



4Q21 & 2021 EARNINGS CALL

March 09, 2022



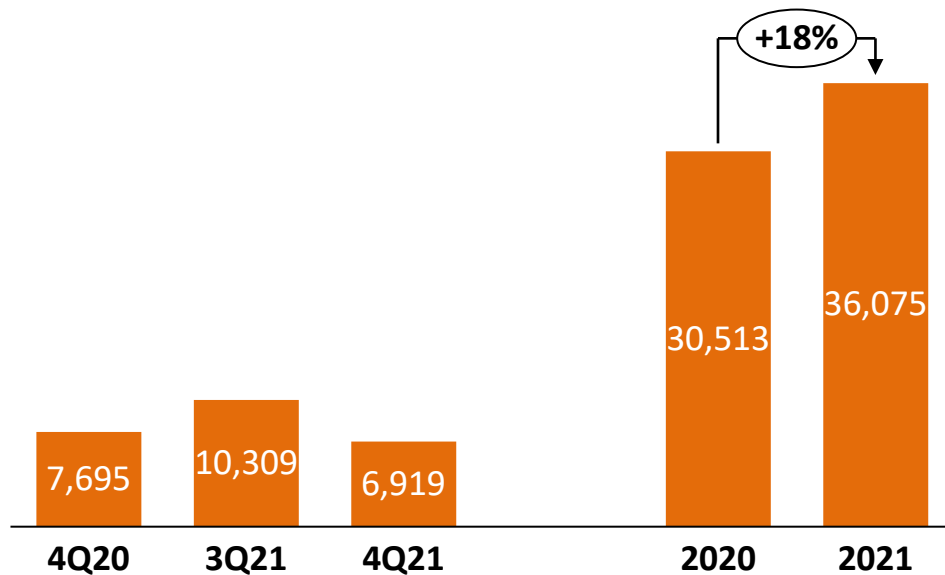
CMIN
B3 LISTED N2

HIGHLIGHTS

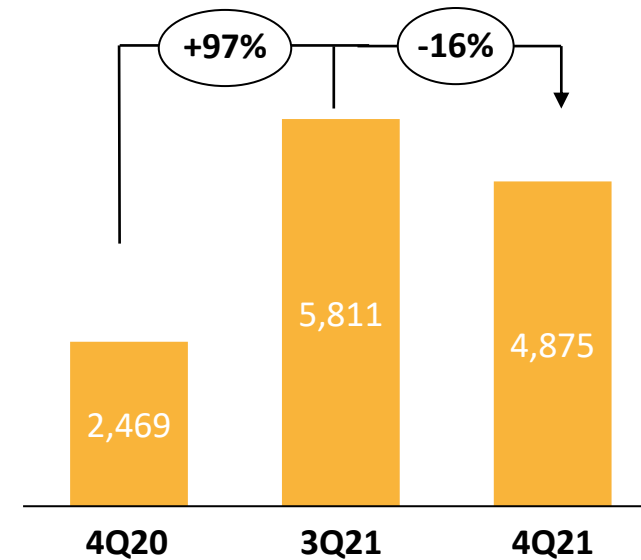
- 1** Record result in 2021 with adjusted EBITDA of R\$ 10.4 billion, driven by the strong performance observed in the first half. On the other hand, 4Q21 was negatively impacted by the heavy rainfall volume and the substantial halts for scheduled maintenance.
- 2** Free Cash Flow reached R\$ 8.8 billion in 2021 and was 60% higher than 2020, even considering the negative impact of 4Q21 due to lower operating results and the increase in investments, working capital and repurchases made by the Company
- 3** Production and third-party purchasing level of 36Mt within the guidance for 2021 and 18% higher than in 2020. For 2022, the guidance of 39-41Mt is maintained even with the impact of the rains at the beginning of the year.
- 4** After the opening of the second Repurchase program, the Company acquired in less than 2 months more than 99% of the target shares of the program. Additionally, the distribution of R\$ 2.5 billion in dividends will be voted in the next GSM. Considering this amount, the total dividends of 2021 will correspond to a payout of 80%.
- 5** New ESG targets announced at the end of 2021, with a commitment to reduce greenhouse gas emissions by 30% by 2035 and become carbon neutral by 2044.

PRODUCTION VOLUME AND INVENTORY

TOTAL PRODUCTION¹
(Thousand tons)



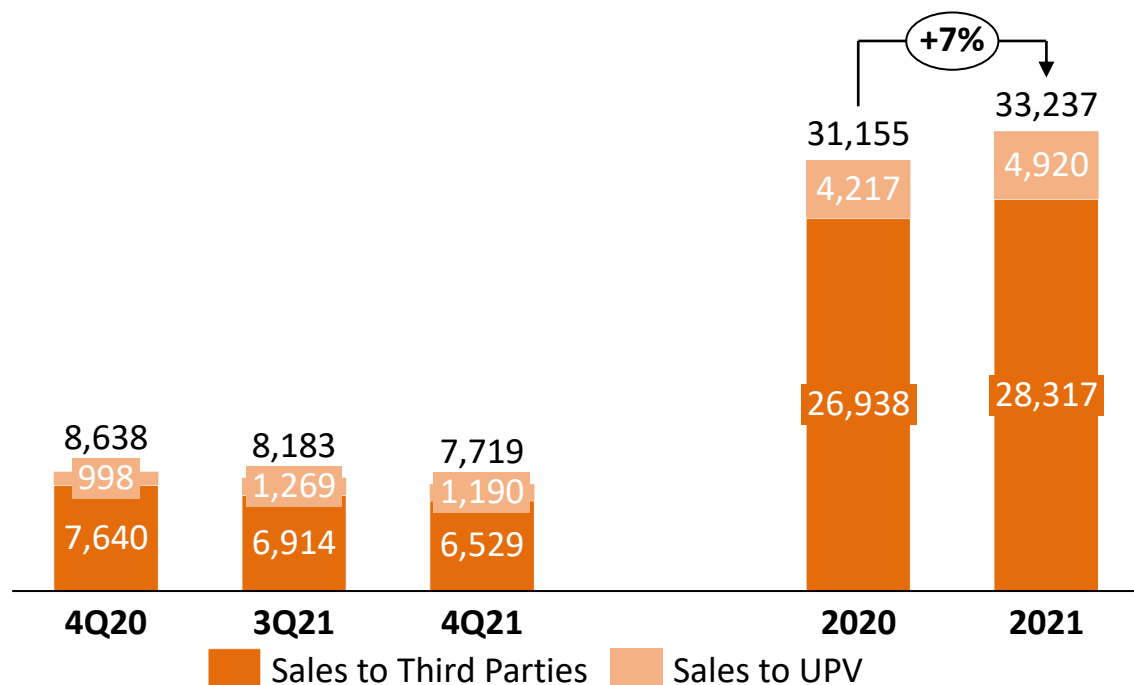
IRON ORE INVENTORY
(Thousand tons)



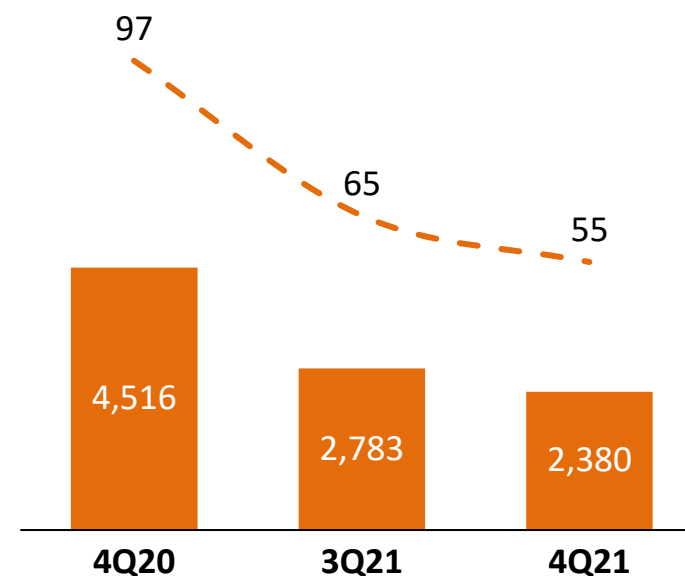
- ⚙️ Production volume was 18% higher in 2021, being within the expected guidance by the Company. The performance of 4Q21 was significantly impacted by the rains that occurred in the period and by scheduled halts in November;
- ⚙️ The sale of the cargoes that were in transit the previous quarter explain the reduction in inventories observed in 4Q21.

SALES AND FOB NET REVENUE

SALES VOLUME
(Thousand tons)



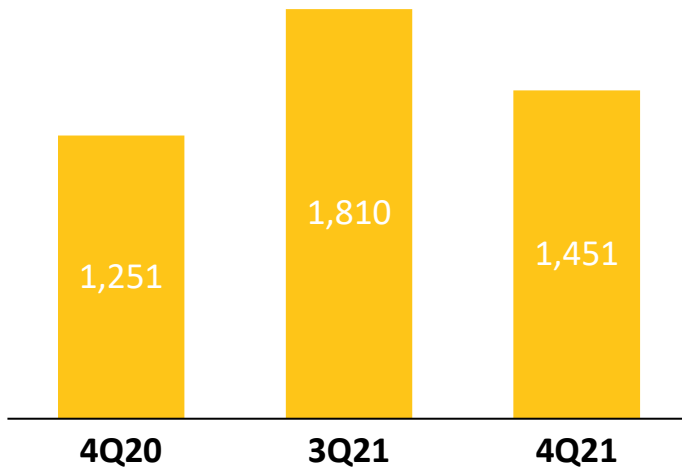
FOB NET REVENUE
(R\$ MM and Unit US\$)¹



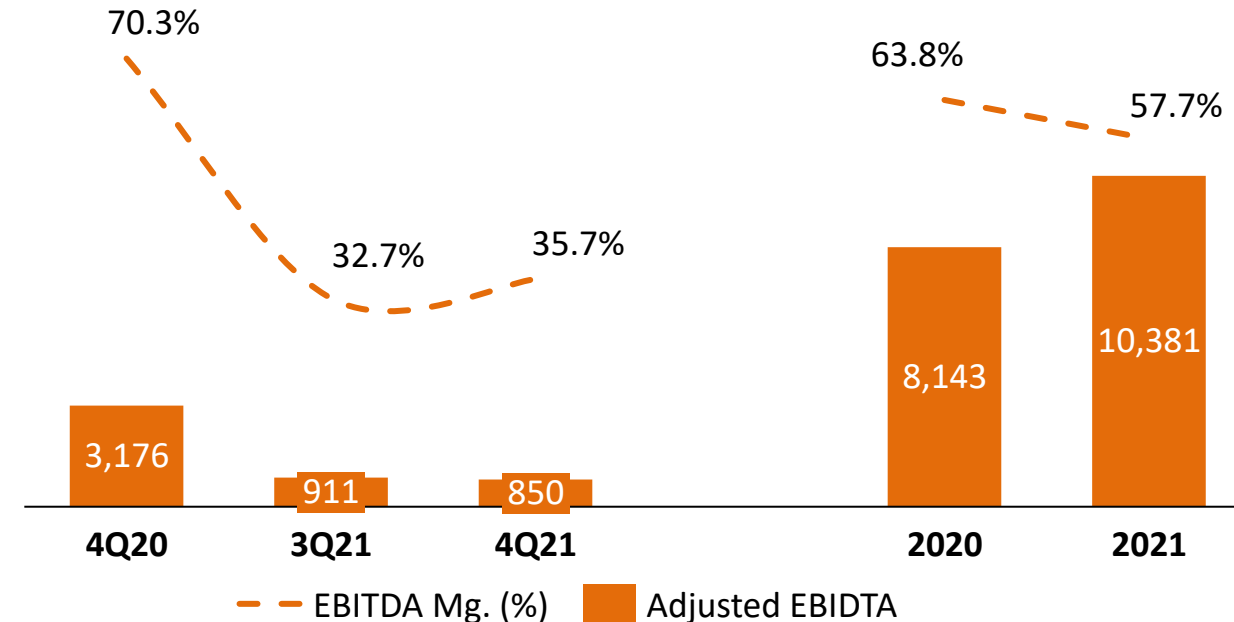
- ⚙ Sales for this quarter were impacted by the scheduled halts and the high rain volume observed in the period. In the year performance, there was a growth of 7%, which highlights the Company's efforts in expands its volumes.
- ⚙ FOB adjusted net revenue at \$55/t, down 15% despite Platts' 33% decline. Results were positively influenced by sales in lagged quotation periods.

COGS AND EBITDA

**COGS (EX-DEPRECIATION)
(R\$ MM)**

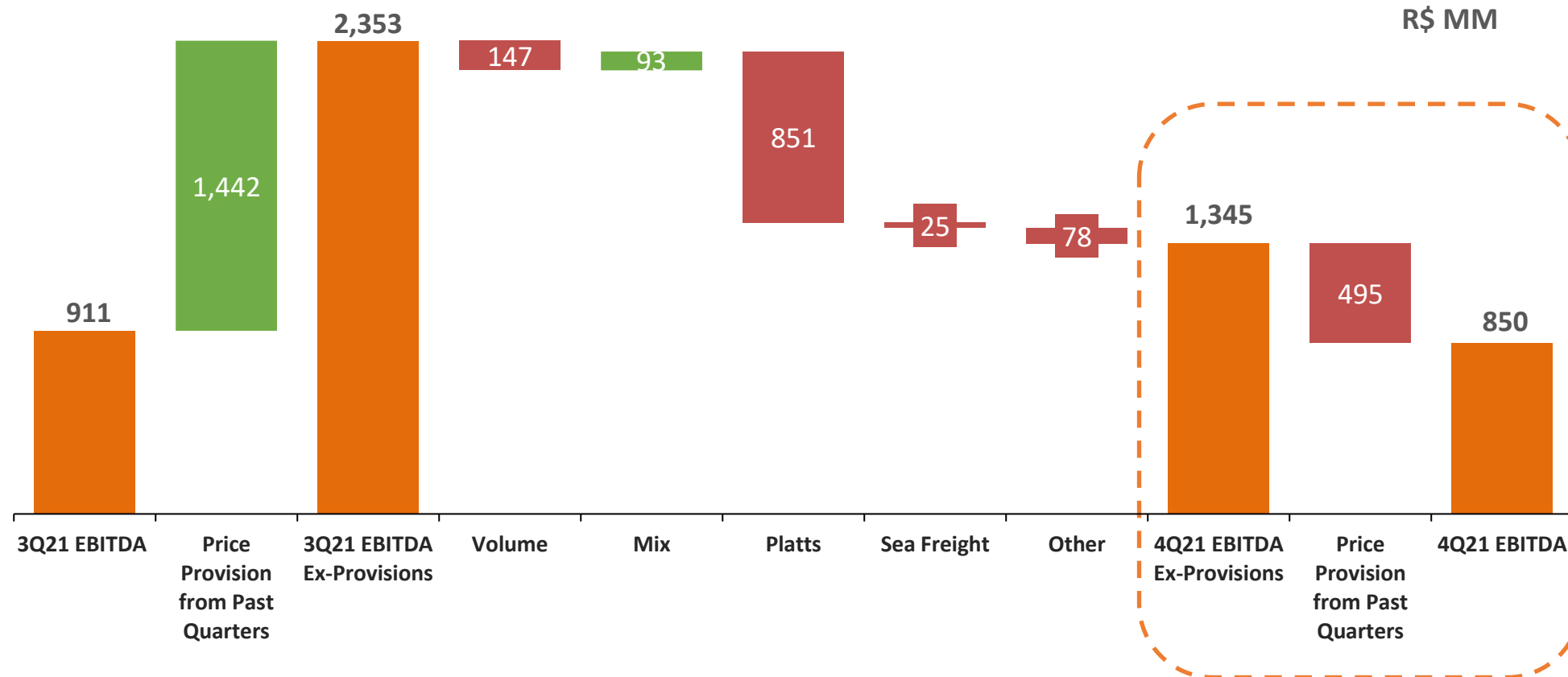


**ADJUSTED EBITDA AND ADJUSTED MARGIN
(R\$ MM e %)**



- 🔗 The reduction in CPV is the result of Platts' decline and the Company's strategy of reducing third-party ore purchases in response to the new market moment;
- 🔗 Record Ebitda of R\$ 10.4 billion in 2021, an increase of 27.5% compared to the previous record of 2020.

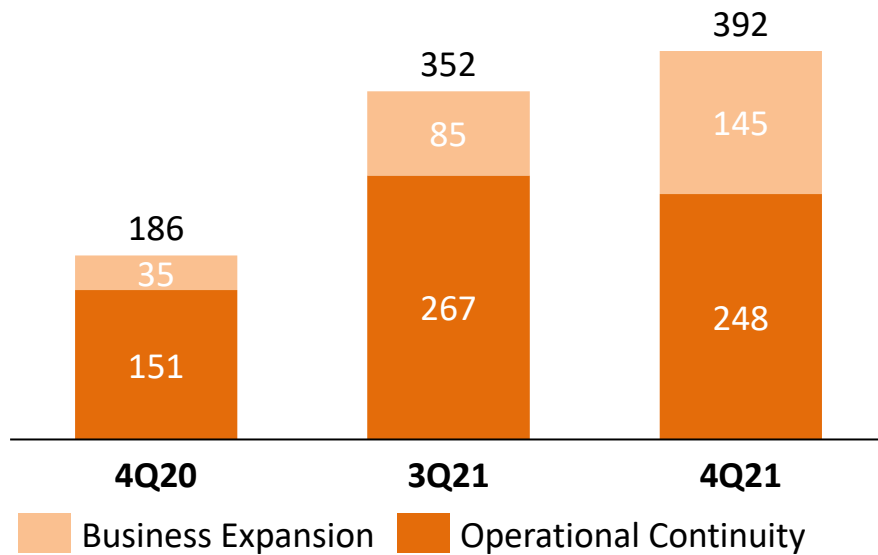
EBITDA ADJUSTED BY PROVISIONS



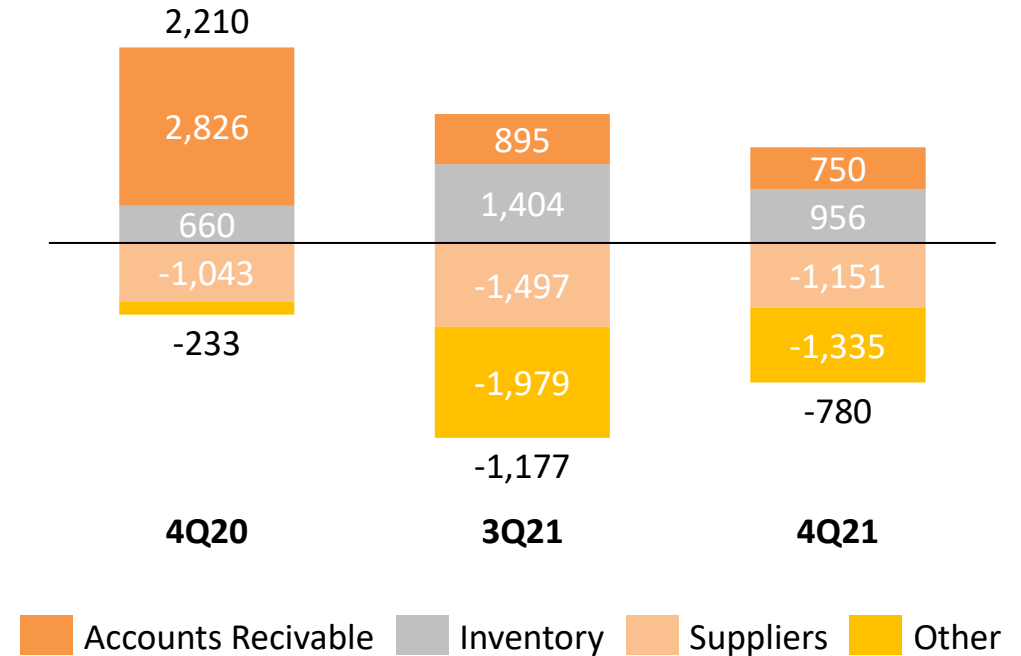
Despite the lower magnitude, the price provision from previous quarters continued to impact the 4Q21 result. Additionally, the reduction in volume and the drop in Platts also impacted negatively the EBITDA of the period.

INVESTMENTS AND NWC

INVESTMENTS¹ (R\$ MM)



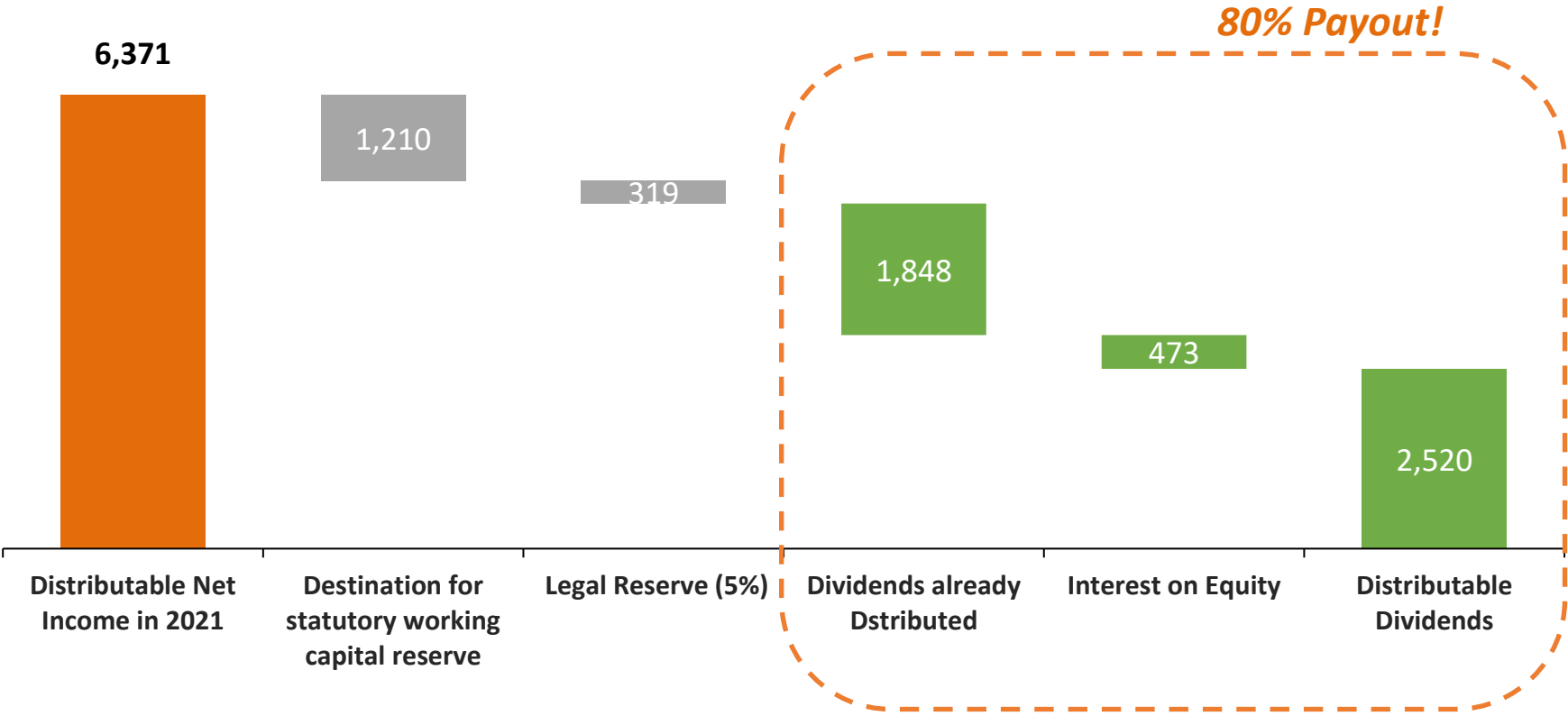
NET WORKING CAPITAL (R\$ MM)



- ⚙ Increase in investments in 4Q21 because of developments in projects related to increased productivity and imports of mining equipment for the Casa de Pedra mine;
- ⚙ In relation to net working capital, we can see a decrease in the Company's inventories, which was balanced by a decrease in obligations to suppliers.

SHAREHOLDERS RETURN

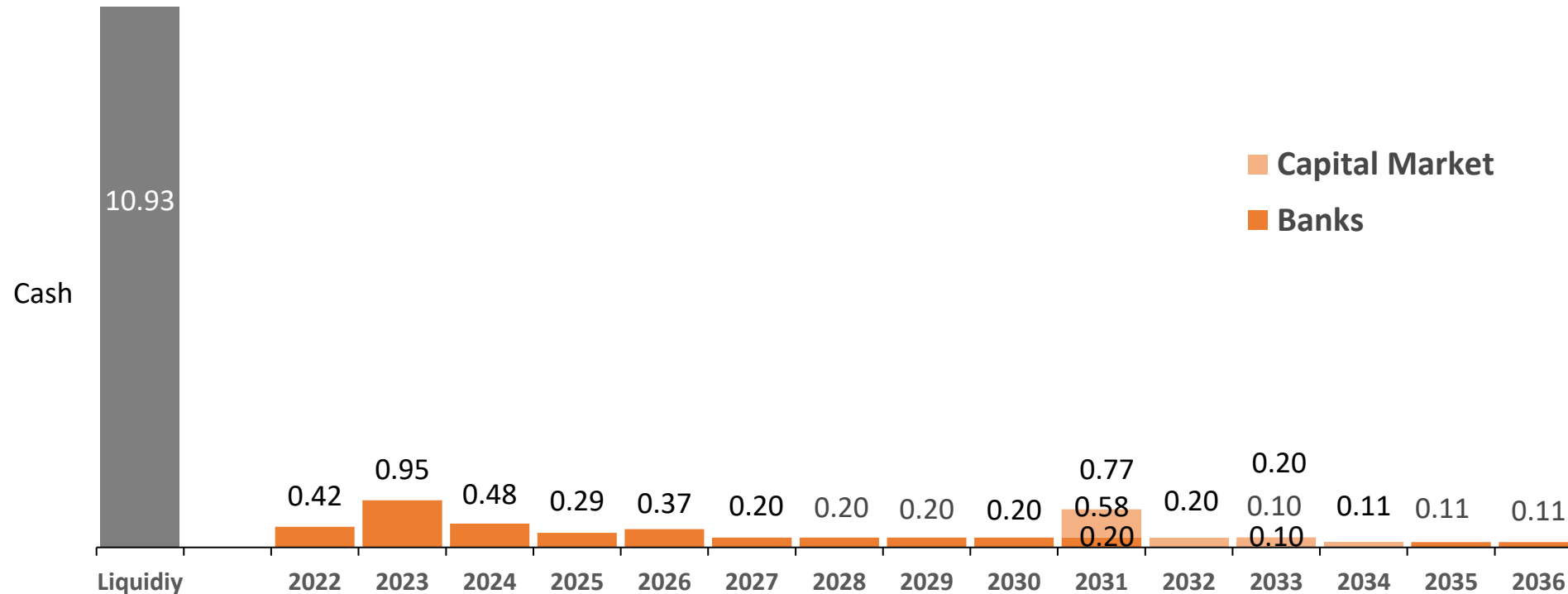
R\$ MM



- Deliberated for approval at the next GSM the Distribution of dividends in the amount of R\$ 2.5 billion, equivalent to R\$ 0.46 per share. If approved, more than R\$ 4.8 billion will be distributed in the form of dividends for the year 2021, representing a dividend yield of 13%.
- In addition, CMIN repurchased throughout 2021 the equivalent of R\$ 650.8 million, with a direct and positive impact on the return to its shareholders.

AMORTIZATION SCHEDULE

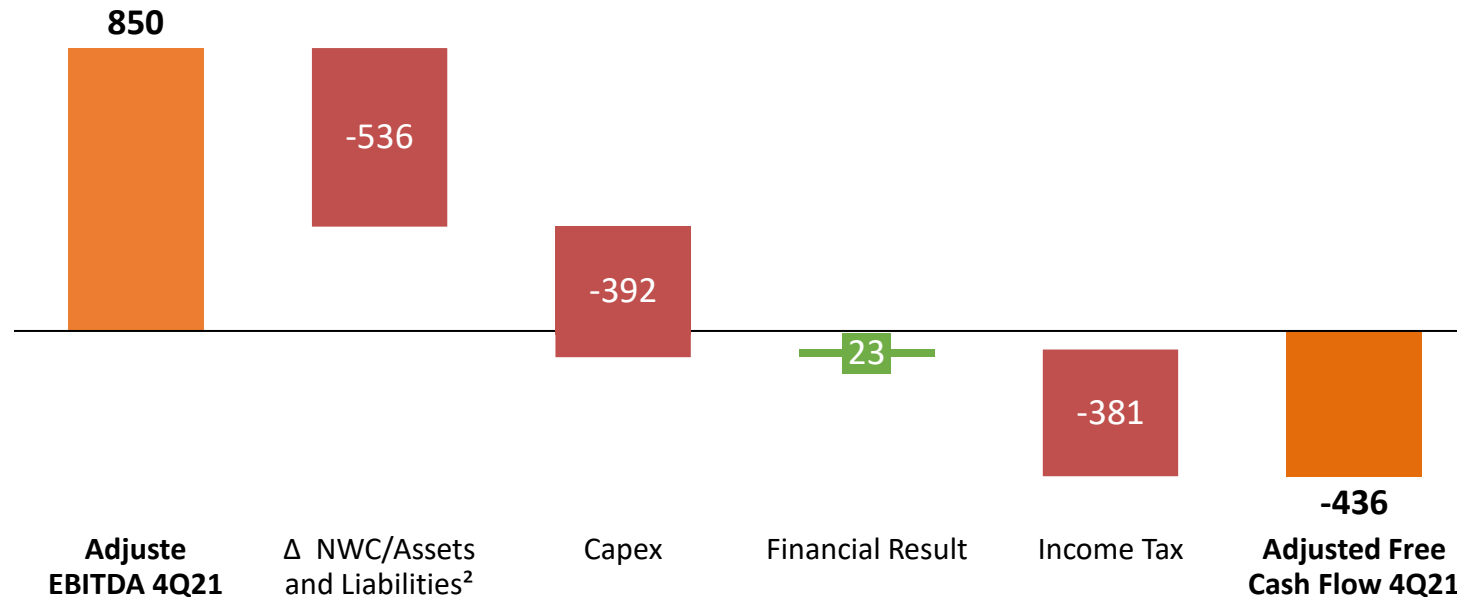
AMORTIZATION SCHEDULE (R\$ BI)



CSN Mineração ended 2021 with R\$10.9 billion of cash (net cash of R\$ 6.1 billion) and an extended schedule of financial obligations.

FREE CASH FLOW

FREE CASH FLOW (R\$ MM)



- ✚ In 4Q21, the combination of the increase in working capital, with a higher volume of investments and the impact of income tax resulted in a Free Cash Flow of - R\$ 436 million.
- ✚ Despite a worse performance in the last quarter, Free Cash Flow for the year was 60% higher than in 2020, reaching R\$ 8.84 billion.

Source: CSN Mineração / Note 1 - The concept of adjusted cash flow is calculated from adjusted Ebitda, subtracting CAPEX, IR, Financial Results and changes in Assets and Liabilities, excluding the effect of the Glencore advance. Note 2 - The ΔCCL/Assets and Liabilities² is composed of the change in Net Working Capital, plus the change in accounts of long-term assets and liabilities and disregarding the net change in IR and CS.

IMPACT OF JANUARY RAINS ON CMIN PRODUCTION



- ✚ Higher rainfall index than usual for the period interrupted the extraction of ore for approximately one week, with an impact of about 1Mt;
- ✚ However, the Company remains confident in the ability to compensate for this stop in the dry periods of the year and maintain its 39-41Mton production guidance;
- ✚ Despite heavy rainfall, dam structures continued with maximum levels of stability.



ENVIRONMENTAL AND SOCIAL MANAGEMENT



COMMUNICATION AND CLIMATE ACTION

- ✓ New GHG reduction targets: Reduction of 30% of GHG emissions intensity by 2035 (base year 2019).
- ✓ **NET ZERO by 2040**, scopes 1 and 2
- ✓ 1st report to CDP (Disclosure Insight Action) with a grade B- in the Climate Change module.
- ✓ Completion of the **TCFD** risk matrix.

DAMs and WATER

- ✓ Zero emergency level in all dams;
- ✓ Compared to 2020, a **20% reduction** in new water consumption per ton of ore produced;
- ✓ Completion of the study of your **Water Footprint**.

BIODIVERSITY

- ✓ **29 hectares** revegetated in 2021;
- ✓ **7,826 seedlings** of Atlantic Forest species planted in 2021

SOCIAL AND DIVERSITY

- ✓ **ZERO** fatalities of the year 2021 (own and third parties)
- ✓ **Lowest** Severity Rate in the last 3 years
- ✓ Increase of **27%** in the Female participation in the Company, from **14.13%** in 2020 to **18%** in December/21;
- ✓ **19%** increase in PCD representativeness compared to 2020.



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