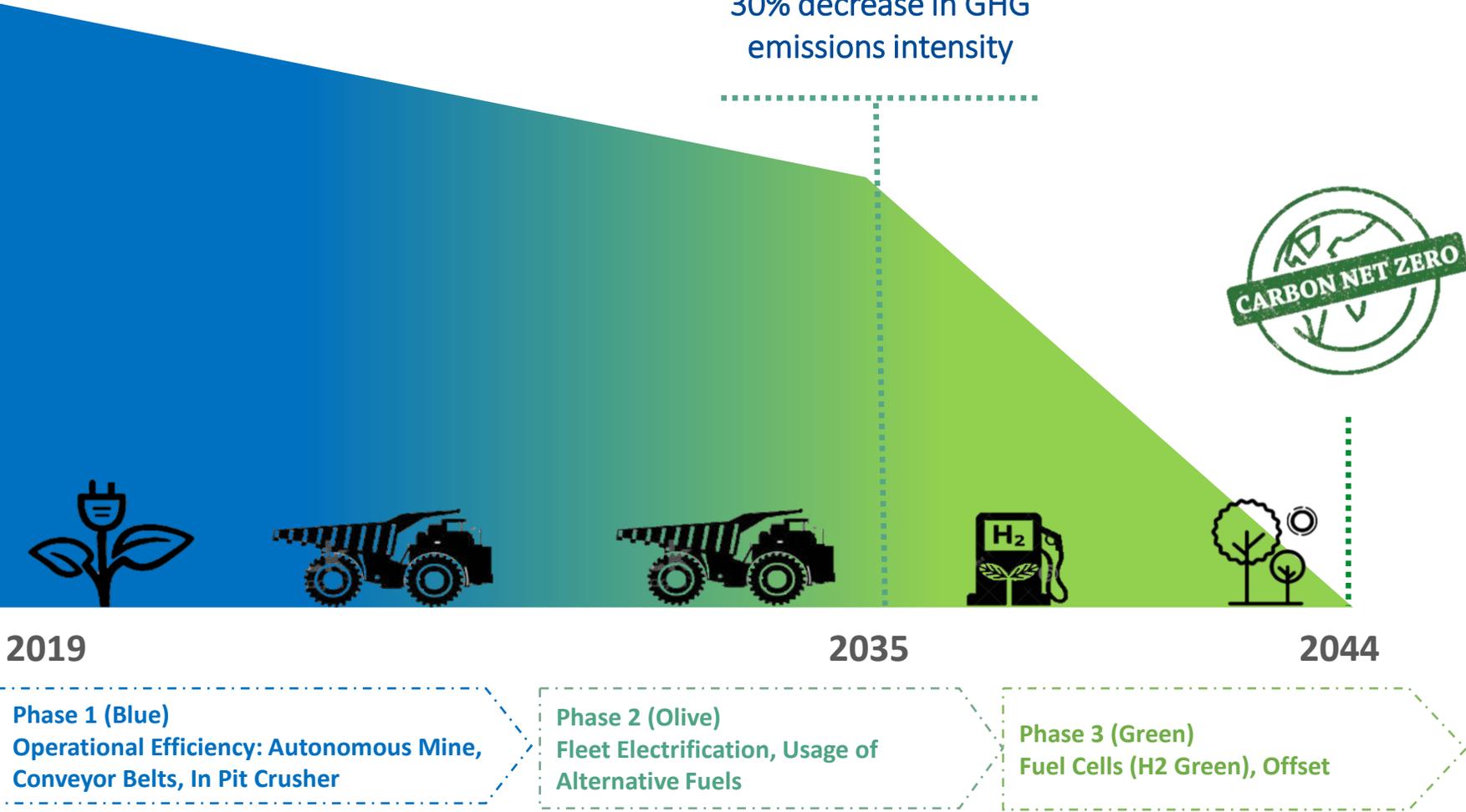


- Creation of the **ESG Committee and Ambassadors**
- **New** Governance Policies
- Update of the **Risk Matrix** and disclosure of information according to **TCFD** methodology

A low-angle photograph of a dense forest. The camera is positioned on the ground, looking up at the tall, slender trunks of trees that reach towards a bright blue sky. Sunlight filters through the thick canopy of green leaves, creating a dappled light effect and a lens flare in the center-left. The overall atmosphere is serene and natural.

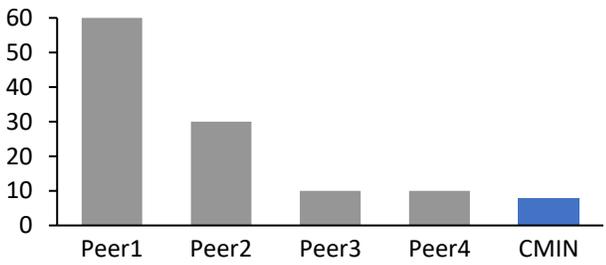
**NEW COMMITMENTS FOR A  
LOW CARBON FUTURE**

# CSN Mineração will be Carbon Neutral<sup>1</sup> until 2044



## Highlights

 **Lowest GHG emission** in the segment per Kg CO<sub>2</sub>e/kg ore produced



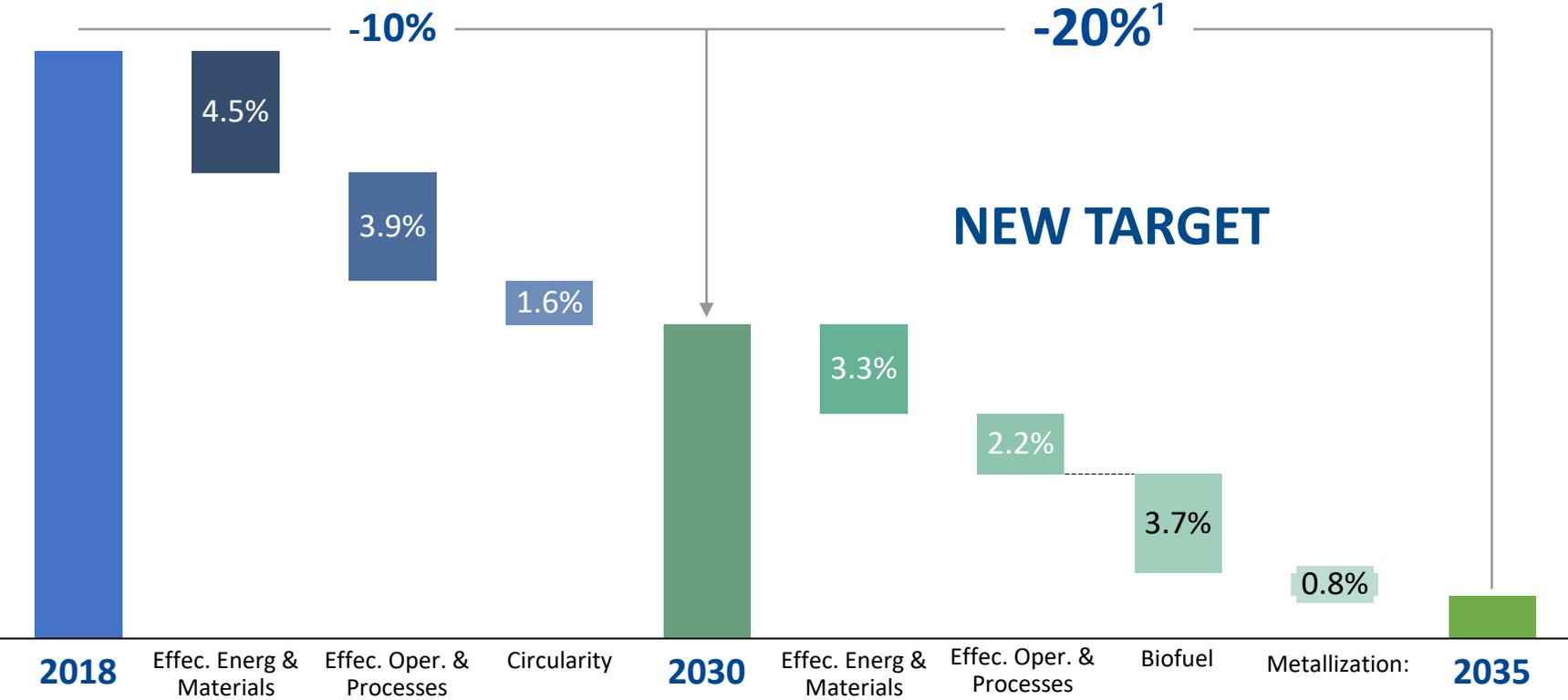
 **100%** electric energy from **renewable sources**

 **Strategic player** in decarbonizing the steel industry by producing a **high-quality ore**

 Improved the 2020 **inventory** to set the **scope 3** reduction targets.

\* Scopes 1 and 2

# And We Doubled the Steel Industry's CO<sub>2</sub> Reduction Target



## Roadmap



**Artificial intelligence** helping prepare the MAC curve



**+100 projects** and technologies mapped in feasibility analysis, including: charging strategy, heat recovery, charge metallization, use of biomaterials and alternative fuels



**MOUs** signed with strategic partners to develop **decarbonization** projects



Investments in **Innovation**, Renewable Energy and **Disruptive Technologies** (CCU and Hydrogen)

### Phase 1 (Blue)

Investments, continuity and operational efficiency

### Phase 2 (Olive)

Technological changes and projects focused on GHG reduction

### Phase 3 (Green)

New and disruptive technologies (now with low TRL or scale/cost deficiency)

<sup>1</sup>WSA methodology - Reduction of the intensity of Co2 emissions per ton of steel produced

# In 2021 Cement Production We reached the Segment's CO<sub>2</sub> Reduction Target for 2030

Indicators	CSN CIMENTOS		Brazilian Cement Technology Roadmap		
	2020	2021E	2030	2030	2050
CO <sub>2</sub> emission (kgCO <sub>2</sub> /ton)	519	485	375	485	375
Clinker factor (%)	58.2%	55.8%	48.8%	59.0%	52.0%
Electrical consumption (kWh/ton)	85.4	77.36	81.3	106.0	91.0
Thermal consumption (GJ/ton)	3.27	3.27	3.22	3.47	3.22



## Highlights

- Lower** GHG emissions in Brazil per ton/cement produced
- 94%** of electric energy from renewable sources (2020)
- Industry targets** for 2030, already **achieved**  
Industry targets for 2050 projected for 2030
- Using slag, waste co-processing, using biomass, and innovative technologies that improve **energy efficiency and clinker factor.**
- Assessing new acquisitions to define the strategy and **decarbonization opportunities**

(1) Expected reduction for 2021, 2020 base. (2) 2020 base year to 2030

# We Operate Efficiently in the Use of Natural Resources and Protection of the Environment

## Water Resources

### Recirculation

↑ **1 p.p** in 2 years - **94%** in UPV

↑ **8.2 p.p** in 3 years – **86.8%** in CMIN

### Efficiency

↓ **7% water consumption** in the CSN Group (2019-2021)

↓ **23,4%<sup>1</sup>** in the capture per ton/steel produced (2019-2021)

↓ **29%<sup>1</sup>** in specific capture at CSN Mineração (2018-2021)

### Management

Water **footprint**  
CDP water **score B-**  
CSN Group's **New** Water Resources **Policy**

## Biodiversity

 **72 mil** hectares of protected areas that will be added to new areas in the coming years.

 Seedling nurseries producing **+180 thousand** seedlings of native species/year with **730ha** fully recovered.

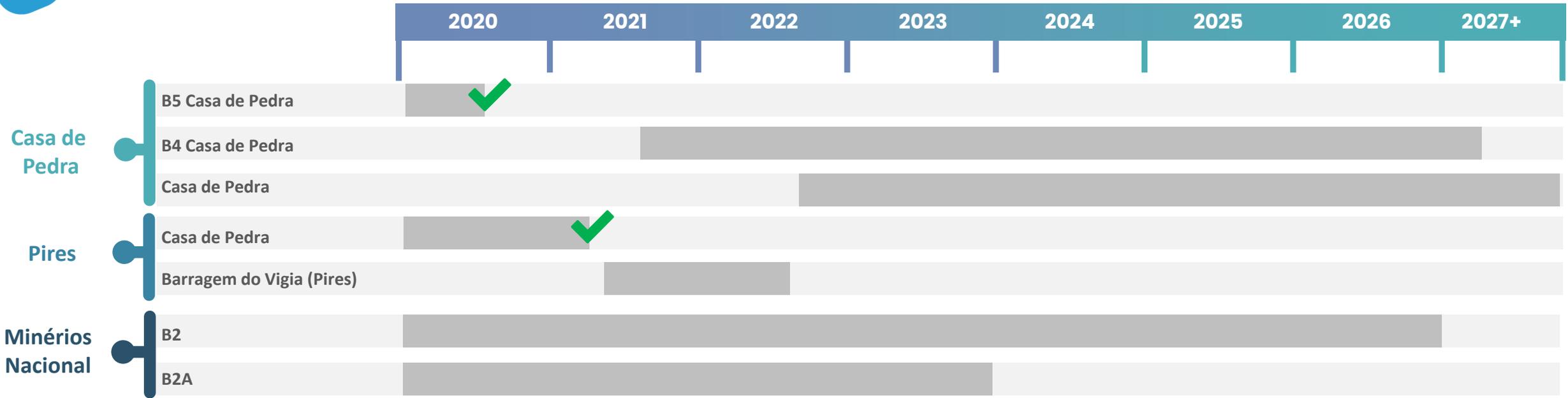
 **16 years** of history in species monitoring, **+500** species of birds, **65** of mammals and **60** of reptiles and amphibians cataloged.

## Management System

 International Organization for Standardization In 2021, **6 new** units were certified in 14001:2015 and ISO 9,001:2015

**90%** of our operating units<sup>2</sup> certified to ISO 14.001 and 9.001

# Dam Decharacterization In Progress



All CSN Mineração dams classified by the ANM as emergency level 0 and declaration of stability renewed in September.



Specialized and dedicated team to ensure the implementation of best international practices;



External audits carried out twice a year;



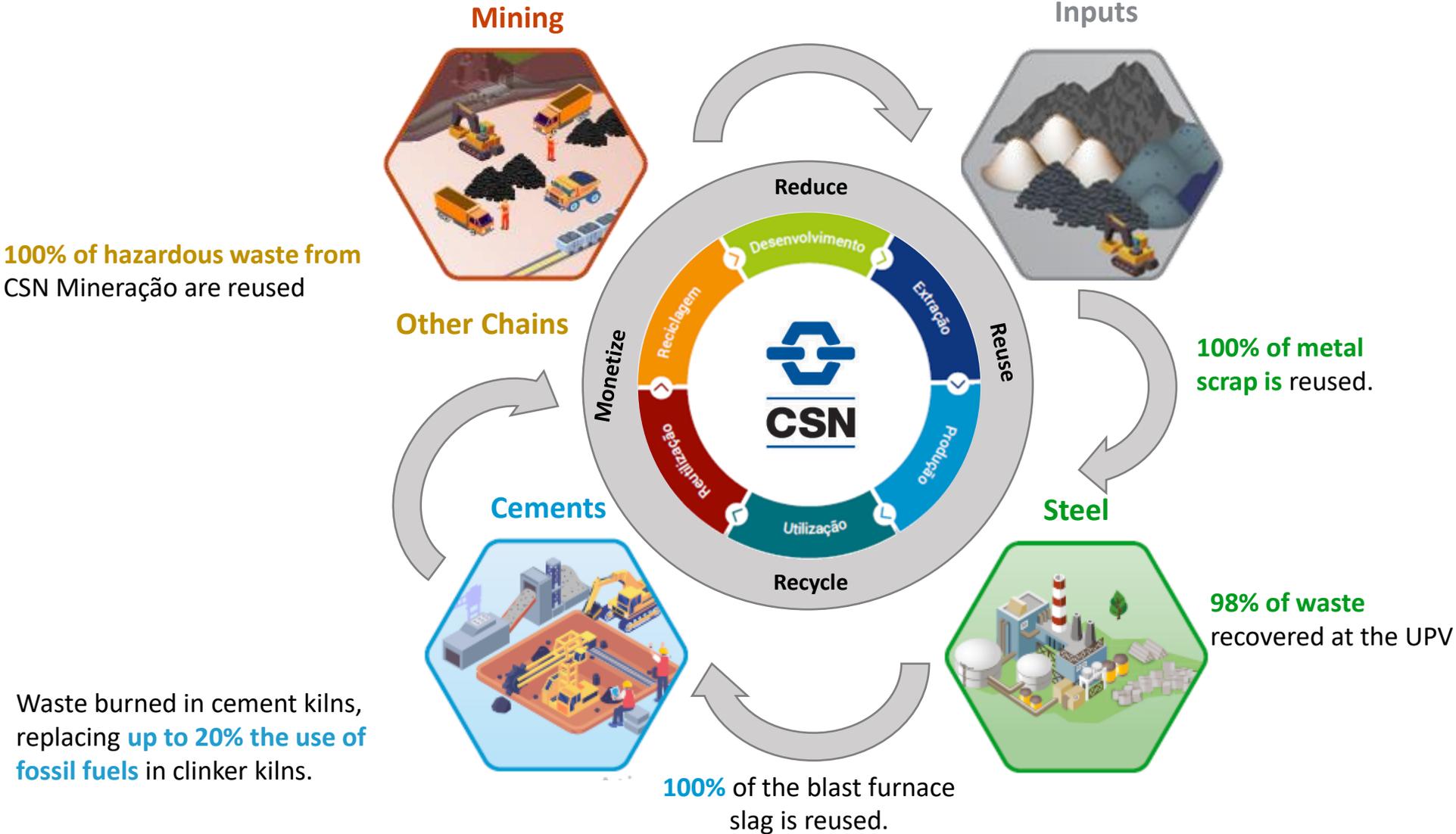
Cross-checking (peer review) of audits and projects.



New projects for the reuse of mining tailings in progress



# Concept of Circular Economy in the Whole Chain



## 2020 TARGETS

**CUMERIDA**  
**UPV: Reuse of 60% to 80% of FEA Powder** in the manufacture of flat steel. Projected year **73%**

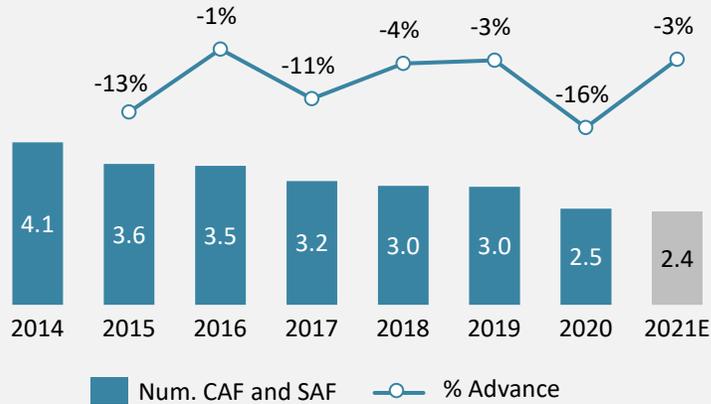
**CUMERIDA**  
**UPV: Decrease by at least 10%** sending of sludge (Class II) to landfill when compared to the volume sent in 2020. Projected year **33%**

**CUMERIDA**  
**CSN MINERAÇÃO: Decrease by at least 10%** sending waste (Class II) to landfills, base 2020. Projected year **20%**

# Focus on Maximum Operational Safety

## CSN Group

### TFIFR<sup>1</sup> (HISTORIC)

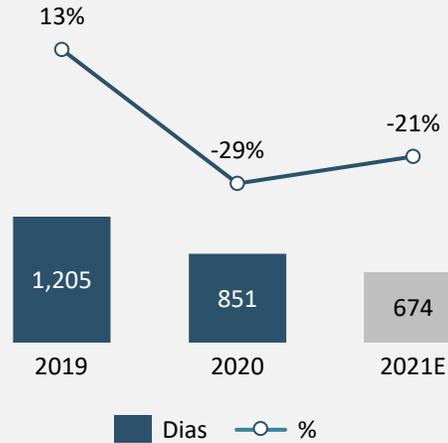


### SEVERITY HISTORIC<sup>1</sup> – CSN GROUP

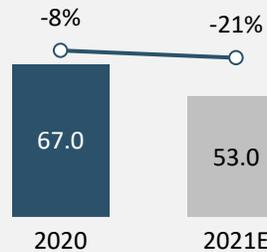


## CSN Mineração

### LOST DAYS<sup>2</sup>



### SEVERITY HISTORIC<sup>1</sup> – CSN MINERAÇÃO



## Highlights



**Decreasing** frequency and severity rates



**Lowest Frequency Rate (TRIFR)** in the last 7 years



**Program** to identify signs of potential fatigue in large equipment operators and to **prevent accidents**.



**Alcohol and Narcotic Use Prevention Program** to identify use at work and provide support.



**Intelligent system** for predicting accident risks in the workplace

# In an Increasingly Diverse and Inclusive Environment

Target: 28% representativeness of Female Gender in the CSN Group in 2025

18.10%



in Nov/21, starting from 14.48% in Dec/20

35% female participation growth in CSN Group in 2021

21% female representation in CSN Mineração

445 women hired and trained by the *Capacitar Mulheres* Program in 2021

29% female representation on CSN Mineração's board

85% of leaders trained in Diversity & Inclusion

51% black people representation

11% growth of People with Disabilities in CSN Group

30% black people representation in leadership positions

## Iniciatives

Founders

**mover** pra ser maior, só fazendo juntos.

Project

**mentoria cidadã**

1st Program  
*Capacitar PcD*



4 cycles  
*Capacitar Mulheres*



*Jovem Aprendiz Class* exclusively for women



*Firjan Award - UPV*

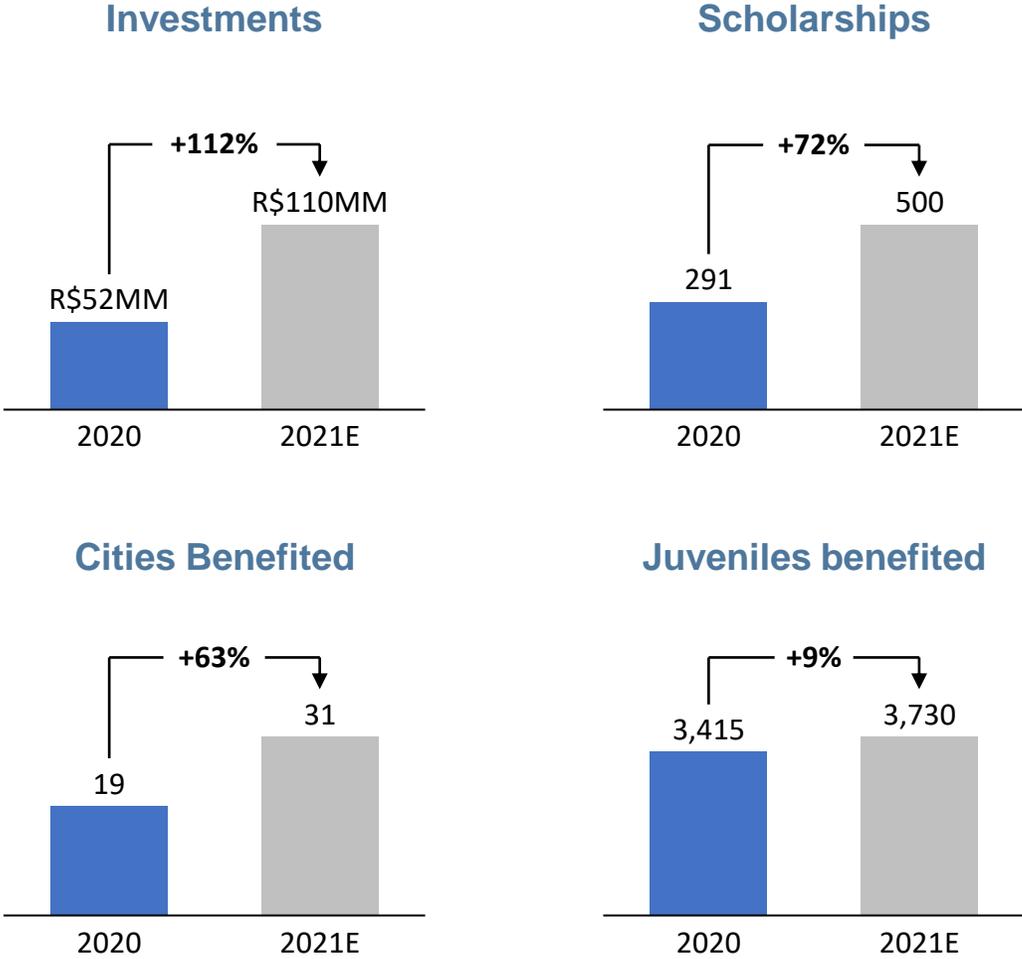


# Social Actions in the Different Cities Where We Operate

 **fundação csn celebrates 60 years**

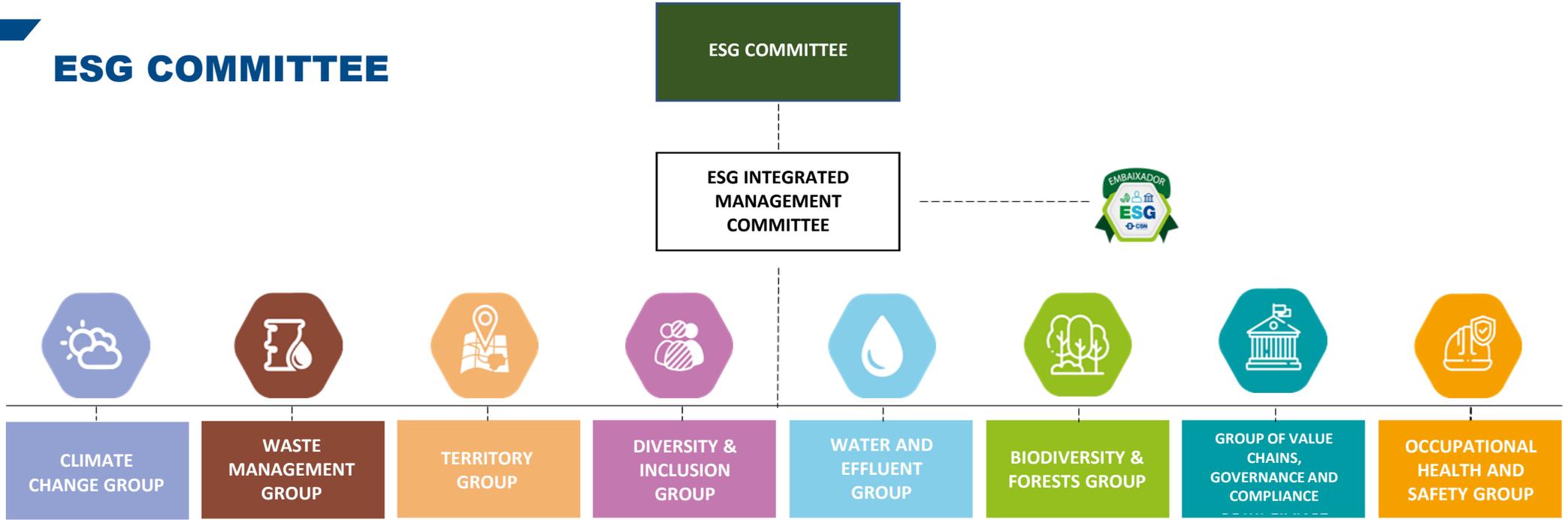
<p><b>fundação csn Education</b></p>	<ul style="list-style-type: none"> <li>• Technical Schools</li> <li>• Jovem Aprendiz</li> <li>• Empower Hospitality and Services</li> <li>• Internship Integration</li> <li>• <i>Ganhar o Mundo</i></li> <li>• Environmental Education Program</li> </ul>
<p><b>fundação csn Culture</b></p>	<ul style="list-style-type: none"> <li>• Stories That Last</li> <li>• <i>Garoto Cidadão</i></li> <li>• CSN Foundation Cultural Center</li> <li>• <i>Tambores de Aço</i></li> </ul>
<p><b>fundação csn Articulation</b></p>	<ul style="list-style-type: none"> <li>• Events in partnership with public authorities</li> <li>• Public policy training programs for municipalities and stakeholders</li> <li>• Territorial Development</li> </ul>

## Results



# Within the Best Governance and Compliance Practices

## ESG COMMITTEE



### HIGHLIGHTS

-  **Creation of the ESG Committee** with the nomination of **26 ESG ambassadors** leading 8 action groups
-  **New risk matrix** covering ESG and climate risks, according to TCFD methodology

-  **Diversity in the Boards of Directors** of CSN Mineração, CSN Cimentos and TLISA, with 8 women in total.
-  **New Policies Release** improving compliance with CVM Normative Instruction No. 586
-  **13,000 Employees** trained in Compliance

# INNOVATION



## Integrated action in different types of innovation

Mapping internal **challenges** and running **pilots** with **open innovation** methodology

Inova Open

Integrated management of the **ESG Committee** and the Thematic Groups **innovation initiatives**.  
Innovation Communication and ESG

Inova Bridge

### Current Themes

Operational Sustainability  
Commercial Innovation  
Corporate Efficiency  
Advanced Materials

**Investing** in startups and portfolio management to **generate shared value**

Inova Ventures

**Decarbonization** journey, monitoring **technological trends** and **disruptive projects**

Inova Tech

# Ongoing Themes and Challenges



## OPERATIONAL SUSTAINABILITY

More efficient CSN with more positive impact on ESG

### CHALLENGES

- ✓ **Decrease 20%** of the consumption of utilities and fossil fuels;
- ✓ Optimize logistical expenses with a **potential gain of 10%**;
- ✓ Generate **new sources of income** from treating tailings from mining.



## COMMERCIAL INNOVATION

New solutions that bring the customer closer and generate value for the commercial chain

### CHALLENGES

- ✓ Expand by **10%** the client portfolio in the construction segment;
- ✓ **Leverage by 15%** the revenues on special sales linked to circular economy.



## CORPORATE EFFICIENCY

Digital and data transformation tools to support business decisions

### CHALLENGES

- ✓ **Generate savings of 5%** with maritime expenses;
- ✓ Create value with **social and economic innovations** in CSN's supply chain.



## ADVANCED MATERIALS

Innovation in complementary or alternate materials for current CSN products

### CHALLENGES

- ✓ **Increase the portfolio** of products and solutions offered to the market;
- ✓ **Improve the performance** of steels in critical applications;
- ✓ Expand to specific market niches.

# Technologies Evaluated in Ongoing Projects

Financing for  
Innovation strategy



Core

70%

- H<sub>2</sub> as a combustion stabilizer in ovens and mobile equipment
- Graphene as an additive in finished steel and cement products
- Data Analytics and AI to optimize specific consumption in the operation
- IoT Devices to inspect assets online and monitor the supply chain
- Developing equipment powered by renewable energy
- Digitizing processes and adopting data science in the corporate

Adjacents  
Markets

20%

- Digitalization of sales channels and innovative means of financing for the civil construction segment
- Developing new products from operational waste (slag from steelmaking, mining waste, materials for biofuel, etc.)
- Special sales service based on circular economy to generate value from scrap, obsolete and waste
- Services platform to increase the competitiveness of CSN's value chain

Transformational

10%

- H<sub>2</sub> as a fuel for steel production
- New uses for Graphene



# CSN Inova Ventures | Main Numbers

Corporate Venture Capital Division of CSN Group

R\$100 MM

for investments

+500

mapped startups

+100

connections with other VCs and CVCs

## Strategy

- Global fund focused on Brazil;
- Minority Equity Participation;
- Seed and Series A stage;
- Ticket USD 0.5mm to USD 2.0mm

## Tesis



Industry 4.0



Greentechs/ESG



Adjacent  
(Healthtech and Agtech)



B2B Enterprise

## Value Generation

- Scaling technology in the group and in partners;
- Co-developing products and solutions;
- Mentoring and Management;
- Connection to the Ecosystem.

# CSN Inova Ventures

Portfolio of investees in line with the innovation strategy

Co-investors:



## Adjacent

Producing and developing applications in advanced materials

## Industry 4.0

Intelligence for accessing agricultural credit

Developing components for hydrogen production

## Industry 4.0

Co-investors:



## Industry 4.0

B2B Marketplace for Civil Construction

Digital energy manager

## Greentechs

Co-investors:



Co-investors:



Co-investors:



# Innovation at the Research Center | 2021

70 years of tradition in Research & Innovation

20

new types of steel developed

95

new types of steel in development

+4.000

hours of research

+R\$25 MM

of investments

## Other initiatives

- Working together with ITA in **Rota 2030 program** to increase the competitiveness of the automotive segment;
- Creating **Graphene skills cell**;
- Commissioning a pilot plant to produce **ecological blocks** from waste

## Continuous Investment

### Lab Structure

**17 labs**, including Environmental Lab certified by INEA

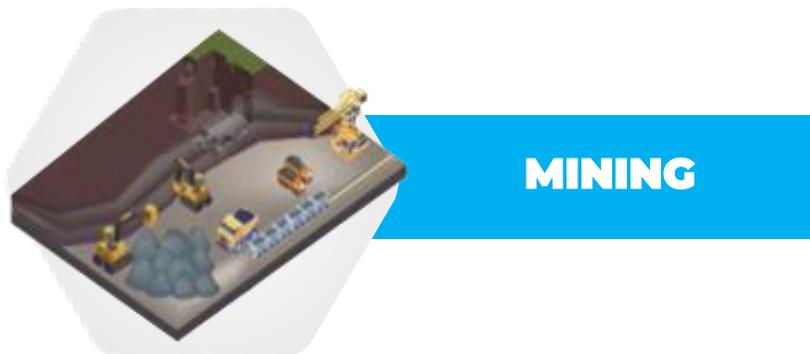
### Vacuum and Gleeble Oven

**Thermomechanical simulator** for steelmaking processes (most complete in Latin America) and **melting furnace** that can produce special alloys

### Augmented Reality

Advanced structure to use numerical simulation to **optimize processes**, develop and implement products.

## Other Innovative Projects in the Business Units



- **Developing** an autonomous mine and **electrifying** the fleet
- **Reducing the** sinter feed **moisture** and reusing water in the process;
- **Monitoring** tires using expert software;
- Adopting **solar energy** in the flotation process;
- **Machine Learning** for Asset Management and Process Optimization;

- **Laser welding technology** on the pickling line to produce advanced steels;
- Installing an air razor with **magnetic stabilization technology** on the galvanizing line in Porto Real. The technology is the state of the art in **coating thickness** and **quality control** to the automotive market;



- **Alternative raw materials and circular economy**, such as using UPV collector dust and partially using synthetic plaster;
- Implementing an **expert system** in cement grinding in Volta Redonda.

# CSN MINERAÇÃO

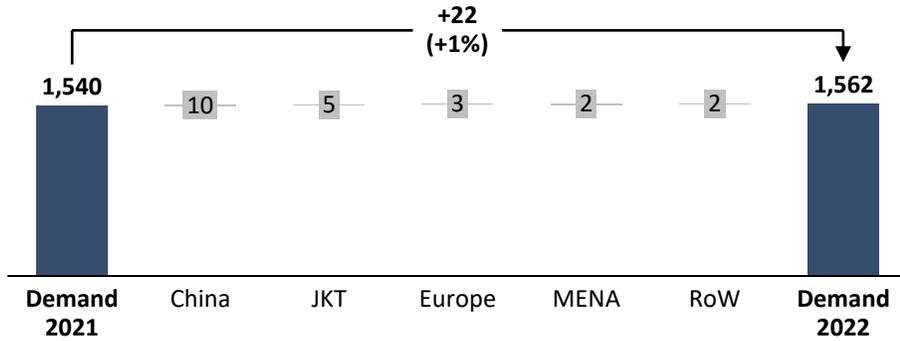
CMIN  
B3 LISTED N2

# Balanced Market Outlook for 2022

Reducing restrictions on steel production in China and low growth in supply point to a balanced market, sustaining prices between US\$100-120/dmt

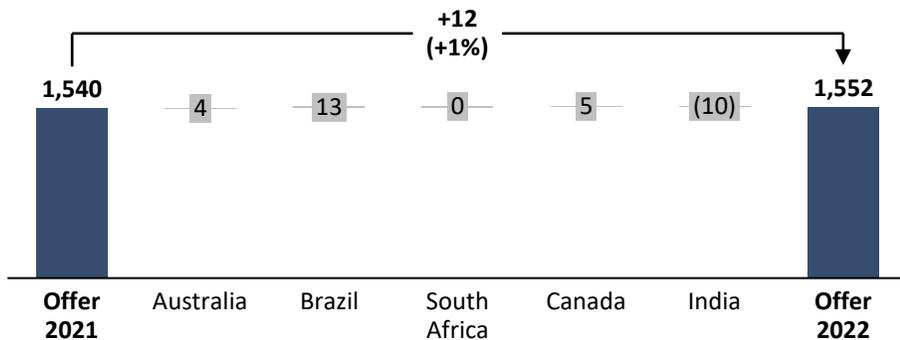
## Transoceanic Iron Ore Demand

Millions of tons



## Transoceanic Iron Ore Supply

Millions of tons



Balanced Market

## Evolution of Iron Ore Price

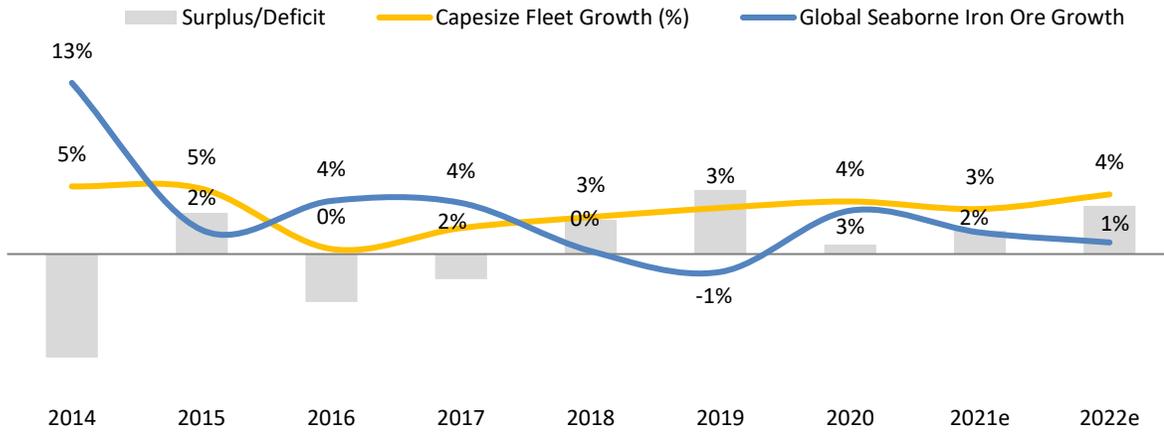
(62% Fe - CFR China, US\$/dmt)



# Sea Freight

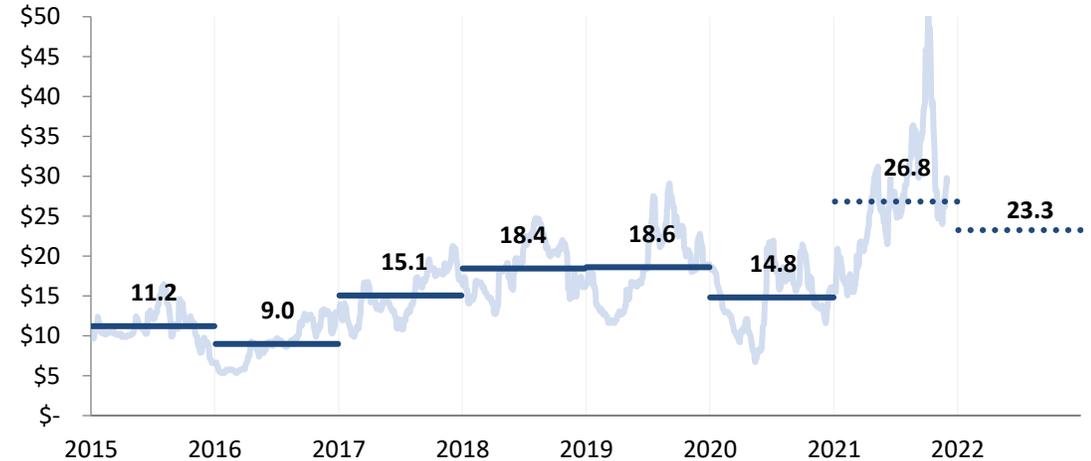
Downward trend in maritime freight due to favorable mismatch between fleet growth and seaborne volume of iron ore and normalization of waiting lines in Chinese ports

## Capesize Ships – Supply and Demand

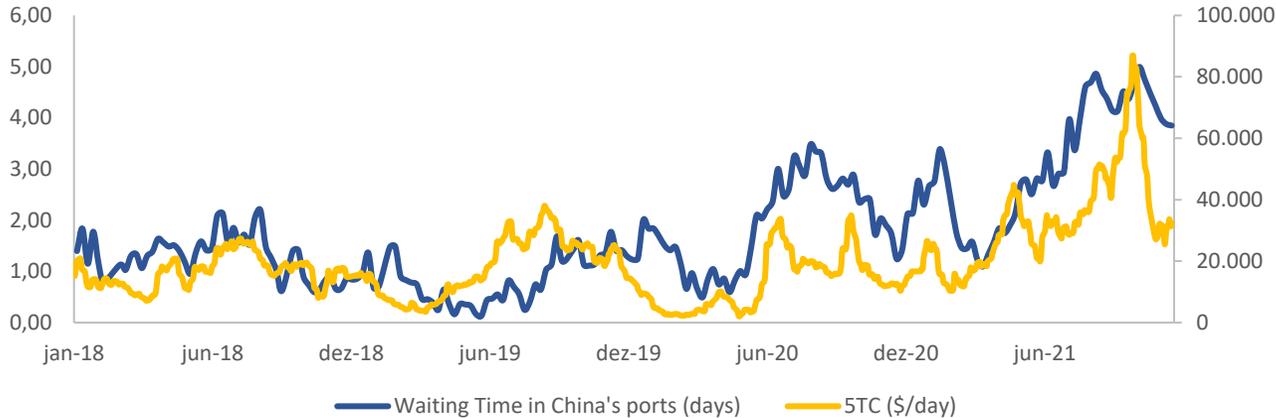


## Evolution of Route C3 Price

(US\$ / wmt)



## Ship Waiting Time in China and Time Charter

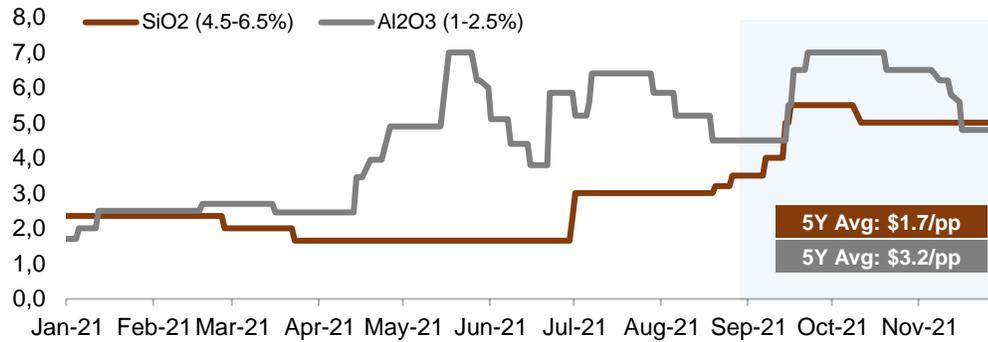


# Search for Quality

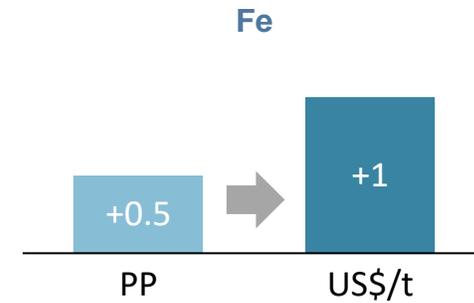
Structural changes in the Chinese steel industry have increased demand for higher quality products seeking efficiency and productivity

High coal and coke prices have sustained higher quality adjustments than the historical average.

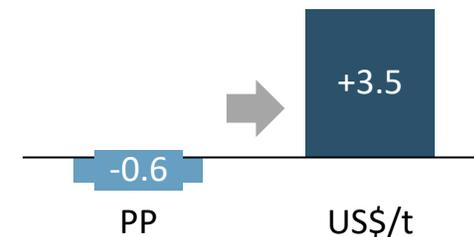
Quality Adjustments (\$/pp)



Start-up spirals and CMAI3 allow Quality Gain in 2022 (2022 x 2021)



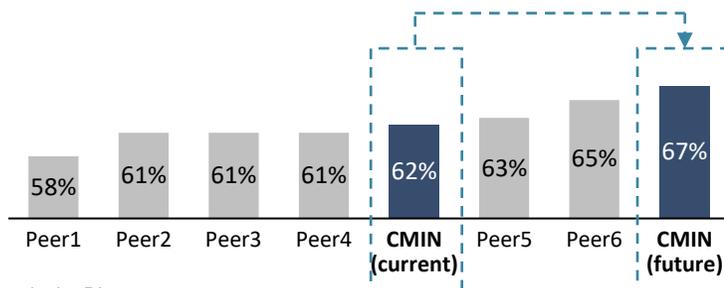
SiO2+ Al2O3



**Gain of US\$4.5/t**

Future quality increase will come with new itabirite/pellet feed projects

Iron Content (%)



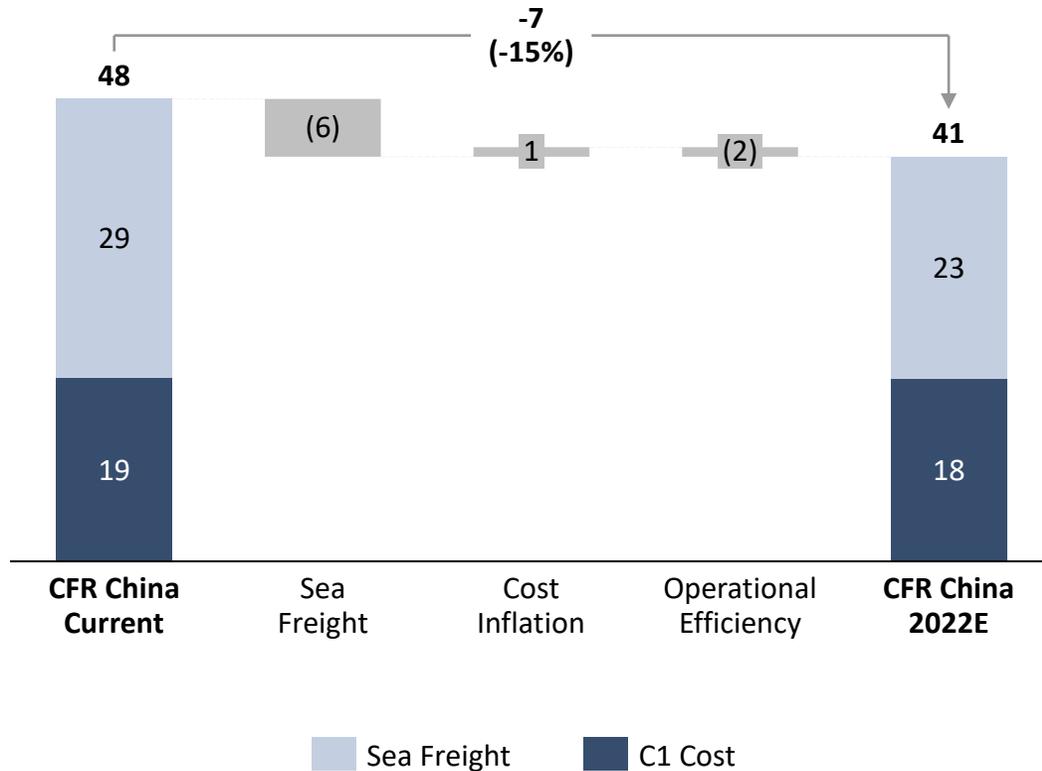
Source: CMIN analysis; Platts.

# Operational Efficiency and Cost Control

Continuous work to increase productivity and optimize processes offset the inflationary pressure

## Evolution Cost CFR China

US\$/t



## Strategic Drivers

### Immediate Impact

- Cost Austerity and SG&A Decrease
- Fixed Costs Dilution
- Optimizing the tailings handling fleet
- Machine Learning (Phase 1): Optimizing and Automating the Process (partnership with Itochu)

### Medium and Long-Term Impact

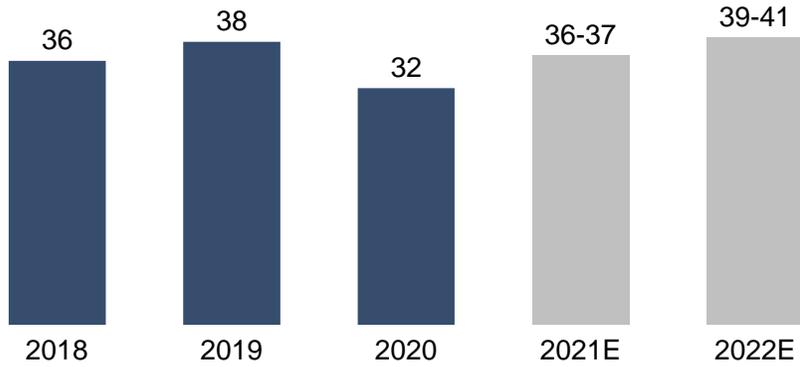
- Fixed Costs Dilution
- Conveyor belt (ROM and tailings)
- Autonomous mine/fleet size increase
- Fleet electrification
- Machine Learning (Phase 2)

# Performance Highlights

Cost control, volume increase and mix improvement in 2022

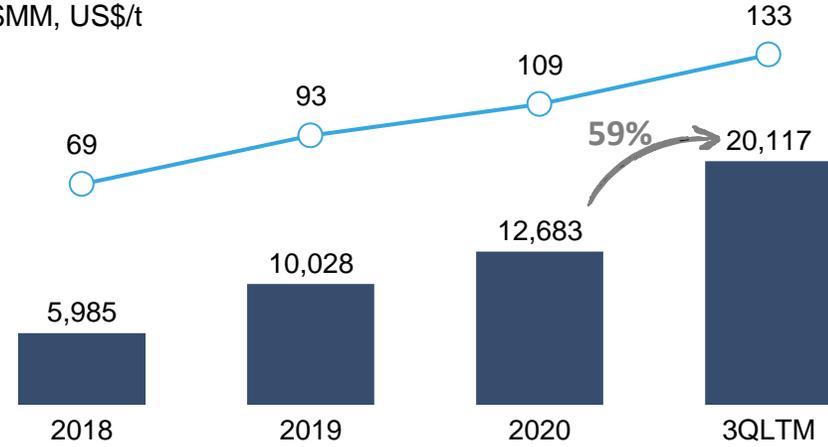
## Production + Purchase Volume

Mtpa



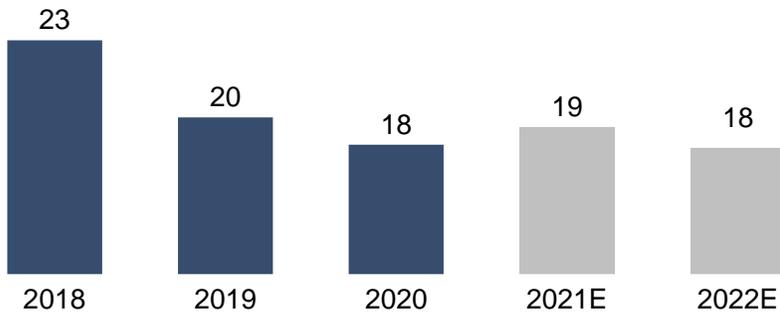
## Net Revenue and Platts

R\$MM, US\$/t



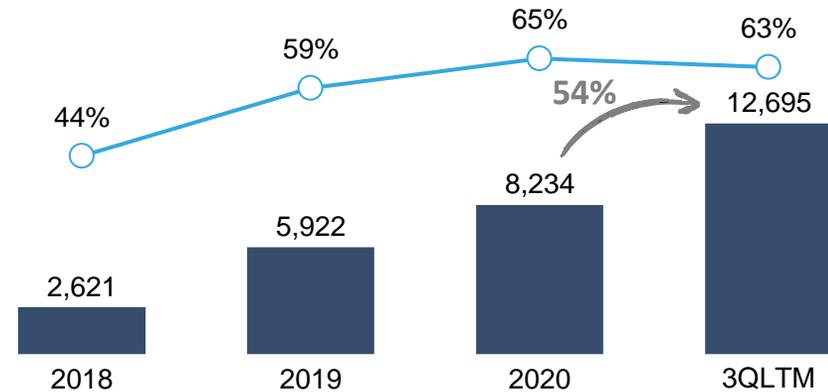
## Evolution C1 Cost

US\$/t



## EBITDA and Margin

R\$MM, Margin (%)



# Expansion Plan Update

Reviewing the project schedule: weaknesses in the supply chain, Covid-19 and discipline in optimization

**CMAI 3, Re-crushing and Spirals**  
Quality Increase



2021-22

**Tailings Rec. Pires**  
+3.0 Mpty



2023

**Itabirite P15 and P4+**  
+19.4 Mpty



2024

**Expanding the Central Plant**  
+5 Mpty



2025

**Waste Recovery**  
+2.5 Mpty



2026

**2<sup>nd</sup> Phase Projects**  
Itabirite P28 Muscat  
Itabirite P28 Emery  
Conversion of the Central Plant  
Porto - Stage 84 and 130Mtpa

2027-2031

1<sup>st</sup> Phase

2<sup>nd</sup> Phase



**Rec. of B4 and Ultrathin Tailings**  
+3.5 Mpty



**Porto - Phase 60 Mtpa**  
+15 Mtpa



**1<sup>st</sup> Phase**

**R\$12bi**  
Investment



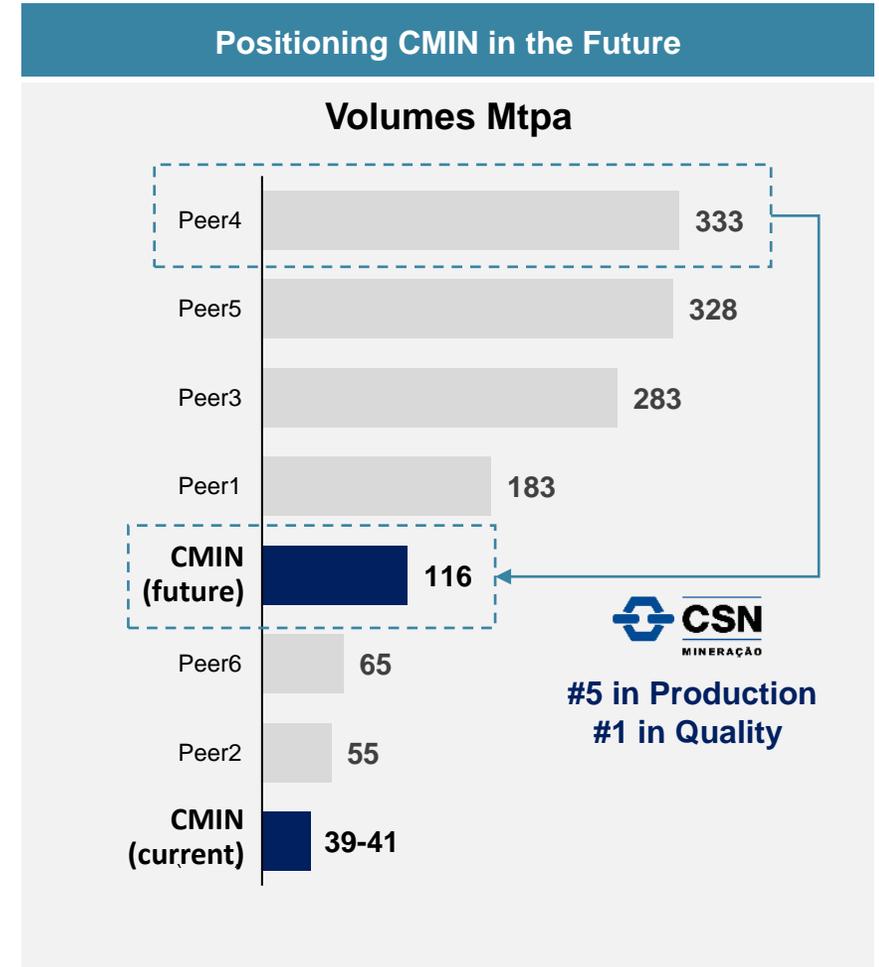
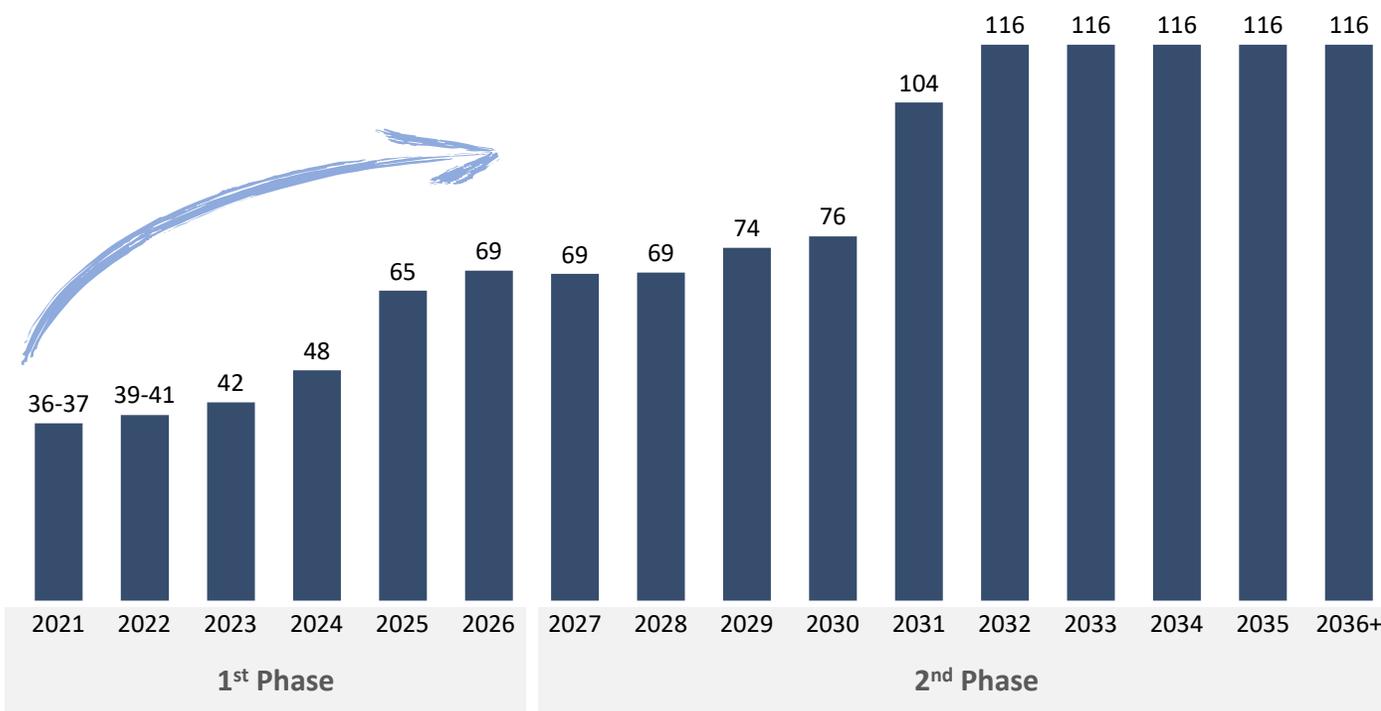
**+33Mtpa**  
Capacity

# CSN Mineração will triple its capacity by 2031

With the projects concluded, CMIN will occupy the 5<sup>th</sup> position as the largest iron ore producer in the world and leader in iron content with a premium product portfolio

## Production Volume + Purchases with Project's Startup

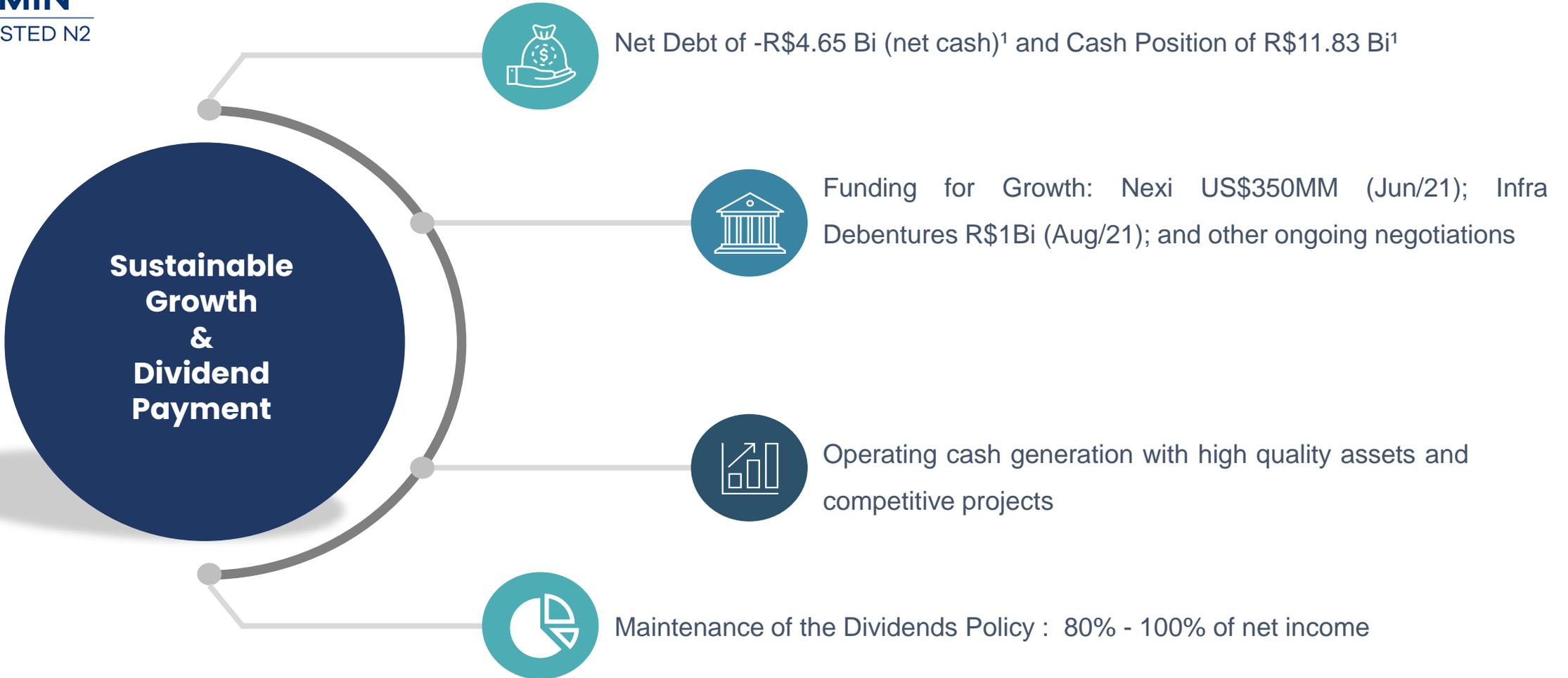
Mtpa



# Capital Allocation: Growth and Dividends

Low leverage and broad access to funding, combined with consistent and robust operating cash generation, allow us to combine an aggressive dividend policy with the growth plan

**CMIN**  
B3 LISTED N2



# STEEL

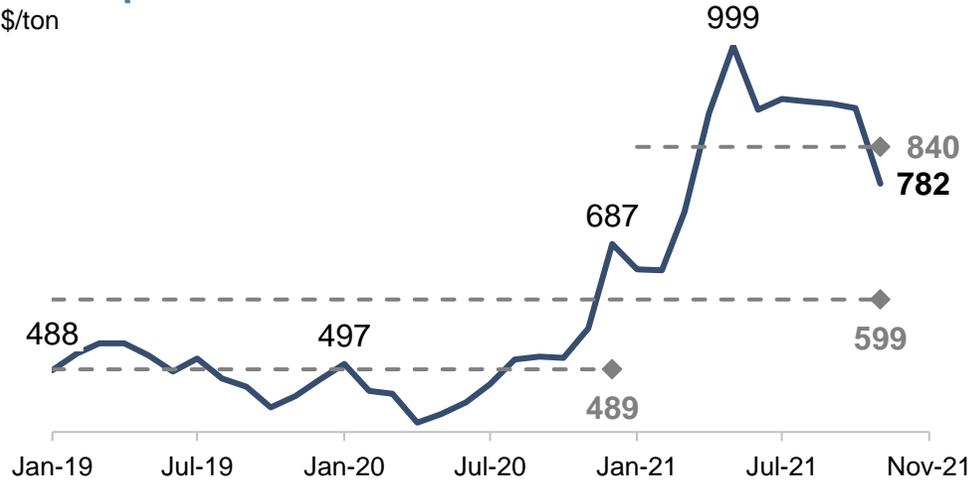


# Global Market Outlook

Positive forecast in the dynamics of the global steel market supports higher domestic prices

## China Export Price - HRC

US\$/ton



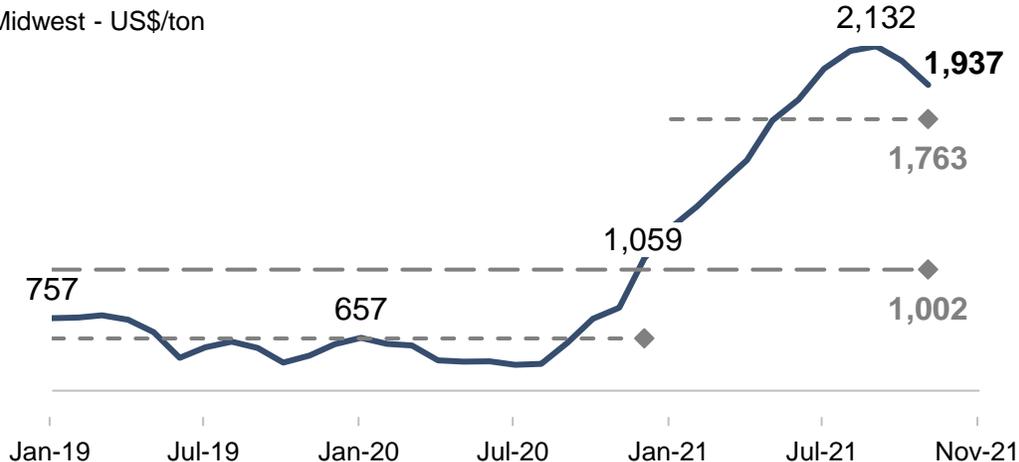
 **China:** In 2021 prices reached historic values due to reduced production, cancellation of export incentives and energy and emissions restrictions. Expected prices at levels above the historical average.

 **USA:** High demand in various market segments and insufficient production put pressure on prices. Government incentives in the infrastructure sector support demand and prices.

 **Brazil:** The appreciation of the dollar, the increase in freight costs and the low supply of steel on the international market sustain prices at current levels for next year.

## Domestic Price – USA - HRC

Midwest - US\$/ton

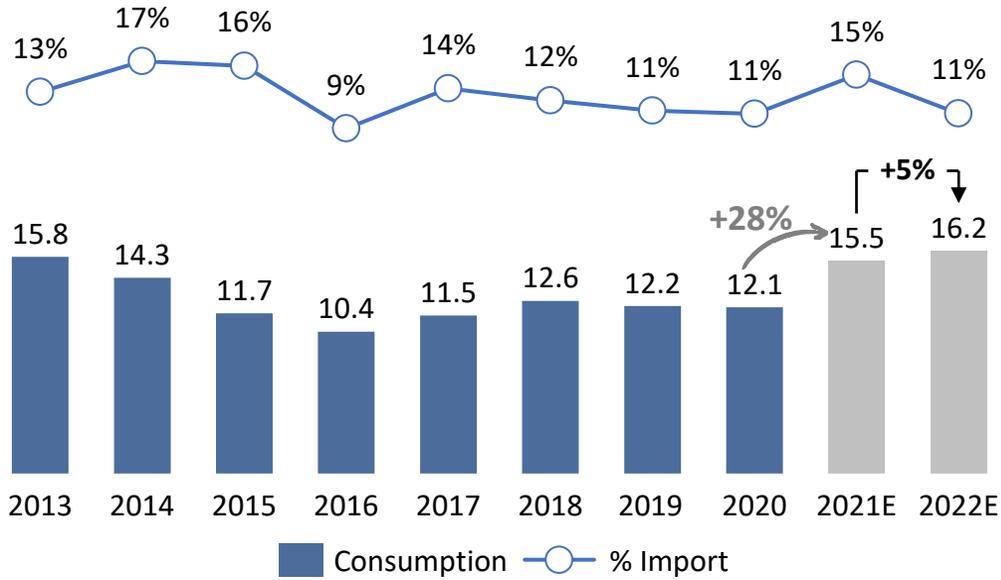


# Domestic Market Outlook

Resuming economic activity in 2021 and reaching historic levels in 2022

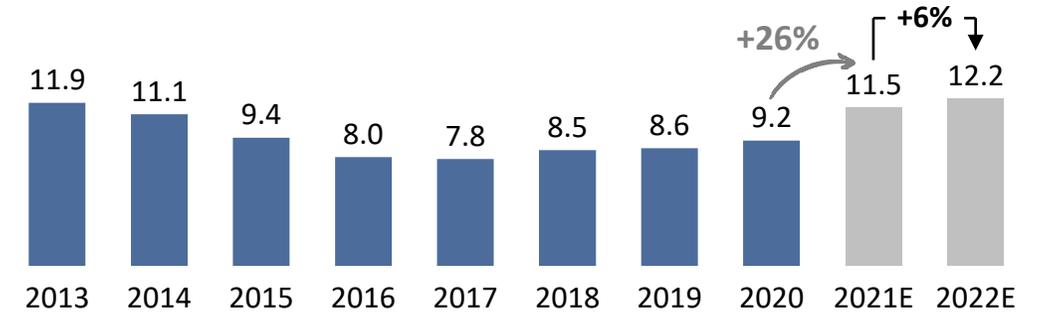
## Apparent Consumption Flat Steels

Mt | %



## Apparent Consumption Long Steel

Mt



### 2022 Growth Forecast



Vehicles  
+11%



Trucks/Autobuses  
+23%



Heavy Equipments  
+12%



Agricultural Machines  
+5%



Home Appliances  
+5%



Civil Construction  
+6%



Distribution  
+5%

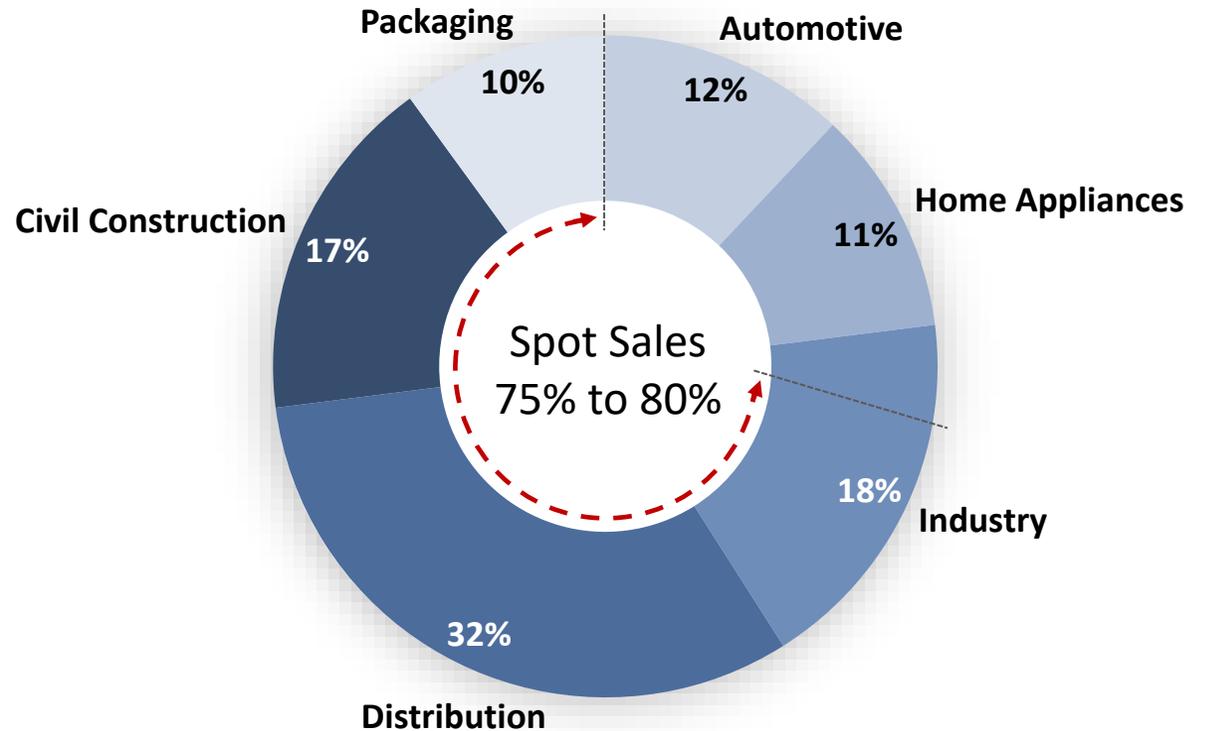
# Commercial Strategy

Customer pulverization, segment diversification and selling higher value-added products: focus on competitiveness

## STRATEGIES AND ACTIONS:

- ✓ **Customer Pulverization:** Customer base with pulverized sales (2020: ~4,000);
- ✓ **Focus on spot sales:** Time to Market, taking advantage of the best market opportunities.
- ✓ **Focus on the domestic market (85% of sales):** Main service to the domestic market, taking advantage of export opportunities;
- ✓ **Adjusted production to optimize the best value-added mix;**
- ✓ **Sales of coated products:** 50% of sales of coated products, focus on higher value-added segments.
- ✓ **Partnerships with key customers**
- ✓ **Acting as a local player in international business**

Segment diversification enables better use of spot sales market conditions.

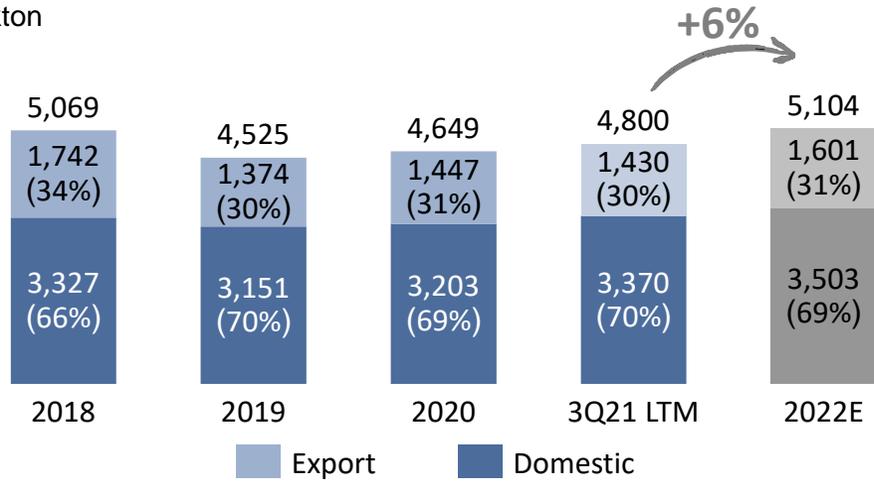


# Performance Highlights

Record year and margin recovery

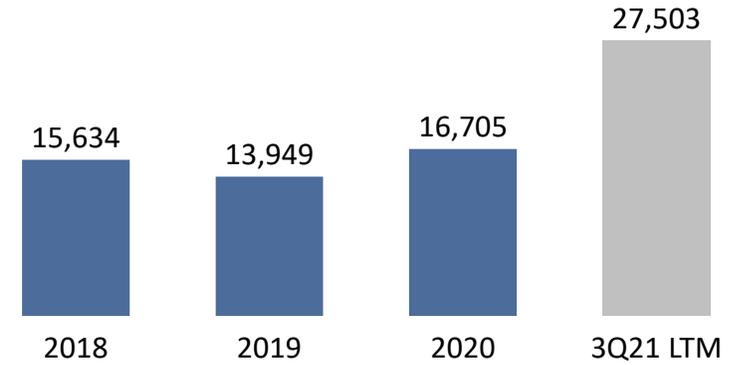
## Steel Sales Volume

kton



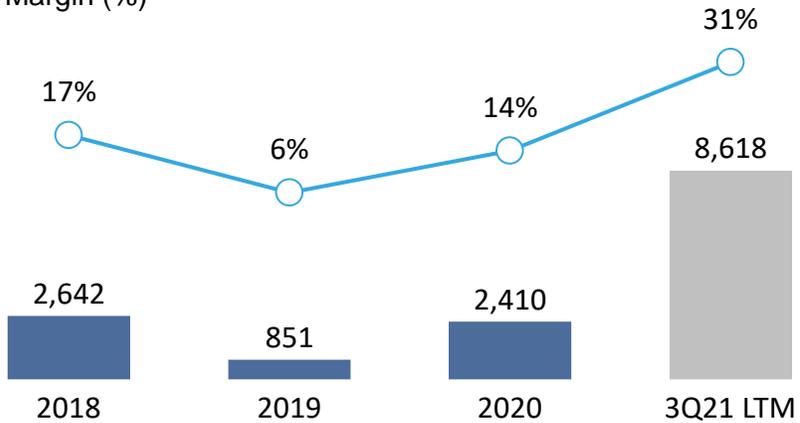
## Net Revenue

R\$ MM



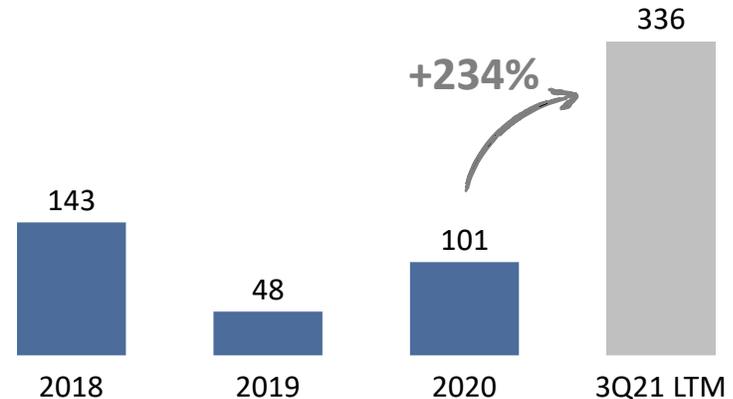
## EBITDA and Margin

MM, Margin (%)



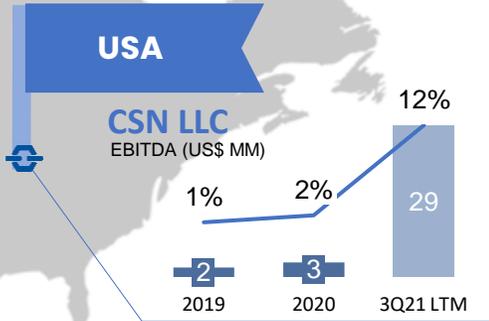
## EBITDA/ton

US\$/ton



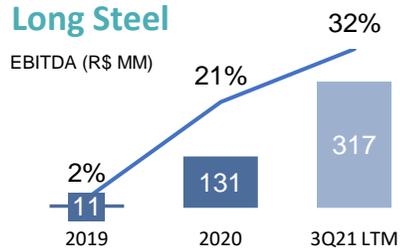
# Growth Through Internationalization and Adding Value

New plant in the US, expansions in Europe and projects in Brazil under analysis, respecting capital discipline

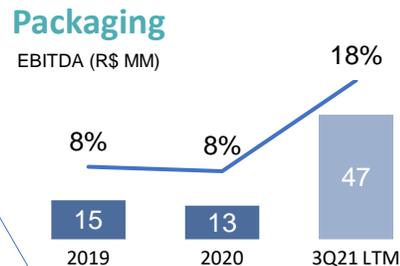


### Ongoing Projects:

- Greenfields:
  - Mini Mill (long steel)
  - Flat Steel (HDG)



### BRAZIL



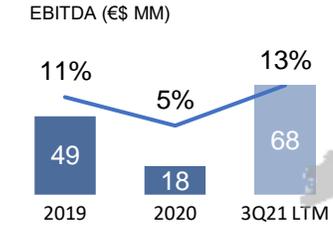
### Ongoing Projects:

- Revamp EAF + 85ktpa (strategic agreement with supplier)

### Ongoing Projects:

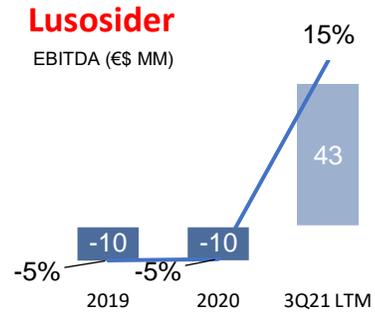
- ✓ Metalgráfica Iguaçu Acquisition (under analysis by CADE)
- Brownfield expansion - chemicals

### SWT



### Ongoing Projects:

- Luso: Duplication (HDG)
- SWT: Expansion (rebar/machine wire)



### Other Opportunities being Studied in Brazil:

- Customer partnerships
- New dual Galvalume / Zn-Mg line
- Study - Pre-painted expansion

# Industrial Hub Modernization Roadmap

Ongoing investment plan focuses on reducing operational gaps to gain competitiveness and increase volume

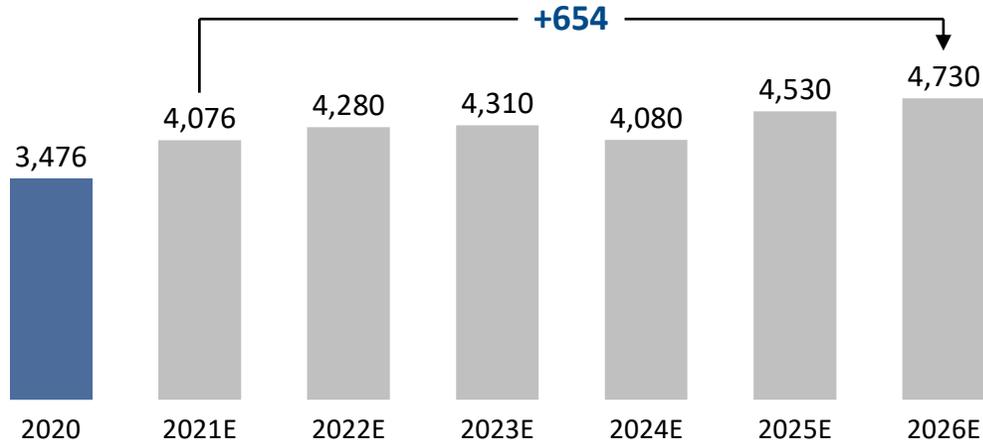


PRIORITY PROJECTS			-Cost	+ Volume
Project Start				
1Q22	<b>Repair and New Coke Batteries</b> (+1.2Mtpy coke until 2026) <b>99% own coke (-US\$71/t cost)</b>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
1Q22	<b>Metal Sheets:</b> recovery of FM production capacity. (+130 kt/Year FM - from 2025)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2Q22	<b>Revamp LTQ#2:</b> LTQ automation system revamp, plate furnaces and hydraulic winder (+120kt/year production - from 2026)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3Q22	<b>AFs reform:</b> modernization and extension of the AFs useful life		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3Q22	<b>Sintering and Granulator:</b> revamping the Sinter and building a granulator ( <b>-\$20/t cost</b> )		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

# Industrial Hub Modernization Strategy

Ongoing investment plan focuses on reducing operational gaps to gain competitiveness and increase volume

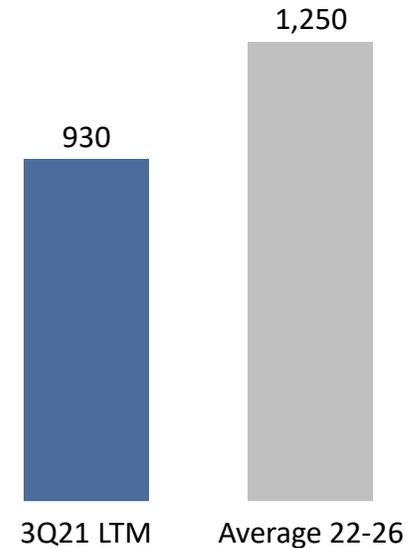
Plate Production (ktpy)



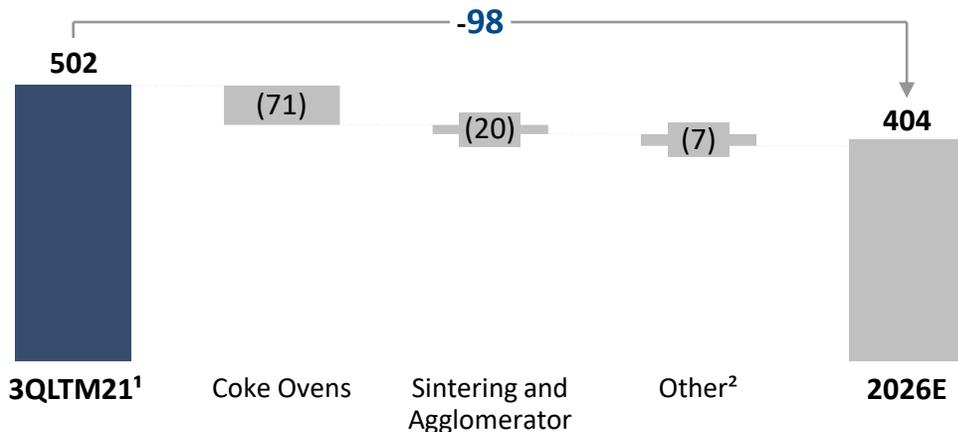
2020: Stop AF#2  
 2024: Reform AF#2  
 2025: New Battery 3 and Sintering  
 2026: New Battery 2 and Intensive Granulator

Total Steel CAPEX (BRL MM)

**Total R\$6.3Bi**  
 2022-26



Impact on Plate Cost US\$/t (normalized basis)



<sup>1</sup> Considers Mfe at \$150/t (Platts 62%), Coal at \$123/t and External Coke at \$319/t

<sup>2</sup> Others: Sintering and Granulator/Energy Efficiency

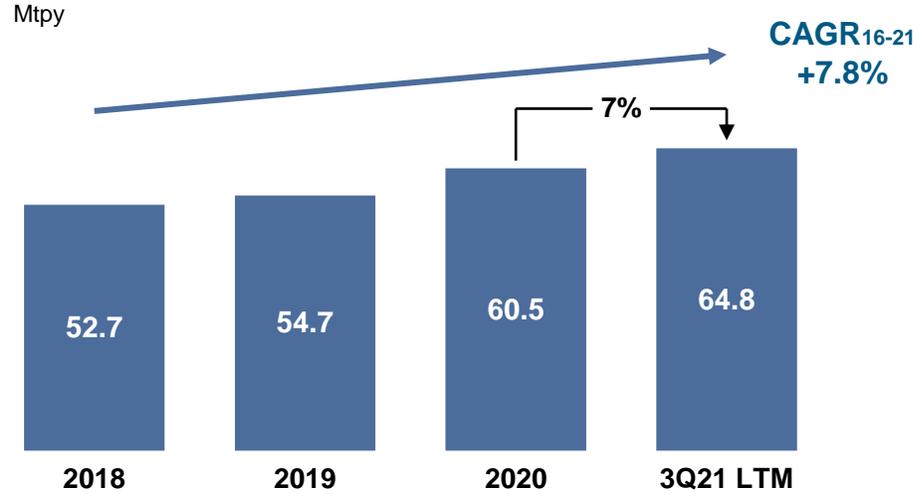
# CEMENT



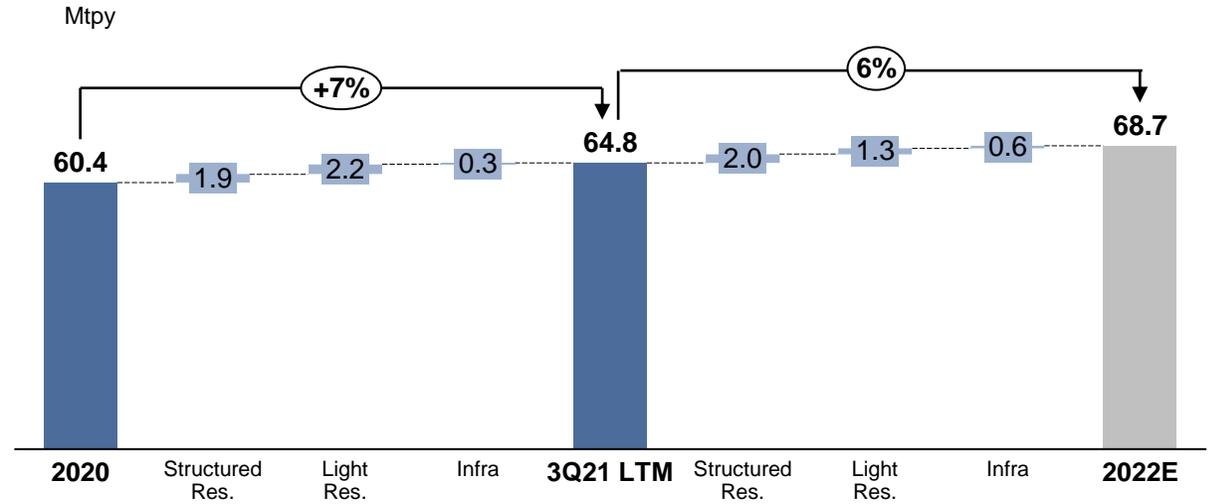
# Outlook for the Cement Market

Consistent industry growth supported by new real estate launches and infrastructure segment recovery

Evolution of Annual Consumption of the Brazilian Market

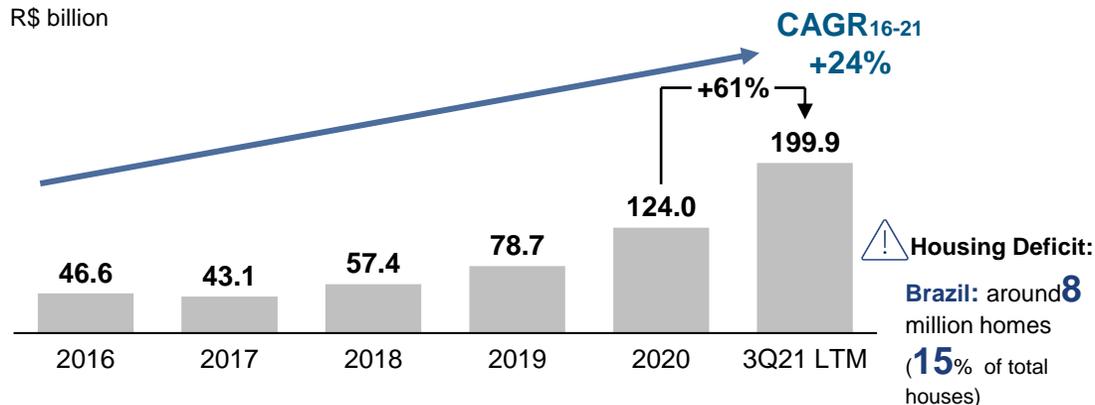


Contribution by Segment to Domestic Market Consumption



## Real Estate Market

Housing loan through SBPE1



Robust pipeline of infrastructure projects to drive significant investments, leading to higher cement consumption in the coming years.

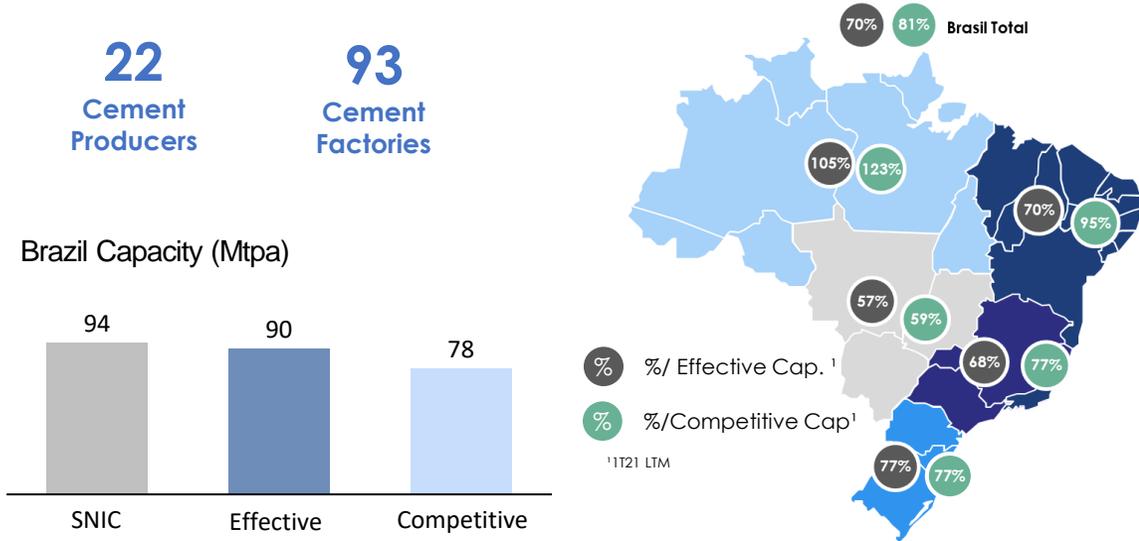
 <b>Infrastructure Concessions</b>  <b>R\$2.6 tri</b> In the next years <b>R\$250 bi</b> In electric power generation	 <b>New Regulatory Framework for Water and Sanitation</b>  <b>R\$500-700 bi</b> In new investments	 <b>New Regulatory Framework for Telecommunications</b>  Replacing fixed telephony with fiber investments	 <b>New Regulatory Framework for Natural Gas</b>  In approval in Congress <b>R\$60+bi</b> in additional investments annually
--	---	---	---

Source: CSN, SNIC, SBPE

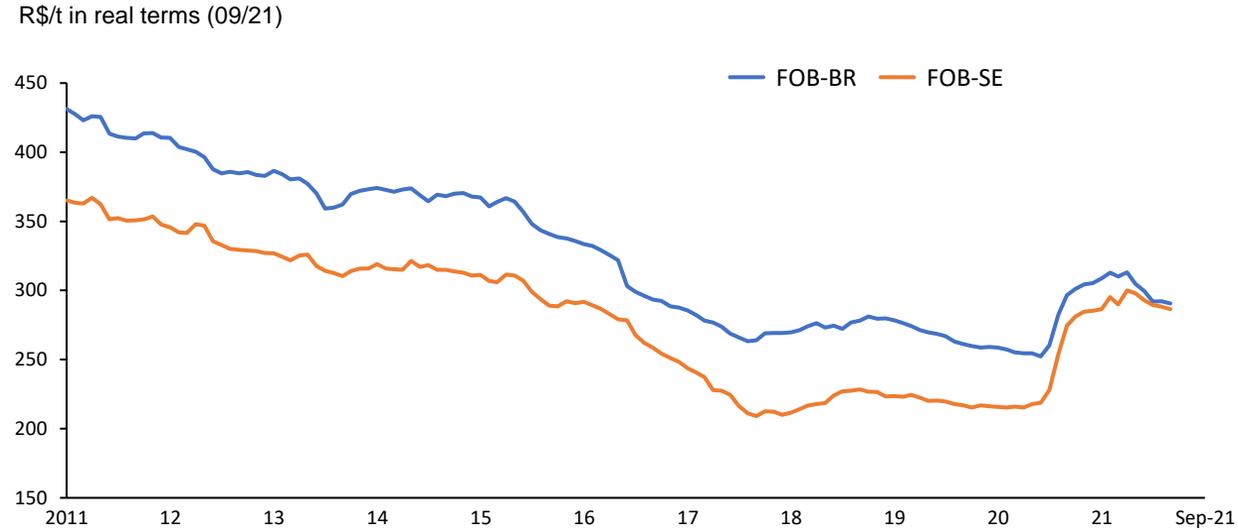
# Perspective for the Cement Market

Clear need for capacity increase in the short-term leading to price increases

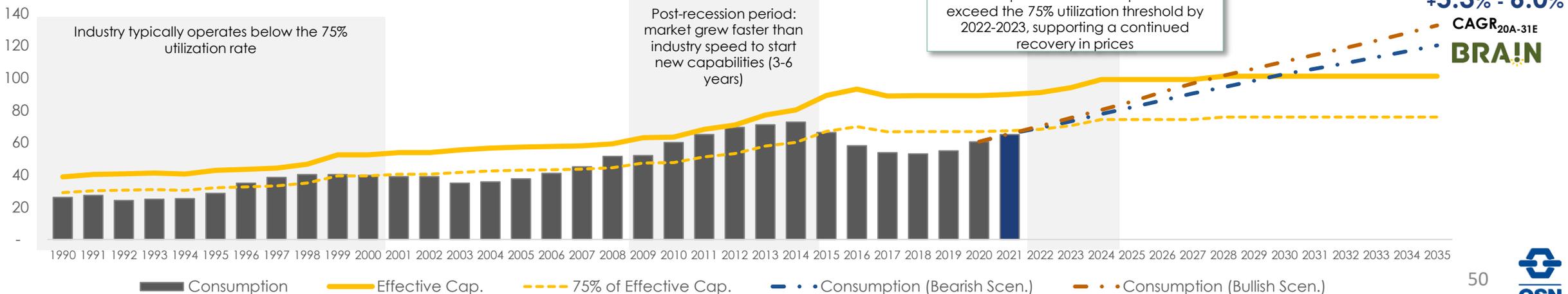
## Overview Industrial Park in Brazil, Capacity and Utilization



## Average Cement Price - Net FOB



## Cement Consumption x Capacity (Mtpa)



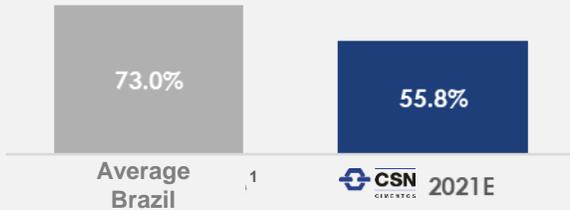
Source: CSN, SNIC, SBPE

# Performance Highlights

Record results due to disciplined execution enhanced by the market environment

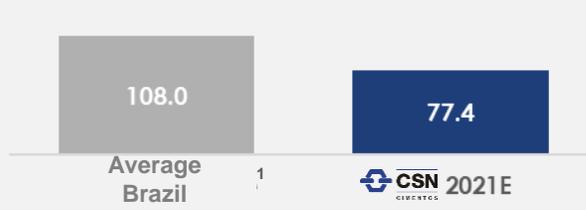
## Clinker Factor

t clinker / t cement



## Electrical Consumption

kWh / t cement



## Thermal Consumption

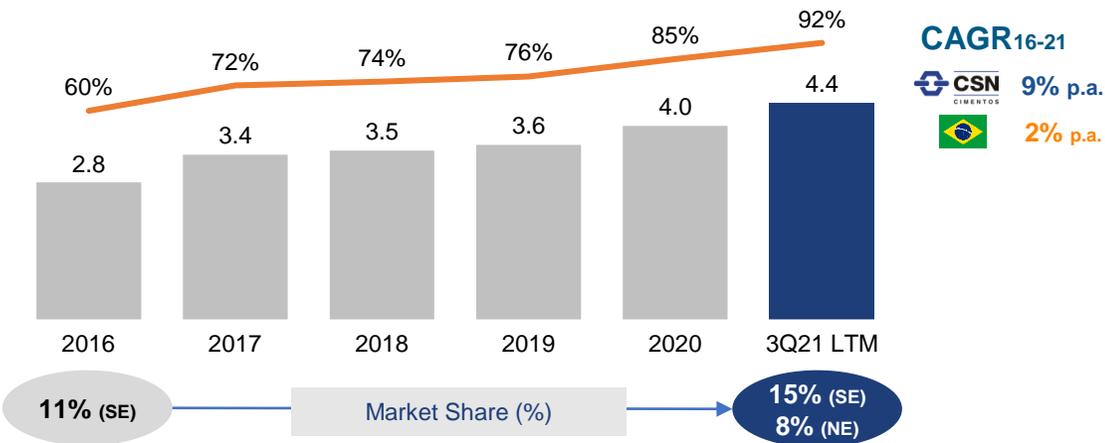
GJ/t clinker



— 2030 Target — 2050 Target

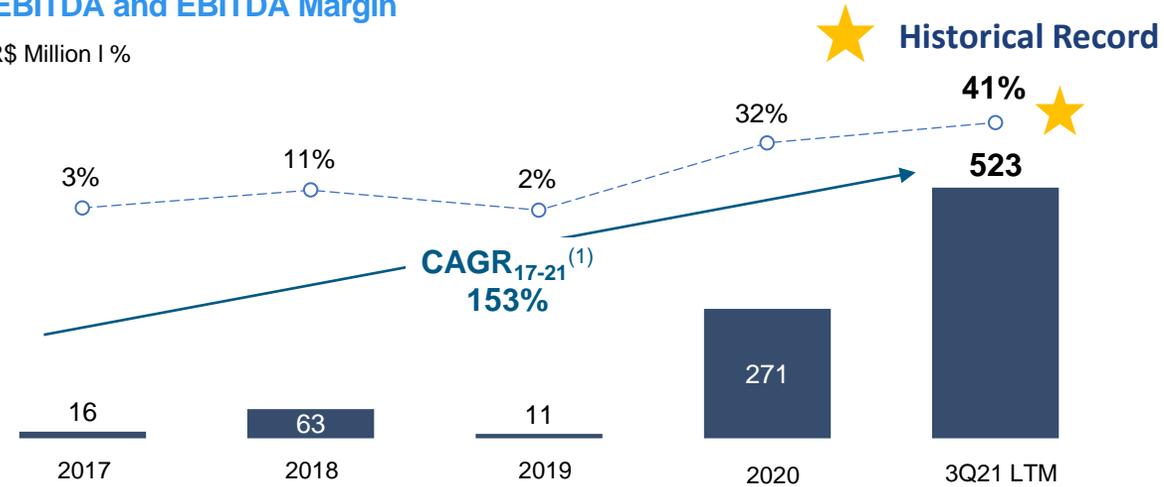
## Cement Production & Capacity

Mt | % Use



## EBITDA and EBITDA Margin

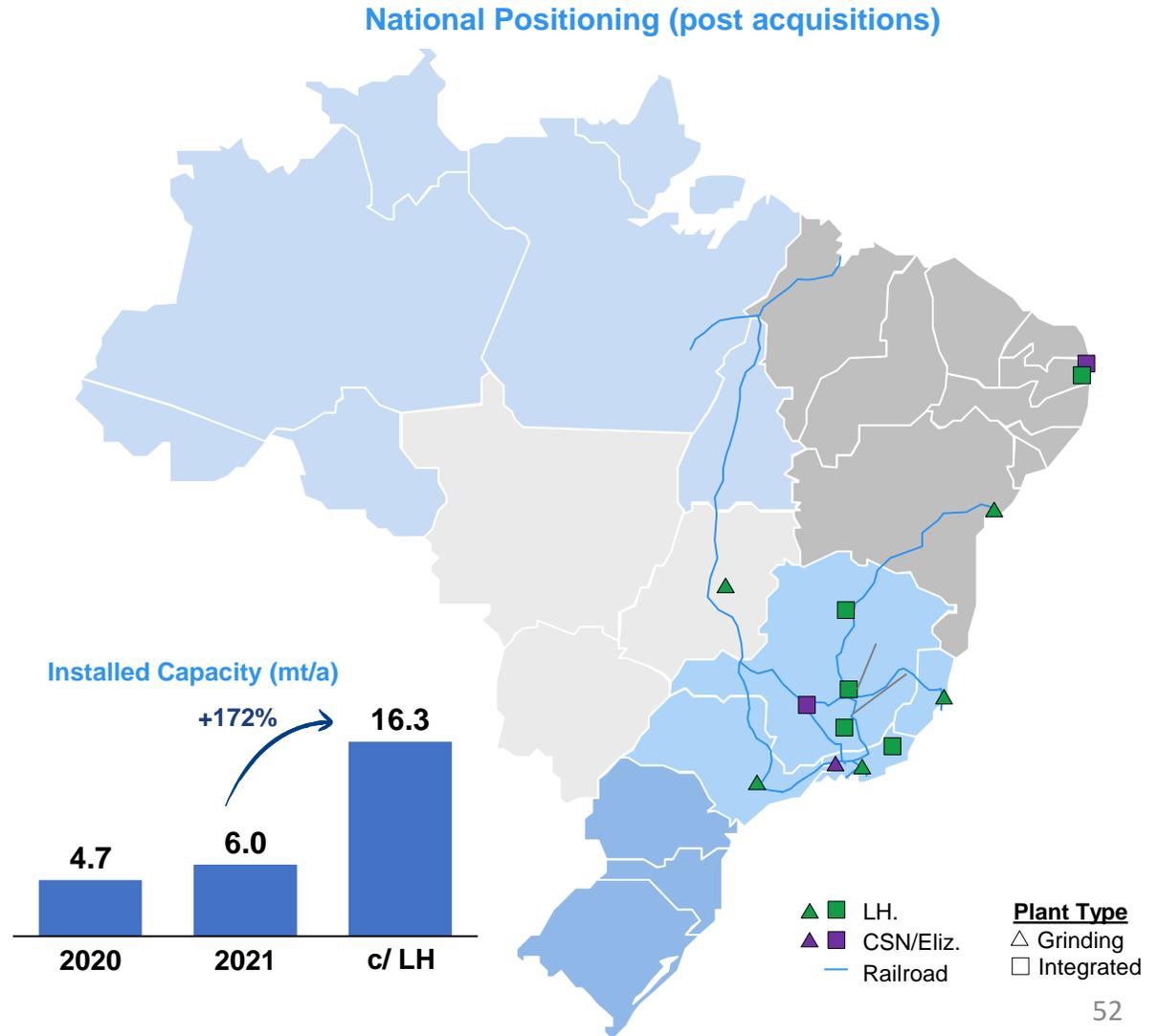
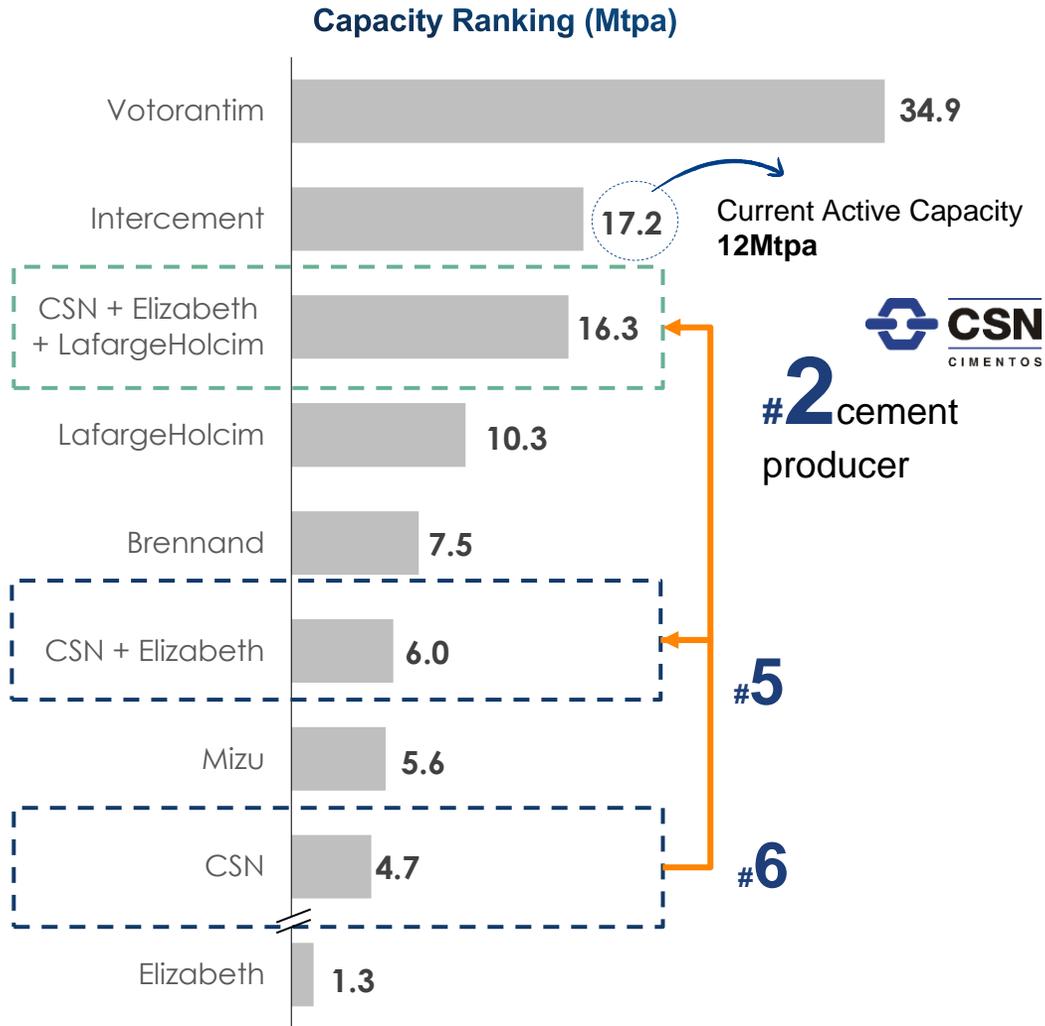
R\$ Million | %



Source: CSN; Cement Technological Roadmap (ABCP and SNIC)  
Note: (1) Latest data (2017) / (2) Indicators Ex- Alhandra

# National Growth and Diversification Strategy

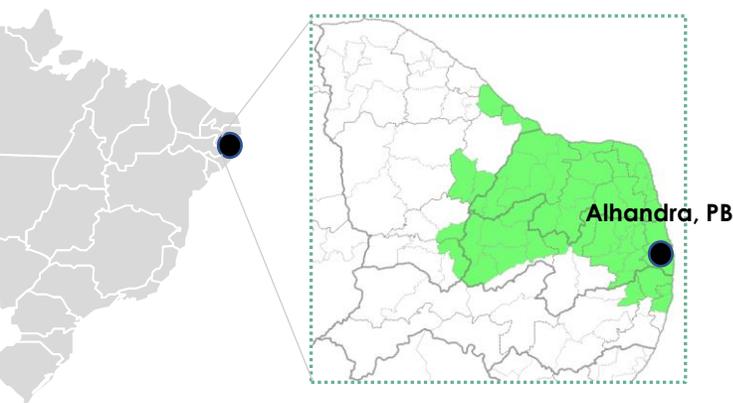
With the acquisitions of Elizabeth and LafargeHolcim, CSN Cimentos changes its level and reaches the 2<sup>nd</sup> position in the ranking of the largest cement producers in Brazil



<sup>1</sup> Including LafargeHolcim and Elizabeth Cimentos

# Elizabeth Cimentos: the New CSN Alhandra

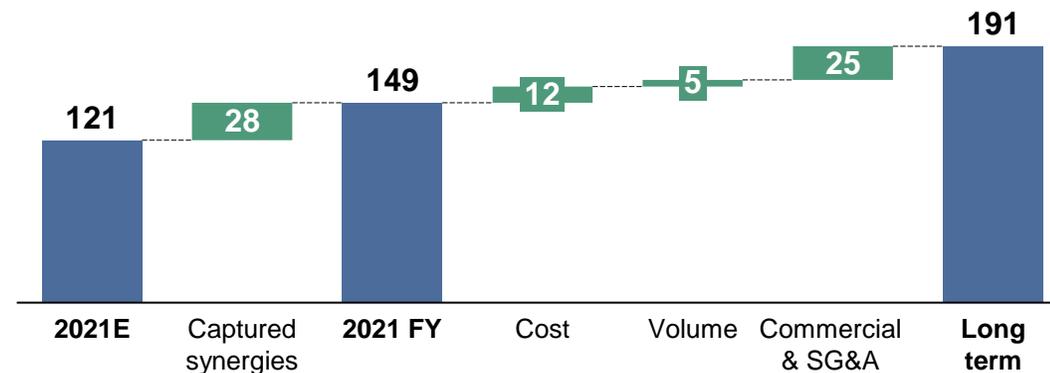
Platform for immediate growth of CSN Cimentos in the Northeast region



- Beginning 2013  
**1.3 mt**  
Capacity
- 150mt**  
reserves of limestone  
(+100years)
- One of the **lowest cash costs** in the region

## Generation of Value through Synergies<sup>3</sup>

EBITDA Elizabeth (R\$ million)



- A. Mine
- B. Crushing
- C. Pre-homogenization
- D. Vertical Rolling Mill
- E. Pre-heater
- F. Clinker Oven
- G. Clinker Silo
- H. Cement Grinding
- I. Cement Silo
- J. Bagger

Source: CSN;

Notes: (1) Considers Cement and Clinker. (2) Long Term does not consider price recovery (3) ex-price recovery

# LafargeHolcim: Consolidation as a National Player

Strongest cement platform in Brazil: gaining scale in different geographies

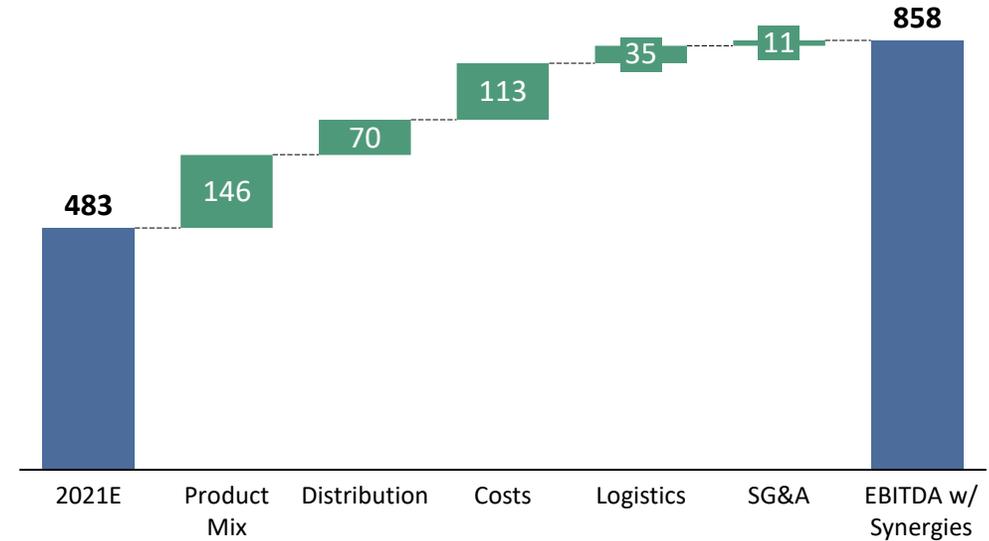


## Unique positioning in key consumer centers

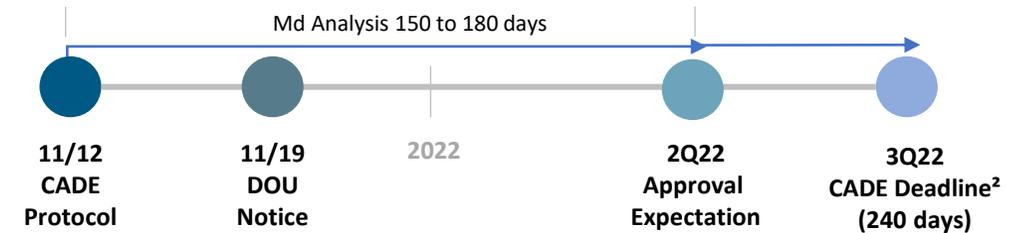
- 5 Integrated Plants (4 in the Southeast and 1 in the Northeast)
- 4 Milling Stations (Southeast, Northeast & Midwest)
- 1 Mixer in Rio de Janeiro (Southeast)
- 6 Aggregate Plants
- 19 Concrete Plants
- 215 Franchise and retail channels



## Generation of Value through Synergies<sup>1</sup> LafargeHolcim EBITDA (R\$ million)



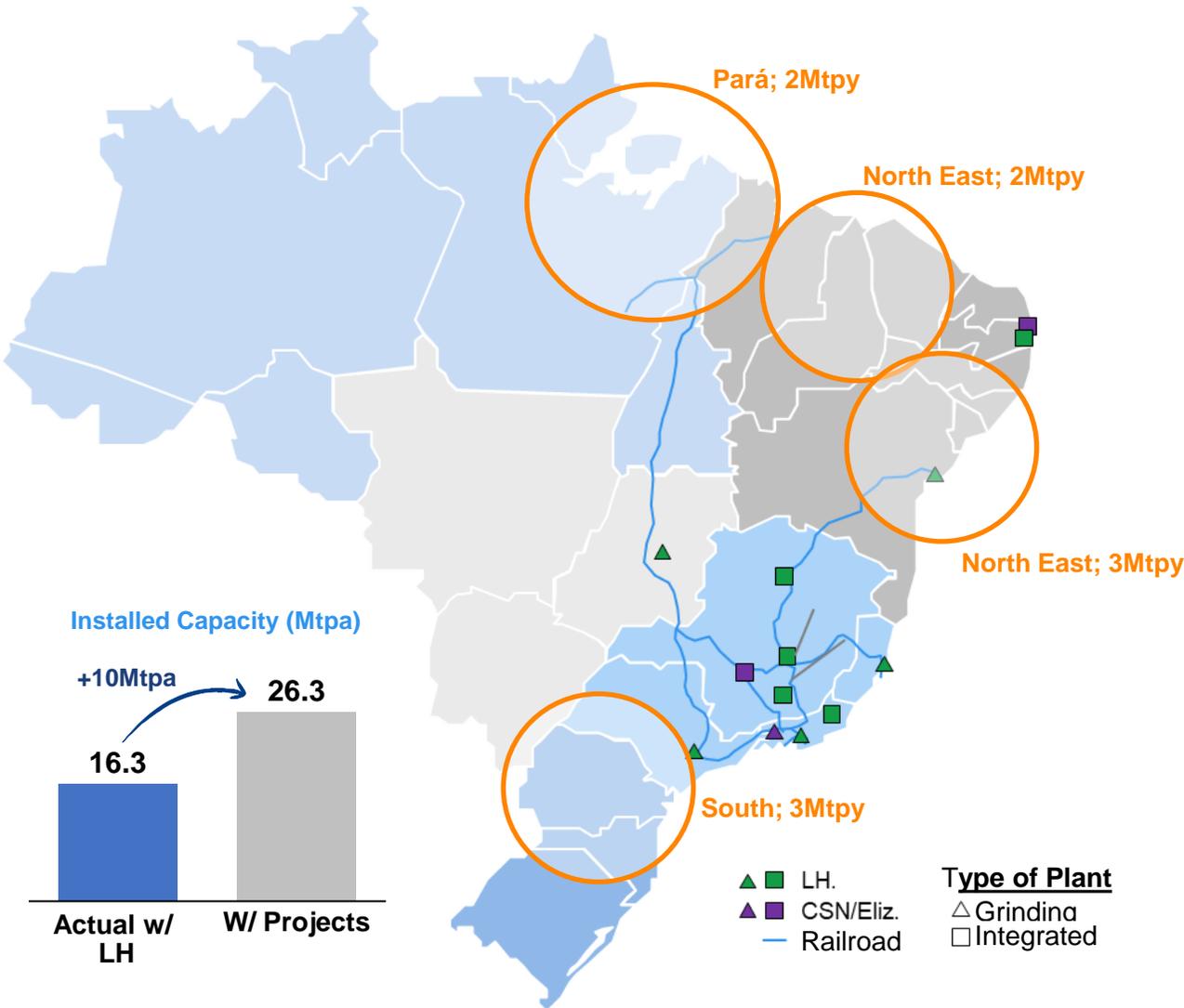
## Timeline CADE



Notes: (1) EBITDA with synergies does not consider recovery of prices (2) Deadline can be dilated for another 90 days by determination of the General Superintendence of CADE

# Organic Growth in Relevant Markets

Organic growth opportunities to meet the demand for new competitive capacity in the medium term



- Projects in regions complementary to recently acquired assets;
- **+3.5Bi tons of limestone** (with 1.2Bi tons of reserve) support future growth in the most relevant regional markets;
- Most of the equipment's already bought
- Project schedule adaptable to the need for additional capacity
- Competitive projects in capex/ton and cash cost in their regions of influence.

# Other Business

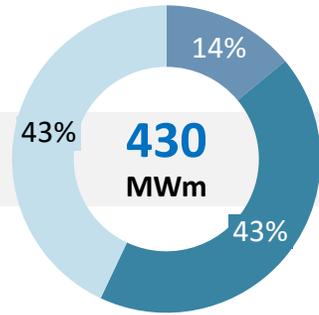


# Energy as a Strategic Pillar for Growth

Self-production and renewable generation for business competitiveness

## CSN Energia

- 94% of energy consumed from renewable sources in 2020.
- 57% self-generated electricity.



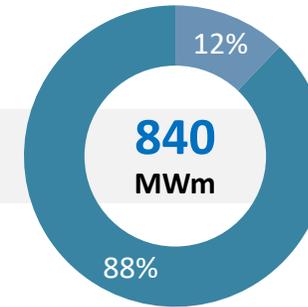
- Cogeneration
- Self-production
- Contracts

+410MWm

Investment in Cogeneration  
Participation in power generation projects<sup>1</sup>  
Acquisition of power generation plants<sup>1</sup>  
Development of power generation park energy<sup>1</sup>  
Sale of surpluses

## Future of CSN Energia (2027)

- 100% of energy consumption from renewable sources;
- 100% self-generation of electricity that will support the expansions in Mining, Steel and Cement.

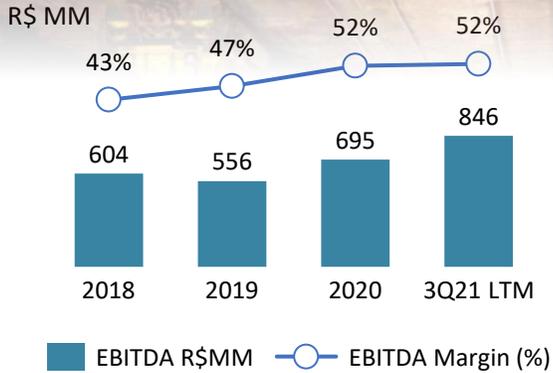


## CSN Energia Assets



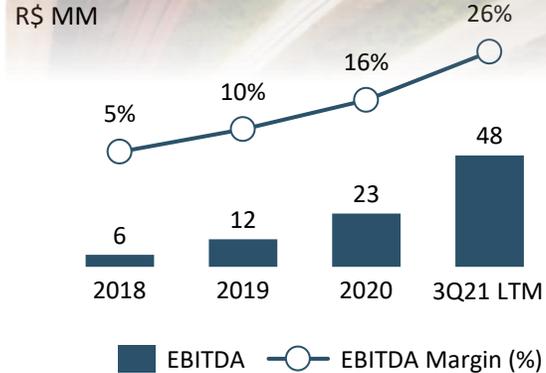
<sup>1</sup> HPP, SHP, solar or wind

# Logistics Business and Strategic Participation



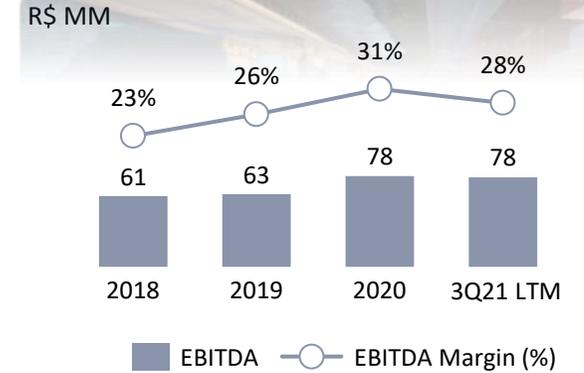
## MRS'

- Resumption of iron ore transport post Brumadinho
- Opportunity for diversification and growth of general cargo
- Concession renewal until 2056 with expected investments of R\$ 9.7 Bi



## FTL

- 2021 marked by record results with market restructuring and recovery
- In progress: Modernization of the mesh and undercarriage margin growth in next years



## TECON

- Cargo diversification strategy and verticalization of the logistics chain
- Retro port as a booster of new business.
- Opportunity to develop a multimodal logistics park (oil and gas)
- Strategic partnerships with shipowners

# Financial Results

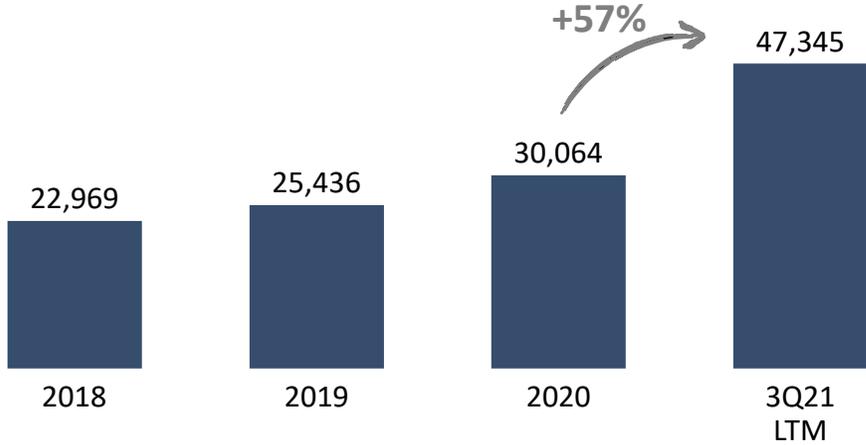
**CSNA**  
B3 LISTED



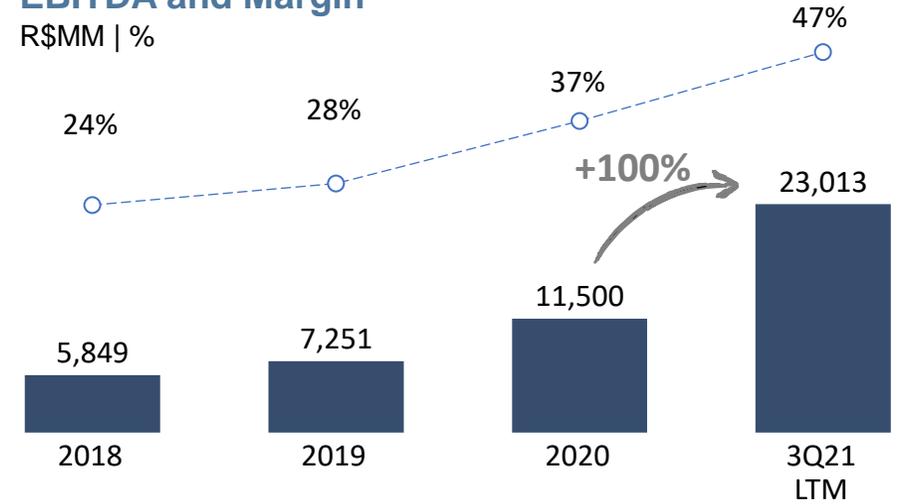
# Consolidated Result

On the right path: business strengthening strategy leads to record results

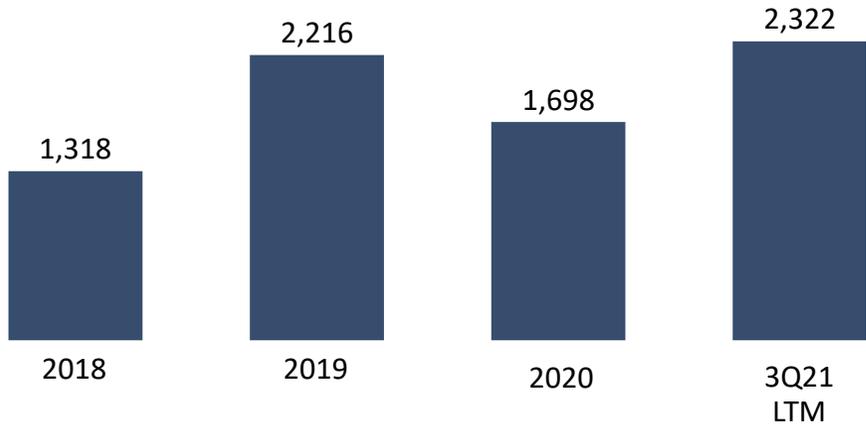
**Net Revenue**  
R\$MM



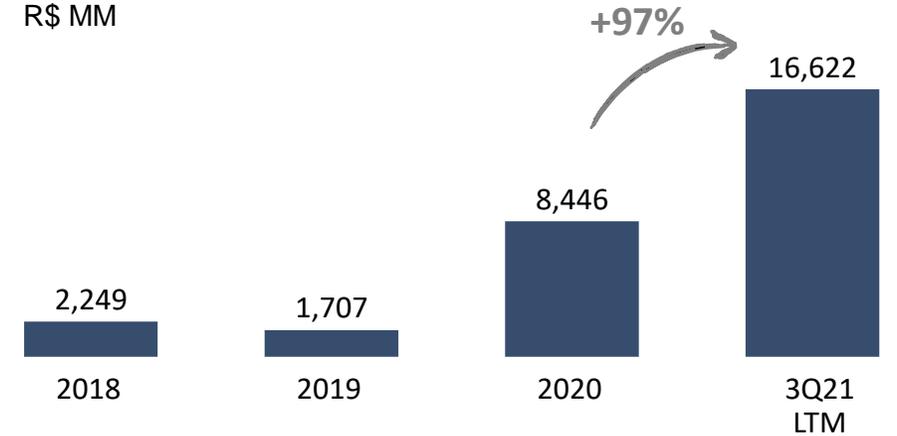
**EBITDA and Margin**  
R\$MM | %



**CAPEX**  
R\$MM



**Free Cash Flow**  
R\$ MM



# Debt Management

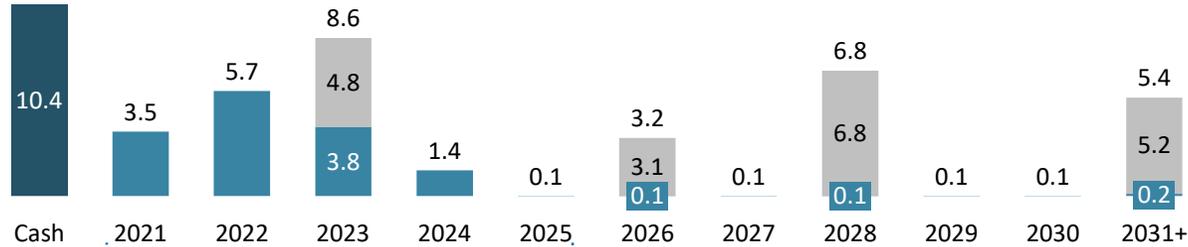
Continuous work on changing the debt profile

December/20  
R\$ Billion<sup>1</sup>

Average Term: 42 months

US\$ 6.53% pre  
BRL 124% of CDI

2 years  
Cash Coverage



Total of 5 years: R\$ 19,335 MM

September/21  
R\$ Billion<sup>1</sup>

Average Term: 65 months

US\$ 5.53% pre  
BRL 117% of CDI

6 years  
Cash Coverage



Total 5 years: R\$ 13,123 MM

Capital Markets Other Banks

## Main Actions 2021

- Prepayments 2021: - BRL 13 billion
- 2021 Funding: + R\$ 9 billion (operations linked to projects and issues in the local and foreign market with an average term > 100 months)

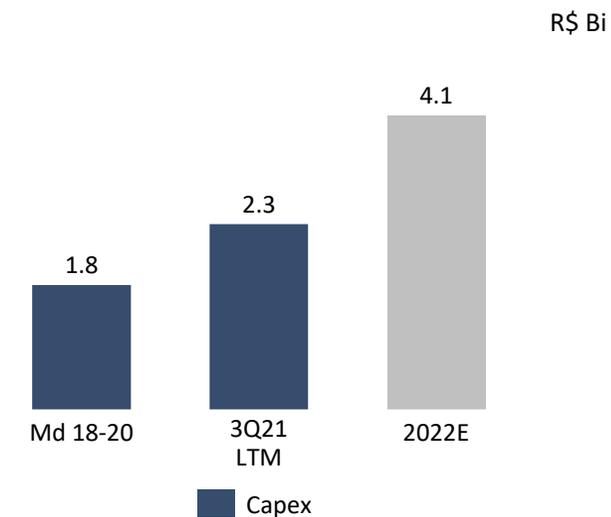
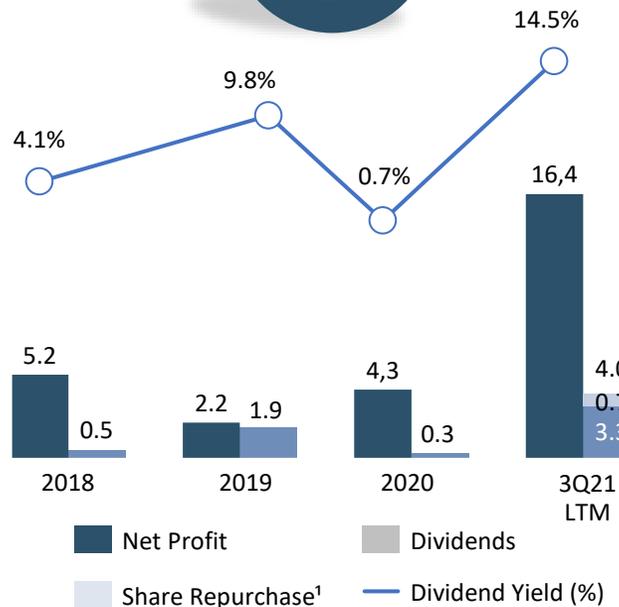
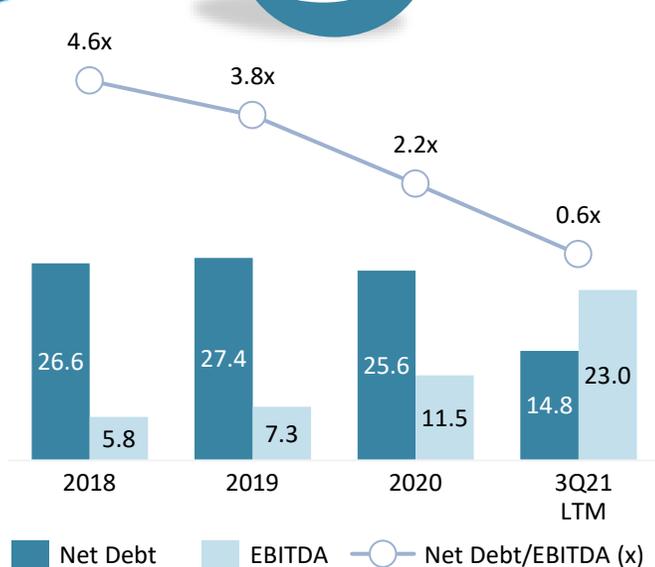
## Rating Evolution



<sup>1</sup>Already excluding currency effects

# Capital Allocation

Disciplined growth and capital allocation with strict consolidated leverage target.



## Low Leverage

- Focus on keeping Net Debt/EBITDA below **1x**.
- Commitment to the pursuit of the **degree of investment**

## Return to Shareholder

- **Dividend policy remains** minimal until targets are reached.
- Repurchase of opportunistic shares **accelerate shareholder returns**

## Investment Strategy

- **Competitiveness** and sustainability in **Steel Industry**
- **Growth in Mining**
- **International expansion**
- **Strengthening the Energy Platform**

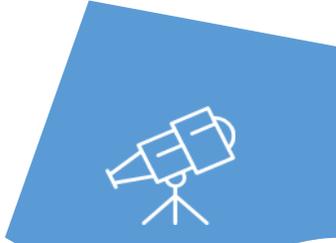
<sup>1</sup>Amounts accumulated until 12/07/2021. Others 2021: 3TLT M

# Strategic Priorities

Fazer bem, fazer mais,  
fazer para sempre.

## Outlook 2022

Positive outlook: demand growth and room for price recovery



## Operational efficiency

Integration and cost austerity to maximize results



## Industry 4.0 and Innovation

Transformational investments in disruptive solutions and trends



## Low Leverage

Growth with disciplined capital allocation



## ESG in practice

*Excellence track record, challenging goals and focus on results*



## Geographical Diversification

International expansion strategy in mature markets





# *CIA. SIDERÚRGICA NACIONAL*



**3** Anos

*Selo Assiduidade*

***APIMEC BRASIL***



2021