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Company Data / Shareholders Capital

Number of Shares (Units)	Current year 12/31/2022
Paid-in Capital	
Common	5,485,338,838
Preferred	0
Total	5,485,338,838
Treasury Shares	
Common	0
Preferred	0
Total	0

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Balance Sheet - Assets
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
1	ASSETS	24,853,853	26,989,380
1.01	CURRENT ASSETS	9,534,751	12,776,589
1.01.01	Cash and cash equivalents	6,414,998	10,697,935
1.01.02	Financial investments	247,326	217,023
1.01.02.03	Financial Investments valued at amortized cost	247,326	217,023
1.01.03	Trade receivables	1,538,234	749,766
1.01.04	Inventories	923,849	855,205
1.01.06	Recoverable taxes	175,889	103,580
1.01.06.01	Recoverable taxes	175,889	103,580
1.01.08	Other current assets	234,455	153,080
1.01.08.03	Others	234,455	153,080
1.01.08.03.03	Other assets	234,455	153,080
1.02	NONCURRENT ASSETS	15,319,102	14,212,791
1.02.01	Long term assets	1,255,953	966,363
1.02.01.05	Inventories	1,039,983	656,193
1.02.01.05.01	Inventories	1,039,983	656,193
1.02.01.10	Other noncurrent assets	215,970	310,170
1.02.01.10.04	Recoverable taxes	112,664	117,230
1.02.01.10.05	Other assets	103,306	192,940
1.02.02	Investments	1,797,990	1,333,203
1.02.03	Fixed assets	8,058,748	7,691,970
1.02.03.01	Fixed assets in operation	6,330,643	5,693,396
1.02.03.02	Right of use	129,091	125,672
1.02.03.03	Fixed assets in progress	1,599,014	1,872,902
1.02.04	Intangible	4,206,411	4,221,255

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Balance Sheet - Liabilities

(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
2	LIABILITY	24,853,853	26,989,380
2.01	CURRENT LIABILITY	4,607,925	6,530,827
2.01.01	Social and labor obligations	81,381	74,827
2.01.02	Trade payables	1,383,623	1,151,618
2.01.03	Taxes payables	427,449	2,267,326
2.01.04	Borrowings and financings	1,045,990	478,410
2.01.05	Other obligations	1,666,366	2,552,749
2.01.05.02	Others	1,666,366	2,552,749
2.01.05.02.01	Dividends and interest on equity payables	74,566	402,455
2.01.05.02.04	Lease liabilities	17,533	128,057
2.01.05.02.05	Advance from customers	933,315	1,974,014
2.01.05.02.06	Derivative financial instruments	416,935	-
2.01.05.02.07	Other Obligations	224,017	48,223
2.01.06	Provisions	3,116	5,897
2.01.06.01	Tax, social security, labor and civil provisions	3,116	5,897
2.02	NON-CURRENT LIABILITY	8,852,501	6,460,264
2.02.01	Borrowings and financings	7,350,418	4,234,652
2.02.02	Other obligations	1,356,120	1,817,388
2.02.02.02	Others	1,356,120	1,817,388
2.02.02.02.03	Lease liabilities	117,847	19,624
2.02.02.02.04	Advance from customers	549,670	945,100
2.02.02.02.05	Taxe payables	113,055	125,391
2.02.02.02.06	Environmental liabilities and decommissioning (ARO)	486,275	513,745
2.02.02.02.07	Other obligations	57,356	159,415
2.02.02.02.08	Trade payables	31,917	54,113
2.02.03	Deferred taxes	81,323	352,231
2.02.04	Provisions	64,640	55,993
2.02.04.01	Tax, social security, labor and civil provisions	64,640	55,993
2.03	SHAREHOLDERS' EQUITY	11,393,427	13,998,289
2.03.01	Paid-in capital	7,473,980	7,473,980
2.03.02	Capital reserves	127,042	127,042
2.03.04	Profit reserves	3,966,773	6,071,450
2.03.04.01	Legal reserve	1,087,698	940,183
2.03.04.08	Proposed additional dividends	631,913	2,520,403
2.03.04.09	Treasury stock	-	(651,017)
2.03.04.10	Investment reserve	2,247,162	3,261,881
2.03.06	Equity valuation adjustments	322,635	322,635
2.03.08	Other comprehensive income/expense	(497,003)	3,182

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Statement of Income
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
3.01	Revenue from the sale of goods and/or services	13,258,159	19,039,870
3.02	Cost of goods and/or services sold	(7,124,560)	(8,048,377)
3.03	Gross profit	6,133,599	10,991,493
3.04	Operating expenses/revenues	(1,403,062)	(1,534,893)
3.04.01	Selling expenses	(1,041,287)	(1,274,233)
3.04.02	General and administrative expenses	(102,532)	(109,134)
3.04.04	Other operating revenues	4,410	27,412
3.04.05	Other operating expenses	(410,961)	(301,306)
3.04.06	Investee equity pick-up	147,308	122,368
3.05	Income before taxes	4,730,537	9,456,600
3.06	Financial results	(769,929)	(266,327)
3.06.01	Financial revenues	342,557	149,541
3.06.02	Financial expenses	(1,112,486)	(415,868)
3.06.02.01	Financial expenses	(650,197)	(480,884)
3.06.02.02	Net monetary and exchange rate variations	(462,289)	65,016
3.07	Income before taxes on profits	3,960,608	9,190,273
3.08	Income tax and social contribution on profits	(1,010,310)	(2,819,307)
3.08.01	Current	(1,023,585)	(2,903,092)
3.08.02	Deferred	13,275	83,785
3.09	Net result from continued operations	2,950,298	6,370,966
3.11	Net income for the year	2,950,298	6,370,966
3.99	Earnings per share - (Reais / Share)	-	-
3.99.01	Basic earnings per share	-	-
3.99.01.01	ON	0.53784	1.14685
3.99.02	Diluted earnings per share	-	-
3.99.02.01	ON	0.53784	1.14685

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Statement of Comprehensive Income

(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
4.01	Net income for the year	2,950,298	6,370,966
4.02	Other comprehensive income/expense	(500,185)	(641)
4.02.01	Actuarial gains with pension plans, net of deferred taxes	(2,803)	(1,186)
4.02.03	Gain/(loss) on cash flow hedge, net of deferred taxes	(440,916)	(17,755)
4.02.04	Realization with cash flow accounting hedge, net of taxes	(56,466)	18,300
4.03	Comprehensive income for the year	2,450,113	6,370,325

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Statements of Cash Flows – Indirect Method
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
6.01	Net cash from operating activities	(598,576)	9,044,382
6.01.01	Cash generated from operations	4,999,751	10,239,215
6.01.01.01	Net income for the year	2,950,298	6,370,966
6.01.01.02	Investees equity pick-up	(147,308)	(122,368)
6.01.01.03	Exchange and monetary variations	(179,941)	248,814
6.01.01.04	Interest expense on borrowing and financings	359,490	150,018
6.01.01.05	Capitalized interest	(94,437)	(64,272)
6.01.01.06	Interest on lease liabilities	11,708	9,083
6.01.01.07	Amortization transaction cost	20,035	8,844
6.01.01.08	Depreciation and amortization	988,701	752,067
6.01.01.09	Estimated losses for write-off of fixed assets	(22,467)	37,866
6.01.01.10	Current and deferred income tax and social contribution	1,010,310	2,819,307
6.01.01.11	Other provisions	2,752	540
6.01.01.12	Realized losses on hedge accounting - cash flow	100,610	28,350
6.01.02	Changes in assets and liabilities	(5,598,327)	(1,194,833)
6.01.02.01	Trade receivables	(905,493)	2,103,012
6.01.02.02	Inventories	(452,434)	(743,686)
6.01.02.03	Recoverable taxes	(78,955)	(80,531)
6.01.02.04	Advances to suppliers	78,463	95,240
6.01.02.05	Other assets	(23,740)	(216,201)
6.01.02.06	Trade payables	395,390	(387,079)
6.01.02.07	Social and Labor Obligations	6,554	9,267
6.01.02.08	Tax payables	64,626	(80,192)
6.01.02.09	Advance from customers	(863,370)	(697,137)
6.01.02.10	Dividend received	31,387	19,304
6.01.02.11	Income tax and social contribution paid	(2,872,697)	(2,299,654)
6.01.02.12	Interest paid on borrowing and financings	(295,972)	(75,489)
6.01.02.13	Other obligations	(1,056,058)	1,170,886
6.01.02.14	Cash flow hedge accounting	(26,031)	(12,573)
6.01.02.15	Advance payment - electric energy contracts	400,003	-
6.02	Net cash from investing activities	(1,579,951)	(1,336,004)
6.02.01	Acquisition of fixed assets	(1,191,015)	(1,336,004)
6.02.03	Acquisition of investments	(358,634)	-
6.02.05	Financial investments	(30,302)	-
6.03	Net cash from financing activities	(2,099,170)	38,514
6.03.01	Payment of principal on borrowing and financings	(406,339)	(91,059)
6.03.02	Lease amortization	(22,656)	(15,527)
6.03.03	Financial transaction cost	(240,618)	(137,524)
6.03.04	Dividends paid	(4,283,404)	(3,204,666)
6.03.05	Raising borrowing and financings	4,011,171	3,195,386
6.03.06	Interest on own equity capital	(1,155,231)	(404,941)

(Expressed in thousands of reais – R$, unless otherwise stated)

6.03.07	Primary issuance of shares	-	1,347,862
6.03.08	Repurchase of shares	(2,093)	(651,017)
6.04	Exchange variation on cash and cash equivalents	(5,240)	-
6.05	Increase (Decrease) in cash and cash equivalents	(4,282,937)	7,746,892
6.05.01	Initial Balance of Cash and cash equivalents	10,697,935	2,951,043
6.05.02	Closing Balance of Cash and cash equivalents	6,414,998	10,697,935

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Statements of Changes in Equity - 01/01/2022 to 12/31/2022

(R$ thousand)

Code	Description	Paid-in capital	Capital reserve, granted options and treasury shares	Earnings reserve	Retained earnings (accumulated losses)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	7,473,980	127,042	6,071,450	-	325,817	13,998,289
5.03	Adjusted opening balances	7,473,980	127,042	6,071,450	-	325,817	13,998,289
5.04	Capital transactions with shareholders	-	-	(4,285,496)	(769,479)	(500,185)	(5,555,160)
5.04.04	Treasury shares acquired	-	(2,093)	-	-	-	(2,093)
5.04.06	Dividends	-	-	(4,283,403)	-	-	(4,283,403)
5.04.07	Interest on own equity capital	-	-	-	(769,479)	-	(769,479)
5.04.08	Reclassifications of treasury stock	-	(651,017)	651,017	-	-	(2,093)
5.04.09	Actuarial gains on pension plans, net of deferred taxes	-	-	-	-	(2,803)	(2,803)
5.04.10	(Loss)/gain on cash flow hedge accounting, net of deferred taxes	-	-	-	-	(497,382)	(497,382)
5.04.11	Treasury stock canceled	-	653,110	(653,110)	-	-	-
5.05	Other comprehensive income/expense	-	-	-	2,950,298	-	2,950,298
5.05.01	Net income for the year	-	-	-	2,950,298	-	2,950,298
5.06	Internal changes in shareholders' equity	-	-	2,180,819	(2,180,819)	-	-
5.06.01	Constitution of reserves	-	-	1,548,906	(1,548,906)	-	-
5.06.04	Additional proposed dividends	-	-	631,913	(631,913)	-	-
5.07	Ending balances	7,473,980	127,042	3,966,773	-	(174,368)	11,393,427

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements / Statements of Changes in Equity - 01/01/2021 to 12/31/2021

(R$ thousand)

Code	Description	Paid-in capital	Capital reserve, granted options and treasury shares	Earnings reserve	Retained earnings (accumulated losses)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	6,103,872	141,723	4,029,644	-	326,458	10,601,697
5.03	Adjusted opening balances	6,103,872	141,723	4,029,644	-	326,458	10,601,697
5.04	Capital transactions with shareholders	1,370,108	(14,681)	(2,007,629)	(2,321,531)	-	(2,973,733)
5.04.01	Capital increases	1,370,108	-	-	-	-	1,370,108
5.04.02	Expenses with stock Issuance	-	(14,681)	-	-	-	(14,681)
5.04.04	Treasury shares acquired	-	-	(651,017)	-	-	(651,017)
5.04.06	Dividends	-	-	(1,356,612)	(1,848,054)	-	(3,204,666)
5.04.07	Interest on equity capital	-	-	-	(473,477)	-	(473,477)
5.05	Total comprehensive income	-	-	-	6,370,966	(641)	6,370,325
5.05.01	Net income for the year	-	-	-	6,370,966	-	6,370,966
5.05.02	Other comprehensive income/expense	-	-	-	-	(641)	(641)
5.05.02.06	Actuarial gains with pension plans, net of deferred taxes	-	-	-	-	(1,186)	(1,186)
5.05.02.07	Losses with cash flow hedge, net of deferred taxes	-	-	-	-	545	545
5.06	Internal changes in shareholders' equity	-	-	4,049,435	(4,049,435)	-	-
5.06.01	Constitution of reserves	-	-	1,529,032	(1,529,032)	-	-
5.06.04	Additional proposed dividends	-	-	2,520,403	(2,520,403)	-	-
5.07	Ending balances	7,473,980	127,042	6,071,450	-	325,817	13,998,289

Parent Company Financial Statements / Statements of Changes in Equity - 01/01/2020 to 12/31/2020
(R$ thousand)

Justification for not filling out the table:
The company adopt the two years comparative

(Expressed in thousands of reais – R$, unless otherwise stated)

Parent Company Financial Statements/ Statements of Value Added
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
7.01	Revenues	13,633,286	19,759,089
7.01.01	Sales of goods, products and services	13,634,944	19,761,596
7.01.02	Other revenues	(869)	(3,319)
7.01.04	(Provision)/reversal of doubtful receivables	(789)	812
7.02	Inputs acquired from third parties	(6,802,627)	(8,080,207)
7.02.01	Costs of products, goods and services sold	(4,947,353)	(5,837,289)
7.02.02	Materials, energy, third-party services and others	(1,800,356)	(2,233,424)
7.02.03	Losses of assets	(54,918)	(9,494)
7.03	Gross value added	6,830,659	11,678,882
7.04	Withholdings	(987,358)	(751,218)
7.04.01	Depreciation, amortization and depletion	(987,358)	(751,218)
7.05	Net added value produced	5,843,301	10,927,664
7.06	Added value received in transfer	645,803	654,585
7.06.01	Equity in results of investee	147,308	122,368
7.06.02	Financial revenues	342,556	149,541
7.06.03	Others	155,939	382,676
7.06.03.01	Other and active exchange variations	155,939	382,676
7.07	Total added value to distribute	6,489,104	11,582,249
7.08	DISTRIBUTION OF VALUE ADDED	6,489,104	11,582,249
7.08.01	Personnel	685,515	573,702
7.08.01.01	Salaries and wages	510,625	422,208
7.08.01.02	Benefits	148,277	129,335
7.08.01.03	F.G.T.S	26,613	22,159
7.08.02	Taxes, fees and contributions	1,584,851	3,839,029
7.08.02.01	Federal	1,408,652	3,428,351
7.08.02.02	State	166,949	398,696
7.08.02.03	Municipal	9,250	11,982
7.08.03	Remuneration on third-party capital	1,268,440	798,552
7.08.03.01	Interest	361,174	126,370
7.08.03.02	Rentals	17	8
7.08.03.03	Others	907,249	672,174
7.08.03.03.01	Other and Passive Exchange Variation	907,249	672,174
7.08.04	Return on equity	2,950,298	6,370,966
7.08.04.01	Interest on own equity capital	769,479	473,477
7.08.04.02	Dividends	-	1,848,054
7.08.04.03	Retained earnings	2,180,819	4,049,435

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Balance Sheet - Assets

(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
1	ASSETS	25,053,595	26,991,134
1.01	CURRENT ASSETS	9,617,117	12,797,847
1.01.01	Cash and cash equivalents	6,489,572	10,716,802
1.01.02	Financial investments	247,326	217,023
1.01.02.03	Financial Investments valued at amortized cost	247,326	217,023
1.01.03	Trade receivables	1,545,463	749,766
1.01.04	Inventories	923,849	855,205
1.01.06	Recoverable taxes	177,737	105,989
1.01.06.01	Recoverable taxes	177,737	105,989
1.01.08	Others Current Assets	233,170	153,062
1.01.08.03	Others	233,170	153,062
1.01.08.03.03	Other assets	233,170	153,062
1.02	NONCURRENT ASSETS	15,436,478	14,193,287
1.02.01	Long term assets	1,267,450	966,843
1.02.01.05	Inventories	1,039,983	656,193
1.02.01.10	Other noncurrent assets	227,467	310,650
1.02.01.10.04	Recoverable taxes	114,336	117,230
1.02.01.10.05	Other assets	113,131	193,420
1.02.02	Investments	1,425,588	1,313,186
1.02.03	Fixed assets	8,356,288	7,692,003
1.02.03.01	Fixed assets in Operation	6,628,183	5,693,429
1.02.03.02	Right of use	129,091	125,672
1.02.03.03	Fixed assets in progress	1,599,014	1,872,902
1.02.04	Intangible	4,387,152	4,221,255

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Balance Sheet - Liabilities
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
2	LIABILITY	25,053,595	26,991,134
2.01	CURRENT LIABILITY	4,642,823	6,532,581
2.01.01	Social and Labor obligations	82,196	75,320
2.01.02	Trade payables	1,384,390	1,150,427
2.01.03	Tax payables	432,216	2,270,111
2.01.04	Borrowings and financing	1,045,990	478,410
2.01.05	Other obligations	1,694,915	2,552,416
2.01.05.02	Others	1,694,915	2,552,416
2.01.05.02.01	Dividends and interest on equity payable	74,566	402,455
2.01.05.02.04	Lease liabilities	17,533	128,057
2.01.05.02.05	Advance from customers	945,808	1,974,014
2.01.05.02.06	Derivative financial instruments	416,935	-
2.01.05.02.07	Other obligations	227,792	47,890
2.01.05.02.08	Concession payable	12,281	-
2.01.06	Provisions	3,116	5,897
2.01.06.01	Tax, social security, labor and civil provisions	3,116	5,897
2.02	NON-CURRENT LIABILITY	9,017,345	6,460,264
2.02.01	Borrowings and financing	7,350,418	4,234,652
2.02.02	Other obligations	1,520,934	1,817,388
2.02.02.02	Others	1,520,934	1,817,388
2.02.02.02.03	Lease liabilities	117,847	19,624
2.02.02.02.04	Advance from customers	637,188	945,100
2.02.02.02.05	Taxes payables	113,055	125,391
2.02.02.02.06	Environmental liabilities and decommissioning (ARO)	486,275	513,745
2.02.02.02.07	Other obligations	57,356	159,415
2.02.02.02.08	Trade payables	31,917	54,113
2.02.02.02.09	Concession payables	77,296	-
2.02.03	Deferred Taxes	81,323	352,231
2.02.04	Provisions	64,670	55,993
2.02.04.01	Tax, social security, labor and civil provisions	64,670	55,993
2.03	SHAREHOLDERS' EQUITY	11,393,427	13,998,289
2.03.01	Paid-up capital	7,473,980	7,473,980
2.03.02	Capital reserves	127,042	127,042
2.03.04	Profit reserves	3,966,773	6,071,450
2.03.04.01	Legal reserve	1,087,698	940,183
2.03.04.08	Proposed additional dividend	631,913	2,520,403
2.03.04.09	Treasury stock	-	(651,017)
2.03.04.10	Investment reserves	2,247,162	3,261,881
2.03.06	Equity valuation adjustments	322,635	322,635
2.03.08	Other comprehensive income/expense	(497,003)	3,182

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statements of Income
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
3.01	Revenue from the sale of goods and/or services	13,272,564	19,039,870
3.02	Cost of goods and/or services sold	(7,083,267)	(8,008,266)
3.03	Gross profit	6,189,297	11,031,604
3.04	Operating expenses/revenues	(1,436,726)	(1,562,106)
3.04.01	Selling expenses	(1,028,842)	(1,252,259)
3.04.02	General and administrative expenses	(117,446)	(130,164)
3.04.04	Other operating revenues	4,531	29,969
3.04.05	Other operating expenses	(411,531)	(301,707)
3.04.06	Investee equity pick-up	116,562	92,055
3.05	Income before taxes	4,752,571	9,469,498
3.06	Financial results	(772,169)	(264,854)
3.06.01	Financial revenues	344,247	149,548
3.06.02	Financial expenses	(1,116,416)	(414,402)
3.06.02.01	Financial expenses	(652,013)	(480,905)
3.06.02.02	Net monetary and exchange rate variations	(464,403)	66,503
3.07	Income before taxes on profits	3,980,402	9,204,644
3.08	Income tax and social contribution on profits	(1,030,104)	(2,833,678)
3.08.01	Current	(1,043,200)	(2,917,463)
3.08.02	Deferred	13,096	83,785
3.09	Net result from continued operations	2,950,298	6,370,966
3.11	Net income for the Year	2,950,298	6,370,966
3.11.01	Attributed to shareholders of the parent company	2,950,298	6,370,966
3.99	Earnings per Share - (Reais / Share)	-	-
3.99.01	Basic earnings per share	-	-
3.99.01.01	ON	0.53784	1.14685
3.99.02	Diluted earnings per share	-	-
3.99.02.01	ON	0.53784	1.14685

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statement of Comprehensive Income
(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
4.01	Net income for the year	2,950,298	6,370,966
4.02	Other comprehensive income/expense	(500,185)	(641)
4.02.01	Actuarial gains with pension plans, net of deferred taxes	(2,803)	(1,186)
4.02.03	Gain/(loss) on cash flow hedge, net of deferred taxes	(440,916)	(17,755)
4.02.04	Realization with cash flow accounting hedge, net of taxes	(56,466)	18,300
4.03	Comprehensive Income for the year	2,450,113	6,370,325
4.03.01	Attributed to shareholders of the parent company	2,450,113	6,370,325

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statements of Cash Flows – Indirect Method

(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
6.01	Net Cash from operating activities	(584,552)	9,041,771
6.01.01	Cash generated from operations	5,027,279	10,257,468
6.01.01.01	Net income for the year	2,950,298	6,370,966
6.01.01.02	Investees equity pick-up	(116,562)	(92,055)
6.01.01.03	Exchange and monetary variations	(179,941)	248,814
6.01.01.04	Interest expense on borrowing and financings	359,490	150,018
6.01.01.05	Capitalized Interest	(94,437)	(64,272)
6.01.01.06	Interest on lease liabilities	11,708	9,083
6.01.01.07	Amortization transaction cost	20,035	8,844
6.01.01.08	Depreciation and amortization	1,000,269	752,109
6.01.01.09	Estimated loss for write-off of fixed assets	(22,445)	37,866
6.01.01.10	Current and deferred income tax and social contribution	1,030,104	2,833,678
6.01.01.11	Other provisions	(31,850)	(25,933)
6.01.01.12	Realized losses on hedge accounting - cash flow	100,610	28,350
6.01.02	Changes in assets and liabilities	(5,611,831)	(1,215,697)
6.01.02.01	Trade receivables	(906,977)	2,103,012
6.01.02.02	Inventories	(453,452)	(743,686)
6.01.02.03	Recoverable taxes	(65,124)	(79,671)
6.01.02.04	Advance to suppliers	78,463	95,240
6.01.02.05	Other assets	(32,792)	(216,261)
6.01.02.06	Trade payables	397,192	(386,905)
6.01.02.07	Social and labor obligations	6,512	9,369
6.01.02.08	Tax payables	44,868	(96,927)
6.01.02.09	Advance from customers	(863,371)	(697,137)
6.01.02.10	Dividends received	31,387	19,304
6.01.02.11	Income tax and social contribution paid	(2,872,697)	(2,300,048)
6.01.02.12	Interest paid on loans and financing	(295,972)	(75,489)
6.01.02.13	Other obligations	(1,053,840)	1,166,075
6.01.02.14	Cash flow hedge accounting	(26,031)	(12,573)
6.01.02.15	Advance payment - electric energy contracts	400,003	-
6.02	Net cash from investing activities	(1,538,268)	(1,336,004)
6.02.01	Acquisition of fixed assets	(1,191,025)	(1,336,004)
6.02.02	Cash from Chapeco acquisition	41,693	-
6.02.03	Acquisition of investments	(358,634)	-
6.02.05	Financial investments	(30,302)	-
6.03	Net Cash from financing activities	(2,099,170)	38,514
6.03.01	Payment of principal on borrowings	(406,339)	(91,059)
6.03.02	Lease amortization	(22,656)	(15,527)
6.03.03	Financial Transaction Cost	(240,618)	(137,524)
6.03.04	Dividends paid	(4,283,404)	(3,204,666)
6.03.05	Raising borrowing and financings	4,011,171	3,195,386

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statements of Cash Flows – Indirect Method

(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
6.03.06	Interest on own equity capital	(1,155,231)	(404,941)
6.03.07	Primary issuance of shares	-	1,347,862
6.03.08	Repurchase of shares	(2,093)	(651,017)
6.04	Exchange variation on cash and cash equivalents	(5,240)	-
6.05	Increase (Decrease) in cash and cash equivalents	(4,227,230)	7,744,281
6.05.01	Initial Balance of Cash and cash equivalents	10,716,802	2,972,521
6.05.02	Closing Balance of Cash and cash equivalents	6,489,572	10,716,802

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statements of Changes in Equity - 01/01/2022 to 12/31/2022

(R$ thousand)

Code	Description	Paid-in capital	Capital reserve, granted options and treasury shares	Earnings reserve	Retained earnings (accumulated losses)	Other comprehensive income	Shareholders' equity	Non-controlling interests	Shareholders' equity
5.01	Opening Balances	7,473,980	127,042	6,071,450	-	325,817	13,998,289	-	13,998,289
5.03	Adjusted Opening Balances	7,473,980	127,042	6,071,450	-	325,817	13,998,289	-	13,998,289
5.04	Capital Transactions with Partners	-	-	(4,285,496)	(769,479)	(500,185)	(5,555,160)	-	(5,555,160)
5.04.04	Treasury Shares Acquired	-	(2,093)	-	-	-	-	-	(2,093)
5.04.06	Dividends	-	-	(4,283,403)	-	-	(4,283,403)	-	(4,283,403)
5.04.07	Interest on own equity capital	-	-	-	(769,479)	-	(769,479)	-	(769,479)
5.04.08	Reclassifications of treasury stock	-	(651,017)	651,017	-	-	(2,093)	-	(2,093)
5.04.09	Actuarial gains on pension plans, net of deferred taxes	-	-	-	-	(2,803)	(2,803)	-	(2,803)
5.04.10	(Loss)/gain on cash flow hedge accounting, net of deferred taxes	-	-	-	-	(497,382)	(497,382)	-	(497,382)
5.04.11	Treasury stock canceled	-	653,110	(653,110)	-	-	-	-	-
5.05	Total comprehensive income	-	-	-	2,950,298	-	2,950,298	-	2,950,298
5.05.01	Net income for the year	-	-	-	2,950,298	-	2,950,298	-	2,950,298
5.06	Internal changes in shareholders' equity	-	-	2,180,819	(2,180,819)	-	-	-	-
5.06.01	Constitution of reserves	-	-	1,548,906	(1,548,906)	-	-	-	-
5.06.04	Additional proposed dividends	-	-	631,913	(631,913)	-	-	-	-
5.07	Ending Balances	7,473,980	127,042	3,966,773	-	(174,368)	11,393,427	-	11,393,427

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statements of Changes in Equity - 01/01/2021 to 12/31/2021

(R$ thousand)

Code	Description	Paid-in capital	Capital reserve, granted options and treasury shares	Earnings reserve	Retained earnings (accumulated losses)	Other comprehensive income	Shareholders' equity	Non-controlling interests	Shareholders' equity
5.01	Opening Balances	6,103,872	141,723	4,029,644	-	326,458	10,601,697	-	10,601,697
5.03	Adjusted opening balances	6,103,872	141,723	4,029,644	-	326,458	10,601,697	-	10,601,697
5.04	Capital transactions with partners	1,370,108	(14,681)	(2,007,629)	(2,321,531)	-	(2,973,733)	-	(2,973,733)
5.04.01	Capital increases	1,370,108	-	-	-	-	1,370,108	-	1,370,108
5.04.02	Expenses with stock issuance	-	(14,681)	-	-	-	(14,681)	-	(14,681)
5.04.04	Treasury shares acquired	-	-	(651,017)	-	-	(651,017)	-	(651,017)
5.04.06	Dividends	-	-	(1,356,612)	(1,848,054)	-	(3,204,666)	-	(3,204,666)
5.04.07	Interest on own equity Capital	-	-	-	(473,477)	-	(473,477)	-	(473,477)
5.05	Total comprehensive income	-	-	-	6,370,966	(641)	6,370,325	-	6,370,325
5.05.01	Net income for the year	-	-	-	6,370,966	-	6,370,966	-	6,370,966
5.05.02	Other comprehensive results	-	-	-	-	(641)	(641)	-	(641)
5.05.02.06	Actuarial gains with pension plans, net of deferred taxes	-	-	-	-	(1,186)	(1,186)	-	(1,186)
5.05.02.07	Losses with cash flow hedge, net of deferred taxes	-	-	-	-	545	545	-	545
5.06	Internal Changes in shareholders' equity	-	-	4,049,435	(4,049,435)	-	-	-	-
5.06.01	Constitution of reserves	-	-	1,529,032	(1,529,032)	-	-	-	-
5.06.04	Additional proposed dividends	-	-	2,520,403	(2,520,403)	-	-	-	-
5.07	Ending Balances	7,473,980	127,042	6,071,450	-	325,817	13,998,289	-	13,998,289

Consolidated Financial Statements / Statements of Changes in Equity - 01/01/2020 to 12/31/2020

Justification for not filling out the table:
The company adopt the two years comparative

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Financial Statements / Statements of Value Added

(R$ thousand)

Code	Description	Current Year 12/31/2022	Previous Year 12/31/2021
7.01	Revenues	13,649,733	19,761,646
7.01.01	Sales of goods, products and services	13,651,195	19,761,596
7.01.02	Other revenues	(673)	(762)
7.01.04	(Provision)/reversal of doubtful receivables	(789)	812
7.02	Inputs acquired from third parties	(6,741,844)	(8,019,973)
7.02.01	Costs of products, goods and services sold	(4,894,061)	(5,797,178)
7.02.02	Materials, energy, third-party services and others	(1,792,843)	(2,213,301)
7.02.03	Losses of assets	(54,940)	(9,494)
7.03	Gross value added	6,907,889	11,741,673
7.04	Withholdings	(998,926)	(751,260)
7.04.01	Depreciation, amortization and depletion	(998,926)	(751,260)
7.05	Net added value produced	5,908,963	10,990,413
7.06	Added value received in transfer	(159,377)	625,972
7.06.01	Investees equity pick-up	116,562	92,055
7.06.02	Financial revenues	344,247	149,548
7.06.03	Other and active exchange variations	(620,186)	384,369
7.07	Total added value to distribute	5,749,586	11,616,385
7.08	DISTRIBUTION OF VALUE ADDED	5,749,586	11,616,385
7.08.01	Personnel	696,079	590,615
7.08.01.01	Salaries and wages	520,747	438,547
7.08.01.02	Benefits	148,687	129,909
7.08.01.03	F.G.T.S	26,645	22,159
7.08.02	Taxes, fees and contributions	1,604,678	3,839,823
7.08.02.01	Federal	1,428,479	3,429,145
7.08.02.02	State	166,949	398,696
7.08.02.03	Municipal	9,250	11,982
7.08.03	Remuneration on third-party capital	498,531	798,323
7.08.03.01	Interest	361,174	114,298
7.08.03.02	Rentals	2,305	8
7.08.03.03	Others	135,052	684,017
7.08.03.03.01	Other and Passive Exchange Variation	135,052	684,017
7.08.04	Return on equity	2,950,298	6,387,624
7.08.04.01	Interest on own equity Capital	769,479	473,477
7.08.04.02	Dividends	-	1,848,054
7.08.04.03	Retained earnings	2,180,819	4,066,093

MANAGEMENT REPORT 2022

CSN MINERAÇÃO

1- MESSAGE FROM THE ADMINISTRATION

“The year 2022 was marked by a series of challenges for the mining sector. Right at the beginning of January we had an abyssal volume of rainfall in the Quadrilátero Ferrífero region, in Minas Gerais, which led to the interruption of mining extraction for a few days. Subsequently, the month of April also presented a rainfall volume much higher than seasonality. With this and the impact of the projects ramp-up connected to the Central Plant (CMAI 3, spirals and re-crushing), the 2022 volume of CSN Mineração was impacted. In addition to operating factors, the year was also marked by intense volatility in the price of iron ore as a result of uncertainties related to China's economic performance. Despite the challenging scenario, CSN Mineração reached R$ 6 billion in EBITDA in 2022, with production volume of 33.7 million tons and C1 cost in USD21.5/ton. In this way, the company maintained a solid financial health, with a very robust balance sheet.

For 2023, the company is confident about the prospects of production recovery, which in addition to ensuring a significant increase in volume, will also have a higher quality ore, as a result of the maturation of projects taken up in 2022. The combination of these factors, with a prospect of better prices from the Chinese economical reopening, signals that CSN Mineração is ready to deliver an extraordinary performance throughout the year. All these conditions reinforce our optimism regarding the short and medium-term dynamics, even more so as we move towards the expansion projects planned by the company.

CSN Mineração's growth strategy is linked to projects to increase production capacity, especially the P15 processing plant in Congonhas (MG), and the Pires, B4 and Casa de Pedra dam tailings recovery projects, with the possibility of doubling the volume of production in the next five years. In addition, it is important to highlight the focus with the safety in our operations, with the conduct of dam decharacterization programs that even exceed the requirements of government agencies by providing for the decharacterization of structures regardless of the construction method, such as the Casa de Pedra dam.

Another field that deserves a highlight is that of sustainability, since the P15 pellet feed plant has a project with dry stacking of tailings and will operate without the use of dams. In addition, because it is a premium ore, with high iron content, it will demand less coal in the steel process, contributing significantly to the decarbonization of the industry, thus being a product more valued by the market.

In search of an increasingly distant future from carbon emissions, CSN Mineração consolidated another step in the construction of a new chapter of innovation and sustainability in the history of mining by starting tests with electric trucks, replacing diesel oil with rechargeable batteries supplied with 100% renewable energy. The trucks began tests in the second half of the year, directed for tailings management at the Casa de Pedra mine, and the results have been encouraging.

The company also remained committed to the inclusion of women and People with Disabilities (PwDs) in operations. Female participation in CSN Mineração jumped from 18% in 2021 to 21.8% last year. Regarding the representativeness of People with Disabilities, the annual growth in 2022 was 9.6%. And the ambition is even greater, with several efforts being led so that the company is increasingly plural, diverse and inclusive.

In 2022, CSN Mineração also had a standout year in relation to safety indicators, obtaining the best results of the historical series of the last eight years, with a 34% reduction in incidents in the period compared to 2021. The company has not recorded any fatalities in its operations. And there are nine years without fatal occurrences in the units of Casa de Pedra, Pires and Tecar (Port Terminal of Solid Bulk of the Port of Itaguaí – RJ). The constant evolution in these indicators reinforces the company's concern and dedication to promote increasingly safe working conditions and environments for employees.

Also responding to external requests from investors and other stakeholders, CSN Mineração reports to CDP (Disclosure Insight Action) the guidelines followed regarding Climate Change and Water Security. In 2022, the company's Climate Change score evolved from "B-" to "B" and from "C" to "B" in Water Security. Another recognition to be celebrated by the CSN Group, controller of CSN Mineração, concerns the evolution in important ESG ratings, such as MSCI, from "CCC" to "B", and S&P, in which the group was the only Brazilian in the steel, mining and civil construction sectors eligible to compose the S&P Global Sustainability Yearbook 2023. This indicator is still being processed to evaluate CSN Mineração independently, but there is no doubt that much of the group's achievements come from the cutting-edge work conducted by CSN Mineração on ESG issues.

Regarding the expected progress in the coming years, the ongoing projects signals a promising future for CSN Mineração, with the potential to place the company in a prominent position among the world's largest mining companies. The scarcity of high-quality ore to meet the need for decarbonization of the production chain added to the growing premiums for premium products are attributes that, added to operational efficiency and cost control, will provide increasing competitiveness and return for the company.

In this sense, CSN Mineração stands out as a unique company, which manages to reconcile rapid growth to a strong flow of dividends by distributing between 80% and 100% of its results. In 2022, more than R$ 4.97 billion in dividends were distributed. In addition, the strength of the balance sheet and the strong cash flow from operations allows the company to finance its projects while maintaining low leverage. These commitments guide management's performance and create an orchestrated strategy for the company to grow in a healthy way, valuing its shareholders with the return of dividends. With the usual focus and determination, CSN Mineração will continue to pursue these objectives and pay attention to the best opportunities to generate value for all stakeholders.

Together we will continue to do well, do more, and do forever! "

Benjamin Steinbruch

Chairman of the Board of Directors

2- THE COMPANY

CSN Mineração S.A. ("CSN Mineração" or "Company") operates in an integrated and competitive manner, through efficient mine operations, processing, participation in the MRS Logística S.A. railway ("MRS") and lease agreement of the TECAR port terminal in Itaguaí, Rio de Janeiro, supplying quality iron ore to the national steel and transoceanic market. With relatively high iron content and consequently low slag generation in steel production, CSN Mineração helps its customers reduce greenhouse gas emissions, contributing to a sustainable future and pollution reduction.

Localized in the *Quadrilátero Ferrífero*, a region recognized for its mineral wealth, in the south-central state of Minas Gerais, Brazil, CSN Mineração has an installed production capacity of 33 million tons of iron ore per year in its processing plants in Casa de Pedra (central plant and dry plants) and an installed export capacity of 45 million tons per year in TECAR.

In 2022, 33.3 million tons of iron ore were sold by CSN Mineração, an increase of 0.3% compared to 2021, of which 12.4% (4.1 million tons) were destined for UPV (Presidente Vargas Mill) and 87.6% were exported.

CSN Mineração has a history of more than 100 years in the production of iron ore. It acts as the second largest exporter of iron ore in Brazil, certified in 4.1 billion tons of resources and reserves, according to the audit of Snowden do Brasil Ltda. (" Snowden"). In 2022, the Company conducted a new drilling campaign independently in the Casa de Pedra and Engenho mines, in accordance with the international standards of the *SEC (*Securities and Exchange Commission) and (i) updated the Company's resources to 1.98 Bi ton of measured resources; and (ii) confirmed total reserves at 2.1 Bi tons, one of the largest iron ore reserves in the world.

In addition to all the competitive advantages and quality of its products, CSN Mineração has in its pillars the concern with the environment and sustainable growth. A pioneer in Brazil in initiatives to reduce the risk and use of tailings dams, the Company has, since January 2020, its production 100% independent of the use of dams, where 100% of the tailings are filtered and dry stacked.

3- PERSPECTIVES, STRATEGIES AND INVESTMENTS

CSN Mineração has a fully integrated platform, with quality assets from the mine to the port that support its expansion plans:

CURRENT OPERATION

3.1- MINING

CASA DE PEDRA MINE

The oldest operating mine in the country and second largest in terms of capacity. Recognized as one of the main mines in the country for the quality of its iron ore, Casa de Pedra is an open pit mine located in the southwest region of the Iron Quadrangle in the City of Congonhas, in the State of Minas Gerais. The mine was incorporated in 1941, but the ore extraction process began in 1913.

ENGENHO MINE

The Engenho mine, which began its operation in 1950, is an open pit mine located in the southwest region of the Iron Quadrangle, 60km from the city of Belo Horizonte, in the State of Minas Gerais, whose ore is processed at the Pires processing plant and at the Casa de Pedra unit itself.

Our mine operation (Casa de Pedra e Engenho) has a fleet of hydraulic blades and wheel loaders for the extraction of iron ore, which is then transported by a fleet of trucks with a current annual capacity to move approximately 120 million tons of run of mine. The iron ore is then processed in our treatment plants, which have an installed capacity of 33 million tons of production per year (it includes the production of the central plant plus production in the dry plants).

3.2- WEAVE PORT TERMINAL

CSN Mineração holds the right to exploit TECAR, under the terms of the Lease Agreement of the solid bulk port terminal located in the Port of Itaguaí (Rio de Janeiro), covering a total area of 740,761 thousand m². With the capacity to (i) ship iron ore and (ii) disembark reducers (e.g., coal, coke), it allows a significant gain in the Company's operational synergy. The lease period for TECAR's operation is scheduled to end in 2047, through new investments, currently under discussion with the National Secretariat of Ports and Waterway Transport of the Ministry of Infrastructure.

3.3- MRS LOGÍSTICA S.A. ("MRS")

MRS, an affiliate of CSN Mineração, operates a railroad on the Rio de Janeiro, São Paulo, Belo Horizonte axis, and connects the Casa de Pedra mine in Congonhas in Minas Gerais to the Presidente Vargas Plant ("UPV") and the terminals of the Port of Itaguaí in Rio de Janeiro. The rail transport services provided by MRS are fundamental for the flow of its products.

MRS's main segment of operation is the cargo called Heavy Haul (ore loads, coal and coke), having transported, in 2022, about 106.5 million tons of these products, equivalent to 59.8% of the total transported by MRS. Recently, MRS has been following a strategy of diversification of the cargo transported with an increase in General Cargo, which accounted for 40.1% of the mix transported in 2022 (including the volume related to the right of way of other railways).

All the iron ore sold by CSN Mineração and the coal and coke imported, through TECAR, to supply the UPV is transported by MRS. CSN Mineração has a stake of 18.63% of the total share capital of MRS, and its result is reflected as equity.

PROJECTS FOR CAPACITY EXPANSION

CSN Mineração believes that the coming years will be transformational since it has projects in an advanced stage of development with a robust investment plan to finance the acceleration of iron ore production. And in 2022, the company updated its forecasts for the expansion plan and remains confident in the ability to execute and return that these projects will bring in the coming years.

CSN Mineração has divided its expansion strategy into two stages, the first, which runs until the year 2028, will add +26.9 Mton of capacity to the Company's operations, with an expected investment of R$ 13.8 billion, divided into six projects. For the years following 2028, the company enters phase 2 of the plan, with four major expansion projects with an addition of capacity of +56Mton of itabirite mining and +130Mtpa of capacity at TECAR.

For projects related to phase 1, the Company presents the following schedule:

- **Ultrafine Recovery**: project that allows the recovery of another 1Mtpa of ore with the content of 66% Fe, scheduled for completion in 4Q24;
- **Itabirito P15**: project that allows the extraction of another 15Mtpa of ore with the content of 67% Fe, scheduled for completion in 4Q25;
- **Recovery of Pires Tailings**: project that allows the recovery of another 1.5Mtpa of ore with the content of 65% Fe, expected for completion in 4Q25;
- **B4 Tailings Recovery**: project that allows the recovery of another 2.5Mtpa of ore with the content of 66% Fe, expected for completion in 2Q25;
- **Itabirito P4+:** project that allows the extraction of an additional 4.4Mtpa of ore with the content of 65% Fe, scheduled for completion in 3Q26;
- **Recovery of Tailings Casa de Pedra**: project that allows the recovery of another 2.5Mtpa of ore with the content of 65% Fe, scheduled for completion in 1Q28.

CSN Mineração's focus on project execution is based on 3 pillars (i) sustainability, 100% of the projects are independent of tailings dams; (ii) low execution risk, all projects make use of technologies already consolidated in the market and dominated by the Company; and (iii) return, with premium products at competitive costs (maintenance of current levels of operating costs).

4- RELEVANT CORPORATE EVENTS

On May 18, 2022, the Company published the Cancellation of its treasury shares and the opening of a new share repurchase program for acquisition, in the period from May 19, 2022, to May 18, 2023, of up to 106,000,000 common shares. The Company does not currently own treasury shares.

On June 7, 2022, the Company published the approval of the 2nd Debenture Issue in the total amount of R$ 1,400,000,000.00, with the distribution of 1,400,000 simple debentures, not convertible into shares, unsecured, with a nominal unit value of R$ 1,000.00, in up to two series.

On July 4, 2022, the Company published that CSN Energia S.A., a subsidiary of CSN, entered into a share purchase agreement with Astra Infraestrutura I, a holding investment fund managed by Reag Administradora de Recursos Ltda., with Astra Infraestrutura I, a share purchase and sale agreement for the acquisition of 100% of the shares issued by Companhia Energética Chapecó S/A – CEC, holder of concession for the operation of the Quebra-Queixo Hydroelectric Power Plant. On July 25, 2022, CSN ceded and transferred CSN Mineração S.A. the rights and obligations of the Company. The closing of the Acquisition was published via Material Fact on October 10, 2022.

5 - CORPORATE GOVERNANCE

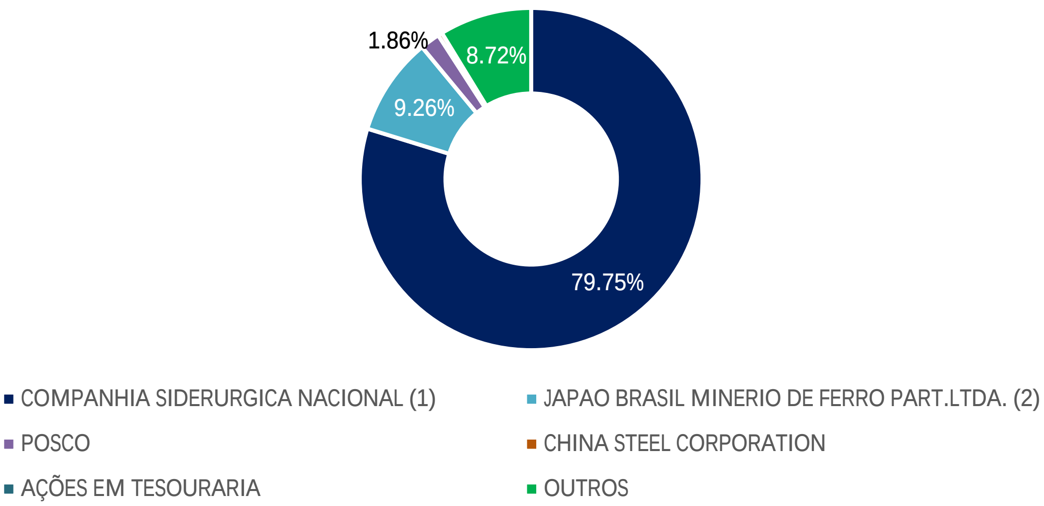
Investor Relations

CSN Mineração continues to expand its communication channels, aiming at maintaining the transparency and exposure of the Company through new coverage of financial institutions and participation in events and conferences.

Share capital

The capital stock of CSN Mineração is divided into 5,485,338,838 (five billion four hundred and eighty-five million and three hundred and thirty-eight thousand eight hundred and thirty-eight) common and book-entry shares, with no par value, and each common share entitles you to one vote in the resolutions of the General Shareholders' Meetings. The Company is controlled by Companhia Siderúrgica Nacional S.A., Japan Brasil Minério De Ferro Part. Ltda., POSCO, and China Steel Corporation, which respectively holds 79.75%, 9.26%, 1.86% and 0.41% of the total share capital of CSN Mineração.

CSN Mineração - Composition of the Capital Stock at 12/31/2022 (%)



(1) Controlling Group
(2) Asian Consortium formed by the companies: Itochu, JFE Steel and Kobe Steel.

General Meeting of Shareholders

Once a year, as established by law, the shareholders meet at the Annual General Meeting to deliberate on the accounts presented by the managers, the financial statements, the allocation of the result of the year, any distribution of dividends, and every two years, they also deliberate on the election of the members of the Board of Directors. The General Assembly also takes place extraordinarily, whenever necessary, to deliberate on matters that are not within its ordinary competence.

(Expressed in thousands of reais – R$, unless otherwise stated)

Board of Directors

The Board of Directors is composed of at least 5 (five) and at most 7 (seven) effective members and a number of alternates that shall not exceed the number of effective members, resident or not in Brazil. The term of office of the Directors is two (2) years, subject to the provisions of the Shareholders' Agreement. As of December 31, 2022, the Board of Directors was composed of seven (7) effective members and one (1) alternate, all with the end of the unified term on October 15, 2022. The Board of Directors shall, among other duties, establish the general orientation of the Company's business, monitor the acts of the Executive Board and decide on relevant matters involving the Company's business and operations. It is responsible for the election and dismissal of the members of the Board of Directors, and may also, if necessary, create special committees for its advice.

Board of directors

The Executive Board is composed of at least 2 (two) and at most 5 (five) Executive Officers, being a Superintendent Director, a Chief Financial Officer, and an Investor Relations Officer, being allowed the cumulation of positions, and the others with the designation conferred to them by the Board of Directors. The term of office of the Directors is 2 (two) years, with re-election for an unlimited number of terms. As of December 31, 2022, the Board of Executive Officers consisted of five (5) members, including a Chief Executive Officer, a Chief Financial and Investor Relations Officer, a Chief Operating Officer, a Director of Strategic Planning and a Chief Investment Officer, all of whom ended their unified term on October 30, 2024. The Executive Board is responsible for conducting the activities of administration and operation of the Company's corporate business and shall exercise the powers conferred on them by the Shareholders' Meeting, the Board of Directors and the Company's Bylaws, to perform the acts required for its regular operation. The members of the Board of Executive Officers meet whenever convened by the Chief Executive Officer or by two Executive Officers.

Audit Committee

The Audit Committee is composed of three independent members, elected by the Board of Directors, with a term of management of 2 years. The Audit Committee meets ordinarily at least once every two months and extraordinarily whenever necessary. Some of its main attributions are to review the financial statements and other public information on the Company's operating performance and financial situation and to recommend to the Board of Directors the indication, remuneration and hiring of an external auditor, as well as to monitor the performance of internal and external audits.

Internal Audit

The CSN Parent Company has an Audit, Risk and Compliance Department, with independent activities within the organization, linked to the Board of Directors of the CSN Parent Company, in accordance with Art.19, VIII of the bylaws. The activities of this Board cover all Companies, of the CSN Economic Group, among them CSN Mineração.

The internal audit team has its own methodology and tools to carry out its activities, these aligned with the best market practices and adopts a systematic and disciplined approach, acting objectively and independently in the conduct of its work, to evaluate the effectiveness of controls and consequent improvement of risk management, control and governance processes, as well as fraud prevention, reporting its results to the Company's Board of Directors, through the Audit Committee.

Independent Auditors

The independent auditor, Grant Thornton Auditores Independentes, who in 2022 provided services to CSN Mineração and its subsidiaries, was hired to issue a limited review report on the quarterly financial information and opinion on the Company's annual financial statements and additional services to the examination of the financial statements. It is the understanding of both the Company and its independent auditors that such services do not affect the independence of auditors.

Values related to the services provided by the auditors	**(R$ thousand)**
Fees related to external audit	700
Fees related to other assurance services	98
Total	798

The services provided by the external auditors, in addition to the examination of the financial statements, are previously presented to the Company's Audit Committee to conclude, in accordance with the relevant legislation, whether such services, by their nature, do not represent a conflict of interest or affect the independence and objectivity of the independent auditors. Pursuant to CVM Resolution 59/2021, formerly CVM Instruction 480/2009, the Board of Directors stated on 03/08/2023 that it discussed, reviewed and agreed with the opinions expressed in the opinion of the independent auditors and with the financial statements for the fiscal year ended December 31, 2022.

Code of Ethics

The Company has a Code of Conduct approved by the Board of Directors, contemplating principles applied to compliance with the Anti-Corruption Law (12.846/2013) and which guide its acts and define the daily behavioral commitments to be assumed by the Company's employees and executives. The Code is made available to employees, executives, suppliers, customers and service providers, among other stakeholders, and is used as a statement of the commitments assumed to conduct. Its guidelines are public and can be found on the website of CSN, at the electronic address (www.csn.com.br).

The Compliance department is responsible for the Integrity Program, which aims to ensure compliance with ethical standards of conduct in the exercise of activities and transparency in business. Part of this process is the continuous training of employees and also the monitoring of compliance with laws, regulations, policies and internal standards.

The Company also has reporting channels for reports of misconduct or suspicion. The reporting of complaints by employees, third parties and the external public may take place anonymously or identified, maintaining secrecy, confidentiality and the guarantee of non-retaliation. Complaints are handled by the Risk and Compliance Management of CSN Parent Company and reported to the Company's Audit Committee.

Disclosure of Material Acts and Facts

The Company has a Policy for the Disclosure of Material Act or Fact and for the Trading of Securities, according to which all disclosure must be made with reliable, adequate and transparent data, within the deadlines foreseen and with homogeneity, as established in CVM Resolution 44/2021, former CVM Instruction 358/2002. This policy establishes that the Company's Material Acts and Facts must be published through the Folha de São Paulo News Portal, together with the disclosure on the Company's investor relations websites, the Brazilian Securities and Exchange Commission and B3 S.A. – Brasil, Bolsa, Balcão.

6- INNOVATION

Innovation is another strategic pillar for the CSN Group and a lever for sustainable growth. With this in mind, since 2018, the CSN Group has been strengthening CSN Inova, an innovation platform that catalyzes the transformation of our business towards an even more ESG-focused management.

With four pillars of action focused on solving the challenges of the CSN Group, CSN Inova has complementary tools for the execution of innovation strategies with an impact in the short, medium and long term. In order to decarbonize the production processes of the CSN Group and generate more efficiency in our operations, CSN Inova prioritizes development projects, partnerships and investments in technologies and solutions of Industry 4.0, new production routes, digital transformation, data science, new materials and circular economy.

On the first front, CSN Inova Open conducts a systemic and collaborative innovation process, aimed at solving strategic challenges that represent a high operational, socio-environmental and financial impact for the CSN Group. The challenges currently prioritized are (i) reducing the consumption of fossil fuels and electricity, (ii) increasing the availability of assets, (iii) reducing logistics expenses, (iv) digitization and optimization of processes for decision-making based on data, (v) new products and materials, (vi) environmental recovery and (vii) reuse of waste and new forms of payment and financing to increase sales.

The innovation management methodology considers the elements of open innovation and is based on an in-depth diagnosis, which goes through the mapping of processes of various segments, areas and operations of the CSN Group, through problem analysis and related indicators. From these diagnoses, pilot projects are built and executed (with reduced scope and rapid implementation) to test technologies and solutions adhering to the mapped challenges. After evaluating these pilots through measurable indicators, the initiatives are scaled in an organized manner within the CSN Group's business.

In 2022, of the 55 ongoing initiatives, 21 were in the planning stages, 23 were piloted and 11 were being scaled – which demonstrates the maturation of CSN Inova's portfolio. Innovation management has as its main objective to prioritize challenges and projects that are in fact relevant to the company, and such prioritization is carried out based on strategic alignment with the business, the materiality matrix, technological maturity, economic potential and, above all, operational and financial indicators.

On the second front, CSN Inova Ventures is one of the first Brazilian venture capital corporate vehicles focused on Industry 4.0 and responsible for bringing the Group closer to startups and solutions in Brazil and abroad, as well as agents that are a reference in the venture capital ecosystem, such as Endeavor, ABVCAP, BR Angels and investment funds and accelerators. The goal is to capture the best investment opportunities in disruptive technologies with high growth potential and that enable the transition of traditional industries to a smarter, more connected and more sustainable future.

CSN Inova Ventures' thesis focuses on companies in Seed, Series A and Series B stages, whose solution is aligned with one of the investment verticals, also having part of their capital committed to adjacent opportunities. In 2022, part of the investments in CSN Inova Ventures' portfolio were already operating and acting in conjunction with the Group.
CSN Inova Ventures ended 2022 with eight companies in the portfolio, with investments made through contributions between R$1 million and R$ 10 million, and it is expected that new contributions will be made throughout 2023 from the 1st quarter, keeping the focus on investment verticals, defined according to the Group's operational challenges.

In addition, since the constitution of the ESG Committee in February 2021, CSN Inova Ventures has also consolidated itself as one of the first corporate venture capital vehicles in the world, whose one of its theses, the ESG Transition, is integrated to act as a transition tool, seeking technologies that boost the agenda of goals, strategy and main objectives of each of the Group's material sustainability themes. The integration of CSN Inova Ventures' operations into the socio-environmental transition strategy contributes to the Group's agility to accelerate its sustainability agenda.

On the third front, with the motivation to ensure the continuity of the Group's operations and the evolution of its development purpose, CSN Inova Bridge is responsible for the integrated management of the Group's ESG innovation strategy, working together with various leaders and business areas to identify how, with whom and what are the main challenges and transition opportunities related to the Group's materiality matrix. The ESG Committee, which advises CSN's Board of Directors, for example, is the result of extensive research of governance models in sustainability and innovation of publicly-held companies, banks, funds and academia conducted by CSN Inova Bridge. The Committee operates as a laboratory of socio-environmental innovation, whose risks and opportunities are discussed from the sustainability materiality matrix of the CSN Group in a systemic, integrated, experimental and participatory way. Always in a network and with multidisciplinary teams from the operation to the corporate, it unlocks and leverages resources from critical structural projects, mobilizes the connection between knowledge of the social innovation ecosystem and empowers employees in order to stimulate the diffusion and scale of the culture of sustainability. In addition, it centralizes the ESG communication activities of the business, in an effort to gradually establish transparent communication with its stakeholders.

Finally, on the fourth front, CSN Inova Tech evaluates technologies and executes projects to develop technological routes. In 2022, more than 10 different types of technologies related to new technological routes and new materials/fuels were evaluated. Among the projects prioritized this year, we highlight the projects for the use of green hydrogen in the Steel Industry, such as the implementation of the Utis technology and the Selene Project, created to decarbonize a rolling mill unit of the Group. In addition, the 2022 project portfolio includes the development of new technological routes for the processing of steel slag and the evaluation of technologies for the production of cold agglomerated pellets and briquettes, that is, without the consumption of fossil fuels.

In addition, CSN Inova Tech acts as a radar of trends of the most promising technologies for the sectors in which the CSN Group operates. In this sense, by 2023, the technologies associated with carbon capture will be evaluated and their respective possible use cases in the CSN Group will be considered for the implementation of new projects in the Group.

Finally, for the challenges in which technologies are at lower maturity levels and require R&D, CSN Inova Tech brings the business closer to universities and research centers in Brazil and abroad, fostering the creation of projects for technology development.

7- PEOPLE

CSN Mineração's "People & Management" model is based on five pillars: Attract; Align and Engage; Evaluate; Develop; Recognize and Reward. The company believes that its competitive differential is its human capital. Through this model knowledge is transformed into a successful trajectory, based on passion, dedication and competence that generate opportunities, achievements and recognitions.

In 2022 CSN Mineração continued to invest in a more diverse and inclusive environment so that each employee could feel more included and recognized for their individualities. This is because CSN Mineração respects, promotes and values the practices of Diversity and Inclusion as an essential pillar linked to the strategic objectives of the business.

We see the importance of understanding and stimulating the similarities and differences of the professionals in the group, fostering all the ways of thinking of our employees and the publics with whom we operate. To this end, we invest in a culture that promotes equal opportunities in all businesses. We believe that this inclusive journey is fundamental to accompany society in its evolution and still boost development for all people, institutions and, consequently, for our business and results.

The governance of the Diversity and Inclusion management is done by the Human Resources Department and CSN Inova, more precisely by Inova Bridge, responsible for the integrated management of ESG. Our strategy of action was owed on two main fronts, namely: Culture of Diversity and Inclusion and Representation. On the Culture front, a plain communication, sensitization and internal training was developed to promote the appreciation of Diversity and Inclusion in all its pillars. Related to the Representativeness front. Our public commitment by the UN Global Compact is to arrive by 28% women by 2025. Internally we also set the goal of investing in the hiring of People with Disabilities.

In 2022 we continue to drive the results of Diversity and Inclusion from the following initiatives: Capacite Mulheres Program; Capacite PwD Program; Master Class on gender equity; Literacy Racial and Citizen Mentoring Program with the participation of young people of the Garoto Cidadão Program.

The year 2022 also represented an important renewal in the institutional proposal of training and development of its employees for the Group, the CSN Corporate University. Launched in August and made available to employees in October, during the last 3 months of the year, the University was responsible for more than 79,000 hours of training. In addition to promoting face-to-face training, including mandatory and safety training, the online platform already provides more than 40 virtual contents on-demand for employees to build their own learning journeys. And, for the monitoring and strategic planning of the teams, the Corporate University brings tools so that managers can promote direction of their leaders.

The structure of the Corporate University is divided into 5 schools: School of Excellence in Results, School of Leaders, School of Business, ESG School and School of Innovation. These segments allow the targeting of content according to the organizational structure of the company. From the launch, some training initiatives that took place independently in the units were integrated into the University, such as the Knowledge Plant.

At the School of Excellence in results, in addition to online training, we continued the Continuous Improvement Program. Through the identification, exposure and solution of problems, CSN Mineração seeks to perpetuate the culture of excellence, with the support of structured methods to ensure sustainable results, in addition to promoting and recognizing innovative initiatives. In 2022 there was involvement of 62.9% of the staff in improvements, generating the implementation of 4,646 improvements.

The Business School, on the other hand, held meetings in São Paulo for the public of senior management. The training was attended by the Company's directors and executive officers, who contributed to the formation of the leadership competencies necessary for the strategic challenges mapped for the future of the company.

In the Schools of Leaders and Innovation, the year 2022 was constituted as a period of planning: the contents, priorities and actions began to be mapped to build personalized trails.

For the ESG School, the highlight was the revitalization of Compliance training.

Another project directed to the development of the group was the realization of the Trainee Program 2022. From 20,008 enrolled candidates, 50 people from various parts of the country were selected, 12 for Mining (6 women and 6 men). With the objective of forming and integrating the future leadership of CSN, it was started in March and lasts for 18 months and is scheduled to end in September/2023. The structure was divided into 4 phases, namely: Onboarding, Business Knowledge, Hackathon and On The Job.

At CSN Mineração, we highlight other actions that aim to foster the culture of learning and development of employees, among them:

Improvement Project in Mandatory Training: Initiative of the operational area in partnership with Occupational Safety in order to carry out a Cycle of Evaluations of mandatory training to promote higher quality in training and provide a favorable environment for employee learning. In 2022, 229 mandatory training classes were held, totaling approximately 4,393 trained employees.
Unified Training Center: In order to promote the multidisciplinary training of Mobile Equipment Operators, CSN Mineração invests in the Unified Training Center to act directly in the formation, qualification and professional improvement. In 2022, 1,141 training classes were held.
Knowledge Management: In order to provide new learning, increase the technical maturity and performance of the teams, the company promotes, through internal instructors, technical training focused on the area of operation of the employee in order to motivate engagement and consequently leverage the results. There were 2,133 trainings in 2022.

In 2022, we invested more than 202,106 hours in training, which demonstrates CSN Mineração's concern in the development of its employees.

Our Recruitment & Selection policy contains the following points:

- The organization maintains a professional and responsible relationship with its employees and does not admit that decisions related to the career, are based on personal relationship;

- The organization does not tolerate any attitude guided by prejudices related to origin, religion, race, gender, sexual orientation, social class, age, marital status, party-political position and disability of any nature, for the purpose of sponsorship and donation to social, welfare and cultural projects. Likewise, for hiring and taking advantage of its professionals, provided that they meet the technical requirements and the profile required for the position;

- The organization does not admit illegal practices such as child labor and thus maintains a work environment that respects the dignity of all employees, that provides good professional performance and that is exempt from any type of discrimination and sexual or moral harassment. The organization will not employ child or slave labor, nor will it agree to such practices by third parties who provide us with products or provide any type of service;

To meet the need for human resources of the organization, the internal recruitment and admission of People with Disabilities is prioritized, provided that they meet the prerequisites of the vacancy in question.

We ran our People Cycle where all employees had the opportunity to receive and give feedback on their current moment and their career expectation. The People Cycle consists of the following stages: evaluation - people committee, where calibrations are performed - feedback - career & succession - elaboration of the IPD - Development. The role of the leader in this process is fundamental. Leaders are responsible for supporting the development of the team in order to make them better professionals than themselves, thus ensuring the growth of people and the longevity of CSN, through the career & succession program. The Competency Assessment follows the methodology as follows:

- Executive Directors; Advisors, Directors; General Managers and Managers undergo 360° Evaluation in which they perform self-assessment and receive evaluation from the immediate manager, peers, team and internal customers/suppliers.
- Trainees undergo 270° Evaluation in which they perform self-assessment, receive the evaluation of the manager, peers and internal customers / suppliers.
- Coordinators and Supervisors undergo 180° Evaluation in which they perform self-evaluation and receive evaluation from the immediate manager and team.
- Experts; Higher Level; Administrative and Operational Level undergo 90° Evaluation in which they perform self-assessment and receive evaluation from the immediate manager.

We carried out a market mapping for the executive positions that did not have potential successors, for this we developed a criticality matrix for analysis of the positions. Aiming at the sustainability of the CSN Group's business, we carry out the Assessments of all Steel and Mining Executives, where a IPD should be prepared for career acceleration of those involved. Following the process, we updated our Guide to Self-Development of Competencies, to support the elaboration of the IPD, which was also reformulated. And we have developed a new form for feedback management. As a process improvement, we have implemented a new performance management platform, where we will have everything integrated into a single system: result of the goals; Skills; result of 9Box, calibration committee, people cycle; feedback records and preparation of IPDs. This platform is based on social networks, to provide a better employee experience. It is more agile, transparent and friendly, and can be accessed through the mobile phone.

(Expressed in thousands of reais – R$, unless otherwise stated)

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- The organization does not admit illegal practices such as child labor and thus maintains a work environment that respects the dignity of all employees, that provides good professional performance and that is exempt from any type of discrimination and sexual or moral harassment. The organization will not employ child or slave labor, nor will it agree to such practices by third parties who provide us with products or provide any type of service;

To meet the need for human resources of the organization, the internal recruitment and admission of People with Disabilities is prioritized, provided that they meet the prerequisites of the vacancy in question.

CSN Mineração ended 2022 with 7,366 direct employees, indicating a turnover rate of 1.6% for direct employees.

8 - PERFORMANCE IN ESG ASPECTS (Environmental, Social and Governance)

Important initiatives marked the year 2022 regarding the strategic development of ESG themes towards the growth and sustainable expansion of CSN Mineração. In June 2022, the Company published its second Integrated Report for the year 2021 and prepared in accordance with the GRI Standards and principles of the International Framework for Integrated Reporting (IR), highlighting the updating of the materiality matrix with updating of the order of priorities and inclusion of three new themes: Diversity and Inclusion, Biodiversity and Innovation and Technology. In addition, it was the first moment in which CSN Mineração reported the study and assessment of its climate risks and opportunities following the TCFD framework in its entirety. CSN Mineração's Integrated Report 2021 can be accessed through the website www.esg.csn.com.br.

CSN Mineração has outlined goals connected to the ESG agenda that guide the Company towards a more efficient, integrated and sustainable management. Below are presented the performances of the main goals from the perspective of relevance and materiality for the Company and its stakeholders.

Main ESG Performance Goals

Dimension	Indicators	Unit	Base Year Indicator	2022	Status	Goal	Target
Environmental	Mining Emission Intensity (GHG)[1]	$kgCO_2e$ /t ore	5.77 (Base year 2019)	7.24		4.04	2035
	Water intensity	m^3/t ore	0.23 (Base Year 2018)	0.26	–	0.20	2030
Social	Frequency Rate[2]	CAF+SAF	1.96 (Base year 2021)	1.30		1.37	2030
Governance	Diversity (women in the functional framework)[3]	%	13% (Base year 2019)	21.8%		26%	2025

(1) Considers the emissions only of the mobile combustion category of CSN Mineração's Scope 1, which represent95% of the emissions of and scope 1, emphasizing that the scope 2 emission is zero due to the electricity consumption coming from 100% of renewable products. The data reported in the Integrated Report 2021, considers the total emissions of CSN Mineração, scopes 1 and 2.
(2) Rate considers (CAF + SAF: own and third parties / 1 million hours worked) of CSN Mineração.
(3) Considers employees allocated in Brazil, CLT, Apprentice, Internship and Training Program.

A – Environmental Dimension

Environmental Management

CSN Mineração maintains several instruments of Socio-Environmental Management and Sustainability in order to act in a propositional way and serving the various stakeholders involved in the communities and businesses in which it operates.

The Company has an Environmental Management System (EMS), implemented according to the requirements of the international standard ISO 14.001:2015 and certified by an independent international body duly accredited by INMETRO, in the unit of Casa de Pedra (MG) since 2000 and, since 2021, in the Port of Tecar (RJ). These units are also certified in ISO 9001:2015 - Quality Management System.

- **Climate Change**

CSN Mineração operates in an intensive energy sector and intensive greenhouse gas (GHG) emissions, the CSN Group, has the ambition to provide society with essential materials with carbon neutral emissions by 2050, and CSN Mineração has as a goal established since 2021, the neutrality of CO2 emission in scopes 1 and 2 by 2044. To follow this journey towards carbon neutrality, the Company has restructured its climate strategy into three pillars: Stakeholders, Mitigation and Adaptation. (Learn more at: esg.csn.com.br/mudancas-climaticas).

In 2022 there were heavy rains in the first quarter that substantially damaged the operation and production at CSN Mineração in the state of Minas Gerais. In addition to climatic factors, the mine movement contributed to the plant's performance being lower in 2022. On the other hand, CSN Mineração has made important advances in its Decarbonization Journey. CSN Mineração has begun studying a plan to electrify its fleet of vehicles linked to transport operations at the Casa de Pedra mine in Congonhas (MG), and two prototypes are already in operation. At the same time, in partnership with Shell and Itochu Corporation, a Memorandum of Understaffing (MoU) was signed for cooperation on the decarbonization issue. As part of this initiative, in the first quarter of 2023, a synthetic fuel, called HVO, which does not emit CO2, will be tested.

In 2022, its MAC Abatement Cost Curve (MAC) was built considering the pre-defined emission reduction projects in construction, phases with reduction targets of 30% of the intensity of GHG emissions by 2035 and neutrality by 2044. In the year 2021 we reported information related to Climate Change following the guidelines and recommendations TCFD (Task Force for Cimate Related Financial Disclosures). In the same year we carried out the qualitative and quantitative evaluation from the perspective of different climate scenarios. CSN Mineração's climate scenario study aims to encourage and equip the company's managers to consider factors related to climate change in making strategic decisions for the Company. To this end, three climate scenarios were developed from the narratives of the SSP (Shared Socioeconomic Pathways) scenarios used in the most recent IPC report.

CSN Mineração reports its emissions independently from CSN, the parent company, following the guidelines of the GHG Protocol in order to subsidize its carbon management, risk mitigation and adaptation to climate change. In 2022, in its second year of reporting GHG emissions inventory, CSN Mineração again received the gold seal of the GHG Protocol, which demonstrates the achievement of the highest level of qualification of our greenhouse gas emission inventory.

Also responding to the request of investors, the Company has been providing the Disclosure Insight Action (CDP) since 2021 with the guidelines followed with respect to climate change. In 2022, the Climate Change score evolved from "B-" to "B". Regarding the energy matrix used by the Company since 2019, 100% of the electricity used comes from renewable sources. We reinforce this strategy for the coming years with the acquisition of CEEE in 2022 and self-sufficiency of renewable energy, which will subsidize the sustainability of fleet and mine electrification plans.

- **Water Resources**

CSN Mineração is committed to the responsible management of its water resources. To meet this commitment, it performs monitoring through control systems for effluents and drainages, in a total of 71 control systems and 36 monitoring points in watercourses located in the area of influence of the enterprise, continuously investing in new technologies with guarantee of satisfactory results in the various parameters of monitored effluents.

CSN Mineração has set itself the goal of reducing new water consumption for iron ore production by at least 10% by 2030, based on 2018. By 2021, we have achieved a reduction of 11%. However, the year 2022 was marked by heavy rains in the first quarter that substantially damaged the operation and production at CSN Mineração, located in Congonhas (MG). The decrease in production impacted the indicator related to the volume of new water used in the production of the ton of ore, culminating in an increase of 8% in this volume compared to the base year (2018). The expectation for 2023 is that the indicator will return to the levels of 2021.

Regarding the recirculation in the processing production at the Central Plant, due to investments in operational improvements, the recirculation rate went from 79% in 2018 to 88% in 2022. From the beginning of the operation of P15 and implementation of the projects of decharacterization of the dams, the expectation is that the mine will operate more efficiently and that it will reach levels of up to 95% of recirculation in 2025.

The Company also reports annually to the Disclosure Insight Action (CDP) the guidelines followed with respect to water security. In 2022, we improved this score from "C" to "B".

- **Biodiversity and Natural Resources**

In 2022, governance and management practices were instituted that resulted in important advances in the theme of Biodiversity and Natural Resources. Such practices represent only the beginning of a journey that aims to improve management and disclosure with transparency on the subject.

At the beginning of this same year, the Working Group on Biodiversity and Forests (GT) was established, which subsidizes the ESG Integrated Management Commission and the ESG Committee of the CSN Group, the parent company of CSN Mineração. Among the group's work throughout the year are the geoprocessing of the properties, the diagnosis of vegetation, benchmarking and the beginning of the mapping of the impacts and dependencies of the Company's operation in relation to ecosystem services and natural resources.

CSN Mineração has a history of more than 15 years of preserving and monitoring local biodiversity. In 2022, the Company accumulated more than 16.2 hectares of area revegetated in tailings and sterile piles. This revegetation contributes significantly to: (i) the minimization of sediment transport to downstream areas, especially watercourses located in the area of influence of the enterprise, (ii) the minimization of particulate dispersal in the mine area, also contributing to an improvement in local air quality, and (iii) creation of new green areas as habitat for local fauna.

In 2022, 6,453 seedlings of native species were planted in areas of the Atlantic Forest, which allowed the completion of activities in the properties of Pinta Cuia, in Itabirito, and Águas Vermelhas, in Queluzito.

The management of diversity at CSN is in line with the guidelines of the Nature-Related Financial Disclosure Task Force (TNFD). In addition, in order to improve its compensation, preservation and monitoring actions, at the end of 2022 CSN Mineração made its first efforts to adapt its current practices to Performance Standard 6 (PD6) (Biodiversity Conservation and Sustainable Management of Living Natural Resources) of the International Financial Council (IFC). The mapping and classification of its areas into critical, natural and modified habitats was initiated, with the objective of meeting the PD6 and better managing the preservation and compensation areas. Adaptation to the PD6 will also make it possible to adopt more effective compensation measures, the establishment of baselines and more precise indicators.

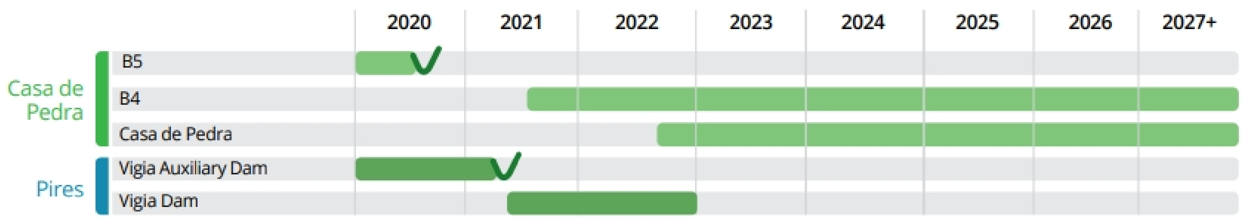
- **Dam Management**

The company is at the forefront of the world in terms of mining tailings management, having invested about R$ 400 million in technologies that have allowed the best management of tailings with filtration and dry stacking, making our processes 100% independent of the use of the tailings dam since the beginning of 2020. All dams are audited by independent companies specialized in the subject, aiming to attest to stability and identify preventive actions to ensure this stability.

CSN Mineração follows the guidelines and recommendations on the operation and safety of dams established by ICOLD (International Commission on Large Dams), an international non-governmental commission, which encourages the exchange of information on the planning, design, construction and operation of large dams. These standards and practices are in line with the requirements of the International Council on Mining and Metals (ICMM). CSN Mineração's Dam Safety Plan and Emergency Action Plan for Mining Dams (PAEBM) are finalized, with all volumes consolidated in compliance with the ANM ordinance.

We concluded the year 2022 with all CSN Mineração dams at zero emergency level, that is, with stability guaranteed according to the current national legislation.

In continuity with the decharacterization schedule of our dams, the decharacterization of the Auxiliar do Vigia and B5 Dams has been completed, and the process of decharacterization of the Vigia Dams is ongoing, which will be completed in the first half of 2023 and B4, with completion scheduled for 2028, according to the schedule below.

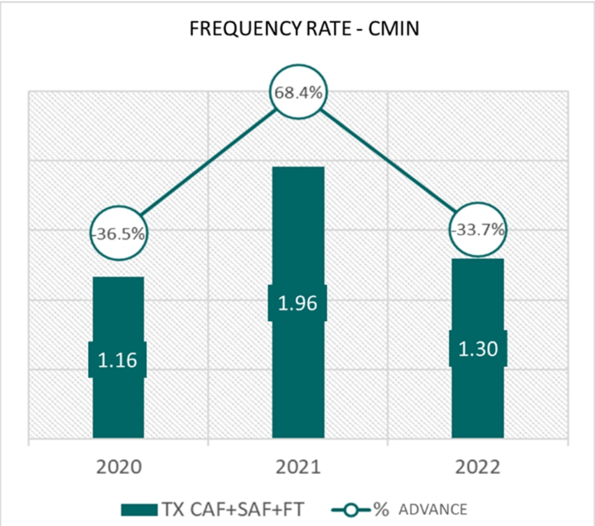


B - Social Dimension

- **Health and Safety at Work**

CSN's top priority is the safety of its own employees and third parties. The successive improvement in accident frequency rate indicators reinforces the company's commitment in its search for zero accidents.

Regarding the frequency rate of accidents with and without absence of own employees and third parties, we achieved a significant reduction in relation to 2021, with a decrease of 33.7%, reaching the rate of 1.30 (factor of 1MM HHT) ratifying the focus of the organization on improving its performance. We ended the year 2022, again with zero fatalities, an indicator maintained since 2013.



The Company's Health and Safety Guidelines are based on best market practices, guided by regulatory standards and national and international recommendations. In addition, through guidelines established in policies and manuals of the CSN Group – CSN Mineração's parent company, all direct and indirect employees are trained in actions and behaviors related to occupational safety, proactivity, legal compliance, mitigation and control of hazards and risks and in the prevention of accidents and occupational diseases.

The Sustainability Policy and the Health and Safety Manuals of the CSN Group – applicable to all its businesses – can be accessed at the links below:

- Sustainability Policy (access here)
- Occupational Health and Safety Management Manual (access here)
- Occupational Health and Safety Manual for Suppliers (access here)

In order to monitor and measure the effectiveness of compliance with safety guidelines, CSN Mineração uses performance indicators that include frequency and severity rate of accidents with and without injuries, both for its own employees and for third parties; behavioral audit, control of records and treatment of anomalies, with daily reporting of these indicators to senior management, in addition to the Fatality Prevention Program - Critical Risks.

The Company's health promotion actions go beyond occupational health, seeking engagement and changing habits with a focus on a healthy life of all employees, own and third parties. Among the programs, we highlight awareness actions focused on reducing and preventing chronic non-communicable diseases (such as diabetes, hypertension and obesity), mental health care, healthy eating, physical activity and prevention of alcohol, tobacco and other substance consumption. In addition to monitoring that helps the early detection of possible changes in physical or mental condition, a test to assess the level of attention and readiness of employees who perform critical activities is performed daily.

In 2022, in partnership with public health entities, we continue with the strong stimulus to adherence to vaccination against Covid-19 and other communicable diseases, including the realization of the vaccination gesture within the units of CSN Mineração. In addition, internal vaccination campaigns against influenza (H1N1) were carried out with the adhesion of more than 6 thousand employees.

Through programs aimed at improving the performance of Occupational Health and Safety, the Company acts directly in the creation and maintenance of a safe and healthy work environment. Among these initiatives, the following stand out:

Occupational Health and Safety Initiatives

Awareness Test: Online tool that unites science and technology to assess work awareness and predict possible changes in the state of attention and response that could aggravate the risk of accidents due to personal factors. The test is performed daily on employees who perform critical activities at the Casa de Pedra unit (Congonhas/MG).

PPAE – Prevention Program for Alcohol and Narcotics: Program to combat the improper consumption of alcohol and/or other narcotics, aiming at the physical and mental integrity of employees and suppliers. The program is carried out respecting all the criteria of medical secrecy and compliance guidelines of the Company.

Wake Up Program: For work, a good night's sleep is a determining factor in the good execution of tasks because it preserves reflexes, concentration, memory, agility and avoids fatigue. The implementation of the Program showed a significant reduction in the number of fatigue and distraction events, contributing to the reduction of incidents.

Integrated SIPATMA: The Company annually conducts SIPATMA (Internal Week for the Prevention of Accidents and Environment) in a corporate manner covering all its own employees and suppliers.

RETHINK Project: The project aims to raise awareness related to culture change and habits of unconscious consumption of natural resources, reduction of waste generation and combating waste.

IPSS - Health and Safety Performance Index: The indicator measures the health and safety results of the Company's in a consolidated manner and allows to visualize, in addition to the reactive indicator, compliance and adherence to health and safety programs.

Training in virtual reality: Beginning of the implementation of training in Virtual Learning Platform with application of games and virtual assistant as a facilitator of theoretical contents, rules with animation pills and use of 3D glasses for simulations, provided experience in virtual environment.

- **Diversity and Inclusion**

We believe that Diversity and Inclusion is a promising path that contributes to the diversity of ideas. Having people on the team who support a transformation of our society and drive innovation and growth of our business is fundamental to this and, in this sense, CSN Mineração has adopted initiatives, mechanisms and actions related to the evolution of the recruitment processes and evaluation and recognition of talents, which reflect in practice the promotion of gender representativeness and equity, people with disabilities (PWDs) and minority groups in operational positions and in leadership positions.

CSN Mineração acts with zero tolerance to any type of discrimination, as expressed in the Code of Conduct. In 2020, the goal of doubling CSN Mineração's female workforce by 2025 was set, from 13% to 26%. Given this, CSN Mineração continued intensively to work with the implementation of the Capacitate Women program. Thus, in 2022, the result of the representation of women in CSN Mineração went from 18% in December 2021 to 21.8% in December 2022, a growth of 21.1%. Regarding the absolute numbers, 312 women were hired, arriving in December 2022 with 1,664 women in our workforce.

Towards our commitment, still in 2022, the Company continued a series of meetings and discussions with administrative and operational leaders to promote awareness and knowledge about the importance of an inclusive and diverse work environment. In this sense, the live videoconference of racial literacy, taught at the ESG School of the Corporate University of the CSN Group, stands out, which added to almost 4,000 training in diversity and inclusion on the platform in 2022, engaging leaders and employees.

In relation to the result of Representativeness of the Person with Disabilities, in the year 2022 we had a growth of 10%, compared to the year 2021, counting on practices that aim at the inclusion of these citizens, such as the program "Empower People with Disabilities", launched in 2021. In addition, goals were cascaded to all areas of the Company, directing everyone to a path of greater inclusion and diversity.

In addition to CSN, the parent company, being one of the founders of MOVER (Movement for Racial Equity) launched in 2021, together with the CSN Foundation, the Citizen Mentoring project began, which aims to contribute to increasing the job opportunities of young people who participate in the Citizen Boy program. The Citizen Mentoring is an important catalyst in the process of youth employability, since the beginning of the program more than thirty young people have been hired only in the city of Congonhas (MG).

- **Social Capital and Relationship**

In 2021, CSN Mineração committed to carry out due diligence on human rights in the municipality of Congonhas MG and in 2022, together with the Center for Human Rights and Business of the Getúlio Vargas Foundation, a process was initiated focusing on the internal evaluation of processes, systems and people in the context of the identification and management of Adverse Risks to Human Rights in the community around the operation of the Casa de Pedra mine - located mostly in this municipality - carried out based on the framework of the UN Guiding Principles for Business & Human Rights used as the main tool to identify risks and impacts to human rights associated with business activity including in the value chain. Completion of the project is scheduled for the first half of 2023.

- **Social Responsibility**

CSN Mineração promotes a positive and partnership relationship with local communities. The main vehicle for the construction of these relationships is the CSN Foundation, with more than 60 years of experience in the territories, has a fundamental role in promoting the transformation of communities through social, educational and cultural development and has its performance sustained in the axes of education, culture, articulation and curatorship. To learn more about CSN Foundation's actions and programs, visit https://fundacaocsn.org.br/.

CSN Mineração, through the Community Committee, has a schedule of routine meetings held bimonthly with representatives of the public/private power and local communities, aiming to discuss demands, criticisms and suggestions for improvement in minimizing or mitigating the socio-environmental impacts inherent to its projects. With the "CSN Support House", located in the Residential neighborhood in Congonhas (MG), the Company establishes an important communication channel with the community that has been used to provide clarification to the population about the activities and actions of CSN Mineração, formulate initiatives according to the demands of the community, disseminate job opportunities and receive resumes. With this action, new employees were hired, creating opportunities to transform the local reality through the generation of employment and income. In 2022, more than two thousand visits were made at the Support House.

The CSN Foundation carries out projects of direct execution in the cities in which CSN Mineração operates and provides support with curatorship, selection and technical monitoring of projects of third parties that are sponsored by the CSN Group, enabling the expansion of its social performance. In 2022, more than R$ 26 million were invested as an incentive to initiatives through various laws.

Pursuing the same goal, the Center for Technological Education (CET), a program of the CSN Foundation in partnership with the Secretary of Education of the Government of Minas Gerais, expanded its scholarship program through the "Trails of the Future". In the last year, the Congonhas school totaled 732 students, 517 of whom were scholarship holders, for Elementary and Secondary Education and Technical Courses of Mining and Electromechanics.

With its operating model, the CSN Foundation connects investments to the agenda of the Sustainable Development Goals (SDGs) and the principles of the UN Global Compact and contributes directly to the transformation of lives, families and communities, reinforcing the commitment in the cities that it is inserted.

C - Governance Dimension

The CSN Group and CSN Mineração have been working on the formalization of their main ESG commitments with a focus on the governance of related issues. In this sense, the ESG Committee stands out, a non-statutory body advising the Board of Directors of the CSN Group, composed of the senior executive leadership of the Company's Business that acts in conjunction with the Sustainability Board, directly in the management of indicators, evaluation and identification of risks and is responsible for the Board of Directors of CSN Mining is responsible for establishing strategic guidelines and deliberating on economic, social and environmental issues that have an impact on the Company's business. In order to support the decisions of the Board of Directors of the CSN Group and CSN Mineração, the ESG Committee is responsible for presenting to these bodies the advances, challenges, risks and opportunities related to the eight Thematic Groups presented in the image below. These Groups were created according to the CSN Group's Materiality Matrix and are connected to CSN Mineração's materiality, last revised in 2022.

The Committee is also composed of the Integrated ESG Management Commission, formed by ESG ambassadors appointed by the members of the body, whose main function is to implement a system of open innovation and sustainability distributed among the Thematic Groups. The main function of the Integrated Management Commission is to standardize concepts and disseminate good ESG practices in all segments, focusing on achieving the established goals. In parallel, the ambassadors participate in trainings and workshops related to the theme of ESG Innovation and coordinate the strategic projects. In 2022, in the first year of operation, 6 ESG Committee meetings, 1,400 hours of training and workshops with ESG ambassadors and 67 mapped initiatives were held.

9 - FORWARD-LOOKING STATEMENTS

This document contains statements about the future that express or suggest expectations of outcomes, performance, or events. Actual results, performance and events may differ significantly from those expressed or suggested by statements about the future due to various factors, such as: general and economic conditions of Brazil and other countries, interest and exchange rates, future renegotiations and early payment of obligations or credits in foreign currency, protectionist measures in Brazil, U.S. and other countries, changes in laws and regulations, and competitive factors in general, on a regional, national, or global scale.

CSN Mineração's financial information presented herein is in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting practices adopted in Brazil. Non-financial information, as well as other operational information, has not been audited by the independent auditors.

4Q22 AND 2022 FINANCIAL RESULTS

March 8, 2023

São Paulo, March 08, 2023 - CSN Mineração ("CMIN") (B3: CMIN3) discloses its fourth quarter of 2022 (4Q22) and 2022 financial results in Brazilian Reais, with all financial statements consolidated in accordance with accounting practices adopted in Brazil issued by the Accounting Pronouncements Committee ("CPC"), approved by the Brazilian Securities and Exchange Commission ("CVM") and the Federal Accounting Council ("CFC") and in accordance with international financial reporting standards ("IFRS"), issued by the International Accounting Standards Board ("IASB").

The comments address the Company's consolidated results in the fourth quarter of 2022 (4Q22) and 2022 and the comparisons are in relation to the third quarter of 2022 (3Q22), the fourth quarter of 2021 (4Q21) and 2021. The BRL/USD exchange rate was BRL 5.58 on 12/31/2021; BRL 5.41 on 09/30/2022 and BRL 5.22 on 12/31/2022.

4Q22 and 2022 Operational and financial highlights

STRONG COMMERCIAL DYNAMISM GENERATED THE BEST QUARTER OF THE YEAR IN TERMS OF SALES, WITH IMPROVEMENT ALSO IN REALIZED PRICES

The quarter was marked by a strong sales volume and more favorable price dynamics. As a result, The Company had an Adjusted EBITDA of BRL 1,785 million and with a profitability that exceeded the 50% mark.

For 2023, the prospects are for production growth, with richer ore and prices that are positively surprising.

ESG

In 2022, CSN Mineração completed 10 years of activity without any fatalities and reduced the number of accidents by 30%. In addition, the company has been advancing on the diversity agenda, with an annual increase of 21% in women in the workforce.

CASH GENERATION IMPACTED BY WORKING CAPITAL INCREASE IN THE QUARTER

Adjusted Cash Flow reached BRL 105 million in 4Q22, a result marked by increased working capital and higher volumes of Capex, which eventually offset the better operation performance in the period.

CSN MINERAÇÃO ENDS 2022 WITH SOLID CASH POSITION AND LOW LEVERAGE

After the payments of dividends made in 4Q22, the Company ended 2022 with a cash position of BRL 6.7 billion and leverage of only 0.3x.

ENERGY - ACHIEVEMENT OF SELF-SUFFICIENCY ENERGY

After the acquisition in 2022 in the energy segment, the Company achieved self-sufficiency energy and should begin to capture its benefits throughout 2023.

(Expressed in thousands of reais – R$, unless otherwise stated)

Consolidated Framework - CMIN

	4Q22	3Q22	4Q22 x 3Q22	4Q21	4Q22 x 4Q21	2022	2021	2022 X 2021
Iron Ore Sales (thousand tons)	9,724	9,095	7%	7,719	26%	33,325	33,238	0%
- Domestic Market	1,033	1,122	-8%	1,190	-13%	4,133	4,920	-16%
- Foreign Market	8,691	7,973	9%	6,529	33%	29,192	28,318	3%
Consolidated Results (BRL million)								
Net Revenue	3,512	2,509	40%	2,381	48%	12,446	17,982	-31%
Gross Profit	1,646	731	125%	706	133%	(7,083)	(8,008)	-12%
Adjusted EBITDA (1)	1,785	926	93%	850	110%	6,033	10,381	-42%
EBITDA margin %	50.81%	36.91%	*+13.9 p.p.*	35.71%	*+ 15,1 p.p.*	48.5%	57.7%	*- 9,3 p.p.*

[1] Adjusted Net Revenue is calculated from the elimination of the portion of revenue assigned to freight and maritime insurance.

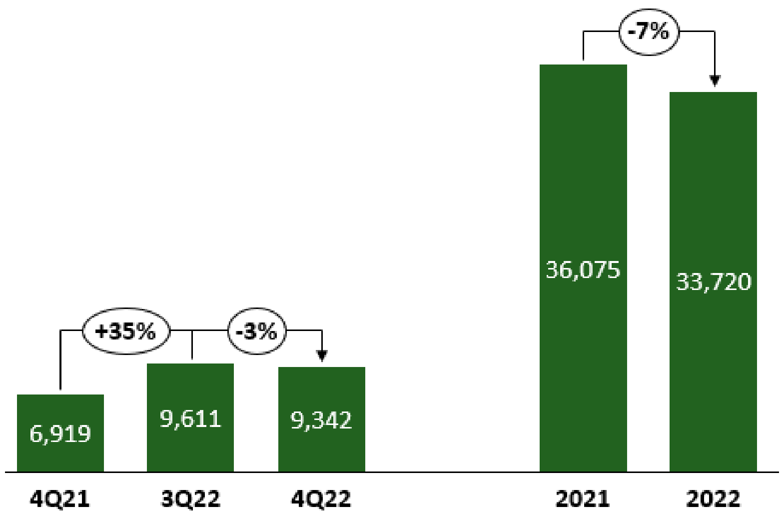
[2] Adjusted EBITDA is calculated from net income (loss), plus depreciation and amortization, taxes on income, net financial income, other operating income/expenses and equity income.

Operating Results - CSN Mineração

2022 was marked by a series of challenges for the mining sector. The high volume of rainfall in Brazil, the war between Russia and Ukraine and the uncertainties related to the Chinese economy were elements that brought instability to the transoceanic iron ore market throughout the year. Additionally, regarding China, the restrictive policies put in place last year by the Government as ways to curb Covid's waves in the country, the housing market crisis and energy rationing generated by the heat wave, in the third quarter, impacted industrial production and had a direct impact on the price of iron ore. On the other hand, since the end of last year, several policies of economic stimulus and easing in health rules have been observed, especially after the re-election of Xi Jinping for his third term, which has improved not only the expectations of the ore market, but also the estimates of Chinese GDP growth for the year 2023. In the midst of this context and despite reaching values below USD 80.0/ton, the price of iron ore ended the quarter with a price above USD 115.0/ton, with an average of USD 98.99/dmt (Platts, Fe62%, N. China) in 4Q22, 4.17% lower than 3Q22 (USD 103.31/dmt) and 9.68% below 4Q21 (USD 109.61/dmt).

In relation to sea freight, the Route BCI-C3 (Tubarão-Qingdao) presented an average of USD 20.58/wmt in 4Q22, which represents a significant reduction of 14.4% in relation to the shipping cost from the previous quarter, as a reflection of a bigger offer of ships in the transoceanic market, in addition to the lower pressure on fuel costs.

Total Production* - Mining (thousand tones)

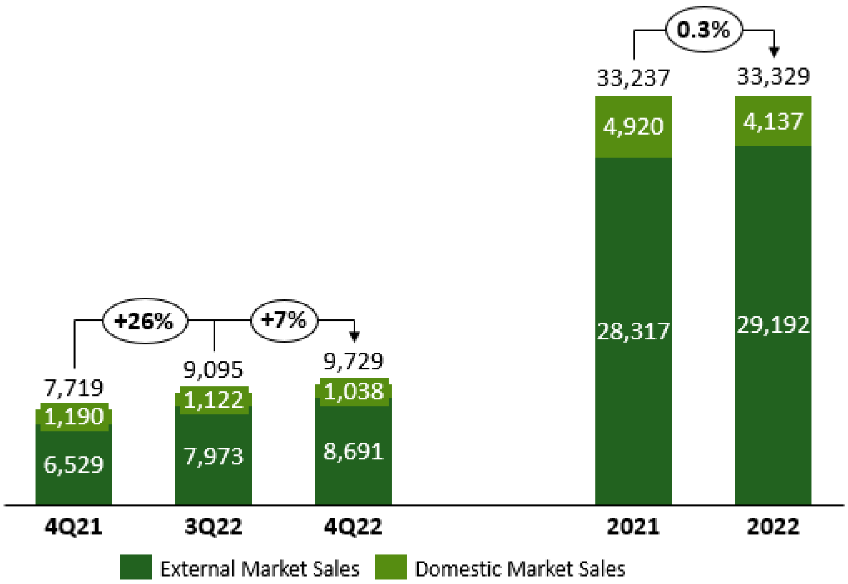


* Production plus third-party purchases

- Iron ore production totaled 9,342 thousand tons in 4Q22, which represents a reduction of 3% in comparison to 3Q22, as a result of seasonality, with an increase in rainfall at the end of the year, which impacted production and outflow. In 2022, the total volume produced was 33,720 thousand tons, an annual reduction of 7%, but in line with the guidance of 34MM ton published by the Company. In addition, it is worth remembering that the lower volume of production in 2022 was a direct consequence of the impacts of rainfall recorded at the beginning of the year, in addition to the ramp-up of projects connected to the Central Plant (CMAI 3, spiralis and recrushing).

- On the other hand, sales volume hit 9,729 thousand tons in the 4Q22, a performance 7.0% higher than the previous quarter as result of a higher concentration of shipments before the rainy season, enhanced by the consumption of inventories and the use of a third-party port that eventually compensated for the lower volume produced. In addition, there was an increase in sales towards the foreign market and lower sales in the domestic market. In 2022, the volume sold was 33,329 thousand tons an increase of 0.3% compared to last year, with the second half of the year as the main driver of this result, especially after the operational difficulties faced at the beginning of the year.

Sales Volume - Mining (thousand tons)



Consolidated Results - CSN Mineração

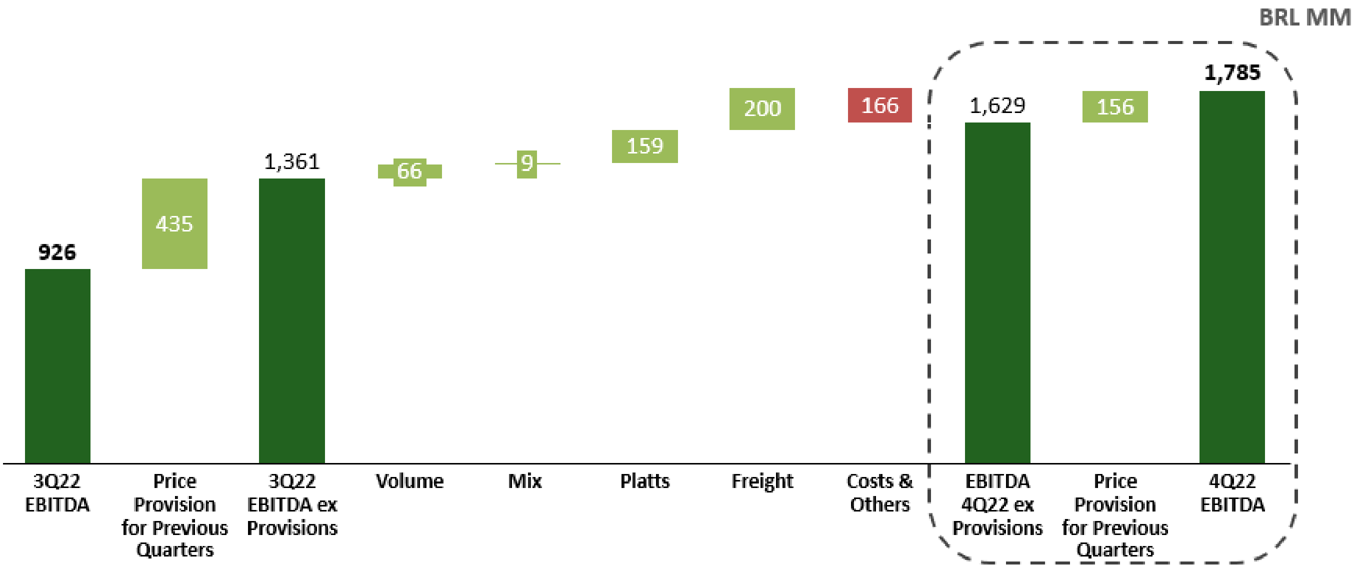
- Net revenue totaled BRL 3,512 million in 4Q22, 40% higher than the previous quarter, as a result of the combination of higher sales volume with better price realization, especially when considering the positive impact of provisioning prices observed in this quarter. Unit net revenue was USD 68.81 per wet ton, an increase of 30.4% against 3Q22, a performance that reflects a sales concentration at the end of December when the iron ore price was higher, in addition to cheaper sea freight. In 2022, net revenue reached BRL 12,446 million, a reduction of 31% compared to 2021, due to the operational challenges faced at the beginning of the year, in addition to a lower average price – unit net revenue in 2022 was USD 72.92/ton compared to USD 100.83/ton in 2021.

- In turn, the cost of goods sold totaled BRL 1,867 million in 4Q22, an increase of 5% compared to the previous quarter, as a result of higher sales volume and the use of third-party ports. C1 cost reached USD 21.3/t in 4Q22 and was 9.5% higher than in 3Q22, mainly as a result of a lower produced volume and a higher variable lease of the port. In 2022, the COGS reached BRL 7,083 billion, a reduction of 11.6% compared to last year.

(Expressed in thousands of reais – R$, unless otherwise stated)

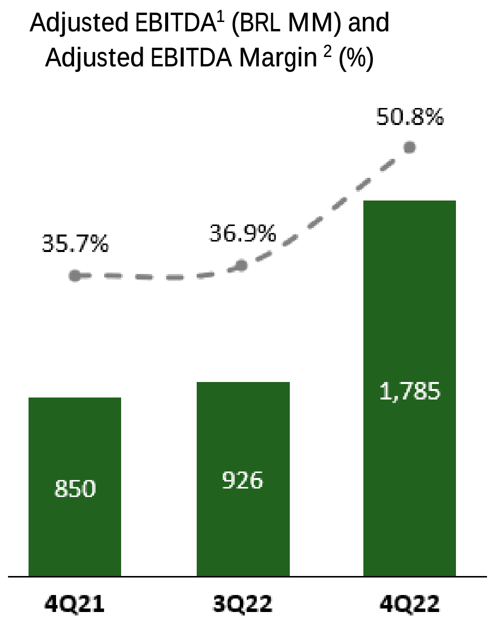
- In the 4Q22, the gross profit was BRL 1,646 million, 125% higher than that recorded in 3Q22 and with a gross margin of 47%, 17.7 p.p. higher than that presented last quarter, as a consequence of the increase in the price of iron ore in the period and the dilution of fixed costs by the volume sold. In 2022, the gross profit reached BRL 5,363 million, a contraction of 46.2% and a performance that reflects the reduction in unit price in the period.

- Adjusted EBITDA reached BRL 1,785 million in 4Q22, with quarterly EBITDA margin of 50.8% or 13.9 p.p. higher than that recorded in 3Q22. The increase in realized prices combined with the increase in sales were the main drivers of the result that made the profitability of the quarter exceed the mark of 50%. In the year, Adjusted EBITDA reached BRL 6,033 million, with a margin of 48.5%, in absolute values there was a 42% reduction in EBITDA compared to the previous year's record result, reflecting not only the lowest production in the year, but also the lowest average price in the period.



	4Q22	3Q22	4Q22 X 3Q22	4Q21	4Q22 X 4Q21	2022	2021	2022 X 2021
Net Income for the period	871	514	87	704	(1,675)	2,950	6,371	(3,421)
(+) Depreciation	270	247	1	224	64	990	732	258
(+) Income Tax and Social Contribuition	25	233	41	16	(928)	1,030	2,834	(1,804)
(+) Net financial result	439	(63)	(1,533)	(160)	(1,207)	772	265	507
EBITDA (ICVM 527)	1,605	931	(1,405)	784	(3,746)	5,742	10,202	(4,459)
(+) Equity income	(32)	(47)	(16)	(7)	0	(117)	(92)	(25)
(+) Other operating income and expenses	212	42	(86)	73	(302)	407	272	135
Adjusted EBITDA	1,785	926	(1,507)	850	(4,048)	6,033	10,381	(4,348)

(Expressed in thousands of reais – R$, unless otherwise stated)



[1] The Company discloses its EBITDA Ajustifiable excluding other operating income (expenses) and equity income because it understands that it should not be considered in the calculation of recurring operating cash generation.
[2] Adjusted EBITDA Margin is calculated from the division between Adjusted EBITDA and Adjusted Net Revenue.

- The financial result was negative in BRL 439 million in 4Q22, reversing the positive result presented in the previous quarter and mainly impacted by the effect of the exchange variation observed in the quarter. In 2022, the financial result was negative at BRL 772 million, impacted by the increase in financial expenses through the period.

	4Q22	3Q22	4Q22 X 3Q22	4Q21	4Q22 X 4Q21	2022	2021	2022 X 2021
Financial Result - IFRS	(439)	63	(505)	160	(75)	(772)	(265)	(507)
Financial Revenues	103	109	54	58	51	344	150	195
Financial Expenses	(541)	(46)	(560)	102	(126)	(1,116)	(414)	(702)
Financial Expenses (ex-exchange variation)	(199)	(165)	(17)	(131)	22	(652)	(481)	(171)
Income with Exchange Variation	(342)	119	(543)	233	(148)	(464)	67	(531)

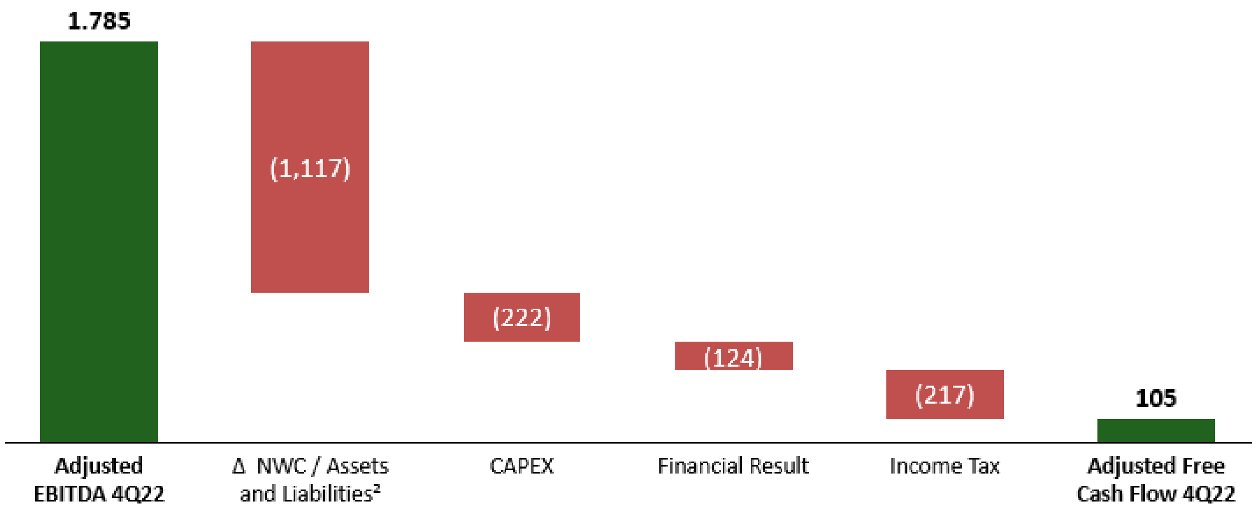
- In turn, the equity result was BRL 32.2 million in 4Q22, a performance 31% lower than in the previous quarter due to seasonality with the high volume of rainfall impacting MRS Logística's operations. In the year, equity reached BRL 116.6 million, an increase of 27% over 2021, due to MRS's solid operating performance throughout the year.

- In 4Q22, CSN Mineração's net income reached BRL 871.4 million, an increase of 70% over the previous quarter, mainly impacted by the operating improvement of the operation that more than offset the largest volume of financial expenses in the quarter. In 2022, net income reached BRL 3.0 billion, representing a 53.7% decline compared to 2021.

Free Cash Flow[1]

Adjusted Cash Flow in 4Q22 achieved BRL 105 million, mainly affected by the increase in the Company's working capital and higher volumes of Capex.

Free Cash Flow 4Q22[1]
BRL MM

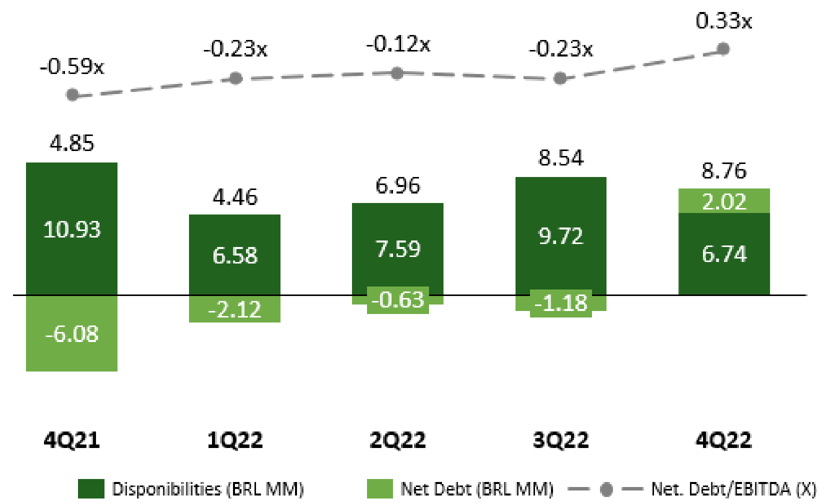


[1] The concept of adjusted cash flow is calculated from adjusted Ebitda, subtracting CAPEX, IR, Financial Results and changes in Assets and Liabilities[2], excluding the effect of prepayments concluded with Glencore in 2019 and 2020.
[2] The ΔCCL/Assets and Liabilities is composed of the change in Net Working Capital, plus the change in accounts of long-term assets and liabilities and does not consider the net variation of IR and CS.

Indebtedness

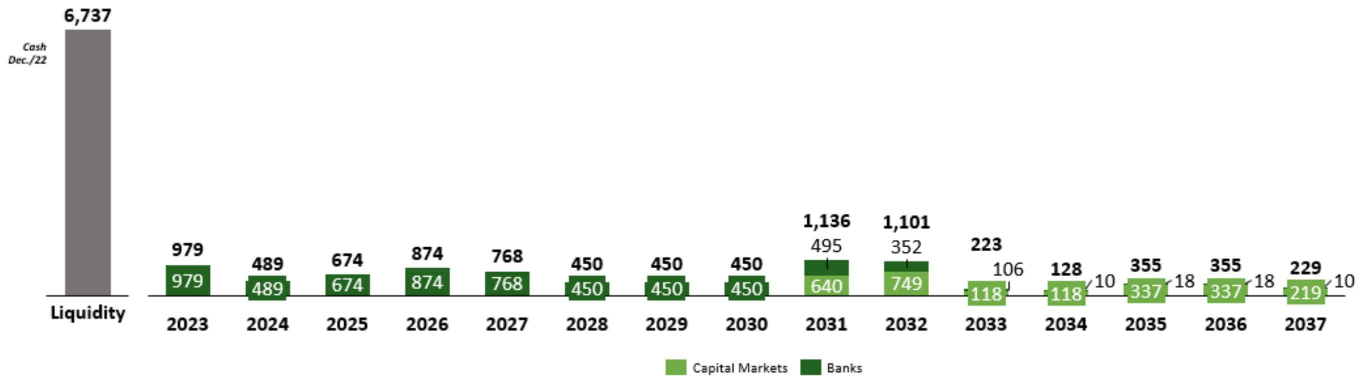
On December 31, 2022, CSN Mineração had a cash of BRL 6.74 billion and a net debt of BRL 2.02 billion, which corresponds to an increase of approximately BRL 3.2 billion in relation to the previous quarter, mainly as a consequence of the distribution of dividends to the Company's shareholders. In turn, the leverage indicator measured by the Net Debt/EBITDA ratio stood at 0.33x.

Indebtedness (BRL Billion) and
Net Debt / Adjusted EBITDA (x)



(Expressed in thousands of reais – R$, unless otherwise stated)

Amortization Schedule



CSN Mineração remains with a solid cash position and sufficient liquidity to cover amortizations for the next 9 years of debt.

Investments

The total investments in 4Q22 were BRL 222 million, especially for spare parts, fleet reform and evolution of P-15. In 2022, Capex reached BRL 1,211 million, a reduction of 14% compared to 2021.

	4Q22	3Q22	4Q22 x 3Q22	4Q21	4Q22 x 4Q21	2022	2021	2022 X 2021
Business Expansion	64	85	-25%	145	-56%	459	540	-15%
Operational Continuity	158	211	-25%	248	-36%	752	866	-13%
Total Investment IFRS	222	296	-25%	393	-44%	1,211	1,406	-14%

*Investments include acquisitions through loans and financing (amounts in BRL mm).

Net Working Capital

The Net Working Capital applied to the business was positive by BRL 987 million in 4Q22, as a result of the increase in accounts receivable, which was impacted by the appreciation of iron ore prince, in addition to the effect of the price adjustment for the customer advances line.

	4Q22	3Q22	4Q22 x 3Q22	4Q21	4Q22 X 4Q21
Assets	2,884	1,901	983	1,819	1,065
Accounts Receivable	1,546	657	889	750	796
Inventory 3	1,102	949	153	956	146
Taxes to be Recovered	142	105	37	82	60
Prepaid Expeses	59	167	(108)	16	43
Other Assets NWC 1	35	23	12	15	20
Liabilities	1,897	2,045	(148)	2,599	(702)
Suppliers	1,384	1,108	276	1,151	233
Labor Obligations	147	146	1	131	16
Tributes to Collect	101	116	(15)	121	(20)
Customer Advances	141	572	(431)	1,101	(960)
Other Liabilities 2	124	103	21	95	29
Net Working Capital	987	(144)	1,131	(780)	1,033

NOTE: The calculation of net working capital applied to the business does not take from Glencore's advances and its amortizations
[1]TooMore CCL Assets: Considers advances to employees and other accounts receivable
[2]Too much CCL Liabilities: Considers other accounts payable, installment taxes and other provisions
[3]Inventories: Does not consider the effect of the provision for inventory losses. For the calculation of the SME are not considered the balances of warehouse stocks.

(Expressed in thousands of reais – R$, unless otherwise stated)

ESG - Environmental, Social & *Governance*

ESG COMMITMENT - CSN MINING

AXIS	ESG Goals
Natural Capital 	Climate Change
	ü Reduction by 30% CO_2 emissions per ton of iron ore produced by 2035 (scopes 1 and 2) compared to 2019.
	ü Carbon Neutral by 2044 in CO_2e from scopes 1 and 2.
	ü Continuous maintenance of energy consumption from 100% renewable sources.
	Efficiency in Water Use and Effluent Management
	ü Reduce new water consumption for iron ore production by at least 10% per ton of ore by 2030 compared to 2018.
	Dam Management and Mischaracterization
	ü Perform the complete mischaracterization of dams built upstream by 2030.
Human and Social Capital 	Social Responsibility
	ü By 2022, increase by 39% the care on children and adolescents by the Garoto Cidadão project in relation to 2020.
	ü In 2022, carry out a formal Due Diligence process on Human Rights in the municipality of Congonhas/MG.
	Health and safety at work
	ü Reduce by 30% the rate of accident frequency (CAF+SAF – own and third parties) by 2030 compared to 2021. (factor of 1 million HHT)
	ü Reduce by 30% the number of days of sick leave by accident with own employees by 2030 compared to 2021.
	Diversity and Inclusion
	ü Double the percentage of women in CSN Mineração by 2025, base year 2019.

ESG PERFORMANCE

The Company continues with a model of reporting its ESG results aligned with relevance and materiality for all stakeholders, in order to offer greater transparency and access to the main results and indicators, enabling its monitoring in an agile and effective way.

Quantitative indicators are presented in comparison with the previous annual period, for better monitoring. Some metrics are compared with the same period of the previous year, and others with the average of the previous period, ensuring a comparison based on seasonality and periodicity.

More detailed historical data on CSN Mining's performance and initiatives can be verified in Integrated Reporting 2021. Integrated Reporting follows internationally recognized guidelines and frameworks such as GRI (Global Reporting Initiative), IIRC (International Integrate Reporting Council), SASB (Sustainability Accounting Standards Board) and TCFD (Task Force on Climate Related Financial Disclosures) and are presented with due correlation with the SDGs (Sustainable Development Goals) and principles of the UN Global Compact. The assurance of ESG indicators occurs annually for the closing of the Integrated Report, so the information contained in the quarterly releases is subject to adjustments resulting from this process. The next Integrated Report, for the period 2022, is expected to be published in April 2023, in which details regarding the status and performance of all goals and indicators will be presented.

It is also possible to monitor CSN Mineração's ESG performance in an agile and transparent manner, on our website, through the following e-mail address: esg.csn.com.br

ESG RATING

In 2021, for the first time CSN Mineração individually submitted its data to the CDP (Disclosure Insight Action) on Climate Change and Water Safety for the year 2020. In the fourth quarter of 2022, the climate change score evolved from "B -" to "B" and in Water Safety from "C" to "B".
The Company also received for the second consecutive year the GHG Protocol gold seal, given the transparency and quality of the data reported in its emissions inventory.

(Expressed in thousands of reais – R$, unless otherwise stated)

PERFORMANCE IN THE MAIN ESG TARGETS

Dimension	Indicators	Unit	Base Year Indicator	2022	Status	Goal	Year
Environmental	Mining Emission Intensity (GHG)[1]	$kgCO_2e$ /t ore	5.77 (Base year 2019)	7.24		4.04	2035
	Water intensity	m^3/t ore	0.23 (Base Year 2018)	0.26		0.20	2030
Social	Frequency Rate[2]	CAF+SAF	1.96 (Base year 2021)	1.30		1.37	2030
Governance	Diversity (women in the functional framework)[3]	%	13% (Base year 2019)	21.8%		26%	2025

[1] Considers the emissions only of the mobile combustion category of scope 1 of CSN Mineração, which represent 95% of the emissions of scope 1, emphasizing that the emission of scope 2 is zero due to the electrical consumption coming from 100% of renewable sources. The data reported in The Integrated Report 2021, considers the total emissions of CSN Mineração, scopes 1 and 2.
[2] Rate considers (CAF+SAF: own and third/1 million hours worked) of CSN Mineração.
[3] Considers employees allocated in Brazil: CLT, Apprentice, Internship and Capacitate Program.

CLIMATE CHANGE

In the last quarter of 2022, CMIN revised its Marginal Abatement Cost Curve considering pre-defined emission reduction projects in the construction of the GHG emission intensity reduction target of 30% by 2035 and neutrality by 2044. In the same period, the Company finalized the qualitative and quantitative assessment of climate risks and its first study of climate scenarios. These two fronts allows Company managers to consider factors related to climate change in strategic decision-making. The study will be made available in greater detail in the Integrated Report 2022, scheduled for publication in April 2023.

It is noteworthy that the year 2022 was marked by heavy rains in the first quarter in the state of Minas Gerais that substantially damaged the operation and production of CSN Mineração. In addition to climate factors, the impact of ramp-up of projects connected to the Central Plant impacted its performance in the year. With the entry of the P15, the mine must operate more efficiently and with more amount of ton produced/ton moved. In addition, the impact of GHG emission reduction projects, according to their MAC curve, will be perceived only from 2025. As a consequence of these factors, a specific mobile combustion emission of 7.24 kgCO2e/ton of ore was recorded, 15% higher than in 2021.

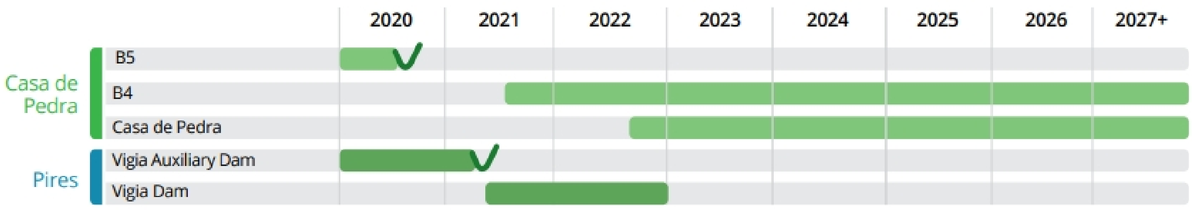
In 2022, CSN Mineração initiated the electrification plan for its fleet of vehicles linked to operations at the Casa de Pedra mine in Congonhas (MG)." In this context, two 100% electric 60 ton trucks are already in operation. The testing phase brings encouraging news, indicating a 30% higher performance in terms of operational efficiency compared to traditional trucks.

(Expressed in thousands of reais – R$, unless otherwise stated)

ENVIRONMENTAL MANAGEMENT

DAM MANAGEMENT

CMIN ended 2022 with all its dams with zero emergency, meaning, with stability guaranteed under current national legislation. In continuity with the decharacterization schedule of the dams, the decharacterization of the Vigia and B5 Auxiliary Dams was completed, and the decharacterization process of Barragem do Vigia is ongoing, which will be completed in the first half of 2023 and Dam B4, with completion scheduled for 2028, as scheduled:



NATURAL CAPITAL - ENVIRONMENTAL INDICATORS

- Air Quality

Air Quality Monitoring (Inalable Particles (PM<10) tons)	2021	2022	Air Quality Index
CSN Mineração - New Platform	29.0	32.6	Good
CSN Mineração - Basilica	29.9	26.7	Good
CSN Mineração - Casa de Pedra Neighborhood	27.0	28.0	Good
CSN Mineração - Cristo Rei Neighborhood	29.0	28.0	Good
CSN Mineração - Esmeril District	24.0	25.0	Good
TECAR - California Village	23.7	25.5	Good
TECAR - Vila Aparecida	24.6	25.3	Good
TECAR - Brisamar	24.9	25.0	Good
TECAR - Terezinha Site	24.8	27.2	Good

(Expressed in thousands of reais – R$, unless otherwise stated)

- Water management

CMIN has set a target to reduce new water consumption by iron ore production by at least 10% by 2030, with 2018 as its base year. By 2021, a reduction of 11% has been achieved. However, 2022 was marked by heavy rains in the first quarter and the decrease in production impacted the indicator for the volume of new water used in the production of the ore ton, culminating in an 8% increase in this volume compared to the base year (2018). The expectation for 2023 is that the indicator will return to 2021 levels.

Water Management	Unit	2021	2022	Δ%
Water catchment	Megaliter	5,856	6,257	+6.8
Intensity by ore production	m^3/t ore	0.21	0.26	+23.8

- Waste Management

Waste Management	Unit	2021	2022	Δ%
Waste Class 1	t	2,218	2,703	+21
Waste Class 2	t	12,062	15,210	+26
Percentage reuse/recycling[1]	%	77%	80%	+4

[1]Considers waste intended for co-processing, recycling, refining and area recovery

SOCIAL DIMENSION

HEALTH AND SAFETY OF TRABALHO

Security and people's health is a top priority for the Company and, in 2022, it was possible to reduce the frequency rate (CAF+SAF: accidents with and without removal of own employees and third parties) by 34% compared to 2021. There were 1.3 accidents/million man-hours worked. And for the ninth consecutive year, 2022 ended without fatalities.

- Management and monitoring of the safety of own employees and third parties

Health and safety at work	2021	2022	Δ%
Number of accidents with and without leave | Own	18	18	-
Number of accidents with and without leave | third party	22	10	-54
Fatality | own and third parties	0	0	-
CAF+SAF+FT accident frequency rate | factor 1 MM HHT | Own	1.52	1.45	-4
CAF+SAF+FT accident frequency rate | factor 1 MM HHT | third party	2.58	1.10	-57
CAF+SAF+FT accident frequency rate | factor 1 MM HHT | own and third parties	1.96	1.30	-34
Severity rate of accidents factor of 1MM HHT | own and third parties	59	64	+8.4

(Expressed in thousands of reais – R$, unless otherwise stated)

PEOPLE MANAGEMENT

Diversity among people is a lever for innovation and growth of CSN Mineração, which promotes a transformation in our society. The initiatives and actions related to the evolution of talent recruitment, evaluation and recognition processes reflect in practice mechanisms that promote gender representativeness and equality, people with disabilities (PCDs) and groups that are minority in operational positions and leadership positions. In 2020, the goal of doubling CSN Mineração's female workforce by 2025 from 13% to 26% was set. In view of this, CSN Mineração continued intensively to work with the implementation of the Capacitar Mulheres program. As a result, in 2022, the result of the representation of women in CMIN went from 18% in December 2021 to 22% in December 2022, a growth of 21%. Regarding the absolute numbers, 312 women were hired, totaling 1,664 women in December 2022.

- Staff, Racial Diversity and *Turn Over*

Employment	Unit	2021	2022	Δ%
Women on the staff [1]	%	18	21.8	+21.1
Women in leadership positions[2]	%	10.4	11.4	+9.6
People with disabilities[2]	%	0.93	1.02	+9.6
Racial Diversity[2]				
• Yellow	%	2.5	2.5	-
• White	%	41.7	40.4	-3.1
• Indigenous	%	0.3	0.3	-
• Black (Black and Brown)	%	53.7	55.2	+2.8
• Not informed	%	1.7	1.5	-11.7
Turnover[2]	%	16.3	19.5	+19.6

[1] Data considers collaborators CLT, Apprentice, Internship and Program - Empower.

[2] The data does not consider the employees "Non-CLT" and "Internship Program".

VALUE CHAIN

The Company ended 2022 with 269 suppliers evaluated in social and environmental criteria considering the CSN Mineração chain. In addition, in 4Q22 CSN Mineração developed a specific ESG Risk Assessment questionnaire for its most relevant suppliers, addressing topics such as: health and safety management, community engagement, diversity and inclusion, whistleblowing channel, code of ethics, certifications, climate risk management, water scarcity and biodiversity.

(Expressed in thousands of reais – R$, unless otherwise stated)

The diagnosis will help CSN Mineração assess and manage potential socio-environmental and image risks, as well as influence its supply chain in the adoption of best market practices.

Sustainable Value Chain[1]	Unit	2021	2022	Δ%
Purchases from local suppliers[2]	%	39.1	37.2	-4.8
Local suppliers (Service)[2]	%	40.9	29.7	-27
Local Suppliers (Materials)[2]	%	38.3	41.0	+7

[1] They are considered as "local" to those suppliers who are in the same state (federative unit) of the evaluated operational unit.
[2] Percentage over total suppliers in each category. Those suppliers who are in the same state (federative unit) of the evaluated operational unit are considered "local" as "local" as "local" as "local" of the operational unit evaluated.

SOCIAL RESPONSIBILITY

Fulfilling the commitment signed in 2021, CSN Mineração began the development of a due diligence on human rights in the municipality of Congonhas/MG in 4Q22. In partnership with the Center for Human Rights and Companies of the Getúlio Vargas Foundation, research began with a focus on the internal evaluation of processes, systems and people in the field of identification and management of Adverse Risks to Human Rights in the community's close to the operation of the Casa de Pedra mine, in line with the UN framework Guiding Principles for Business & Human Rights. The completion of the process and its developments are expected for the first half of 2023.

Also in 2022, 4,643 young people were directly benefited by the social projects of the CSN Foundation, among them: Garoto Cidadão, Capacitar, Jovem Aprendiz, e Tambores de Aço. In total, 246,916 people were impacted by projects developed or supported by the CSN Foundation. BRL 26 million were invested in initiatives related to culture, sports, education, territorial development and social responsibility, reaching in the last three years more than BRL 200 million directed to the projects developed by the CSN Foundation.

	2021	2022	Δ%
Young people benefited[1]	4,578	4,643	+1.4
Public reached[2]	215,227	246,916	+14.7

[1] Young people benefited by the projects Garoto Cidadão, Capacitar, Jovem Aprendiz, Estágio, Tambores de Aço e Futebol.
[2] Public present in the public presentations, carried out by the projects: Citizen Boy, Truck, Steel Drums, Cultural Center and Stories That Stay.

The CSN Foundation also develops the Environmental Education Program (PEA) in the mining city of Congonhas, with social and environmental activities through lectures, events and workshops in public schools and CSN Mineração employees.
The program consists of valuing the autonomy of the citizen, promoting Environmental Education as a daily practice of interpersonal relationships, aiming to transmit information related to the environmental activities developed by CSN Mineração and the teaching and learning process for the acquisition of a balanced understanding of environmental issues.

In 2022, the PEA served 10,741 people through various programs, including: “Ambientar”, “Vivências”, “Giro nas Áreas”, “Fauna em Foco”, “Se Essa Rua Fosse Minha”, “Pensar Eco É Lógico” e “Mineração e Você”. These programs addressed several activities, such as: revitalization of public spaces, realization of composters, projects for rainwater reuse, construction of community gardens, training for the manufacture of low-cost solar heaters, craft classes, awareness actions on commemorative dates, among others.

For more information visit the website: www.fundaçaocsn.org.br

Capital Markets

In the fourth quarter of 2022, CSN Mineração shares rose 23.3%, while Ibovespa showed a 0.3% appreciation. The average daily volume of CMIN3 shares traded in B3 was BRL 37.2 million.

	4Q22	2022
Number of shares in thousands	5,485,339	5,485,339
Market Value		
Closing Quote (BRL/share)	4.08	4.08
Market Value (BRL million)	22,380	22,380
Change in period		
CMIN3 (BRL)	23.3%	-39.5%
Ibovespa (BRL)	-0.3%	4.7%
Volume		
Daily average (thousand shares)	10,030	8,473
Daily average (BRL thousand)	37,198	38,852

Source: Bloomberg

Results Conference Call:

4Q22 and 2022 Results Presentation Webcast	Investor Relations Team
Conference call in Portuguese with Simultaneous Translation for English	Pedro Oliva - CFO and IR Executive Director
March 9, 2023	Pedro Gomes de Souza (pedro.gs@csn.com.br)
10:00 a.m. PDT	Danilo Dias (danilo.dias.dd1@csn.com.br)
08:00 am (New York Time)	Rafael Byrro (rafael.byrro@csn.com.br)
Phone: EUA DI +1 412 717-9627 / EUA TF +1 844 204-8942	
Code: CSN Mineração	
Tel. Replay: +55 11 4118-5151 Password: 219010#	
Webcast: click here	

Some of the statements contained herein are future perspectives that express or imply expected results, performance or events. These perspectives include future results that may be influenced by historical results and statements made in 'Perspectives'. Current results, performance and events may differ significantly from hypotheses and perspectives and involve risks such as: general and economic conditions in Brazil and other countries; interest rate and exchange rate levels, protectionist measures in the U.S., Brazil and other countries, changes in laws and regulations, and general competitive factors (globally, regionally or nationally).

INCOME STATEMENT

Corporate Law - In Thousands of Reais

	4Q22	3Q22	4Q21	2022	2021
Net Sales Revenue	3,978,016	2,723,538	2,650,386	13,272,565	19,039,869
Domestic Market	319,206	419,084	427,461	1,620,931	3,052,793
External Market	3,658,810	2,304,454	2,222,925	11,651,634	15,987,076
Cost of Goods Sold (COGS)	(1,866,636)	(1,777,669)	(1,675,245)	(7,083,266)	(8,008,265)
COGS, no Depreciation and Exhaustion	(1,597,180)	(1,530,791)	(1,451,228)	(6,093,670)	(7,276,130)
Depreciation/Exhaustion answered at cost	(269,456)	(246,878)	(224,017)	(989,596)	(732,135)
Gross Profit	2,111,380	945,869	975,141	6,189,299	11,031,604
Groos Margin(%)	53%	35%	37%	47%	58%
Sales Expenses	(564,216)	(235,784)	(319,325)	(1,028,842)	(1,252,259)
General and Administrative Expenses	(31,870)	(30,935)	(29,608)	(117,176)	(130,121)
Depreciation and Amortization in Expenses	(264)	(1)	(9)	(272)	(44)
Other Net Income (Expenses)	(211,956)	(41,877)	(72,939)	(407,001)	(271,737)
Other operational recipes	(12,872)	(7,453)	24,986	4,530	29,968
Other operational expenses	(199,084)	(34,424)	(97,925)	(411,531)	(301,705)
Equity Income	32,241	46,683	6,547	116,562	92,055
Operating Income Before Financial Results	1,335,315	683,955	559,807	4,752,570	9,469,498
Net Financial Results	(438,528)	63,058	159,610	(772,168)	(264,854)
Financial Revenue	102,737	109,316	58,001	344,247	149,548
Financial Expenses	(199,233)	(165,305)	(131,452)	(652,013)	(480,905)
Net Exchange Variations	(342,032)	119,047	233,061	(464,402)	66,503
Result Before Tax and Social Contribution	896,787	747,013	719,417	3,980,402	9,204,644
Income Tax and Social Contribution	(25,408)	(232,956)	(15,815)	(1,030,104)	(2,833,678)
Net Income (Loss) for the Period	871,379	514,057	703,602	2,950,298	6,370,966

The table below is intended to present the statement of the Company's income in full on fob basis:

ADJUSTED INCOME STATEMENT - FOB Basis	4Q22	3Q22	4Q21	2022	2021
Net Revenue	3,978,016	2,723,538	2,650,386	13,272,565	19,039,869
Freigth and Maritime Insurance	(465,630)	(214,984)	(269,510)	(826,552)	(1,058,077)
Net Revenue - FOB Basis	3,512,386	2,508,554	2,380,876	12,446,013	17,981,792
COGS					
COGS without depretiation	(1,597,180)	(1,530,791)	(1,451,228)	(6,093,670)	(7,276,130)
Depretiation	(269,456)	(246,878)	(224,017)	(989,596)	(732,135)
Gross Profit - FOB Basis	1,645,750	730,885	705,631	5,362,747	9,973,527
Adjusted Gross Profit - FOB Basis	47%	29%	30%	43%	55%
Adjusted SG&A Expenses - FOB Basis	(130,720)	(51,736)	(79,432)	(319,738)	(324,347)
SG&A Expenses	(596,350)	(266,720)	(348,942)	(1,146,290)	(1,382,424)
Freigth and Maritme Insurance	465,630	214,984	269,510	826,552	1,058,077
Other Operating Income (expenses)	(211,956)	(41,877)	(72,939)	(407,001)	(271,737)
Equity Income	32,241	46,683	6,547	116,562	92,055
Net Financial Reslt	(438,528)	63,058	159,610	(772,168)	(264,854)
Profit before Tax and Social Contribution	896,787	747,013	719,417	3,980,402	9,204,644
Current Income tax and Social Contribution	(25,408)	(232,956)	(15,815)	(1,030,104)	(2,833,678)
Net Profit	871,379	514,057	703,602	2,950,298	6,370,966

DFP –– Annual Financial Statements – December 31, 2022 – CSN Mineração S.A
(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)
(Expressed in thousands of reais – R$, unless otherwise stated)

BALANCE SHEET
In Thousands of Reais

	12/31/2022	09/30/2022	12/31/2021
Current Assets	9,617,117	11,651,602	12,797,847
Cash and Cash Equivalents	6,489,572	9,583,962	10,716,802
Financial Investments	247,326	136,927	217,023
Accounts Receivable	1,545,463	657,217	749,766
Inventory	923,849	818,002	855,205
Taxes to be recovered	177,737	135,972	105,989
Other Current Assets	233,170	319,522	153,062
Prepaid Expenses	100,696	98,102	90,952
other	132,474	221,420	62,110
Non-Current Assets	15,436,479	14,856,353	14,193,287
Taxes to be recovered	114,336	113,965	117,230
Inventory	1,039,983	942,552	656,193
Other Non-Current Assets	113,131	131,693	193,420
Prepaid Expenses	41,694	65,402	128,849
other	71,437	66,291	64,571
Investments	1,425,588	1,421,294	1,313,186
Immobilized	8,356,288	8,037,440	7,692,003
Fixed assets in operation	6,767,821	6,129,805	5,697,599
Right of Use in Lease	129,091	132,840	125,672
Assets in Progress	1,459,376	1,774,795	1,868,732
Intangible	4,387,153	4,209,409	4,221,255
TOTAL ASSET	25,053,596	26,507,955	26,991,134
CURRENT LIABILITIES	4,642,824	4,204,096	6,532,583
Social and Labor Obligations	82,196	103,167	75,320
Suppliers	1,384,390	1,107,268	1,150,427
Tax Obligations	432,216	583,998	2,270,111
Loans and Financing	1,045,990	879,978	478,410
Advance of customers	945,808	1,367,430	1,974,014
Dividends and JCP payable	74,566	-	402,456
Other obligations	674,542	159,564	175,948
Leasing Liabilities	17,533	20,921	19,624
Derivative financial instruments	416,935	-	-
Other obligations	240,074	138,643	156,324
Labor and Civil Social Security Tax Provisions	3,116	2,691	5,897
Non-Current Liabilities	9,017,345	9,135,718	6,460,264
Loans, Financing and Debentures	7,350,418	7,304,525	4,234,652
Suppliers	31,917	21,462	54,113
Advance of customers	637,188	740,641	945,100
Environmental liabilities and deactivation	486,275	490,858	513,745
Other Obligations	365,554	344,095	304,430
Arcane liabilities	117,847	117,711	108,433
Tributes to be collected	113,055	170,814	125,391
Other accounts payable	134,652	55,570	70,606
Deferred Taxes	81,323	169,360	352,231
Provisions for Environmental Liabilities and Deactivation	64,670	64,777	55,993
Equity	11,393,427	13,168,141	13,998,287
Paid-up Share Capital	7,473,980	7,473,980	7,473,980
Capital Reserve	127,042	127,042	127,042
Profit Reserves	3,966,773	3,548,953	6,722,465
Stocks in Treasury	-	-	(651,017)
Profit/(loss)Accumulated	-	2,078,919	-
Equity Valuation Adjustments	322,635	322,635	322,635
Other Comprehensive Results	(497,003)	(383,388)	3,182
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	25,053,596	26,507,955	26,991,134

CASH FLOW

CONSOLIDATED - Corporate Law - In Thousands of Reais

	4Q22	3Q22	4Q21
Net Cash Flow from Operating Activities	(243,289)	1,106,821	(178,056)
Net income / Loss for the period	871,379	514,056	703,602
Equity income	(32,241)	(46,683)	(6,547)
Exchange and monetary variations	127,747	18,098	98,766
Interest expense on loans and financing	134,646	91,249	56,315
Capitalized interest	(26,305)	(22,797)	(21,283)
Interest on leases	2,901	3,018	3,082
Losses with derivative instrument	75,667	7,423	-
Amortization transaction cost	5,081	6,915	3,394
Depreciation and amortization	272,598	249,483	228,235
Current and deferred income tax and social contribution	25,408	232,956	15,815
Income from the loss or disposal of assets	(30,649)	3,385	37,815
Other	(13,626)	(10,740)	(3,327)
Change in assets and liabilities	(1,360,767)	530,999	(962,706)
Accounts receivable from customers	(916,691)	24,069	118,008
Inventory	(204,296)	(96,326)	141,172
Taxes to be recovered	(38,407)	(28,299)	(56,510)
Other assets	(19,322)	(2,577)	90,020
Advance Supplier - CSN	22,165	20,652	17,998
Suppliers	374,592	67,031	(339,442)
Salaries, provisions and social contributions	(21,335)	7,551	(22,984)
Tributes to be collected	(52,862)	140,353	(78,139)
Advance Client - Glencore	(181,998)	(288,369)	(215,706)
Advance - Energy contracts	-	400,003	
Other accounts payable	(322,613)	286,911	(617,123)
Other payments and receipts	(295,128)	(470,541)	(331,217)
Hedge Accounting cash flow	-	-	70,414
Dividends received MRS	31,387	-	19,304
Income tax and social contribution paid	(216,896)	(412,004)	(381,367)
Interest paid on loans and financing	(109,619)	(58,537)	(39,568)
Cash Flow from Investment Activities		(195,572)	(392,076)
Acquisition of fixed assets	(222,406)	(275,668)	(392,076)
Financial investments	(110,398)	80,096	-
Cash from the acquisition/incorporation of CGPAR	-	-	-
Investment acquisition - CGPAR	-	-	-
Cash received in Chapeco acquisition	41,693	-	-
Acquisition of Cia Energética Chapeco	(358,634)	-	-
Cash Flow from Financing Activities	(2,196,116)	1,303,681	(543,857)
Payment of the principal on loans	(169,058)	(29,317)	(32,205)
Captures	430,000	1,400,000	-
Transaction cost	(6,151)	(61,258)	-
Dividends paid	(2,444,754)	-	-
Lease liabilities	(6,153)	(5,744)	(5,775)
Stocks Repurchase	-	-	(505,877)
Exchange Variation on Cash and Cash Equivalents	(5,240)	-	-
Increase in Cash and Cash Equivalents	(3,094,390)	2,214,930	(1,113,989)
Cash and cash equivalents at the beginning of the period	9,583,962	7,369,032	11,830,791
Cash and cash equivalents at the end of the period	6,489,572	9,583,962	10,716,802

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED ON DECEMBER 31, 2022 AND 2021
(In thousands of reais, unless otherwise noted)

1. DESCRIPTION OF BUSINESS

CSN Mineração S.A, herein referred to as “CMIN”, “Company”, “Group” or “Parent Company” was established in 2007, with its registered office in Congonhas, in the State of Minas Gerais. CSN Mineração, together with its subsidiaries and affiliates, is also referred to in these financial statements as “Group”. CSN Mineração was incorporated as from the business combination between the mining and port assets of its parent company Companhia Siderúrgica Nacional ("CSN" or "CSN Group" or "CSN Group") and the mining assets merged into previously owned by Nacional Minérios SA ("Namisa"), a joint venture between CSN and Japan Brasil Iron Ore Participações ("Asian Consortium"), an Asian group, initially, formed by companies Itochu and by the international steel companies JFE, Posco, Kobe Steel, Nisshin Steel and China Steel Corporation. On February 17,2021 the Company concluded the public offering of its shares and became a publicly held company. The offering consisted of the primary and secondary distribution of its common shares through B3 - Brasil, Bolsa, Balcão. The price per share was fixed at R$8.50 after the intention of investments collected from institutional buyers in Brasil and abroad. Upon the issuance, the Company capitalized the amount of R$1,370 million which were allocated to increase share capital.

The Group is engaged in exploring mineral activity all over Brazil and abroad, including the utilization of mineral deposits, research, exploration, extraction, sale of ores in general and byproducts derived from mineral activity, beneficiation, industrialization, transportation, shipment, import and export of ores in general, and holding of equity interests in other domestic or foreign companies established under any legal form and whatever the corporate purpose.

The Company operates and develops its mining operations in the “Iron Quadrilateral in Minas Gerais where is has rights to exploit mineral resources and has iron ore processing facilities. The Company’s iron ore and the iron ore purchased from third parties is basically sold in the foreign market, mainly in the European and Asian continents, through an integrated logistics network that allows the transportation of the iron ore, produced in the cities of Congonhas and Ouro Preto, in the state of Minas Gerais, to Itaguaí, in the state of Rio de Janeiro. The ore shipment is carried out by the Coal Terminal (“TECAR”), a solid bulk terminal, one of the four terminals that comprise the Itaguaí Port, in Rio de Janeiro. TECAR also provides solid bulk unloading service, mainly to meet the demands for importations of coal and coke carried out by its controlling shareholder, Companhia Siderúrgica Nacional (“CSN”).

The prices charged in the foreign iron ore market are historically cyclical and subject to significant fluctuations over short periods of time, driven by several factors related to global demand, strategies adopted by the major steel producers, and the foreign exchange rate. All these factors are beyond the Company’s control.

As a pioneer in the use of technologies that result in the possibility of stacking the tailings generated in the iron ore production process, the Company has its iron ore production, since January 2020, 100% independent of tailings dams. After significant investments in recent years to raise the level of reliability, disposal and dry stacking, the Company has advanced to a scenario in which 100% of our tailings goes through a dry filtering process and are stacked in piles, geotechnically controlled, in areas exclusively destined for stacking.

As a consequence of these measures, decommissioning of dams is the natural path for processing filtered tailings. All of our mining dams are positively certified and comply with the environmental legislation in force.

On October 07, 2022, the Company concluded the acquisition of 99.99% of the shares of Companhia Energética Chapecó - CEC ("Chapecó"), holder of the concession for the Usina Hidrelétrica Quebra-Queixo hydroelectric plant, which has an installed capacity of 120MW. With this investment the Company aims to mitigate costs, providing greater competitiveness. CSN Energia S.A. acquired the remaining 0.01% interest in Chapecó.

- **Going Concern**

Management understands that the Company has adequate resources to continue its operations. Accordingly, the Company's individual and consolidated financial statements for the year ended December 31, 2022, have been prepared on a basis of operational continuity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.a) Declaration of conformity

The consolidated and parent company financial statements have been prepared and are being presented in accordance with accounting practices adopted in Brazil, based on the provisions of the Brazilian Corporate Law, pronouncements, guidelines and interpretations issued (CPC), approved by CVM, by the Federal Council of Accounting (CFC) and in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standard Board (IASB) and highlight all the relevant information at the financial statements, and only this information, which correspond to those used by the Company's management in its activities. The consolidated financial statements can be identified as "Consolidated" and the parent company's as "Parent Company".

2.b) Basis of presentation

The parent company and consolidated financial statements (" financial statements") were prepared based on the historical cost and were adjusted to reflect: (i) the fair value measurement of certain financial assets and liabilities (including derivative instruments), as well as pension plan assets; and (ii) impairment losses.

When IFRS and CPCs allows an option between cost or another measurement criterion, the cost of acquisition criterion was used.

The preparation of these consolidated and parent company financial statements requires management to use certain accounting estimates, judgments and assumptions that affect the application of Accounting Polices and the amounts reported on the balance sheet, such as, assets, liabilities, income, and expenses may differ from actual future results. The assumptions used are based on history and other factors considered relevant and are reviewed by the Company's management.

The accounting policies and critical estimates, when applicable and relevant, are included in the respective explanatory notes and are consistent with the previous year presented, as shown below:

- Note 12.a - Goodwill impairment test (impairment);
- Note 16 - Financial instruments: derivatives and hedge accounting ("hedge accounting");
- Note 22 - Provision for tax, social security, labor, civil, environmental, and judicial deposits: main assumptions about the probability and magnitude of resource outflows;
- Note 23 – Provision for environmental liabilities and asset retirement obligations;
- Note 30 – Employee benefits;

The consolidated and parent company financial statements were approved by the Board of Directors on March 08, 2023.

2.c) Function currency and presentation currency

Items included in the financial statements are related to each one of the Company's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates ("functional currency"). The consolidated financial statements are presented in Brazilian reais (R$), which is the Company's functional currency and the Group's presentation currency.

Transactions in foreign currencies are converted into the functional currency using the exchange rates in effective dates of the transactions or evaluations when their values are remeasured.

The balances of assets and liabilities accounts are converted at the exchange rate on the balance sheet date. On December 31, 2022, US$1 was equivalent to R$5.2177 (R$5.5805 on December 31, 2021) and € 1 was equivalent to R$5.5694 (R$6.3210 on December 31, 2021), according to rates extracted from the Brazilian Central Bank website.

2.d) Statement of value added

Pursuant to Law 11,638/07, the presentation of the statement of added value is required for all publicly held companies. This statement was prepared in accordance with CPC 09 - Statement of Value Added, approved by CVM Resolution 557/08. The IFRS does not require the presentation of this statement and for IFRS purposes is presented as additional information.

(In thousands of reais, unless otherwise noted)

2.e) Adoption of the new and revised International Financial Reporting Standards (IFRS) and CPC

The significant accounting policies applied in the preparation of these financial statements have been included in the respective notes and are consistent for all years presented. The Company has not adopted new accounting policies in the current year.

Additionally, some accounting standards and interpretations were recently issued, but are not yet effective for the year. However, they are not yet effective for the year ended December 31, 2022 or have had no impact on these financial statements. The Company has not early adopted any of these standards and does not expect that they will have a material impact on the financial statements of subsequent fiscal years.

3. BUSINESS COMBINATION

<u>Acquisition of the control of Companhia Energética Chapecó - CEC.</u>

On October 07, 2022, the Company concluded the acquisition of 99.99% of the shares issued by Companhia Energética Chapecó - CEC negotiated with Astra Infraestrutura I Fundo de Investimento em Participação Multiestratégia and BMPI Infra S.A.

The Companhia Energética Chapecó - CEC holds the concession to operate the hydroelectric plant Quebra-Queixo, located on the Chapecó River between the towns of Ipuaçú and São Domingos in the state of Santa Catarina, the concession contract was signed in December 2000 for 35 years and extended until December 2040, after the negotiations for the readjustment of the GSF - Generation Scaling Factor, occurred in October 2021, the plant has an installed capacity of 120MW, approximately.

With this acquisition, the Company aims to support and strengthen its business expansion strategy, through investments in renewable energy and self-production for greater competitiveness.

i. Determination of the purchase price

In accordance with CPC 15 (R1) / IFRS3, the purchase price is determined by the sum of the assets transferred, liabilities incurred, equity interests issued, non-controlling interest and the fair value of any interest held prior to the transaction. The table below summarizes the price considered for accounting purposes:

Item	Comment	BRL (Thousand)	Reference
Assets transferred	Payment carried out at acquisition	358,634	i
Purchase price considered for the business combination		**358,634**	

(i) The transaction was concluded by the Company, on October 07, 2022, with the payment of R$358,634.

ii. Goodwill on acquisition of control

In accordance with item 32 of CPC15 (R1)/IFRS3, the acquirer must recognize goodwill for expected future profitability on the acquisition date, measured by the amount by which the purchase price exceeds the fair value of the assets and liabilities acquired (purchase price allocation). Due to the nature of the assets acquired - concession for the use of public property for a defined period of time, the transaction did not generate goodwill based on expected future profitability.

iii. Fair value of assets and liabilities acquired

In identifying the fair value of assets acquired and liabilities assumed, the Company applied the guidance contained in IFRS13/CPC46 - Fair Value Measurement. The following table shows the allocation of the fair value of assets acquired and liabilities assumed on August 31, 2022, calculated based on independent appraisers' reports.

(In thousands of reais, unless otherwise noted)

BRL (Thousand)	Book Values	Fair value adjustments	Total fair value
Assets			
Cash and cash equivalents	41,693		41,693
Trade accounts receivable	5,745		5,745
Other assets	246		246
Recoverable taxes and contributions	5,420		5,420
Deferred Taxes	9,521		9,521
Judicial deposits	151		151
Fixed Assets	106,695	195,026	301,721
Intangible	104,499	83,610	188,109
Total assets acquired	**273,970**	**278,636**	**552,606**
Liabilities			
Suppliers	157		157
Labor obligations	364		364
Tax liabilities	1,945		1,945
Other accounts	1,567		1,567
Advances from customers	100,012		100,012
Concessions payable	89,927		89,927
Total liabilities assumed	**193,972**		**193,972**
Net equity acquired	**79,998**	**278,636**	**358,634**

The allocation of the fair value resulted in a gain in the total amount of R$278,636, distributed among the main assets of Companhia Energética Chapecó - CEC. The following table shows the composition of the allocated amounts and a summary of its calculation methodology.

Assets acquired	Valuation method	Book Values	Fair value adjustment	Total fair value
Property, plant and equipment	The values of fixed assets were adjusted by the difference between the replacement value of fixed assets evaluated and their respective net book value, according to a technical evaluation carried out by an independent appraiser for the groups of assets represented by buildings, vehicles, furniture and fixtures. The useful lives follow the terms disclosed in note 11.	106,695	195,026	301,721
Intangible Assets	Evaluated by the *MPEEM* method that measures the present value of future income to be generated during the remaining useful life of a given asset. Using the analysis of the company's projected results as a reference, the pre-tax cash flows directly attributable to the asset are calculated, as of the base date stipulated in the evaluation. And Incremental Cash Flow, where the economic gain generated by the spread between the contract value and the spot value of energy was the basis of a free cash flow.	104,499	83,610	188,109
		211,194	**278,636**	**489,830**

The Company contracted an independent company to prepare an appraisal report of the tangible and intangible assets and allocation of the excess of price paid. As provided for in item 45 of CPC 15 (R1) / IFRS 3, the Company has up to 12 months to make adjustments in the measurement of amounts due to events not considered.

Accounting Policy

The acquisition method is used to account for each business combination undertaken by the Company. The transferred consideration for the acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred, and equity instruments issued by the Company. The transferred consideration includes the fair value of any asset or liability resulting from a contingent consideration agreement when applicable. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities assumed in a business combination are initially measured at fair values on the acquisition date.

(In thousands of reais, unless otherwise noted)

4. CASH AND CASH EQUIVALENTS

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Cash and cash equivalents				
In Brazil:	613	1,760	200	1,760
Abroad:	5,349,645	7,129,569	5,327,523	7,110,702
	5,350,258	**7,131,329**	**5,327,723**	**7,112,462**
Short-term investments				
In Brazil:	721,667	3,585,473	669,627	3,585,473
Abroad:	417,648		417,648	
	1,139,315	**3,585,473**	**1,087,275**	**3,585,473**
Total	**6,489,572**	**10,716,802**	**6,414,998**	**10,697,935**

The funds available established in Brazil, are basically invested in repurchase agreements and Certificate of Bank Deposits (“CDBs”) and the yield interest is based on the floating of Certificates of Interbank Deposits (“CDI”) and with immediate liquidity.

Additionally, the financial resources abroad have daily liquidity with banks considered by Management as top-of-line and are remunerated at pre-fixed rates.

Accounting Policy

Cash and cash equivalents include cash, bank deposits and other short-term investments of immediate liquidity, redeemable within 90 days of the contracting date, readily convertible into an amount known as cash and with an insignificant risk of changing its market value.

5. FINANCIAL INVESTMENTS

As of December 31, 2022, the Company had financial investments in public securities - LFT - National Treasury Bills, managed by CSN exclusive funds, which amounted to R$247,326 (R$217,023 as of December 31, 2021) in the consolidated and parent company.

Accounting Policy

Short-term investments that are not classified as cash equivalents and are measured at amortized cost.

6. TRADE RECEIVABLES

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Trade receivables				
Third parties				
Domestic market	8,232	1,056	1,003	1,056
Foreign market	1,348,225	84,027	1,339,514	74,710
	1,356,457	**85,083**	**1,340,517**	**75,766**
Allowance for doubtful debts	(10,672)	(10,489)	(1,961)	(1,172)
	1,345,785	**74,594**	**1,338,556**	**74,594**
Related parties (Note 13-b)	199,678	675,172	199,678	675,172
Total	**1,545,463**	**749,766**	**1,538,234**	**749,766**

To determine the recovery of trade accounts receivable, the Company considers any change in the credit quality of the customer from the date the credit was initially granted until the end of the reporting period.

(In thousands of reais, unless otherwise noted)

The following are the balances of trade receivables by maturity:

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Current	1,346,743	74,763	1,339,514	74,763
Past-due over 180 days	9,714	10,320	1,003	1,003
Total	**1,356,457**	**85,083**	**1,340,517**	**75,766**

The movements in the Company's allowance for doubtful debts are as follows:

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Opening balance	**(10,489)**	**(10,660)**	**(1,172)**	**(1,984)**
Expected losses	(1,174)		(1,174)	
Recovery of receivables	385	812	385	812
Exchange variations	606	(641)		
Closing balance	**(10,672)**	**(10,489)**	**(1,961)**	**(1,172)**

Accounting Policy

Trade receivables are recognized at the transaction price, provided that they do not contain financing components, and are subsequently measured at amortized cost, when applicable, adjusted to present value, including the related taxes and expenses, and foreign currency-denominated trade receivables are adjusted at the exchange rate in issue at the end of the reported period.

The receivables are composed by the value of the invoices issued (quantities, humidity indices and primary quality content), valued based on the price of the "commodities" established by "Platts", at the date of shipment, as established by the contract of each customer.

Where applicable, for open balances, market marking is made based on the average quotations of the Iron Ore Trading Exchange adjusted monthly up to the negotiated date for the closing of the final price.

The final invoices, which end the export operations and are generally issued after receipt and analysis of the "commodities" (approval of quantities, moisture indices and content of the metal contained by the customers), are valued as each contract is established.

The result of the necessary price adjustments, both for the issuance of the final bills and for the market marking, is recognized within the sales revenues at the time the adjustments are incurred.

The Company annually measures the expected credit losses for the instrument, where it considers all possible loss events throughout the life of its receivables, using a loss rate matrix by maturity range, adopted by the Company, from the initial moment (recognition) of the asset. This model considers the client history, default rate, financial situation and the position of their legal advisors to estimate expected credit losses.

(In thousands of reais, unless otherwise noted)

7. INVENTORIES

	Consolidated and parent company	
	12/31/2022	**12/31/2021**
Finished goods	681,282	651,642
Work in progress	1,033,632	662,964
Spare parts	274,504	204,009
Others	771	6,434
(-) Provision for losses	(26,357)	(13,651)
	1,963,832	**1,511,398**
Current	923,849	855,205
Noncurrent	1,039,983	656,193
Total	**1,963,832**	**1,511,398**

Long-term iron ore stocks will be used the investments in the Beneficiation Plant are concluded, generating pellet feed as a final product.

The movements in the provision for inventory losses are as follows:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Openning balance	**(13,651)**	**(43,531)**
(Provision)/reversal of estimated losses on slow-moving and obsolescence inventories	(12,706)	29,880
Closing	**(26,357)**	**(13,651)**

Accounting Policy

The inventory is recorded at the lower of cost and net realizable value. The cost is determined using the weighted average cost method for the purchase of raw materials. The cost of finished products and work in process comprises of raw materials, labor, other direct costs (based on normal production capacity). The net realizable value is the estimated selling price in the ordinary course of business, minus the estimated costs of completion and the estimated costs necessary to realize the sales. Estimated losses on slow-moving or obsolete inventories are recognized when deemed necessary.

8. RECOVERABLE TAXES

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Credit Compensation CFEM	12,383		12,383	
Prepayment of Income Tax and Social Contribution	23,968	31,041	20,562	29,413
State VAT (ICMS)	161,707	166,551	161,593	165,770
Taxes on Revenue (PIS and COFINS)	88,846	21,450	88,846	21,450
Others	5,169	4,177	5,169	4,177
Total	**292,073**	**223,219**	**288,553**	**220,810**
Current	177,737	105,989	175,889	103,580
Noncurrent	114,336	117,230	112,664	117,230
Total	**292,073**	**223,219**	**288,553**	**220,810**

The non-current portion is basically represented by ICMS credits that are expected to be realized in the long term.

The Company periodically evaluates the evolution of accumulated tax credits and the need to record losses due to recoverability in order to use them.

(In thousands of reais, unless otherwise noted)

Accounting Policy

The balance of recoverable taxes in the short term are expected to be offset in the next 12 months, so based on analysis and budget projection approved by management, and there is no risk in forecast of non-realization of these tax credits, provided that such budget projections materialize.

9. OTHER CURRENT AND NON-CURRENT ASSETS

The group of other current and non-current assets is comprised as follows:

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Judicial deposits (Note 22)	51,878	45,701	51,873	45,701
Dividends receivable (Note 13.b)	38,679	30,941	41,069	30,941
Other receivables from related parties (Note 13.b)	150,852	232,942	151,518	233,009
Freight and maritime insurance (1)	56,556	5,023	56,556	5,005
Insurance	20,332	15,792	20,332	15,792
Deferred assets (2)	9,342			
Others	18,662	16,083	16,413	15,572
Total	**346,301**	**346,482**	**337,761**	**346,020**
Current	233,170	153,062	234,455	153,080
Noncurrent	113,131	193,420	103,306	192,940
Total	**346,301**	**346,482**	**337,761**	**346,020**

1. Refers to payment of freight expenses and marine insurance on unrecognized sales revenues, following the guidelines of CPC 47 / IFRS15, the freight in incoterms "CIF/CFR" is considered a distinct performance obligation and for these, there's not conclusion about the delivery process, but the transport service provider had already been paid.
2. Deferred Assets received from the acquisition of Companhia Energética Chapecó - CEC - see note 3.

10. BASIS OF CONSOLIDATION AND INVESTMENTS

The accounting policies have been consistently applied to all consolidated companies. The consolidated financial statements for the years ended December 31, 2022, and 2021, include the subsidiaries and associates shown in the table below:

- **Companies**

	Equity interests (%)		Core business
Direct interest in subsidiaries: full consolidation			
CSN Mining Holding, S.L.U	100.00	100.00	Financial transactions, product sales and equity interests
Companhia Energética Chapecó (1)	99.99		Generation and sale of energy
Indirect interest in subsidiaries: full consolidation			
CSN Mining GmbH	100.00	100.00	Sale of ore, financial transactions and equity interests
CSN Mining Portugal Unipessoal LDA	100.00	100.00	Sales representation
CSN Mining Asia Limited	100.00	100.00	Sales representation
Direct interest in company classified as associate: equity method			
MRS Logistica S.A	18.63	18.63	Railroad transportation

1. October 07, 2022 the Company acquired 99.99% of the shares of Companhia Energética Chapecó-CEC - note 3.

(In thousands of reais, unless otherwise noted)

- **Balances**

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Investments accounted for under the equity method				
Subsidiary				
CSN Mining Holding, S.L.U			18,701	20,017
Campanhia Energética Chapecó			83,656	
Fair Value allocated to Companhia Energética Chapecó (2)			270,045	
Associate				
MRS Logística S.A.	1,027,190	903,042	1,027,190	903,042
Fair value allocated to MRS (1)	398,398	410,144	398,398	410,144
Total	**1,425,588**	**1,313,186**	**1,797,990**	**1,333,203**

1. The fair value allocated to the investment in MRS derives from the control acquisition of Namisa. amortization is carried out according to the period of the railway concession contract with MRS
2. The fair value allocated to the investment in Companhia Energética Chapecó - CEC arising from the acquisition of control, amortization is performed according to the period of the concession contract of the hydroelectric plant of Quebra-Queixo, owned by CEC.

10.a) Changes in investments in subsidiaries and associated companies

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Opening balance of investments	1,313,186	1,225,372	1,333,203	1,241,549
Share of profit (loss) of investees	162,913	130,275	167,646	134,114
Amortization of fair value allocated to MRS shares	(11,747)	(11,746)	(11,747)	(11,746)
Dividends	(38,678)	(30,941)	(41,069)	(30,941)
Acquisition of Chapecó shares (note 3)			79,998	
Fair value allocated to Chapecó shares (note 3)			278,636	
Amortization of fair value allocated to Chapecó shares			(8,591)	
Others	(86)	226	(86)	227
Total	**1,425,588**	**1,313,186**	**1,797,990**	**1,333,203**

The reconciliation of the equity in results and the amount presented in the income statement is presented below and due from the elimination of the results of the Company's transactions with these companies:

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Equity in earnings of subsidiaries MRS	162,913	130,275	162,913	130,275
Equity in earnings of subsidiaries CSN Mining Holding			(1,315)	3,839
Business combination- Companhia Energética Chapecó			6,048	
Compensation of cost share in the income statement (IAS28)	(34,604)	(26,474)		
Amortization of fair value allocated to MRS shares	(11,747)	(11,746)	(11,747)	(11,746)
Amortization of fair value allocated to Chapecó shares			(8,591)	
Total	**116,562**	**92,055**	**147,308**	**122,368**

10.b) Description and main information on the direct subsidiary and associate

- CSN MINING HOLDING, S.L.U

Located in Bilbao, Spain, this wholly owned subsidiary was acquired on April 16, 2008, and operates as a holding company with a 100% stake in the subsidiaries CSN Mining GMbH, CSN Mining Ásia Limited and CSN Mining Portugal Unipessoal, LDA., whose main activities are related to the sale of iron ore in the foreign market and to do financial transactions.

- COMPANHIA ENERGÉTICA CHAPECÓ - CEC

Companhia Energética Chapecó - CEC, with its head office in the city of São Paulo, is an independent electric energy production concessionaire and its main activity is to take advantage of the potential for electric energy located on the Chapecó River, through a hydroelectric power plant, between the municipalities of Ipuaçu and São Domingos, in the state of Santa Catarina, called the Quebra Queixo Generating Center. The concession contract is valid until December 2040 and can be extended under the conditions established by ANEEL.

(In thousands of reais, unless otherwise noted)

- MRS LOGÍSTICA S.A.

Located in the city and state of Rio de Janeiro, RJ, this subsidiary is engaged in providing public railroad freight transportation services, on the basis of an onerous concession agreement, on the tracks of the Southeast Network of Rede Ferroviária Federal S.A. - RFFSA, located between the cities of Rio de Janeiro, São Paulo, and Minas Gerais. The concession period is effective for 30 years, from December 1, 1996. In July 2022 the granting authority approved the extension of the concession for another 30 years, starting December 1, 2026.

MRS can also engage in modal transportation services, related to railroad transportation, and participate in projects aimed at expanding the railroad services granted on a concession basis.

For the provision of the services, MRS leased from RFFSA, for the same period of concession, the goods necessary for the operation and maintenance of rail freight activities. At the end of the concession, all leased goods shall be transferred to the possession of the rail operator designated in that act.

The Company directly holds an interest of 18.63% of MRS share capital.

Balance Sheet

	12/31/2022	12/31/2021		12/31/2022	12/31/2021
Assets			**Liabilities**		
Current			**Current**		
Cash and cash equivalents	867,937	1,836,612	Borrowings	735,231	767,992
Advance of suppliers	29,500	44,011	Leases liabilities	472,129	383,323
Others	1,351,335	1,065,913	Others	1,682,928	1,513,799
Noncurrent			**Noncurrent**		
Others	887,987	980,860	Borrowings	3,604,793	3,551,278
Investment, property, plant and equipment, and intangible assets	11,541,779	9,614,144	Leases liabilities	1,928,931	1,718,366
			Others	740,892	759,537
			Equity	5,513,634	4,847,245
Total Assets	**14,678,538**	**13,541,540**	**Total Liabilities and Equity**	**14,678,538**	**13,541,540**

Statement of Income

	12/31/2022	12/31/2021
Statement of income		
Net revenue	5,592,118	4,427,385
(-) Cost of sales	(3,477,896)	(2,919,527)
Gross profit	**2,114,222**	**1,507,858**
Operating expenses	(243,399)	(116,499)
Finance income (costs), net	(641,862)	(345,513)
Income before taxes	**1,228,961**	**1,045,846**
Taxes on profit	(354,786)	(346,551)
Income for the year	**874,175**	**699,295**

Accounting Policy

Equity method of accounting

The equity method applies to subsidiaries and affiliates.

Subsidiaries

Subsidiaries are all entities whose financial and operational policies may be conducted by the Company and when there is exposure or the right to variable returns arising from its involvement with the entity with the ability to interfere in these returns due to the power it exercises over the entity. The existence and effect of any potential voting rights, which are exercisable or convertible, are considered when assessing whether the Company controls another entity. The subsidiaries are fully consolidated from the date on which the control is transferred to the Company and cease to be consolidated from the date on which the control refrain.

(In thousands of reais, unless otherwise noted)

Afiliates

The investment in MRS is classified as affiliate because the Company has significant influence, but not the control on the relevant business decisions of this onslaught. In addition to the 18.63% stake in MRS, which includes common, preferred shares and common shares linked to the shareholder agreement, the Company's influence in conjunction with the political rights of the CSN controlling shareholder, which is a signatory member of MRS's shareholders' agreement, is taken into account.

Investment in affiliated company is accounted for by the equity method.

Transactions between subsidiaries and affiliates

Unrealized balances and gains on transactions with subsidiaries and affiliates are eliminated proportionally to the Company's interest in the entity in question on the consolidation process. Unrealized losses are eliminated in the same way as unrealized gains, but only if there is no evidence of impairment. The effects on the results of transactions with the affiliate are also eliminated, where part of the equity in results is reclassified to financial expenses, cost of products sold and income and social contribution taxes.

The subsidiaries and affiliated entities have the same reporting date and accounting policies as those adopted by the Company.

Foreign currency transactions and balances

The transactions in foreign currencies are converted into the functional currency using the exchange rates prevailing ate the transaction date or evaluations when their values are remeasured. Foreign exchange gains and losses resulted from the settlement of those transactions and from the conversion at exchange rates in effect as of December 31, 2022, related to monetary assets and liabilities denominated in foreign currencies are recognized in the income statement as financial result, except when they are recognized in shareholders' equity as a result of foreign operations characterized as foreign investment.

11. PROPERTY, PLANT AND EQUIPMENT

11.a) Composition of Property, Plant and Equipment

								Consolidated
	Land	Buildings and infrastructure	Machinery, equipment and facilities	Furniture and fixtures	Construction in progress	Right of use	Others (*)	Total
Balance at December 31, 2021	**61,607**	**1,207,855**	**4,381,783**	**7,475**	**1,872,902**	**125,672**	**34,709**	**7,692,003**
Cost	61,607	2,373,469	8,450,044	29,886	1,872,902	161,907	105,074	13,054,889
Accumulated depreciation		(1,165,614)	(4,068,261)	(22,411)		(36,235)	(70,365)	(5,362,886)
Balance at December 31, 2021	**61,607**	**1,207,855**	**4,381,783**	**7,475**	**1,872,902**	**125,672**	**34,709**	**7,692,003**
Assets received in the Companhia Energética Chapecó (Note 3)	15,242	133,828	118,769	105			33,777	301,721
Additions	846	28,940	621	1,592	1,151,955		27,041	1,210,995
Additions right to use						2,339		2,339
Remuneration right to use						16,714		16,714
Capitalized interest (Note 29)					94,437			94,437
Depreciation		(73,906)	(870,230)	(1,791)		(14,880)	(13,633)	(974,440)
Transfers to other asset categories		(7,040)	1,527,932	1,489	(1,516,663)		(5,718)	
Transfers to intangible assets (Note 12)					(3,617)			(3,617)
Disposals and estimated losses, net of reversal (Note 28)		(700)	23,921			(754)	(22)	22,445
Other movements			(6,309)					(6,309)
Balance at December 31, 2022	**77,695**	**1,288,977**	**5,176,487**	**8,870**	**1,599,014**	**129,091**	**76,154**	**8,356,288**
Cost	77,695	2,643,891	10,079,401	33,198	1,599,014	179,762	185,729	14,798,690
Accumulated depreciation	-	(1,354,914)	(4,902,914)	(24,328)	-	(50,671)	(109,575)	(6,442,402)
Balance at December 31, 2022	**77,695**	**1,288,977**	**5,176,487**	**8,870**	**1,599,014**	**129,091**	**76,154**	**8,356,288**

(In thousands of reais, unless otherwise noted)

								Parent Company
	Land	Buildings and infrastructure	Machinery, equipment and facilities	Furniture and fixtures	Construction in progress	Right of use	Others (*)	Total
Balance at December 31, 2021	**61,607**	**1,207,855**	**4,381,783**	**7,475**	**1,872,902**	**125,672**	**34,676**	**7,691,970**
Cost	61,607	2,373,469	8,450,044	29,886	1,872,902	161,907	104,811	13,054,626
Accumulated depreciation		(1,165,614)	(4,068,261)	(22,411)		(36,235)	(70,135)	(5,362,656)
Balance at December 31, 2021	**61,607**	**1,207,855**	**4,381,783**	**7,475**	**1,872,902**	**125,672**	**34,676**	**7,691,970**
Additions	846	28,940	611	1,592	1,151,955		27,041	1,210,985
Additions right to use						2,339		2,339
Remuneration right to use						16,714		16,714
Capitalized interest (Note 29)					94,437			94,437
Depreciation		(71,914)	(868,384)	(1,789)		(14,880)	(13,273)	(970,240)
Transfers to other asset categories		(7,040)	1,527,932	1,489	(1,516,663)		(5,718)	
Transfers to intangible assets (Note 12)					(3,617)			(3,617)
Disposals and estimated losses, net of reversal (Note 28)		(700)	23,921			(754)		22,467
Other movements			(6,309)				2	(6,307)
Balance at December 31, 2022	**62,453**	**1,157,141**	**5,059,554**	**8,767**	**1,599,014**	**129,091**	**42,728**	**8,058,750**
Cost	62,453	2,484,989	9,899,830	32,965	1,599,014	179,762	118,434	14,377,447
Accumulated depreciation	-	(1,327,848)	(4,840,276)	(24,198)		(50,671)	(75,706)	(6,318,699)
Balance at December 31, 2022	**62,453**	**1,157,141**	**5,059,554**	**8,767**	**1,599,014**	**129,091**	**42,728**	**8,058,748**

(*) Refers to certain improvements, vehicles and hardware.

The average estimated useful life period, in years, the years ended December 31, 2022 and 2021 are as follows:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Buildings	32	33
Machinery, equipment and facilities	16	15
Furniture and fixtures	12	12
Others	6	6

11.b) Right of use

The movement of the rights of use as of December 31, 2022, is as follows:

					Consolidated and Parent Company
	Land	**Buildings and infrastructure**	**Machinery, equipment and facilities**	**Others (*)**	**Total**
Balance at December 31, 2021	**111,731**	**29**	**2,311**	**11,601**	**125,672**
Cost	122,160	440	4,572	34,735	161,907
Accumulated depreciation	(10,429)	(411)	(2,261)	(23,134)	(36,235)
Balance at December 31, 2021	**111,731**	**29**	**2,311**	**11,601**	**125,672**
Addition			1,197	1,142	2,339
Disposals			(754)		(754)
Remeasurement of lease agreements	16,541	173			16,714
Depreciation	(4,751)	(173)	(2,425)	(7,531)	(14,880)
Balance at December 31, 2022	**123,521**	**29**	**329**	**5,212**	**129,091**
Cost	138,701	613	5,769	35,877	180,960
Accumulated depreciation	(15,180)	(584)	(5,440)	(30,665)	(51,869)
Balance at December 31, 2022	**123,521**	**29**	**329**	**5,212**	**129,091**

(*) Refers substantially to third-party properties, vehicles and hardware.

11.c) Capitalized interest

Borrowing costs of R$94,437 (R$64,272 as of December 31, 2021) were capitalized. These costs were calculated, basically, for the projects of expansion of the production capacity of Casa de Pedra and in the expansion of TECAR's export capacity.

Accounting Policy

Recorded by acquisition, formation, or construction cost, minus the depreciation or accumulated exhaustion and reduction to recoverable value, depreciation is calculated by the linear method based on the remaining useful life of the goods or by the term of the contract, of the two the lowest. Mine exhaustion is calculated based on the amount of ore extracted and land is not depreciated as they are considered to be of undefined useful life. Other expenses are posted to the expense account when incurred.

(In thousands of reais, unless otherwise noted)

- **Capitalized interest**

Borrowing costs directly attributable to the acquisition, construction and production of qualifying assets are capitalized as part of the cost of the asset when it is likely that they will result in future economic benefits and on which date they are ready to determine their functions in accordance with the manner intended by the Company.

- **Development Costs of New Ore Deposits**

Costs for the development of new ore deposits, or for the expansion of the capacity of the mines in operation are capitalized and amortized by the method of units produced (extracted) based on the probable and proven quantities of ore.

- **Operating Expenses**

Exploration expenses are recognized as expenses until the viability of the mining activity is established; after that period, subsequent costs are capitalized.

- **Tailing Removal Costs**

Expenses incurred during the development phase of a mine, prior to the production phase, are accounted for as part of the depreciable development costs. Subsequently, these costs are amortized over the useful life of the mine based on probable and proven reserves.

- **Tailing Costs**

The tailing costs incurred in the production phase are added to the inventory value, except when a specific extraction campaign is carried out to access deeper deposits of the deposit. In this case, costs are capitalized and classified in non-current assets and are amortized over the useful life of the deposit.

12. INTANGIBLE ASSETS

					Consolidated
	Goodwill [1]	Relationships with suppliers [2]	Software	Rights and licenses [3]	Total
Balance at December 31, 2021	**3,236,401**		**1,277**	**983,577**	**4,221,255**
Cost	3,236,401	1,420	14,655	1,022,816	4,275,292
Amortization		(1,420)	(13,378)	(39,239)	(54,037)
Balance at December 31, 2021	**3,236,401**		**1,277**	**983,577**	**4,221,255**
Assets received in the Companhia Energética Chapecó (Note 3) [4]		36,665	405	151,039	188,109
Amortization		(5,277)	(945)	(19,607)	(25,829)
Transfers to other asset categories (Note 11.a)			3,617		3,617
Balance at December 31, 2022	**3,236,401**	**31,388**	**4,354**	**1,115,009**	**4,387,152**
Cost	3,236,401	38,085	23,137	1,263,936	4,561,559
Amortization		(6,697)	(18,783)	(148,927)	(174,407)
Balance at December 31, 2022	**3,236,401**	**31,388**	**4,354**	**1,115,009**	**4,387,152**

					Parent Company
	Goodwill [1]	Relationships with suppliers [2]	Software	Rights and licenses [3]	Total
Balance at December 31, 2021	**3,236,401**		**1,277**	**983,577**	**4,221,255**
Cost	3,236,401	1,420	14,655	1,022,816	4,275,292
Amortization		(1,420)	(13,378)	(39,239)	(54,037)
Balance at December 31, 2021	**3,236,401**		**1,277**	**983,577**	**4,221,255**
Amortization			(936)	(17,525)	(18,461)
Transfers to other asset categories (Note 11.a)			3,617		3,617
Balance at December 31, 2022	**3,236,401**		**3,958**	**966,052**	**4,206,411**
Cost	3,236,401	1,420	18,272	1,022,818	4,278,911
Amortization		(1,420)	(14,314)	(56,766)	(72,500)
Balance at December 31, 2022	**3,236,401**		**3,958**	**966,052**	**4,206,411**

1. Goodwill on the expectation of future profitability generated in the acquisition control of Namisa.
2. Intangible assets related to contracts with suppliers acquired in the acquisition of control of Namisa.
3. Mining rights of the Engenho mine. The amortization is carried out by the volume of extraction of crude iron ore carried out at the mine.
4. the Quebra-queixo plant concession, acquired in the acquisition of Companhia Energética Chapeco-CEC, is amortized over the term of the concession contract (note 3)

(In thousands of reais, unless otherwise noted)

The average estimated average useful live period, in years, for the period ended December 31, 2021 and 2020 are as follows:

			Consolidated and Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Relationships with suppliers	7	6		6
Software	8	6	8	6
Rights and licenses [1]	43	49	49	49

1.Includes the estimated useful life for amortization of the concession for the Quebra-Queixo power plant acquired in the acquisition of control of Companhia Energética Chapeco of 18 years.

Accounting Policy

Intangible assets basically comprise assets acquired from third parties, including through business combinations. These assets are recorded at acquisition or formation cost and deducted from amortization calculated using the straight-line method based on the economic useful life of each asset, within the estimated periods of exploration or recovery.

Mineral exploration rights are classified as rights and licenses as intangibles.

Intangible assets with an indefinite useful life are not amortized.

12.a) Impairment testing

An impairment test was conducted on the goodwill arising from the acquisition of Namisa by the Company, concluded on November 30, 2015, and also on the balances of property, plant and equipment and intangible assets. The test is based on the comparison of the carrying amount with the value in use and is calculated based on discounted cash flows projected for the next years and based on budgets approved by management, as well as on the utilization of assumptions and judgments related to the growth rate of revenues, costs and expenses, discount rate, working capital and future investment (“capex”), and macroeconomic assumptions observable in the market.

The main assumptions used in the test were the following:

- **Measurement of the recoverable amount:** Discounted cash flow;
- **Cash flow projection:** until 2064;
- **Gross margin**: average of the cash-generating unit’s gross margin based on the history and projections for the next 42 years and exchange rate and price curves of sector reports for the long term;
- **Adjustment of costs for inflation,** based on historical data and market trends.
- **Discount rate:** cash flow was discounted using an after-tax discount rate in real terms, based on the weighted average cost of capital (“WACC”), which reflects the specific risk of the mining segment.

Based on the analyses performed by Management, it was not necessary to record the impairment of these asset balances in the year ended December 31, 2022.

Accounting Policy

Intangible assets basically comprise assets acquired from third parties, including through business combinations. These assets are recorded at acquisition or formation cost and deducted from amortization calculated using the straight-line method based on the economic useful life of each asset, within the estimated periods of exploration or recovery.

Mineral exploration rights are classified as rights and licenses as intangibles.

Intangible assets with an indefinite useful life are not amortized.

(In thousands of reais, unless otherwise noted)

- **Goodwill**

Goodwill represents the positive difference between the amount paid and/or payable for the acquisition of a business and the net fair value of assets acquired and liabilities assumed. Goodwill on acquisitions in business combinations is recorded as intangible assets in the consolidated financial statements. The gain on bargain purchase is recorded as a gain in the income statement for the period of the acquisition. Goodwill is tested for impairment annually or at any time when circumstances indicate a possible loss. Recognized impairment losses on goodwill are not reversed. Gains and losses on the disposal of a Cash Generating Unit ("CGU"), if any, include the carrying amount of goodwill related to the CGU sold.

- **Impairment of Non-financial Assets**

Assets that have an indefinite useful life, such as goodwill, are not subject to amortization and are tested annually for impairment verification. Assets that are subject to amortization and or depreciation, such as fixed assets and investment properties, are reviewed for impairment check whenever events or changes in circumstances indicate that book value may not be recoverable. An impairment loss is recognized by the value at which the book value of the asset exceeds its recoverable value. The latter is the highest value between the fair value of an asset minus the selling costs and its value in use. For impairment valuation purposes, assets are grouped at the lowest levels for which there are separately identifiable inbox flows (Cash Generating Units). Non-financial assets, except goodwill, which have suffered impairment, are subsequently reviewed each financial year for the analysis of a possible reversal of impairment.

13. RELATED-PARTY BALANCES AND TRANSACTIONS

13.a) Transactions with related parties

CSN is the Company's controlling shareholder, holding an 79.75% interest in share capital. The CSN, in turn, is controlled by Vicunha Aços S.A., which holds 51.24% of CSN's in total capital stock.

Also, CSN is a publicly held company and disclosure its financial statements in the Brazilian and American markets. CSN's financial statements were approved on March 8, 2023.

13.b) Transactions with holding companies, subsidiaries, associates and other related parties

												Consolidated
						12/31/2022						12/31/2021
	Parent Company	Asian Consortium	Joint Venture	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	Joint Venture	Other related parties	Exclusive funds	Total
Assets												
Current												
Financial investments				422,744	610,473	1,033,217				68	309,307	309,375
Trade receivables (Note 6)	97,354	96,889		5,435		199,678	152,198	521,244		1,730		675,172
Advances to suppliers (Note 9)	99,645					99,645	90,952					90,952
Dividends (Note 9)			38,679			38,679			30,941			30,941
Others (Note 9)	3,008					3,008	3,008					3,008
	200,007	**96,889**	**38,679**	**428,179**	**610,473**	**1,374,227**	**246,158**	**521,244**	**30,941**	**1,798**	**309,307**	**1,109,448**
Non-current												
Advances to suppliers (Note 9)	41,694					41,694	128,849					128,849
Others (Note 9)				6,505		6,505				10,133		10,133
	41,694			**6,505**		**48,199**	**128,849**			**10,133**		**138,982**
	241,701	**96,889**	**38,679**	**434,684**	**610,473**	**1,422,426**	**375,007**	**521,244**	**30,941**	**11,931**	**309,307**	**1,248,430**
Liabilities												
Current												
Trade payables	(14)	6,484	35,980	53,259		95,709	45		31,739	50,861		82,645
Dividends and interest on equity	59,469	15,096				74,565	320,945	46,388				367,333
Other payables (note 19)	2,777		84,945			87,722	2,777		29,547	76		32,400
	62,232	**21,580**	**120,925**	**53,259**		**257,996**	**323,767**	**46,388**	**61,286**	**50,937**		**482,378**
Non-current												
Other payables (note 19)			53,356			53,356			66,606			66,606
			53,356			**53,356**			**66,606**			**66,606**
	62,232	**21,580**	**174,281**	**53,259**		**311,352**	**323,767**	**46,388**	**127,892**	**50,937**		**548,984**

(In thousands of reais, unless otherwise noted)

												Consolidated
						12/31/2022						12/31/2021
	Parent Company	Asian Consortium	Joint Venture	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	Joint Venture	Other related parties	Exclusive funds	Total
Operating income (expenses)												
Sales	1,952,684	1,522,498		11,066		3,486,248	3,740,158	3,228,702		21,367		6,990,227
Cost and expenses	(106,221)	(34,980)	(927,000)	(411,204)		(1,479,405)	(109,984)	(80,167)	(754,938)	(639,535)		(1,584,624)
Financial income (expenses)												
Interest, net	25,263		(10,297)	309		15,275	13,870		(12,072)	1,262		3,060
Exclusive funds					32,175	32,175					6,627	6,627
Exchange differences, net		(3,052)		(5,240)		(8,292)		3,590				3,590
	25,263	**(3,052)**	**(10,297)**	**(4,931)**	**32,175**	**39,158**	**13,870**	**3,590**	**(12,072)**	**1,262**	**6,627**	**13,277**
	1,871,726	**1,484,466**	**(937,297)**	**(405,069)**	**32,175**	**2,046,001**	**3,644,044**	**3,152,125**	**(767,010)**	**(616,906)**	**6,627**	**5,418,881**

														Parent Company
							12/31/2022							12/31/2021
	Parent Company	Asian Consortium	subsidiaries	Joint Venture	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	subsidiaries	Joint Venture	Other related parties	Exclusive funds	Total
Assets														
Current														
Financial investments					422,744	610,473	1,033,217					68	309,307	309,375
Trade receivables (Note 6)	97,354	96,889			5,435		199,678	152,198	521,244			1,730		675,172
Advances to suppliers (Note 9)	99,645						99,645	90,952						90,952
Dividends (Note 9)			2,390	38,679			41,069				30,941			30,941
Others (Note 9)	3,008		666				3,674	3,008		67				3,075
	200,007	**96,889**	**3,056**	**38,679**	**428,179**	**610,473**	**1,377,283**	**246,158**	**521,244**	**67**	**30,941**	**1,798**	**309,307**	**1,109,515**
Ativo Não Circulante														-
Advances to suppliers (Note 9)	41,694						41,694	128,849						128,849
Others (Note 9)					6,505		6,505					10,133		10,133
	41,694				**6,505**		**48,199**	**128,849**				**10,133**		**138,982**
	241,701	**96,889**	**3,056**	**38,679**	**434,684**	**610,473**	**1,425,482**	**375,007**	**521,244**	**67**	**30,941**	**11,931**	**309,307**	**1,248,497**
Passivo														
Passivo circulante														
Trade payables	(14)	6,484		35,980	53,259		95,709	45			31,739	50,861		82,645
Dividends and interest on equity	59,469	15,096					74,565	320,945	46,388					367,333
Other payables (Note 19)	2,777		708	84,945			88,430	2,777		4,463	29,547			36,787
	62,232	**21,580**	**708**	**120,925**	**53,259**		**258,704**	**323,767**	**46,388**	**4,463**	**61,286**	**50,861**		**486,765**
Passivo não circulante														
Other payables (Note 19)				53,356			53,356				66,606			66,606
				53,356			**53,356**				**66,606**			**66,606**
	62,232	**21,580**	**708**	**174,281**	**53,259**		**312,060**	**323,767**	**46,388**	**4,463**	**127,892**	**50,861**		**553,371**

														Parent Company
							12/31/2022							12/31/2021
	Parent Company	Asian Consortium	subsidiaries	Joint Venture	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	subsidiaries	Joint Venture	Other related parties	Exclusive funds	Total
Operating income (expenses)														
Sales	1,952,684	1,522,498			11,066		3,486,248	3,740,158	3,228,702			21,367		6,990,227
Cost and expenses	(106,221)	(34,980)	(17,909)	(927,000)	(411,204)		(1,497,314)	(109,984)	(80,167)	(16,396)	(754,938)	(639,535)		(1,601,020)
Financial income (expenses)														
Interest, net	25,263			(10,297)	309		15,275	13,869			(12,072)	1,262		3,059
Exclusive funds						32,175	32,175						6,628	6,628
Exchange differences, net		(3,052)	272		(5,240)		(8,020)		3,590	(193)				3,397
	25,263	**(3,052)**	**272**	**(10,297)**	**(4,931)**	**32,175**	**39,430**	**13,869**	**3,590**	**(193)**	**(12,072)**	**1,262**	**6,628**	**13,084**
	1,871,726	**1,484,466**	**(17,637)**	**(937,297)**	**(405,069)**	**32,175**	**2,028,364**	**3,644,043**	**3,152,125**	**(16,589)**	**(767,010)**	**(616,906)**	**6,628**	**5,402,292**

- **Comments about the main transactions and related-party balances.**

CSN Group

Financial Investments: investments in public securities - LFT - National Treasury Bills, managed by CSN exclusive funds.

Trade receivables: The Company sells iron ore in the domestic market to CSN and to companies that are part of the Asian Consortium under a long-term agreement. Contracts provide for price practice based on the indices commonly practiced in the iron ore market

Advances: The Company advanced to CSN the amount of US$100.00 million, equivalent to R$414.8 million, on October 16, 2019, with an interest rate set at 125% of cdi, for the early payment of the sharing of administrative areas during the 5-year period. As of December 31, 2022, the contract balance was R$141,339 (R$219,801 million as of December 2021).

Dividend receivables: minimum mandatory dividends to be received for participation in MRS, in the amount of R$38.679 (R$30.941 on December 31, 2021).

Trade payables: The Company entered into a long-term railroad transportation service agreement for shipment and movement of the production. The prices charged to MRS follow a tariff model based on market assumptions.

Suppliers: The Company has entered into a contract for the provision of long-term rail transport services for the disposal and movement of production. The prices charged with MRS follow a tariff model based on market assumptions.

Other obligations: in September 2018, the Company signed an agreement to revise the volumes of the Annual Transportation Plan (PAT), which will result in the payment of an indemnity of R$ 120 million at present value. Payment will take place annually until 2026.

(In thousands of reais, unless otherwise noted)

Costs and expenses: The Company has contracts for the acquisition of iron ore in the domestic market and the provision of maintenance services from companies in the CSN group, the contracts provide for market rate-based prices. The Company also has a marketing advisory agreement to obtain strategic information on the international iron ore market and to develop new markets and sales strategies, signed of as a member of the Asian Consortium.

13.c) Other unconsolidated related parties

- **CBS Previdência**

The CBS Previdência, a non-profit civil society established in July 1960, whose main objective is the payment of benefits that supplement the official government Social Security benefits to participants. The Company, together with other companies of CSN Group, carries out transactions involving the payment of contributions and recognition of actuarial liabilities calculated in defined benefit plans.

- **Fundação CSN**

The Company develops socially responsible policies concentrated at the CSN Fundação and the transactions between the parties are related to operational and financial support for the Foundation to conduct social projects, developed mainly in the locations where it operates.

13.d) Key management personnel

The key management personnel with authority and responsibility for planning, directing, and controlling the Company's activities, include the members of the Board of Directors and directors.

The following is information on the compensation of such personnel and the related balances as of December 31, 2022, and 2021:

	P&L	
	12/31/2022	12/31/2021
Short-term benefits for employees and officers	12,950	8,226
Post-employment benefits	281	245
Total	**13,231**	**8,471**

Accounting Policy

Transactions with related parties were carried out by the Company on terms equivalent to those prevailing in market transactions, observing the price and the usual market conditions. Therefore, these transactions are in conditions that are no less favorable for the Company than those negotiated with third parties.

Transactions between the Parent and its subsidiaries are eliminated and adjusted to ensure consistency with the accounting practices adopted by the Parent.

The Company's related parties can be subsidiaries, joint ventures, affiliates, associates, shareholders, and related companies, as well as key management personnel of the Company.

(In thousands of reais, unless otherwise noted)

14. BORROWINGS AND FINANCING

The balances of borrowings and financing are recognized at the amortized cost are as follows:

	Consolidated and Parent Company			
	Currentliabilities		Non-current liabilities	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Debt agreements in the international market				
Fixed interest in:				
FINAME, CDC e CCE	36,806	35,012	15,332	34,017
Prepayment [1]	614,989	69,192	4,326,465	2,776,634
	651,795	**104,204**	**4,341,797**	**2,810,651**
Debt agreements in Brazil				
Variable interest in:				
NCE - Banco do Brasil	351,288	308,688	629,604	540,946
Fixed interest in:				
FINAME, CDC, CCE and Debentures [2]	71,301	78,991	2,709,640	1,008,589
	422,589	**387,679**	**3,339,244**	**1,549,535**
Total borrowings and financing	**1,074,384**	**491,883**	**7,681,041**	**4,360,186**
Transaction costs and issue premiums	(28,394)	(13,473)	(330,623)	(125,534)
Total Borrowings + Transaction Costs	**1,045,990**	**478,410**	**7,350,418**	**4,234,652**

(1) In the second quarter of 2022 the Company entered into iron ore export prepayment agreements in the amount of US$445 million (equivalent to R$2.1 billion). Additionally, the Company raised an additional R$50 million with other financial institutions. In the fourth quarter, the Company contracted an NCE in the amount of R$430 million, maturing between 2025 and 2027.

(2) In August 2022, the Company concluded the second issue of simple debentures, not convertible into shares, unsecured, in 2 (two) series, in the total amount of R$1.4 billion, updated by IPCA plus a fixed rate. The maturity of the Debentures is 10 years (2032) for the first series and 15 years (2037) for the second series with semi-annual interest payments. For this operation, the Company contracted an interest rate swap.

The following table shows the average interest rate:

	Consolidated and Parent Company	
	Average interest rate	Total debt
US$	3.94%	4,993,592
R$	15.64%	3,761,833
		8,755,425

- **Maturities of Borrowing and Financing presented in current and non-current liabilities.**

(In thousands of reais, unless otherwise noted)

As of December 31, 2022, the principal amount of short-term and long-term borrowings by maturity year, adjusted for interest and exchange variation, are as follows:

		Consolidated and Parent Company	
			12/31/2022
	Borrowings and financing in foreign currency	Borrowings and financing in nacional currency	Total
2023	651,785	422,599	1,074,384
2024	289,000	199,808	488,808
2025	587,826	86,000	673,826
2026	696,980	177,155	874,135
2027	589,600	178,186	767,786
2028	443,505	6,186	449,691
After 2028	1,734,895	2,691,900	4,426,795
	4,993,591	**3,761,834**	**8,755,425**

- **Movement of borrowings and financing**

The table below shows the borrowings and financing capitalized and amortized, during the exercise:

	Consolidated and Parent Company	
	12/31/2022	12/31/2021
Opening balance	**4,713,062**	**1,325,014**
Funding transactions	4,011,171	3,195,386
Funding transactions for assets acquisition	19,970	69,788
Amortization of principal	(406,339)	(91,059)
Payments of charges	(295,972)	(75,489)
Accrued charges	359,490	150,018
Exchange differences	215,611	268,084
Transaction cost	(240,618)	(137,524)
Transaction cost amortized	20,035	8,844
Closing balance	**8,396,408**	**4,713,062**

- **Covenants**

The Company maintains contracts that provide for the fulfillment of certain non-financial obligations, as well as the maintenance of certain parameters and performance indicators, such as the equity ratio disclosure of its audited financial statements according to regulatory deadlines or payment of commission for risk assumption, if the indicator of net debt to EBITDA reaches the levels foreseen in those contracts.

Until now, the Company is in compliance with all financial and non-financial obligations (covenants) of its current contracts.

The agreements entered into with FINAME, CDC and CCE are collateralized by the financed assets.

Accounting Policy

Borrowings and financing are initially recognized at fair value, net of transaction costs and subsequently measured at amortized cost using the effective interest and charge methods. Interest, commissions, and possible financial charges are recorded pro-rata on an accrual basis.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED ON DECEMBER 31, 2022 AND 2021
(In thousands of reais, unless otherwise noted)

15. TRADE PAYABLES

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Trade payables	1,436,216	1,221,919	1,435,449	1,223,110
(-) Present Value Adjustment	(19,909)	(17,379)	(19,909)	(17,379)
Total	**1,416,307**	**1,204,540**	**1,415,540**	**1,205,731**
Current	1,384,390	1,150,427	1,383,623	1,151,618
Noncurrent	31,917	54,113	31,917	54,113
Total	**1,416,307**	**1,204,540**	**1,415,540**	**1,205,731**

Accounting Policy

They are initially recognized at fair value, and subsequently measured at amortized cost, using the effective interest rate method, and adjusted to present value when applicable, based on the estimated rate of the Company's cost of capital.

16. FINANCIAL INSTRUMENTS

16.a) - Identification and measurement of financial instruments

The Company enters into transactions involving various financial instruments, mainly cash and cash equivalents, including short-term investments, marketable securities, trade receivables, trade payables, and borrowings. Additionally, it can also operate with derivative financial instruments, interest rate swap and commodity and exchange derivative operations.

Considering the nature of these instruments, their fair value is basically determined using quotations in the Brazilian Stock Exchange and Commodities market and Futures Exchange. The amounts recorded in current assets and current liabilities have immediate liquidity or short-term maturity, mostly less than three months. Considering the maturities and features of such instruments, their carrying amounts approximate their fair values.

- **Classification of financial instruments (consolidated)**

		12/31/2022			12/31/2021	
	Note	Fair value through profit or loss	Measured at amortized cost	Total	Measured at amortized cost	Total
Assets						
Current						
Cash and cash equivalents	4		6,489,572	6,489,572	10,716,802	10,716,802
Financial investments	5		247,326	247,326	217,023	217,023
Trade receivables	6		1,545,463	1,545,463	749,766	749,766
Dividends	13.b		38,679	38,679	30,941	69,620
Total			**8,321,040**	**8,321,040**	**11,714,532**	**11,753,211**
Liabilities						
Current						
Borrowings and financing	14		1,074,384	1,074,384	491,883	491,883
Leases	19.a		17,533	17,533	19,624	19,624
Trade payables	15		1,384,390	1,384,390	1,150,427	1,150,427
Derivative financial instruments (1)	16.b	416,935		416,935		
Dividends and interest on equity	25		74,569	74,569	402,455	402,455
Non current						
Borrowings and financing	14		7,681,041	7,681,041	4,360,186	4,360,186
Trade payables	15		31,917	31,917	54,113	54,113
Leases	19.a		117,847	117,847	108,433	108,433
Total		**416,935**	**10,381,681**	**10,798,616**	**6,587,121**	**6,587,121**

(1) The derivative financial instrument was designated as a cash flow hedge and, accordingly, the amounts related to the highly probable future shipping's of iron ore is recognized as Other Comprehensive Income, in the net equity, and are reclassified to income at the moment the future transactions occur.

(In thousands of reais, unless otherwise noted)

- **Fair value measurement**

The financial instruments recognized at fair value through profit or loss, as of December 31, 2022, were classified according to the fair value hierarchy:

Level 2: Includes observable inputs in market such as interest rates, exchange etc., but not prices traded in active markets.

There are no assets or liabilities classified as level 1 and 3.

As of December 31, 2021, the Company doesn't have any financial instruments recorded at fair value through profit or loss.

16.b) – Financial risk management:

The Company follows the risk management policy of its controlling shareholder CSN. Pursuant to this policy, the nature and the general position of financial risks are regularly monitored and managed in order to assess the results and the financial impact on cash flow. The credit limits of counterparties are also periodically reviewed.

Under this policy, market risks are hedged when it is considered necessary to support the corporate strategy or when it is necessary to maintain a level of financial flexibility.

The Company believes it is exposed to exchange rate risk and to liquidity risk.

The Company may manage some of the risks through the use of derivative instruments not associated with any speculative trading or short selling.

- **Foreign Exchange rate risk**

The exposure arises from the existence of assets and liabilities generated in Dollar, since the Company's functional currency is substantially the Real and is denominated natural hedge. As of December 31, 2022, Management did not consider necessary to enter into derivative transactions or to adopt hedge accounting.

The consolidated exposure as of December 31, 2022 is as follows:

Foreign Exchange Exposure	12/31/2022 (Amounts in US$'000)
Cash and cash equivalents overseas	1,108,061
Trade receivables - foreign market	283,716
Total assets	**1,391,777**
Borrowings	(957,048)
Trade payables	(15,061)
Other liabilities	(9,516)
Total liabilities	**(981,625)**
Cash flow hedge	887,560
Natural exposure	**1,297,712**

- **Sensitivity analysis**

We present below the sensitivity analysis for foreign exchange risks. The Company considered scenarios 1 and 2 as 25% and 50% of deterioration for volatility of the currency, using as reference the closing exchange rate as of December 31, 2022.

The currencies used in the sensitivity analysis and its scenarios are shown below:

	12/31/2022			
Currency	**Exchange rate**	**Probable scenario**	**Scenario 1**	**Scenario 2**
USD	5.2177	5.0993	6.5221	7.8266

The effects on income statement, considering scenarios 1 and 2 are shown below:

					12/31/2022
Instruments	**Notional amount**	**Risk**	**Probable scenario (*)**	**Scenario 1**	**Scenario 2**
Natural exposure	410,152	Dollar	(48,562)	535,013	1,070,025
Natural exposure	887,560	Dollar	(105,087)	1,157,755	2,315,511
Net Foreign exchange exposure	**1,297,712**	**Dollar**	**(153,649)**	**1,692,768**	**3,385,536**

(*) The probable sceneries were calculated considering the quotation from Central Bank of Brazil on January 31,2023.

Cash Flow Hedge Accounting - Foreign Exchange

The Company formally designates cash flow hedge relationships for the protection of highly probable future cash flows exposed to the dollar related to sales made in dollars.

In order to better reflect the accounting effects of the foreign exchange hedging strategy in the result, the Company has designated part of its liabilities in dollars as an instrument to hedge its future exports. With this, the exchange variation arising from the designated liabilities will be temporarily registered in the net equity and will be taken to the result when the referred exports occur, thus allowing the recognition of the dollar fluctuations on the liabilities and on the exports to be registered at the same moment. It is noteworthy that the adoption of this hedge accounting does not imply the contracting of any financial instrument.

The table below presents the summary of the hedge relations as of December 31, 2022:

									12/31/2022
Designation Date	**Hedging Instrument**	**Hedged item**	**Type of hedged risk**	**Hedged period**	**Exchange rate on designation**	**Designated amounts (US$'000)**	**Amortized installments (US$ 000)**	**Effect on result (*) [1] (US$ 000)**	**Impact on Shareholders' equity (R$'000)**
6/1/2022	Export prepayments in US$ to third parties	Part of the highly probable future monthly iron ore exports	Foreign exchange - R$ vs. US$ Spot rate	June 2022 - May 2033	4.7289	878,640	(61,080)	(33,263)	(399,623)
12/1/2022	Export prepayments in US$ to third parties	Part of the highly probable future monthly iron ore exports	Foreign exchange - R$ vs. US$ Spot rate	December 2022 - June 2027	5.0360	70,000			(12,719)
Total						**948,640**	**(61,080)**	**(33,263)**	**(412,342)**

(*) On December 31, 2022, the amount of (R$412,342) was recorded in shareholders' equity. At December 31, 2021, the Company did not have any cash flow hedge accounting designation operations.

In the hedge relationships described above, the values of the debt instruments were fully assigned to portions of equivalent iron ore exports.

On December 31, 2022, the hedge relationships established by the Company were effective, according to the prospective and retrospective tests carried out. Accordingly, no reversal due to ineffectiveness of cash flow hedge accounting was recorded.

- **Interest rate risk**

This risk arises from short and long-term financial investments, loans and financing linked to fixed and floating interest rates of the CDI, TJLP, Libor and IPCA, exposing these financial assets and liabilities to interest rate fluctuations as shown in the sensitivity analysis framework.

(In thousands of reais, unless otherwise noted)

IPCA x CDI interest rate swap

The Company contracted swap operations with the objective of exchanging the exposure to interest on its debentures, which are originally updated by the IPCA, plus a fixed rate, to CDI plus a fixed rate. The table below shows the result of the swap until December 31, 2022, recognized in financial results.

Instruments	Maturity	Functional Currency	Notional amount	Appreciation (R$)		Fair value (market)	Impact on financial income in 2022	Impact on financial income in 2021
				Asset position	Liability position	Amounts payable		
Interest rate (Debentures) CDI x IPCA	07/15/2031	Real	576,448	612,994	(649,635)	(36,641)	(67,470)	(17,432)
Interest rate (Debentures) CDI x IPCA	07/15/2032	Real	745,000	813,924	(850,497)	(36,573)	(36,573)	
Interest rate (Debentures) CDI x IPCA	07/15/2036	Real	423,552	449,550	(492,040)	(42,490)	(25,058)	(17,488)
Interest rate (Debentures) CDI x IPCA	07/15/2037	Real	655,382	691,974	(717,553)	(25,579)	(25,578)	
Total interest rate (Debentures) CDI x IPCA			**2,400,382**	**2,568,442**	**(2,709,725)**	**(141,283)**	**(154,679)**	**(34,920)**

- **Sensitivity analysis of interest rate variations**

The Company considered scenarios 1 and 2 as 25% and 50% of changes in interest volatility as of December 31, 2022.

The currencies used in the sensitivity analysis and their respective scenarios are shown below:

			12/31/2022
Interest	**Interest rate**	**Scenario 1**	**Scenario 2**
CDI	13.65%	17.06%	20.48%
TJLP	7.20%	9.00%	10.80%
LIBOR	5.14%	6.42%	7.71%

The effects on the equity balances, considering scenarios 1 and 2 are shown below

12/31/2022

Changes in interest rates	% p.a	Notional amount (R$ mil)		Probable scenario (*)	Scenario A[(1)]	Scenario B[(2)]
		Assets	Liabilities			
CDI	13.65	669,627	(3,630,383)	(3,364,899)	(3,465,934)	(3,566,970)
TJLP	7.20		(51,892)	(55,628)	(56,562)	(57,496)
LIBOR	5.14		(4,917,995)	(5,170,724)	(5,233,906)	(5,297,089)

(*) The sensitivity analysis is based on the assumption of maintaining, as a probable scenario, the market values as of December 31, 2022, recognized in the company's assets and liabilities

- **Market price risk:**

The Company is also exposed to market risks related to commodity and inputs price volatility. In line with its risk management policy, risk mitigation strategies involving commodities can be used to reduce cash flow volatility. These mitigation strategies can incorporate derivative instruments, predominantly term operations, futures, and options.

CSN Mineração uses instruments to hedge the risk of Platts fluctuations, as shown in the topic below.

Cash flow hedge accounting– "Platts Index"

During the year ended December 31, 2022, the Company carried out iron ore derivatives operations in order to reduce the volatility of its exposure to the commodity, with maturities throughout 2023. The Company chose to formally designate the hedge and, consequently, adopted hedge accounting in this instrument. The table below shows the result of the derivative instrument until December 31, 2022 recognized in "Other comprehensive results" and, in carrying out shipments, the amount reclassified to "Other Operating Income and Expenses".

(In thousands of reais, unless otherwise noted)

				12/31/2022	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
		Appreciation (R$)		Fair value (market)	Other operating (expenses)/income (Note 28)		Other comprehensive income		Exchange variation (Note 29)	
Maturity	Notional	Asset position	Liability position	Amounts receivable / (payable)						
02/2/2021 to 10/2/2021 (Settled)	Platts					(27,727)				16,790
05/31/2022 (Settled)	Platts				23,374				(1,087)	
12/01/2022 to 12/31/2022	Platts	797,721	(873,387)	(75,666)	(75,666)				667	
1/01/2023 to 1/31/2023	Platts	1,098,354	(1,218,934)	(120,580)			(120,580)		(1,484)	
2/01/2023 to 2/28/2023	Platts	1,087,106	(1,197,361)	(110,255)			(110,255)		(1,244)	
3/01/2023 to 3/31/2023	Platts	696,149	(770,062)	(73,913)			(73,913)		(938)	
4/01/2023 to 4/30/2023	Platts	372,109	(385,572)	(13,463)			(13,463)		(131)	
5/01/2022 to 5/31/2023	Platts	392,861	(404,946)	(12,085)			(12,085)		(81)	
6/01/2023 to 6/30/2023	Platts	396,961	(407,934)	(10,973)			(10,972)		(35)	
		4,841,261	**(5,258,196)**	**(416,935)**	**(52,292)**	**(27,727)**	**(341,268)**		**(4,333)**	**16,790**

In order to better reflect the accounting effects of Platts' hedge strategy on the Company's results, CMIN designated its iron ore derivative as a hedge instrument for its future iron ore sales. With this, the mark-to-market resulting from the volatility of the Platts will be recorded temporarily in the shareholders' equity and will be brought to the result when such sales occur according to the contracted evaluation period, thus allowing the recognition of the volatility of the Platts on iron ore sales being recognized at the same time.

To support the aforementioned designations, the Company has prepared formal documentation indicating how the designation of hedge accounting is aligned with CSN's objective and risk management strategy, identifying the protection instruments used, the object of hedge, the nature of the risk to be protected and demonstrating the expectation of high effectiveness of the designated relationships. Iron ore derivative instruments have been designated in amounts equivalent to the portion of future sales approved by the Board of Directors. The Company carries out continuous evaluations of prospective and retrospective effectiveness, comparing the amounts designated with the expected and approved amounts in the budgets of the Board of Directors.

Through the hedge accounting of cash flows, gains and losses from the volatility of the Platts of financial instruments of ore derivative will not immediately affect the Company's results, only to the extent that sales are realized.

The hedge has been fully effective since the derivative instruments were contracted.

- **Credit risk**

The exposure to credit risks of financial institutions complies with the parameters established in the financial policy.

With respect to financial investments, the Company only makes investments in institutions with low credit risk and rated by rating agencies. Since part of the funds are invested in committed operations that are backed by Brazilian government bonds, there is also exposure to the credit risk of the Brazilian State.

The Company has not exposure to credit risk in accounts receivable and other receivables since its operations have financial guarantees.

- **Liquidity risk**

It is the risk that the Company may not have sufficient net funds to honor its financial commitments as a result of mismatching of terms or volumes between scheduled receipts and payments.

To manage cash liquidity in domestic and foreign currency, assumptions of future disbursements and receipts are established and daily monitored by the treasury area of CSN. The payment schedules for the long-term portions of borrowings and financing are recovered in note 14 - borrowings and financing.

(In thousands of reais, unless otherwise noted)

The following table shows the contractual maturities of financial liabilities, including accrued interest.

	Less than one year	Between one and two years	between three and five years	Over five years	Total
At December 31, 2022					
Borrowings	1,074,384	1,162,634	1,641,921	4,876,486	8,755,425
Leases	17,533	20,401	25,105	72,341	135,380
Trade payables	1,384,390	16,081	15,836		1,416,307
Derivative financial instruments	416,935				416,935
Dividends and interest on equity	74,569				74,569
At December 31, 2021					
Borrowings	491,883	1,430,784	855,156	2,074,246	4,852,069
Leases	19,624	22,482	21,905	64,046	128,057
Trade payables	1,150,427	28,120	25,993		1,204,540
Dividends and interest on equity	402,455				402,455

• Classification of the derivative financial instrument's portfolio

The balances of derivative financial instruments assets and liabilities recognized by the Company as of December 31, 2022, are shown below:

Instruments	Liabilities		Other comprehensive income		Other operating income (expenses), net (Note28)		Financial income (expenses), net (Note 29)	
	Noncurrent	Total	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Iron ore derivative	(416,935)		(341,268)		(52,292)	(27,727)	(4,333)	16,790
Interestrate (Debentures) CDI x IPCA	(141,283)	(141,283)					(154,679)	(34,920)
	(558,218)	**(141,283)**	**(341,268)**		**(52,292)**	**(27,727)**	**(159,012)**	**(18,130)**

The changes in the amounts related to cash flow hedge accounting recorded in equity on December 31, 2022 are shown below:

	12/31/2021	Movement	Realization	12/31/2022
Cash flow hedge accounting – "Platts"		(288,976)	(52,292)	(341,268)
Income tax and social contribution on cash flow hedge accounting		98252	17779	116031
Fair Value of cash flow accounting - "Platts", net of taxes		**(190,724)**	**(34,513)**	**(225,237)**
Cash flow hedge accounting – "Exchange"		(379,079)	(33,263)	(412,342)
Income tax and social contribution on cash flow hedge accounting - "Exchange"		128,887	11,309	140,196
Fair value of cash flow hedge accounting – "Exchange", net of taxes		**(250,192)**	**(21,954)**	**(272,146)**
Total cash flow hedge accounting		(668,055)	(85,555)	(753,610)
Total Income tax and social contribution on cash flow hedge accounting		227,139	29,089	256,228
Total of fair value of cash flow hedge accounting, net of taxes		**(440,916)**	**(56,466)**	**(497,382)**

16.c) - Capital Management

The Company seeks to optimize its capital structure in order to reduce its financial costs and maximize the return to its shareholders. The table below shows the evolution of the Company's capital structure, with financing by equity and third-party capital:

	12/31/2022	12/31/2021
Shareholders' equity	11,393,427	13,998,289
Borrowings and financing	8,396,408	4,713,062
Gross debts/shareholders' equity	0.74	0.34

16.d) - Fair values of assets and liabilities as compared to their carrying amounts

Financial assets and liabilities at fair value through profit or loss are recognized in current and non-current assets and liabilities, while any gains and losses are recognized as financial income or financial costs, respectively.

The amounts are recognized in the financial statements at their carrying amounts, which are substantially similar to those that would be obtained if they were traded in the market. The fair values of other long-term assets and liabilities do not differ significantly from their carrying amounts.

(In thousands of reais, unless otherwise noted)

Accounting Policy

The Company's financial instruments are classified according to the definition of the business model adopted by the Company and the characteristics of the cash flow, in the case of financial assets.

Upon initial recognition, financial assets can be classified into three categories: assets measured at amortization cost, fair value through profit or loss and fair value through other comprehensive income.

Financial assets are derecognized when the rights to receive cash flows of the investments have expired or been transferred; in the latter case, provided that the Company has substantially transferred all risks and benefits of the property.

If the company substantially holds all the risks and rewards of ownership of the financial asset, it must continue to recognize the financial asset.

Financial liabilities are classified as amortized cost or fair value through profit or loss. Management determines the classification of its financial assets and liabilities upon initial recognition.

Financial liabilities are derecognized only when they are extinguished, that is, when the obligation specified in the contract is settled, canceled, or expired. The Company also derecognizes a financial liability when the terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them on a net basis, or realize the asset and settle the liability simultaneously.

Derivative Financial Instruments and Hedging Activities

Initially, derivatives are recognized at fair value on the date a derivative contract is entered into and are subsequently measured at fair value with changes in fair value taken to the income statement under the caption Financial Result.

17. TAXES PAYABLES

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Taxes in installments (Note 21)	252,775	31,057	252,775	31,057
Income tax and social contribution	78,107	2,118,390	75,254	2,115,934
CFEM/TFRM	72,144	27,100	72,144	27,100
State VAT (ICMS)	4,794	11,397	4,633	11,397
Service tax	780	704	780	704
Other taxes (1)	23,616	81,463	21,863	81,134
Total	**432,216**	**2,270,111**	**427,449**	**2,267,326**

1-Refers, substantially, to the withholding income tax on interest on equity declared on December 23, 2021, and paid on Jan 6, 2022.

For the fiscal year 2022 and 2021, the Company opted for the annual taxable income method, with monthly payment by estimate and annual adjustment in the 1st quarter of the subsequent year.

(In thousands of reais, unless otherwise noted)

18. ADVANCES FROM CUSTOMERS

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Iron ore	954,309	1,817,678	954,309	1,817,678
Price adjustment - shipments effected	11,766	1,101,173	11,766	1,101,173
Electric energy contracts [1]	500,014		400,003	
Maritime freight	115,802		115,802	
Others	1,105	263	1,105	263
Total	**1,582,996**	**2,919,114**	**1,482,985**	**2,919,114**
Current	945,808	1,974,014	933,315	1,974,014
Noncurrent	637,188	945,100	549,670	945,100
Total	**1,582,996**	**2,919,114**	**1,482,985**	**2,919,114**

1. October 07, 2022 the Company acquired 99.99% of the shares of Companhia Energética Chapecó-CEC - note 3.

Iron ore: refers to iron ore supply agreements entered into by the Company with a major international player. As of December 31, 2022 the balance in advance refers to the supply of 8.6 million tons of iron ore to be delivered over the next 2.5 years

Maritime Freight: refers to the receipt of the portion of unrecognized ocean freight and insurance revenue, since following the guidelines of IFRS 15/CPC 47, freight in the incoterms "CIF/CFR" is considered a separate performance obligation, and for these there was not the conclusion of the delivery process, but the customer has already made the payment. As of December 31, 2021 the Company has no advance payments for this performance obligation.

Price adjustment: Payments made in excess as a result of the provisional price charged when issuing the billing, subject to adjustments based on the Platts Index quotation in the period, specified in the sales contract.

Electric energy contracts: On September 2022, the Company received in advance the amount of R$400 million related to the commercialization contract of, approximately, 262,800 MWh/year of electric energy for the period 2023 to 2030, signed with national operators of the sector.

The balances advanced will be recognized as operating income according to the expected realization, as follows:

				Consolidated
	Less than one year	Between one and two years	Over two years	TOTAL
Iron ore	754,676	133,442	66,191	954,309
Price adjustment - shipments effected	11,766			11,766
Electric energy contracts	62,459	125,089	312,466	500,014
Maritime freight	115,802			115,802
Others	1,105			1,105
	945,808	**258,531**	**378,657**	**1,582,996**

Accounting Policy

The Company recognizes as contractual liabilities the prepayments received from customers until the contractual criteria for revenue recognition and amortization of the amounts received are satisfied.

Additionally, the Company recognizes as advance from customers the overpayments made as a result of the adjustments for the quotation of the Platts Index that determines the price practiced in the iron ore sales contracts.

(In thousands of reais, unless otherwise noted)

19. OTHER PAYABLES

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Taxes in installments (Note 21)	113,055	125,391	113,055	125,391
Profit sharing - employees	64,815	55,652	64,721	55,652
Demurrage / Dispatch with third parties	33,625	31,337	32,145	29,223
Other payables - related parties (Note 13.b)	141,078	99,006	141,786	103,393
Accrued supplies	31,808	31,210	30,345	29,270
Leases liabilities (Note 19.a)	135,380	128,057	135,380	128,057
Concessions payable (Note 3)	89,577			
Other obligations	13,822	9,724	12,376	9,724
Total	**623,160**	**480,377**	**529,808**	**480,710**
Current	257,606	175,947	241,550	176,280
Noncurrent	365,554	304,430	288,258	304,430
Total	**623,160**	**480,377**	**529,808**	**480,710**

19.a) Leases liabilities

The leases liabilities are presented in financial statement as follows:

	Consolidated and Parent Company	
	12/31/2022	12/31/2021
Leases	301,752	284,017
NPV - leases	(166,372)	(155,960)
	135,380	**128,057**
Current	17,533	19,624
Noncurrent	117,847	108,433
Total	**135,380**	**128,057**

The Company has lease agreements for port terminals in Port of Itaguaí Coal and Mining Terminal - TECAR, used for the loading and unloading of iron ores, the agreements have a remaining term of 25 years. Additionally, the Company has property lease agreements, used as operational facilities, with remaining terms of 3 years.

The present value of future obligations was measured using the implicit rate observed in the contracts, for contracts that did not have a rate, the Company applied the incremental rate of loans - IBR, both in nominal terms.

The changes in lease liabilities for the year ended December 31, 2022, are shown in the table below:

	Consolidated and Parent Company	
	12/31/2022	12/31/2021
Opening balance	**128,057**	**82,101**
Remeasurement (Note 11.a)	2,339	18,890
Leases remeasurement (Note 11.a)	16,714	33,510
Write-offs	(782)	
Payments	(22,656)	(15,527)
Interest	11,708	9,083
Closing balance	**135,380**	**128,057**

The minimum future payments estimated to leasing agreements include variable payments, essentially fixed when based on minimum performance and contractually fixed rates.

(In thousands of reais, unless otherwise noted)

As of December 31, 2022, the future estimated minimum payments, are as follows:

			Consolidated and Parent Company	
	Less than one year	Between one and five years	Over five years	Total
Leases	18,401	59,955	223,393	301,749
VPL - leases	(868)	(14,451)	(151,050)	(166,369)
	17,533	**45,504**	**72,343**	**135,380**

• **Recoverable PIS and Cofins**

Lease liabilities were measured at the amount of consideration with suppliers, that is, without considering the tax credits incurred after payment. We show below the potential right of PIS and Cofins embedded in the lease liability.

	Consolidated and Parent Company	
	12/31/2022	12/31/2021
Leases	301,722	283,987
Present value adjustment - Leases	(166,372)	(155,961)
Potencial PIS and COFINS credit	27,909	26,269
Present value adjustment – Potential PIS and COFINS credit	(15,389)	(14,426)

- **Payments of leases not recognized as liabilities:**

The Company chose not to recognize lease liabilities in contracts with a maturity of less than twelve months and for assets with low value. The realized payments to these contracts are recognized as expenses, when incurred.

The Company has a lease agreement of the port terminal (TECAR) that, even if it establishes minimum performance, it is not possible to determine its cash flow since these payments are fully variable and will only be known when they occur. In such cases, payments shall be recognized as expenses when incurred.

Expenses related to payments not included in the measurement of a lease liability during the year are:

	Consolidated and Parent Company	
	12/31/2022	12/31/2021
Short-term leases	700	267
Assets of lower value	2,649	2,809
Variable lease payments	307,694	446,224
	311,043	**449,300**

In accordance with the guidelines of CPC 06 (R2) / IFRS 16, the Company uses the discounted cash flow technique to measure and remeasure liabilities and use rights, without considering the projected inflation in the flows to be discounted.

Considering Circular Letter / CVM / SNC / SEP No. 02/2019, the Company discloses below the comparative balances of lease liabilities, right to use, financial expenses and depreciation expenses with the use of rates in real terms to discount a present value of flows also in real terms.

In order to measure the balances using the rate in real terms, the inflation projection (IPCA) released by the Central Bank of Brazil was used.

(In thousands of reais, unless otherwise noted)

				Consolidated
		12/31/2022		12/31/2021
	Rate in nominal terms and actual flow	Rate and actual flow in nominal terms	Rate in nominal terms and actual flow	Rate and actual flow in nominal terms
Lease Liability	135,380	200,995	128,057	219,294
Right of net use	129,091	205,125	125,672	231,832
Financial expenses	(10,931)	(16,849)	(8,509)	(16,781)
Depreciation	(13,536)	(16,562)	(8,597)	(12,505)

Accounting Policy

When entering into a contract, the Company assesses whether the contract is, or contains, a lease. The lease is characterized by a rental or transmission of right of use for a certain time in exchange for monthly payments. The leased asset must be clearly specified.

The Company determines in the initial recognition, the lease term or non-cancellable term, which will be used in the measurement of the right to use and the lease liability. The lease term will be reevaluated by the Company when a significant event or significant change occurs in the circumstances that are under the control of the lessee and affects the non-cancellable term. The Company adopts exemption from recognition, as provided for in the standard, for the lessee of contracts with terms of less than 12 (twelve) months, or whose underlying asset object of the contract is of low value.

At outset, the Company recognizes the right to use the asset and the lease liability at present value. The right-to-use asset should be measured at cost. The cost includes the lease liability, upfront costs, advance payments, estimated costs to dismantle, remove or restore. The lease liability is measured at the present value of the lease payments expected to be made during the life of the agreement, discounted at the implicit interest rate of the lease or, if the rate is not determinable, an incremental rate will be used to determine the present value.

For contracts that the Company determines the business rate, it is understood that this rate is the rate implied in nominal terms and to which it is applied in discounting the flow of future payments. In contracts with no rate definition, the Company applied the incremental loan rate, obtaining it through consultations with banks where it has a relationship, adjusted for the inflation forecast for the coming years.

For the subsequent measurement, the cost method to the right-of-use asset is used and, in depreciation, the requirements of CPC 27/IAS 16 - Property, Plant and Equipment are applied. However, for the purpose of depreciation, the Company determines the use of the straight-line method based on the remaining useful life of the assets or the term of the contract, whichever is the shorter.

The effects of PIS and COFINS recoverable generated after the effective payment of the obligations will be recorded as a reduction of the depreciation expenses of the right to use and of the financial expenses recognized monthly.

The CPC 01/IAS 36 - Impairment of Assets will also be applied in order to determine whether the right-of-use asset is impaired and to account for any impairment loss if identified.

(In thousands of reais, unless otherwise noted)

20. INCOME TAX AND SOCIAL CONTRIBUTION

20.a) Income tax and social contribution recognized in profit or loss

The income tax and social contribution recognized in profit or loss for the year are as follows:

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Income tax and social contribution (expense) income				
Current	(1,043,200)	(2,917,463)	(1,023,585)	(2,903,092)
Deferred	13,096	83,785	13,275	83,785
	(1,030,104)	**(2,833,678)**	**(1,010,310)**	**(2,819,307)**

The reconciliation of consolidated and parent company income tax and social contribution expenses and the result from applying the effective rate to profit before income tax and social contribution are as follows:

	Consolidated	
	12/31/2022	**12/31/2021**
Profit before income tax and social contribution	**3,980,402**	**9,204,644**
Tax rate	34%	34%
Income tax and social contribution at combined statutory rate	**(1,353,337)**	**(3,129,579)**
Adjustments to reflect the effective rate:		
Interest on equity	261,623	160,982
Share of profit (loss) of investees	45,681	35,293
Other permanent deductions (add-backs)	(11,376)	(24,101)
Profit with differentiated rates or untaxed	(2,523)	821
Transfer price adjustment	(9,201)	
Incentivated donations	20,315	74,757
Workers' Meal Program	18,714	48,149
Income tax and social contribution for the period	**(1,030,104)**	**(2,833,678)**
Effective tax rate	**25.88%**	**30.79%**

	Parent Company	
	12/31/2022	**12/31/2021**
Profit before income tax and social contribution	**3,960,608**	**9,190,273**
Tax rate	34%	34%
Income tax and social contribution at combined statutory rate	**(1,346,607)**	**(3,124,693)**
Adjustments to reflect the effective rate:		
Interest on equity	261,623	160,982
Share of profit (loss) of investees	56,999	45,599
Other permanent deductions (add-backs)	(12,153)	(24,101)
Incentivated donations	20,315	74,757
Transfer price adjustment	(9,201)	
Workers' Meal Program	18,714	48,149
Income tax and social contribution for the period	**(1,010,310)**	**(2,819,307)**
Effective tax rate	**25.51%**	**30.68%**

20.b) Deferred income tax and social contribution:

The deferred income tax and social contribution are calculated on income tax loss carryforwards and the corresponding temporary differences between the tax bases of assets and liabilities and the carrying amounts of the financial statements.

(In thousands of reais, unless otherwise noted)

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Deferred tax liabilities				
Temporary differences	**(71,981)**	**(352,231)**	**(81,323)**	**(352,231)**
Provision for tax, social security, labor and civil risks	23,037	21,042	23,037	21,042
Provision for environmental liabilities	6,790	4,609	6,790	4,609
Estimated losses on assets	34,313	47,903	34,313	47,903
Estimated losses on inventories	10,127	22,741	10,127	22,741
Actuarial liability (pension and healthcare plan)	140	(1,093)	140	(1,093)
Accrued supplies and services	31,098	21,854	31,098	21,854
Estimated losses on doubtful debts	667	399	667	399
Provision for A.R.O	77,413	82,141	77,413	82,141
Business combination Mining	(262,605)	(279,137)	(262,605)	(279,137)
Gain/Loss from cash flow hedge accounting	256,228		256,228	
Tax benefit from amortization of goodwill	(286,372)	(286,372)	(286,372)	(286,372)
Adjustment to present value[(1)]	(6,618)	(9,378)	(6,618)	(9,378)
GSF Provision - Chapacó [(2)]	9,342			
Others	34,459	23,060	34,459	23,060
Noncurrent liabilities	**(71,981)**	**(352,231)**	**(81,323)**	**(352,231)**
Total Deferred Liabilities	**(81,323)**	**(352,231)**	**(81,323)**	**(352,231)**
Total Deferred Assets (note 9)	**9,342**			
Noncurrent liabilities	**(71,981)**	**(352,231)**	**(81,323)**	**(352,231)**

1- Adjustment to present value recognized in the agreement to revise the volumes of the Annual Transportation Plan (PAT) with MRS.
2- Deferred asset received from Companhia Energética Chapeco-CEC (note 3).

20.c) Changes in deferred income tax and social contribution

Below are the changes in deferred taxes:

	Consolidated	Parent Company
Balance on December 31, 2020	**(436,463)**	**(436,463)**
Recognized in income statement	83,785	83,785
Recognized in other comprehensive income	447	447
Balance on December 31, 2021	**(352,231)**	**(352,231)**
Recognized in the result	13,096	13,275
Recognized in other comprehensive income	257,633	257,633
Acquisition of companies (note 3)	9,521	
Balance on December 31, 2022	**(71,981)**	**(81,323)**

The Management evaluated the precepts of IFRIC 23 - “Uncertainties Over Income Tax Treatments” and considers there aren’t reasons for the tax authorities to differ from the tax positions adopted by the Company. Accordingly, no additional provisions for income tax and social contribution were recognized as a result of the assessment of the application of IFRIC 23 in the financial statement on December 31, 2022.

Accounting Policy

Current income tax and social contribution are calculated based on the tax laws enacted by the end of the reporting period, including in the countries where the Group entities operate and generate taxable profit. Management periodically assesses the positions taken in the tax calculations with respect to situations where applicable tax regulations are open to interpretations. The Company recognizes provisions where appropriate, based on the estimated payments to tax authorities. The income tax and social contribution expense comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss unless they are related to business combinations or items recognized directly in shareholders' equity.

Current tax expense is the expected payment of taxable income for the year, using the nominal rate approved or substantially approved on the balance sheet date, and any adjustment of taxes payable related to previous years. Current income tax and social contribution are presented net, per company member of the Company, in liabilities when there are amounts payable, or in assets when the amounts in advance paid exceed the total due on the date of the report.

(In thousands of reais, unless otherwise noted)

Deferred tax is recognized in relation to temporary differences between the tax bases of assets and liabilities and their book values in the financial statements. Deferred tax is not recognized for temporary differences arising from the initial recognition of assets and liabilities in a transaction that is not a business combination, that does not affect nor accounting profit nor tax profit or loss, differences related to investments in subsidiaries and controlled entities when it is probable that they will not revert in a foreseeable future, and from the initial recognition of goodwill, in accordance with CPC 32/IAS 12 - Taxes on Profit. The amount of the deferred tax determined is based on the expectation of realization or settlement of the temporary difference and uses the nominal rate approved or substantially approved

Deferred income tax assets and liabilities are presented net in the balance sheet whenever there is a legal right and the intention to offset them upon the calculation of current taxes, usually related to the same legal entity and the same taxation authority.

Deferred income tax and social contribution assets are recognized on recoverable balances of tax loss and negative basis of CSLL, tax credits and deductible temporary differences. Such assets are reviewed at each year-end date and will be reduced to the extent that their realization is less likely to occur.

21. TAXES IN INSTALLMENTS

The position of REFIS debts and other installments, recorded in installment taxes in current and non-current liabilities, as shown in note 17 and 19, are shown below:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Federal REFIS Law 11,941/09 (1)	7,381	8,558
Federal REFIS Law 12,865/13 (2)	39,522	43,351
Ordinary installment (3)	318,927	104,539
	365,830	**156,448**
Current	252,775	31,057
Noncurrent	113,055	125,391
Total	**365,830**	**156,448**

1. Payables related to the tax installment program introduced by Law 11,941/2009, due to the reopening of the terms for adhesion brought by Laws 12,865/13 and 12,996/14;
2. Payables arising from the tax installment program introduced by article 40 of Law 12,865/13 related to debits of IRPJ and CSLL levied on profits of foreign subsidiaries in calendar years from 2009 to 2012, due to the adoption of article 74 of MP 2.158-35/2001;
3. The Company has adhered to the installment plan that allows the taxpayer to pay the debts registered in the federal active debt with benefits, reduced down payment and extended payment term.

22. PROVISION FOR TAX, SOCIAL SECURITY, LABOR, CIVIL AND ENVIRONMENTAL RISKS AND JUDICIAL DEPOSITS

Claims of different nature are being discussed at the appropriate courts. Details of the accrued amounts and related judicial deposits are as follows:

				Consolidated
	Accrued liabilities	**Judicial deposits(*)**	**Accrued liabilities**	**Judicial deposits(*)**
	12/31/2022	**12/31/2022**	**12/31/2021**	**12/31/2021**
Tax	1,746		1,184	
Labor	53,500	45,818	51,089	39,242
Civil	9,060	4,420	7,924	4,792
Environmental	3,480	1,640	1,693	1,667
Total	**67,786**	**51,878**	**61,890**	**45,701**
Current	3,116		5,897	
Noncurrent	64,670	51,878	55,993	45,701
Total	**67,786**	**51,878**	**61,890**	**45,701**

(In thousands of reais, unless otherwise noted)

Parent Company

	Accrued liabilities	Judicial deposits(*)	Accrued liabilities	Judicial deposits(*)
	12/31/2022	**12/31/2022**	**12/31/2021**	**12/31/2021**
Tax	1,746		1,184	
Labor	53,470	45,815	51,089	39,242
Civil	9,060	4,420	7,924	4,792
Environmental	3,480	1,638	1,693	1,667
Total	**67,756**	**51,873**	**61,890**	**45,701**
Current	3,116		5,897	
Noncurrent	64,640	51,873	55,993	45,701
Total	**67,756**	**51,873**	**61,890**	**45,701**

(*) The judicial deposits are allocated in the balance sheet under “Other noncurrent assets” – see note 9.

The changes in the provision for tax, social security, labor, civil and environmental risks in the year ended December 31, 2022, were as follows:

Consolidated

Nature	12/31/2021	Additions	Net update on amount	Acquisitions Cia. Energética Chapecó	Net utilization of reversal	12/31/2022
Tax	1,184	480	83			1,746
Labor	51,089	5,592	6,990	30	(10,201)	53,500
Civil	7,924	503	712		(79)	9,060
Environmental	1,693	1,197	593		(3)	3,480
	61,890	**7,772**	**8,378**	**30**	**(10,283)**	**67,786**

Parent Company

Nature	12/31/2021	Additions	Net update on amount	Net utilization of reversal	12/31/2022
Tax	1,184	480	83		1,746
Labor	51,089	5,592	6,990	(10,201)	53,470
Civil	7,924	503	712	(79)	9,060
Environmental	1,693	1,197	593	(3)	3,480
	61,890	**7,772**	**8,378**	**(10,283)**	**67,756**

The provision for tax, social security, labor, civil and environmental liabilities was estimated by Management and is mainly based on the legal counsel’s assessment. Only proceedings for which the risk is classified as probable loss are provisioned.

Furthermore, the Company has other lawsuits classified by the legal counsel as possible loss, therefore represent present obligations whose outflow of resources is not probable, fort which as at December 31, 2022, totaled R$9,948,273 (R$8,405,635 at December 31, 2021), of which R$451,713 in labor lawsuits (R$353,069 at December 31, 2021), R$28,944 in civil lawsuits (R$41,947 at December 31, 2021), R$9,361,028 in tax lawsuits (R$7,952,858 at December 31, 2021) and R$106,588 in environmental lawsuits (R$57,761 at December 31, 2021).

We present below a brief description of the main legal matters with possible risk of loss:

(In thousands of reais, unless otherwise noted)

Main lawsuits	12/31/2022	12/31/2021
Tax Deficiency Notice and Imposition of Fine (AIIM)- IRPJ/CSLL- Disallowance of deductions of goodwill generated on downstream merger of Big Jump into Namisa	4,920,177	4,242,051
Tax Deficiency Notice and Imposition of Fine (AIIM)-Withholding income tax - Mining Business Combinations in Nov 2015	986,196	889,179
Tax Deficiency Notice and Imposition of Fine (AIIM) - IRPJ/CSLL - Profits earned abroad 2008	439,146	396,064
CFEM- Administrative collections for alleged non-payment of CFEM (Financial Compensation for Exploration of Mineral Resources) due to differences in the tax base.	1,107,837	1,047,760
Tax Deficiency Notice - IRRF - Capital gain of the sellers of the company CFM located abroad	289,406	266,649
Other tax lawsuits (federal, state and municipal taxes)	1,618,266	1,111,155
Total	**9,361,028**	**7,952,858**

In the first quarter of 2021, the Company was notified of an arbitration procedure based on an alleged unfulfillment of iron ore supply contracts. The counterparty asks for approximately US$1 billion, and the Company has no knowledge of the bases used in the allegations presented, as well as has no knowledge of the basis for the estimates of the amount asked. Finally, the Company informs that has responded the arbitration requirements in conjunction with its legal counselors and is currently at the initial stage of its defense. The Company expects the arbitration will be concluded in 2 to 3 years. The relevance of the arbitration to the Company is related to the amount attributed to the cause and its eventual financial impact. The discussion involves arbitration disputes initiated by both parties.

Accounting Policy

Only provisions estimated as probable risk of loss are recorded, substantiated in the assessment of our legal advisors, and at amounts that will be required to settle the litigations. The obligation is updated in accordance with the evolution of the lawsuit or financial charges incurred and will be reversed if the estimated loss is no longer considered probable due to changes in circumstances or derecognized when the obligation is settled.

23. PROVISION FOR ENVIRONMENTAL LIABILITIES AND ASSET RETIREMENT OBLIGATIONS

The carrying amount of the provision for environmental liabilities and asset retirement obligation (ARO) are as follows:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Environmental liabilities	13,793	13,556
Assets retirement	472,482	500,189
total	**486,275**	**513,745**

23.a) Environmental Liabilities

As of December 31, 2021, a provision was set up for expenditures relating to environmental investigation and remediation services for potential areas contaminated, degraded and in process of determination of Company responsibility in the State of Minas Gerais and Rio de Janeiro. Estimated expenditures are reviewed periodically by adjusting, whenever necessary, the amounts already recognized. These are Management’s best estimates based on the environmental remediation studies and projects. This provision is recognized in the account of other operating expenses.

The provision is measured at the present value of the expenditures required to settle the obligation, using a rate that reflects current market assessments of the time, the value of money and the specific risks of the obligation. The increase in the obligation due to passage of time is recognized as other operating expenses.

Some contingent environmental liabilities are monitored by the environmental area and were not provisioned because their features do not meet the recognition criteria set out in IAS37/CPC 25.

Accounting Policy

The Company recognizes provision for recovery costs, when a loss is probable and the amounts of the related costs are reasonably determined. Generally, the provisioning period for the amount to be used for recovery coincides with the completion of a feasibility study or commitment to a formal action plan.

Expenses related to compliance with environmental regulations are charged to income or capitalized, as appropriate. Capitalization is considered appropriate when expenses refer to items that will continue to benefit the Company and that are basically relevant to the acquisition and installation of equipment for pollution control and / or prevention.

Asset retirement obligation (ARO) liabilities consist of cost estimates for deactivation, demobilization, or restoration of areas at the end of mining activities and extraction of mineral resources. The initial measurement is recognized as a liability discounted to present value and, subsequently, carried to expenses over time. The asset deactivation cost equivalent to the initial liability is capitalized as part of the asset's carrying amount and is depreciated over the asset's useful life.

24. SHAREHOLDERS EQUITY

24.a) Initial Public Offering

On February 17, 2021, the Company concluded the public offering for the primary and secondary distribution of its common shares, through B3 - Brasil, Bolsa, Balcão. The Offer comprised (i) the primary distribution of 161,189,078 new Shares ("Primary Offering"); and (ii) the secondary distribution of 422,961,066 shares, of which initially, 372,749,743 shares ("Secondary Offering"), which was increased by 50,211,323 additional shares held by CSN ("Supplementary Shares").

The price per share ("Price per Share") was fixed at R$8.50 in the final Offering Prospectus, resulting in the amount of R$1,370.108 for the primary common shares. The Price per share has been determined upon conclusion of the proceeding for the collection of the investment intentions with institutional investors in Brazil and abroad.

Upon the issuance, the Company's shares, which totaled 181,001,902 shares (one hundred and eighty-one million, one thousand, nine hundred and two), were split in the proportion of 1:30 and, accordingly, the capital stock of the Company became represented by 5,430,057,060 (five billion, four hundred thirty million, fifty-seven thousand and sixty) with no par value, as approved at the Extraordinary Shareholders Meeting held on October 15, 2020, conditioned to the publication of the announcement of the start of the Company's public offering, which occurred on February 17, 2021.

The transaction cost incurred in the public offering in the amount of R$14,681, net of taxes, million and was recognized as Capital Reserve, in the Company's net equity, according to the guidelines contained in CPC 08(R1).

24.b) Paid-in capital

Upon the conclusion of the public offering, the Company capitalized the amount of R$1,370,108 with the issuance of 161,189,078 new shares that were fully allocated to the Company's capital stock. Accordingly, the subscribed and fully paid-up capital stock on December 31,2022 is R$7,473,980, represented by 5,485,338,838 nominative common shares with no par value. Each common share entitles to one vote in the resolutions of the General Meeting.

24.c) Authorized capital

The Company's bylaws in effect on December 31, 2022, define in article 6 that the share capital may be increased, regardless of amendments to the bylaws, by up to R$1,800,000 (one billion and eight hundred million reais), through the issuance of common and/or preferred shares, by decision of the Board of Directors.

23.d) Capital Reserve

As of December 31, 2022 and 2021, the company has a capital reserve in the amount R$127,042, comprising by:

(i) R$141,723 referring to the goodwill recognized in the issue of shares carried out in the mining business combination in December 2015;
(ii) Reduction of R$14,681 due to the transaction cost, net taxes, incurred in the public offering of primary shares, held on February 17, 2021

24.e) Legal reserve

This reserve is recognized at the rate of 5% of the profit for each period, as provided for by Article 193 of Law 6,404/76, up to the ceiling of 20% of share capital.

(In thousands of reais, unless otherwise noted)

24.f) Ownership structure

As of December 31, 2022, and 2021, the Company's ownership structure was as follows:

	12/31/2022		12/31/2021		
	Number of common shares	% of voting capital and total shares	Number of common shares	% of total shares	% of voting capital
Companhia Siderurgica Nacional	4,374,779,493	79.75%	4,374,779,493	78.24%	79.75%
Japão Brasil Minérios de ferro Participações	507,762,966	9.26%	507,762,966	9.08%	9.26%
Posco Holdings Inc.	102,186,675	1.86%	102,186,675	1.83%	1.86%
China Steel Corporation	22,366,860	0.41%	22,366,860	0.40%	0.41%
Others	478,242,844	8.72%	478,742,844	8.56%	8.73%
Total outstanding shares	**5,485,338,838**	**100.00%**	**5,485,838,838**	**98.11%**	**100.00%**
Treasury shares			105,407,300	1.89%	
Total shares	**5,485,338,838**	**100.00%**	**5,591,246,138**	**100.00%**	**100.00%**

On May 2022 the Company repurchased 500,000 common shares as part of the second share repurchase program, totaling 105,907,300 treasury shares (105,407,300 on December 2021). Additionally, on May 18, 2022 the cancellation of 105,907,300 common shares held in treasury was approved in a Board of Directors' Meeting (note 24.i).

24.g) Earnings per share

Basic earnings per share have been calculated based on the result attributable to shareholders divided by the weighted average number of common shares outstanding during the year. Earnings per share have been calculated as shown below:

	12/31/2022	12/31/2021
	Common shares	Common shares
Income for the year		
Attributable to the owners of the Parent Company	2,950,298	6,370,966
Weighted average number of shares	5,485,506	5,555,188
Basic and diluted earnings per share	0.5378352	1.1468499

24.h) Other comprehensive income and equity measure adjustments

Other comprehensive income (loss) consists mainly of derivative instruments designated as cash flow hedge accounting, net of taxes, which are not carried through profit or loss until realized. Additionally, we have actuarial adjustments, net of taxes, in post-employment benefits that are not carried through the result of the year.

The equity measure adjustments result from a combination of business and capital transaction that occurred in November 2015 and July 2017, respectively.

24.i) Share repurchase program

The Company approved in the Board of Directors' Meetings, the Share Repurchase Plans, to remain in treasury and subsequent disposal or cancellation, pursuant to CVM Instruction 567/2015, described below.

Program	Board's Authorization	Authorized quantity	Program period	Average buyback price	Minimum and maximum buyback price	Number bought back	Share cancelation	Balance of treasury shares
1º	03/24/2021	58,415,015	from 3/25/2021 to 9/24/2021	$ 6.1451	R$5.5825 and R$6.7176	52,940,500		52,940,500
2º	11/03/2021	53,000,000	from 11/04/2021 to 9/24/2022	$ 6.1644	R$4.1858 and R$6.1208	52,966,800		105,907,300
	05/18/2022			Not applicable	Not applicable		105,907,300	
3º	05/18/2022	106,000,000	from 5/19/2022 to 5/18/2023					
						105,907,300	**105,907,300**	

(In thousands of reais, unless otherwise noted)

At the Meeting of the Board of Directors held on May 18, 2022, the Company approved (i) the termination of the Company's Share Buyback Program approved on November 3, 2021, (ii) the cancellation of 105,907,300 registered common shares with no par value held in treasury, and (iii) the opening of a new share buyback program issued by the Company itself

As of December 31, 2022, the Company has no treasury shares.

Accounting Policy

Share Capital

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the amount raised, net of taxes.

Earnings/(loss) per share

Basic earnings per share is calculated using the net income for the year attributable to the Company's controlling shareholders and the weighted average number of outstanding common shares in the respective year. Diluted earnings per share is calculated using the aforementioned average of outstanding shares, adjusted by instruments potentially convertible into shares, with a dilutive effect, in the years presented. The Company does not have potential instruments convertible into shares and, consequently, the diluted and basic earnings per share are the same.

Treasury shares

When the Company purchases shares of the capital stock of the Company itself (treasury shares), the amount paid, including any directly attributable additional costs (net of income tax), is deducted from the shareholders' equity attributable to the shareholders of the Company until the shares are canceled or reissued. When such shares are subsequently reissued, any amounts received, net of any directly attributable additional transaction costs and the respective income tax and social contribution effects, are included in the shareholders' equity attributable to the Company's shareholders.

Result per share

Basic and diluted earnings / loss per share was calculated based on the profit attributable to CSN's controlling shareholders divided by the weighted average number of common shares outstanding during the year, excluding common shares purchased and held as treasury shares. The Company does not hold potentially dilutable common shares in circulation that could result in the dilution of earnings per share.

25. SHAREHOLDERS' COMPENSATION

The Company approved at meetings of the Board of Directors, during the years ended December 31, 2022, and 2021, the distribution of interim dividends based on the profits accumulated in the last years, interim dividends based on the earnings of the current year, and the payment of interest on shareholders' equity.

The interest on equity distributed on December 23, 2022, will be paid until May 31, 2023, in the amount of R$74,566 considering the withholding income tax of R$13,159.

			Parent Company
	Earnings for the past few years	Interest on equity	Per share
April 29,2022	2,520,404		0.459438076
November 07,2022	1,763,000		0.321402205
November 07,2022		681,755	0.124286704
December 23,2022		87,724	0.015992515
Amount distributed in 2022	**4,283,404**	**769,479**	

(In thousands of reais, unless otherwise noted)

The interest on equity distributed on December 23, 2021, was paid on January 20, 2022, in the amount of R$402,455, considering the withholding income tax of R$71,021.

				Parent Company
	Earnings for the past few years	Current year earnings	Interest on equity	Per share
January 20,2021	1,068,207			0.196721228
April 30,2021	288,405			0.051581582
July 27,2021		1,848,054		0.330526359
December 23,2021			473,477	0.086308917
Amount distributed in 2021	**1,356,612**	**1,848,054**	**473,477**	

The Company proposed the allocation of the earnings below, which will be approved at the Annual General Meeting.

	12/31/2022	12/31/2021
Profit (loss) for the year	**2,950,298**	**6,370,966**
Legal reserve	(147,515)	(318,548)
Investment reserve	(1,401,391)	(1,210,484)
Anticipated dividends and interest on equity	(769,479)	(2,321,531)
Proposed additional dividends	(631,913)	(2,520,403)

Accounting Policy

The Company adopts an earnings distribution policy that, with due regard of the provisions of Law 6,404/76 as amended by Law 9,457/97, will result the distribution of all net profit being distributed to its shareholders, provided that the following priorities are preserved, regardless of its order: (i) the business strategy; (ii) the fulfillment of obligations; (iii) the performance of necessary investments; and (iv) the maintenance of a good financial situation of the Company.

According to article 29 of the Company's Bylaws, a minimum of 25% of the net profit of the fiscal year, adjusted in accordance with article 202 of Law 6,404/76, shall be distributed as dividends in each fiscal year. Additionally, the Company may distribute additional dividends of 25% of the adjusted profit, after retention of the amount set forth in capital budget, if any, which shall be booked in current liabilities. Moreover, the Board of Directors may approve the payment of interest on net equity, being the interest amount paid or credited considered as part of the minimum mandatory dividend mentioned above. In case the Company informs dividends higher than the mandatory minimum in the allocation proposal, this amount is booked in a specific account in shareholders' equity under "Proposed Additional Dividend"

26. NET OPERATING REVENUE

Net sales revenue presented in income statement is comprised as follows:

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Gross revenue				
Domestic market	2,001,120	3,775,711	1,983,534	3,775,711
Foreign market	**11,651,633**	15,987,077	11,651,633	15,987,077
	13,652,753	**19,762,788**	**13,635,167**	**19,762,788**
Deductions				
Taxes levied on sales	(378,631)	(721,726)	(376,785)	(721,726)
Discounts	(1,558)	(1,192)	(223)	(1,192)
	(380,189)	**(722,918)**	**(377,008)**	**(722,918)**
Net Revenue	**13,272,564**	**19,039,870**	**13,258,159**	**19,039,870**

(In thousands of reais, unless otherwise noted)

Sale contracts at provisional prices – Commodity price risk arises from the volatility of iron ore prices. The selling price of these products can be reliably measured each period as the price is quoted in an active market. As a result, the fair value of the final adjustment to the sales price is continually revalued and changes in fair value are recognized as sales revenue in the income statement.

Accounting Policy

As of January 1, 2018, IFRS15/CPC 47 was adopted by the Company, and recognizes our revenues once all the following conditions are satisfied:

- Identification of the contract for sale of goods or prevision of services;
- Identification of the performance obligations;
- Determination of the contract value;
- Determination of the value allocated to each performance obligation included int the contract; and
- Revenue recognition over time or at the time performance obligation completed.

The Company recognizes revenues from sales of iron ore when control of the product is transferred to customers, which generally occurs, in the case of export sales, when the product is loaded on the ship and, in the case of domestic sales, when the product is loaded on the train.

Iron ore export sales pursuant to the Incoterms “Cost, Insurance and Freight – CIF” and “Cost and Freight – CFR” include maritime freight service embedded in the same invoice. In this case, the performance obligation of the maritime freight service is considered separately from the shipment of iron ore and the Company recognizes revenue from the provision of this service upon delivery of the goods to the destination specified by customers.

Operating revenue from the sale of goods in the normal course of business is measured at the fair value of the consideration entity expects to receive in exchange for the delivery of the good or service promised to the customers.

For the portion of the Company’s iron ore export sales pursuant to the Incoterms “Cost, Insurance and Freight – CIF” and “Cost and Freight – CFR”, the obligation to pay for the good and the maritime freight service, which is embedded in the same invoice, generally arises when the product is loaded on the ship. The Company hires and, in some cases, pays the sea freight service in advance, the amount paid is recognized as an asset, advance to suppliers, until arrival at the port of destination, at which time it is debited to the result as freight expense.

Concurrently, the Company recognizes the price of the sea freight service, for which it is responsible, as liabilities on advance of customers, until arrival at the port of destination, at which time the Company fulfills its performance obligation for the sea freight service and, thus, recognizes the revenue for the provision of this service.

The Company generally realizes advances to suppliers and advances from customers as freight expenses and revenue for maritime freight services provided, respectively, within one month. Such revenue allocated to freight does not significantly affect the results of the Company’s fiscal year and, therefore, it is not presented separately in the financial statements. For other services rendered, revenue is recognized based on its realization.

27. EXPENSES AND COSTS BY NATURE

	Consolidated		Parent Company	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Freight /Maritime insurance	(826,553)	(1,058,077)	(826,553)	(1,058,077)
Labor	(784,355)	(694,230)	(787,348)	(708,048)
Maintenance cost	(495,431)	(412,765)	(512,776)	(418,356)
Depreciation, amortization and depletion	(989,870)	(732,179)	(978,302)	(732,137)
Third party services (including concessionaires)	(487,549)	(360,184)	(501,870)	(365,165)
Third party material (purchased ore)	(3,198,569)	(4,476,703)	(3,198,569)	(4,476,703)
Supplies	(533,198)	(322,701)	(552,344)	(327,112)
Taxes and fees	(350,534)	(578,192)	(350,534)	(578,192)
Port Leasing	(268,139)	(451,511)	(268,139)	(451,512)
Port expenses - third parties	(68,299)	(44,233)	(68,299)	(44,233)
Demurrage/Dispatch	(93,366)	(105,042)	(93,352)	(105,042)
Sharing expenses	(103,726)	(109,109)	(103,726)	(109,110)
Others	(29,966)	(45,763)	(26,567)	(58,057)
Total by nature	**(8,229,555)**	**(9,390,689)**	**(8,268,379)**	**(9,431,744)**
Cost of sales	(7,083,267)	(8,008,266)	(7,124,560)	(8,048,377)
Selling expenses	(1,028,842)	(1,252,259)	(1,041,287)	(1,274,233)
General and administrative expenses	(117,446)	(130,164)	(102,532)	(109,134)
Total by allocation	**(8,229,555)**	**(9,390,689)**	**(8,268,379)**	**(9,431,744)**

(In thousands of reais, unless otherwise noted)

The depreciation, amortization and depletion additions for the period were distributed as follows:

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Production costs [1]	(989,596)	(732,135)	(978,299)	(732,135)
Sales expenses	(1)	(1)	(1)	(1)
General and Administrative Expenses	(273)	(43)	(2)	(1)
	(989,870)	**(732,179)**	**(978,302)**	**(732,137)**
Other operating expenses (*)	(9,056)	(19,081)	(9,056)	(19,081)
	(998,926)	**(751,260)**	**(987,358)**	**(751,218)**

(*) Refers mainly to the depreciation and amortization of paralyzed assets, see note 28.
(1) The production cost includes PIS and COFINS credits on leases agreement in the amount of R$1,343 in the consolidated and the parent company on December 31, 2022 (R$849 on December 31,2021), in according with the guidelines set out in Official Circular CVM / SNC / SEP 02/2019.

28. OTHER OPERATING INCOME (EXPENSES)

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Other operating income				
Indemnities and contractual fines	1,433	6,346	1,433	6,346
Untimely credit of taxes and contributions [1]		20,669		18,112
Gains / (losses) with pension plan	506	1,076	506	1,076
Other income	2,592	1,878	2,471	1,878
	4,531	**29,969**	**4,410**	**27,412**
Other operating expenses				
Tax and contribution	(25,734)	(12,116)	(25,702)	(12,056)
Provision of losses of judicial deposits	(3,465)	(6,735)	(3,465)	(6,735)
Provision for environmental liabilities	(660)	(613)	(660)	(613)
Reversal/(Provision) for social security, labor, civil and environmental risks,net of reversals (Note 22)	(6,051)	727	(6,051)	727
Expenses from social security, labor, civil and environmental law suits	(3,891)	(6,622)	(3,891)	(6,622)
Estimated losses and disposal (Note 11)	22,445	(37,866)	22,467	(37,866)
Losses from spare parts inventories	(16,064)	(14,833)	(16,064)	(14,833)
Studies and project engineering expenses	(17,112)	(32,252)	(17,112)	(32,252)
Depreciation of equipment paralyzed (note 27)	(9,056)	(19,081)	(9,056)	(19,081)
Contractual fines [4]	(61,398)	(4,459)	(61,398)	(4,459)
Reversal/(loss) in inventories of finished goods	(61,141)	2,944	(61,141)	2,944
Maintenance equipment paralyzed	(181)	(20,907)	(181)	(20,907)
Losses on Cash flow hedge accounting (Note 16.b) [3]	(85,555)	(27,727)	(85,555)	(27,727)
Operational idleness [2]	(89,467)		(89,467)	
Incentivated donations	(20,156)	(74,257)	(20,156)	(74,257)
Expenses with personnel transportation	(1,804)	(33,972)	(1,804)	(33,972)
Other expenses	(32,241)	(13,938)	(31,725)	(13,597)
	(411,531)	**(301,707)**	**(410,961)**	**(301,306)**
Other operating income (expenses), net	**(407,000)**	**(271,738)**	**(406,551)**	**(273,894)**

1.In 2021 it is the exclusion of ICMS from the PIS and COFINS calculation basis.
2.In 2022, the Company recognized operational idleness in the mining activities, due to the intense rains registered in the ore extraction operation
3.Gains and (Losses) recognized with Cash Flow Hedge Accounting of the Platts index and foreign exchange in the 1st quarter of 2021 and 2022.
4 Take or Pay generated in the transportation contract with MRS.

(In thousands of reais, unless otherwise noted)

29. FINANCIAL INCOME (EXPENSES)

	Consolidated		Parent Company	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial costs:				
Borrowings and Financing - Foreign Currency	(141,612)	(40,688)	(141,612)	(40,688)
Borrowings and Financing - Local Currency	(219,562)	(73,611)	(219,562)	(73,611)
Interest on advances from customers	(92,253)	(132,123)	(92,253)	(132,123)
Related parties (Note 13.b)	(10,297)	(12,072)	(10,297)	(12,072)
Capitalized interest (Note 11)	94,437	64,272	94,437	64,272
Interest, fines and tax late payment charges	(69,591)	(64,635)	(69,459)	(64,635)
Present value adjustment (1)	(107,582)	(109,329)	(107,582)	(109,329)
Taxes on financial revenue	(63,068)	(53,626)	(63,067)	(53,626)
Other finance costs	(42,485)	(24,173)	(40,802)	(24,152)
	(652,013)	**(445,985)**	**(650,197)**	**(445,964)**
Financial income:				
Related parties (Note 13.b)	57,747	21,759	57,747	21,759
Income from short-term investments	279,910	120,982	278,294	120,974
Other income	6,590	6,807	6,516	6,808
	344,247	**149,548**	**342,557**	**149,541**
Others financial items, net				
Inflation adjustments, net	(308,637)	49,713	(306,523)	48,226
Inflation adjustments hedge accounting , net	(1,087)	16,790	(1,087)	16,790
IPCA/CDI swap result (Note 16.b)	(154,679)	(34,920)	(154,679)	(34,920)
	(464,403)	**31,583**	**(462,289)**	**30,096**
Financial costs, net	**(772,169)**	**(264,854)**	**(769,929)**	**(266,327)**

Recognition of the present value adjustment on suppliers

Accounting Policy

Financial income includes interest income from funds invested and changes in the fair value of financial assets measured at fair value through profit or loss. Interest income is recognized in profit or loss, under the effective interest method.

Financial costs comprise interest expenses on borrowings and losses on fair value of financial instruments measured at fair value through profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are measured through profit or loss under the effective interest method.

Foreign exchange gains and losses are reported on a net basis.

30. EMPLOYEE BENEFITS

The Company is sponsor together with its controlling shareholder in pension plans granted to employees. The plans are administered by Caixa Beneficente dos Empregados da CSN (‘CBS”), a private non-profit pension fund established in July 1960 which has as members the employees (and former employees) of the Company and some subsidiaries who joined the fund through an agreement, and the employees of CBS itself. The Executive Officers of CBS is formed by a CEO and two other executive officers, all appointed by CSN, which is the main sponsor of CBS. The Decision-Making Board is the higher decision-making and guideline-setting body of CBS, by the president and ten members, six chosen by CSN, main sponsor of CBS, and four elected by the fund’s participants.

(In thousands of reais, unless otherwise noted)

30.a) Description of the pensions plans

Mixed supplementary benefit plan

This plan began on December 27, 1995, and is a variable contribution plan. Besides the scheduled retirement benefit, it also covers the payment of risk benefits (pension paid while the participant is still working, disability compensation and sick/accident pay). Under this plan, the retirement benefit is calculated based on the amount accumulated by the monthly contributions of the participants and sponsors, as well as on each participant's option for the manner in which they receive them, which can be lifetime (with or without continuity of pension for death) or through a percentage applied to the balance of the benefit-generating fund (loss for indefinite period). After retirement is granted, the plan takes on the characteristics of a defined benefit plan if the participant has chosen to receive his benefit in the form of monthly income for life. This plan was discontinued on September 16, 2013, when the CBSPrev plan became effective.

CBSPREV Plan

The new CBSPrev Plan, which is a defined contribution plan, started on September 16, 2013. Under this plan, the retirement benefit is determined based on the accumulated amount by monthly contributions of participants and sponsors. To receive the benefit, each participant can opt for: (a) receiving part in cash (up to 25%) and the remaining balance through a monthly income through a percentage applied to the benefit-generating fund, not being applicable to death pension benefits, or (b) receive only a monthly income through a percentage applied to the benefit-generating fund.

30.b) Investment policy

The investment policy establishes the principles and guidelines that will govern the investments of funds entrusted to the entity, in order to foster the security, liquidity and profitability required to ensure equilibrium between the plan's assets and liabilities based on an ALM (Asset Liability Management) study that takes into consideration the benefits of participants and beneficiaries for each plan.

The investment plan is reviewed annually and approved by the Decision-Making Board considering a five-year horizon, as established by resolution CGPC 7 of December 2003. The investment limits and criteria established in the policy are based on Resolution 4,661/18 published by the National Monetary Council ("CMN").

30.c) Benefits granted and to be granted in the Mixed Plan of Supplementary Benefit

Actuarial calculations are updated at the end of each fiscal year by external actuaries and presented in the financial statements in accordance with CPC 33 (R1) – Employee Benefits and IAS 19 – Employee Benefits, below is presented the position on December 31, 2022 and 2021:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
	Actuarial assets	
Benefits of pension plans	(6,505)	(10,133)

The reconciliation of employee benefits' assets and liabilities is as follows:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Present value of defined benefit obligation	7,843	8,198
Fair value of plan assets	(14,797)	(18,555)
(Surplus)	**(6,954)**	**(10,357)**
Restriction to actuarial assets due to recovery limitation	449	224
Net liabilities/ (assets) recognize in the financial statement	**(6,505)**	**(10,133)**

(In thousands of reais, unless otherwise noted)

Changes in the fair value of the defined benefit obligation are shown below.

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Present value of obligations at beginning of period	**8,198**	**7,354**
Service cost	597	589
Interest cost	839	488
Contributions of participant paid in the period	306	309
Benefits paid	(314)	(544)
Actuarial loss(gain)	(1,783)	2
Present value of obligations at end of the period	**7,843**	**8,198**

Changes in the fair value of the plan's assets are shown below.

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Fair value of plans at beginning of period	**(18,555)**	**(19,370)**
Interest income	(1,966)	(1,333)
Benefits paid	314	544
Contributions of participant paid in the period	(306)	(309)
Return on plan assets (excluding interest income)	5,716	1,913
Fair value of plans at end of the period	**(14,797)**	**(18,555)**

The composition of the amounts recognized in the income statement in "Other operational expenses are shown below.

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Current service costs	597	589
Interest cost	839	488
Expected return on plan assets	(1,966)	(1,333)
Total cost /(income)recognized in the income statement	**(530)**	**(256)**

The (cost)/income is recognized in the income statement under other operating expenses.

Changes in the actuarial gains and losses are shown below.

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Actuarial (gains) and losses	**(1,783)**	**2**
Return on plan assets (excluding interest income)	5,716	1,913
(Gains) and actuarial losses recognized in other comprehensive income	**3,933**	**1,915**

The composition of the actuarial gains and losses are show below

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
(Gain) / loss due to change in financial assumptions	(313)	(565)
(Gain) / loss due to experiment adjustments	(1,470)	567
Return on plan assets (excluding interest income)	5,716	1,913
Actuarial (gains) and losses	**3,933**	**1,915**

(In thousands of reais, unless otherwise noted)

The main actuarial assumptions used were as follows:

	12/31/2022	12/31/2021
Actuarial financing method	Projected unit credit	Projected unit credit
Function currency	Real (R$)	Real (R$)
Recognition of plan assets	Fair value	Fair value
Nominal discount rate	Plano Milênio: 6.14%	Plano Milênio: 10.71%
Inflation rate	5.31%	5.03%
Nominal salary increase rate	1.00%	6.08%
Nominal benefit increase rate	5.31%	5.03%
Rate of return on investments	6.14%	10.71%
General mortality table	AT-2012 segregated by gender	AT-2012 segregated by gender
Disability table	Prudential (Ferr. Aposent.) reduced by 10%	Prudential (Ferr. Aposent.) reduced by 10%
Disability mortality table	AT-71	AT-71
Turnover table	5% per year	5% per year
Retirement age	100% on the first date he/she becomes eligible for programmed retirement benefit under the plan	100% on the first date he/she becomes eligible for programmed retirement benefit under the plan
Household of active participants	95% will be married at the time of retirement, with the wife being 4 years younger than the husband	95% will be married at the time of retirement, with the wife being 4 years younger than the husband

The assumptions regarding the mortality table are based on published statistics and mortality tables. These tables translate into an average life expectancy in years for employees aged 65 and 40:

	Mixed supplementary benefit plan (Plano Milênio)	
Longevity at the age of 65 for current participants	**12/31/2022**	**12/31/2021**
Male	21.47	21.47
Female	23.34	23.34
Longevity at the age of 40 for current participants		
Male	44.07	44.07
Female	46.28	46.68

Allocation of plan assets

	Consolidated and Parent Company			
		12/31/2022		12/31/2021
Variable income	535	3.62%	966	5.21%
Fixed Income	13,031	88.07%	15,991	86.18%
Properties	790	5.34%	953	5.14%
Others	441	2.97%	645	3.47%
Total	**14,797**	**100.00%**	**18,555**	**100.00%**

30.d) Contributions expected and expense of the next year

For the pension plan, the expense in 2022 was R$305 (R$358 on December 31, 2021).

In 2022 for the mixed supplementary benefit plan, the expected contributions in the amount of R$5,197 and R$321 for the defined benefit portion (risk benefits).

(In thousands of reais, unless otherwise noted)

30.e) Sensitivity analysis

The quantitative sensitivity analysis in relation to significant assumptions, for pension plans on December 31, 2022, is shown below:

	12/31/2022		12/31/2021	
	Mixed supplementary benefit plan (Plano Milênio)		Mixed supplementary benefit plan (Plano Milênio)	
Hypothesis: Discount rate				
Sensitivity level	**0.5%**	**-0.5%**	**0.5%**	**-0.5%**
Effect on current service cost and interest on actuarial obligations	(15,729)	17,500	(14,680)	13,700
Effect on the present value of the obligations	(210,193)	213,799	(133,756)	135,722
Hypothesis: wage growth				
Sensitivity level	**0.5%**	**-0.5%**	**0.5%**	**-0.5%**
Effect on current service cost and interest on actuarial obligations	55,028	(51,742)	18,087	(16,189)
Effect on the present value of the obligations	211,164	(198,438)	83,561	(74,434)
Hypothesis: Benefit Readjustment				
Sensitivity level	**0.5%**	**-0.5%**	**0.5%**	**-0.5%**
Effect on current service cost and interest on actuarial obligations	1,501	(1,501)	974	(983)
Effect on the present value of the obligations	12,750	(12,749)	16,501	(16,572)
Hypothesis: Mortality Table				
Sensitivity level	+1 ano	- 1 ano	+1 ano	- 1 ano
Effect on current service cost and interest on actuarial obligations	(1,030)	1,557	(1,457)	2,126
Effect on the present value of the obligations	7,494	(5,717)	1,685	1,543

The forecast benefit payments of the defined benefit plans for future years are as follows:

	Consolidated and Parent Company	
Payments	**12/31/2022**	**12/31/2021**
Year 1	715,690	746,145
Year 2	697,170	725,252
Year 3	692,705	724,594
Year 4	679,235	722,348
Year 5	672,611	715,636
Next five years	3,184,147	5,365,511
Total expected payments	**6,641,559**	**8,999,485**

Accounting Policy

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity (pension fund) and will have no legal or constructive obligation to pay additional amounts. Contribution obligations to defined contribution pension plans are recognized as employee benefit expenses in the result during the periods during which services are provided by employees. Contributions paid in advance are recognized as an asset on condition that there is cash reimbursement or reduction in future payments is available. Contributions to a defined contribution plan whose maturity is expected to be 12 months after the end of the period in which the employee provides the service are discounted to their present values.

(In thousands of reais, unless otherwise noted)

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than the defined contribution plan. The Company's net obligation to defined benefit pension plans is calculated individually for each plan by estimating the value of the future benefit that employees have obtained as a return for the services provided in the current period and in previous periods; that benefit is de-valuable to its present value. The discount rate is the income presented on the date of presentation of the financial statements for first-line debt securities and whose maturity dates are close to the conditions of the Company's obligations and are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuarial using the projected unit credit method. When the calculation results in a benefit to the Company, the asset to be recognized is limited to the total of any costs of past unrecognized services and the present value of the economic benefits available in the form of future plan reimbursements or reduction in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any minimum costing requirements that apply to any plan in the Company. An economic benefit is available to the Company if it is achievable during the life of the plan, or in the settlement of the plan's liabilities.

When the benefits of a plan are increased, the increased benefit amount related to the past service of employees is recognized in the result by the linear method over the average period until the benefits become acquired right (vested). On condition that the benefits become acquired right, the expense is recognized immediately in the result.

The Company recognizes all actuarial gains and losses resulting from benefit plans immediately defined in other comprehensive results. In the event of the extinction of the plan, the accumulated actuarial gains and losses are recorded as result**.**

31. COMMITMENTS

As of December 31, 2022, and 2021, the Company was a party to take-or-pay contracts as shown in the following table

	Payments in the period						
Type of service	2021	2022	2023	2024	2025	after 2025	Total
Transportation of iron ore	808,862	951,807	990,386	1,015,329	1,068,883	1,010,968	4,085,566
Electricity supply	61,663		100,172	90,201	81,991	312,385	584,749
Labor and consultancy services	33,375	33,300	33,712	33,712	26,089	130,443	223,956
Total	**903,900**	**985,107**	**1,124,270**	**1,139,242**	**1,176,963**	**1,453,796**	**4,894,271**

32. SEGMENT INFORMATION

The Company has only one operating segment defined as mining. The Company is organized, and its performance is assessed, as a single business unit for operational, commercial, managerial, and administrative purposes.

Sales by geographic area are shown below:

			Consolidated	
	12/31/2022	**%**	**12/31/2021**	**%**
Asia	10,306,459	78%	13,685,989	72%
Europe	1,345,174	10%	2,301,088	12%
Domestic market	1,620,931	12%	3,052,793	16%
	13,272,564		**19,039,870**	

			Parent company	
	12/31/2022	**%**	**12/31/2021**	**%**
Asia	10,306,459	78%	13,685,989	72%
Europe	1,345,174	10%	2,301,088	12%
Domestic market	1,606,526	12%	3,052,793	16%
	13,258,159		**19,039,870**	

(In thousands of reais, unless otherwise noted)

Accounting Policy

An operating segment is a component of the Group committed to the business activities from which it can obtain revenues and incur expenses, including revenues and expenses related to transactions with any other components of the Group. The Company works and analyses its results considering only one segment: Iron Ore. All the operating results of operating segments are reviewed regularly by the Executive Officers of the Company to enable decisions regarding resources to be allocated to the segment and assessment of its performance. Accordingly, in these financial statements the segment information is not being disclosed.

33. INSURANCE

Aiming at adequate risk mitigation and given the nature of its operations, the Company takes out several types of insurance policies. Such policies are contracted in line with the Risk Management policy of it's controller CSN, and are similar to the taken-out insurance by other companies operating in the same lines of business of CSN Mineração. The risks covered under such policies include the following: Domestic Transportation, International Transportation, Life and Casualty, Health Coverage, Fleet Vehicles, D&O (Civil Liability Insurance for Directors and Officers), General Civil Liability, Engineering Risks, Export Credit, warranty, and Port Operator's Civil Liability.

The Company's insurance is contracted in conjunction with the controlling shareholder insurance – CSN, without, however, having joint liability or subsidiary liability between the Company and companies of its economic group.

In 2022, after negotiation with insurers and reinsurers in Brazil and abroad, an Operational Risk of Material Damage and Loss Profits policy was issued, effective on June 30, 2022, to June 30, 2023. Under that policy, the Maximum Indemnity Limit is $475 million for locations with the Company's activities, combined for Material Damage and Lost Profits. On October 2022, the conditions of the Operational Risk Policy were altered, maintaining the Maximum Indemnity Limit of US$ 475million, however reducing the deductible to US$ 210 million for material damages and maintaining 45 days for loss of profits. The maximum policy indemnity limit is shared with other insured establishments.

The risk assumptions adopted, given their nature, are not part of the scope of an audit or review of the financial statements, therefore, they were not examined or reviewed by our independent auditors.

34. ADDITIONAL INFORMATION TO CASH FLOWS

The following table provides additional information on transactions related to the statement of cash flows:

	Consolidated and Parent Company	
	12/31/2022	**12/31/2021**
Additions of right of use (Note 11.b)	2,339	18,890
Remeasurement of the Right of Use (Note 11.b)	16,714	33,510
Financing of fixed asset acquisitions (Note 14)	19,970	69,788
Addition to PP&E w ith interest capitalization (notes 11 and 29)	94,437	64,272
	133,460	**186,460**

35. SUBSEQUENT EVENTS

- Advances from customers

On January 16, 2023, the Company concluded negotiations for a long-term iron ore supply agreement entered into with an international trading company. The transaction involved prepayments in the amount of US$500 million related to a supply contract of approximately 13 million tons of iron ore to be executed over a period of four years, with supply commencing in the year 2024.

- Federal Supreme Court (STF) decision on res judicata in tax matters

On February 08, 2023, the Federal Supreme Court (STF) concluded the judgment of Themes 881 and 885, in the sense that an individual final decision on paid taxes on a continuous basis loses its effects as from a Court decision to the contrary rendered in a direct action of unconstitutionality or general repercussion. Based on the position of the STF and on Circular Letter 1/2023, issued by CVM, the company and its external legal advisors evaluated the issue and the impacts on its contingencies and based on the information provided by the advisors, informs that at this moment no lawsuits were identified that could represent impacts on its financial statements.

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(Expressed in thousands of reais – R$, unless otherwise stated)

Comment on the Evolution of Business Projections

11.1 Projections

The Company clarifies that the information disclosed in this item represents a mere estimation, with hypothetical data and in no way constitute a promise of performance on behalf of the Company and/or its directors. The projections presented below involve market factors beyond the Company's control and, therefore, may change.

a) Projection object.

The Company estimates the following variables below:

Projections	2023E	2023-2027E
CAPEX Expansion (BRL million) – Mining	-	*R$ 13,800*
Iron Ore Production Volume (kton)	*39,000 – 41,000*	-
Cash Cost Mining (USD/ton)	*$19 - $21*	-

b) Projected period and the validity of the projection.

The projected periods and expiration dates can be seen in the table above in item 11.1 a), and the numbers are always presented at the end of the fiscal year and duly published in the DFPs of each fiscal year.

c) Assumptions of the projection, with the indication of which ones can be influenced by the administration of the issuer and which escape its control.

All the assumptions of the projections after-mentioned are subject to external influence factors, which are outside the control of the Company's management. Therefore, in the event of any material change in these assumptions, the Company may revise its estimates, changing them compared to those originally presented.

The main premise that can be influenced by the Company's management would be its production and sales volumes, along with the associated costs.

The volume of ore production always considers our 2022 mining plan, with increased *pellet feed production*, on the other hand, key *factors such as sales prices and raw material input costs* are outside the Company's control.

d) Values of the indicators that are the subject of the forecast.

The values can be found above in item 11.1 a).

11.2 In the event that the issuer has disclosed, during the last 3 fiscal years, projections on the evolution of its indicators:

a) inform which ones are being replaced by new projections included and which are being repeated.

Maintained estimates:

Projections	2023E	2023-2027E
CAPEX Expansion (BRL million) – Mining	-	*R$ 13,800*
Iron Ore Production Volume (kton)	*39,000 – 41,000*	-
Cash Cost Mining (USD/ton)	*$19 - $21*	-

Estimates replaced in the last 3 fiscal years:

CMIN replaced in Dec/21 the estimated volume of iron ore production in 2021 to 36-37Mton, against previous expectation of 38-40Mton.

CMIN replaced in Dec/21 Mining Cash Cost in 2021 to $19.00, against a previous expectation of $16.00.

CMIN replaced in Dec/21 the estimated Mining Expansion Capex between 2022-2026 to BRL12,000 million, against a previous expectation of BRL14,000 million between 2021-2025.

CMIN replaced in Aug/22 Mining Cash Cost in 2022 to the interval of $20.00 - $22.00, against a previous expectation of $18.00.

(Expressed in thousands of reais – R$, unless otherwise stated)

CMIN replaced in Aug/22 estimated volume of iron ore production in 2022 to 36-38Mton, against previous expectation of 39-41Mton.

The Company replaced in October/22 its estimate of iron ore production volume in 2022 to 34Mton, against a previous expectation of 36-38Mton.

In December/22, the Company added the Mining Expansion Capex to approximately R$ 13.8 billion for the period between 2023-2027, related to phase 1 of the capacity addition projects.

In December/22, the Company added the production volume and purchases of third-party minerals to the interval of 39-41 Mton in 2023.

In December/22, the Company added Mining Cash Cost in 2023 to the interval of US$19/ton and US$21/ton.

b) regarding the projections related to periods already elapsed, compare the projected data with the effective performance of the indicators, clearly indicating the reasons that led to deviations in the projections.

Projections	2021 Projected	2021 Realized	Variation	Explanation
CAPEX Expansion (R$ million) - Mining	R$ 560	R$ 540	-R$ 20	withing expected
Iron Ore Production Volume (kton)	36,000 - 37,000	36,075	75	withing expected
Cash Cost Mining (US$/ton)	$ 19.00	$ 21.60	$ 2.60	worst

The company's dollarized Cash Cost annual average was $2.6/t, worse than the guidance due to an one-off pressure in November, as a result of scheduled outages and the heavy rainfall observed in the period, causing a lower dilution of the mine's and port's fixed cost. If we exclude the month of November from the year average calculation, the average Cash Cost would be USD19.00, which is in line with what was expected by the Company.

Projection	2022 Projected	2022 Realized	Variation
Iron Ore Production Volume (kton)	*34,000*	*33,720*	*-280*
Cash Cost Mining (USD/ton)	*$ 20 - $22*	*$21.5*	*-0.5*

Iron Ore Production Volume was impacted by the above-average rainfall volume in the Company's operations, which impacted the mining capacity and run of mine flow, in addition to the ramp-up of the projects connected to the Central Plant (CMAI 3, spirals and re-grinding).

c) as of projections for periods still in progress, to inform whether the projections remain valid on the date of delivery of the form and, where appropriate, to explain why they were abandoned or replaced.

Current and valid estimates:

Projections	2023E	2023-2027E
CAPEX Expansion (BRL million) – Mining	-	*R$ 13,800*
Iron Ore Production Volume (kton)	*39,000 – 41,000*	-
Cash Cost Mining (USD/ton)	*$19 - $21*	-

Monitoring and changes of projections disclosed.

Replaced estimates:

CMIN replaced in Aug/22 Mining Cash Cost in 2022 to the interval of $20.00 - $22.00, against a previous expectation of $18.00.

CMIN replaced in Aug/22 estimated volume of iron ore production in 2022 to 36-38Mton, against previous expectation of 39-41Mton.

The Company replaced in October/22 its estimate of iron ore production volume in 2022 to 34Mton, against a previous expectation of 36-38Mton.

In December/22, the Company added the Mining Expansion Capex to approximately R$ 13.8 billion for the period between 2023-2027, related to phase 1 of the capacity addition projects.

In December/22, the Company added the production volume and purchases of third-party minerals to the interval of 39-41 Mton in 2023.

In December/22, the Company added Mining Cash Cost in 2023 to the interval of US$19/ton and US$21/ton.

Estimates dropped in the last 3 exercises:

Not applicable.

Independent Auditor's Report on the Financial Statements

To the
Shareholders, Directors and Management of
CSN Mineração S.A.
São Paulo – SP

Opinion

We have audited the accompanying individual and consolidated financial statements of CSN Mineração S.A. (Company), identified as parent and consolidated, respectively, which comprises the balance sheet as of December 31, 2022 and the related statement of profit and loss, comprehensive income (loss), changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of CSN Mineração S.A. as of December 31, 2022 and its individual and consolidated financial performance and individual and consolidated cash flows for the year then ended, in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (Iasb).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing.
Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements set forth in the Code of Ethics for Professional Accountants and the professional standards issued by the Federal Accounting Council and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our judgment, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements taken as a whole and in forming our opinion on such individual and consolidated financial statements, and, therefore, we do not provide a separate opinion on these matters. We determined that the matters described below are the key audit matters that should be communicated in our report.

1. Provision for risks relating to lawsuits (Note 22)

Why the matter was determined to be a key audit matter

The Company is a defendant in tax, civil and labor lawsuits arising in the normal course of its activities. The determination of amounts accrued and recognized depends on critical judgments made by management, supported by its legal advisors, regarding the maturity, loss projection and settlement value, in addition to appropriate disclosures as required by accounting practice.

The total provision amount recorded in the financial statements amounts was R$67,786 thousand, parent and consolidated as of December 31, 2022. The amount of possible lawsuits losses, therefore, not required to record a provision in accordance with accounting practices adopted in Brazil, was R$ 9,948,273 thousand as of December 31, 2022.

Additionally, certain laws and regulations in Brazil are highly complex and, therefore, the measurement, recognition of assets and liabilities and disclosure of the provision for risks related to lawsuits and administrative proceedings, processes and/or, in certain cases, compliance with laws and regulations, requires a certain level of judgment by the Company and its subsidiaries to record estimates of losses and make disclosures in their individual and consolidated financial statements. Therefore, we continue to consider this matter as critical for our audit of the current audit and a key audit matter.

How the matter was addressed in the audit

Our audit procedures included, among others:

- evaluation of the design of the structure of the internal control related to the identification, evaluation, measurement and disclosure of the provisions for risks relating to judicial and administrative legal cases, including those related to compliance with laws and regulations;
- obtaining of confirmation from all legal advisors, internal and external, who sponsor the Company's civil and labor claims, confirming amounts and forecasts by the Company management;
- assessment and challenge of the assumptions used by the Company's management, based on the result of the external confirmations received, in order to verify if they were adequate and consistent;
- for tax claims, our approach included the involvement of our tax specialists to evaluate the merit and information regarding the gain possibility provided by the legal advisors (in the extension we understand was necessary), and also the documentation and information related to the main tax and labor matters involving the Company;
- testing of legal expenses to verify if there were any legal advisors not covered by our external confirmation procedures; and
- evaluation of the disclosures made in the individual and consolidated financial statements to determine that they are in accordance with the applicable rules and provide information on the nature, exposure and amounts accrued or disclosed related to the main tax, labor and civil matters in which the Company is involved.

Based on our audit approach and procedures performed and evidence obtained, we understand that the criteria and assumptions adopted by the Company to record and disclose the estimates and risks related to outstanding legal cases at different court levels are appropriate in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (“DVA”) for the year ended December 31, 2022, prepared under the responsibility of the Company’s management, the presentation of which is required by Brazilian Corporate Law for public companies and considered supplemental information by IFRS, have been submitted to auditing procedures performed in conjunction with our audit of the Company’s financial statements. In forming our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if its form and content are in accordance with the criteria defined in NBCTG 09 – Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, according to the criteria defined in the technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and auditor’s report thereon

The Company’s management is responsible for this other information that is included in the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If we conclude, based on the work we have performed that there is a material misstatement in Management Report, we are required to report this fact. We have nothing to report in this regard.

Responsibility of management and those charged with governance for the individual and consolidated financial statements

The Company’s management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to avoid doing so.
Those charged with the Company’s and its subsidiaries’ governance are those responsible for overseeing the financial reporting process in preparing the individual and consolidated financial statements.

Auditor's responsibility for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

- identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve override of internal control, collusion, forgery, intentional omissions or misrepresentations;
- obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls;
- evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluded on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtained sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit and, consequently, for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we may have identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements for the current year and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 08, 2023

Grant Thornton Auditores Independentes Ltda.
CRC 2SP-025.583/O-1

Octavio Zampirollo Neto
Accountant CT 1SP-289.095/O-3

Annual Report of the Audit Committee – Fiscal Year 2022

1. Presentation and General Information

The Audit Committee ("Committee") of CSN Mineração S.A ("Company") was created on January 21, 2021, in the meeting of the Board of Directors of the Company held on such date, when it was also approved the Internal Rules of the Committee ("Internal Rules"), as a non-statutory advisory body bound to the Board of Directors, with operational autonomy and own annual budget, in the context of the best corporate governance practices.

Composition: three (3) members elected by the Board of Directors, with term in office of two (2) years, reelection being permitted, with a coordinator chosen among them. In addition to that, (i) at least one (1) shall be independent member of the Board of Directors; and (ii) at least one (1) shall have recognized experience in accounting matters (being possible that one member of the Committee cumulates the characteristics of items (i) and (ii)).

In the fiscal year of 2022, the Committee was composed by Messrs. Yoshiaki Nakano, Angélica Maria de Queiroz and Beatriz Santos Martini. Messrs. Yoshiaki Nakano and Angélica Maria de Queiroz were elected in the Bord of Directors meeting held on January 28, 2021 and Mrs. Beatriz Santos Martini was elected in the Bord of Directors meeting held on May 4, 2022, having Mr. Yoshiaki Nakano acted as coordinator of the Committee.

The Committee has as main duties (i) advise the Board of Directors of the Company; (ii) monitor and control the quality and integrity of the financial statements; (iii) supervise the quality and effectiveness of the internal control and risk management and compliance processes; (iv) review the performance, independency and quality of the activities and results of the independent audit companies, as well as of the internal audit and investigations.

Grant Thornton Brasil is a Brazilian independent audit company responsible for the audit of the financial statements of the Company, in accordance with the professional rules issued by the *Conselho Federal de Contabilidade* ("CFC") and certain specific requisites of the *Comissão de Valores Mobiliários* ("CVM"). The independent auditors are equally responsible for the review of the quarterly reports (ITRs) and its report reflects the results of its review, with the presentation of its opinion on the reliability of the accounting statements of the year in relation to the accounting principles from CFC in accordance with international rules for financial reports (IFRS) issued by the International Accounting Standard Board - IASB, CVM rules and principles of the Brazilian corporate legislation.

The internal audit of the Company is responsible for the review of the main risks to which the Company is exposed and the controls to mitigate such risks, as well as to verify the accomplishment of the policies and procedures determined by the management of the Company. The performance of the activities is supervised by the Committee.

2. Committee's Activities

During the year of 2022 the Committee have met eight (8) times. Among the performed activities during such period, it worth mentioning the followings:

(i) Self-evaluation of the Audit Committee;

(ii) review, approval and follow up of the annual program of internal audit's activities and performance;

(iii) knowledge of the attention points and recommendations resulting from the internal audit activities, as well as follow up of the corrective measures adopted by the management;

(iv) monitoring of internal control systems with regard to its effectiveness and improvement processes, and monitoring of fraud risks based on the positions and meetings with the internal auditors and with independent auditors, jointly with the internal controls, compliance and ombudsman team;

(v) follow up of the methodology adopted for risks management and results obtained, in accordance with the works presented and developed by the specialized team and by the managers responsible for the risks under their management, with the purpose of guaranteeing the demonstration and monitoring of the relevant risks for the Company;

(vi) review, approval and follow up of the annual program of the independent auditors' activities and its timely performance;

(vii) follow up of the process for the preparation and review of the financial statements, Management Report and Results Releases of the Company, by means of meetings with the managers and independent auditors for discussions about the ITRs and annual financial statements;

(viii) follow up of the process for the preparation and review of the Reference Form;

(ix) follow up of the process for the preparation and review of the Corporate Governance Report;

(x) follow up of the reporting channel for shareholders, employees, suppliers and to the public in general, on the receipt and verification of the complaints and suspects of violation of the Ethics Code, with regard to the confidentiality and independency of the process and, at the same time, with the guarantee of the appropriate levels of transparency;

(xi) follow up of the principal litigation process and continencies of the Company; and

(xii) budget of the Committee for the fiscal year of 2023.

3. Main Conclusions

The Committee have considered satisfactory the information provided about the adequacy and integrity of the internal control systems, responsible for the generation of the information for the financial statements, not having been reported or identified conflict cases related to the financial statements or the application of the accounting principles generally accepted.

The Committee have not identified any event or situation that could affect the independency or objectivity of the independent auditors, considering the information provided by Grant Thornton Brasil satisfactory and sufficient.

The internal control environment of the Company has proved to be robust, presenting low number of deficiencies and none of them material.

4. Recommendation related to the 2022 financial statements

The members of the Committee, in the exercise of its duties and legal responsibilities, as set forth in the Internal Rules, reviewed and assessed the financial statements of the Company, accompanied by the independent auditors' report, management report and proposal for the destination of the results related to the fiscal year ended on December 31, 2022. Considering the information provided by the management of the Company and by Grant Thornton Brasil, who issued opinion on March 8, 2023, without remarks, the Committee recommends, by unanimity, the favorable manifestation of the Board of Directors of the Company with regard to such documents and its submission to the General Shareholders Meeting of the Company to be called.

São Paulo, March 8, 2023.

Angélica Maria de Queiroz
Effective Member

Beatriz Martini
Effective Member

Yoshiaki Nakano
Coordinator

Officers' Statement about the Financial Statement

In the capacity of Officers of CSN Mineração S/A., we hereby declare, as set forth in Art. 27, paragraph 1st, item VI, of CVM da Instruction 80, dated March 29, 2022, that we have reviewed, discussed, and agreed with the Financial Statements of the Company related to the fiscal period ended on December 31,2022.

São Paulo, March 8, 2023.

Enéas Garcia Diniz
Superintendent Officer

Claudio Musso Velloso
Operation Officer

Otto Alexandre Levy Reis
Investment Officer

Hironori Makanae
Strategic Planning Officer

Pedro Barros Mercadante Oliva
Financial and Investor's Relations Officer

Officers' Statement about the Independent Auditors' Report

In the capacity of Officers of CSN Mineração S/A., we hereby declare, as set forth in Art. 27, paragraph 1st, item V, of CVM da Instruction 80, dated March 29, 2022, that we have reviewed, discussed and agreed with the opinions stated in the independent auditors' opinions related to the Financial Statements of the Company related to the fiscal period ended on December 31,2022.

São Paulo, March 8, 2023.

Enéas Garcia Diniz
Superintendent Officer

Claudio Musso Velloso
Operation Officer

Otto Alexandre Levy Reis
Investment Officer

Hironori Makanae
Strategic Planning Officer

Pedro Barros Mercadante Oliva
Financial and Investor's Relations Officer