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Company Data / Shareholders Capital

Number of Shares (Units)	Current year 12/31/2023
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 12/31/2023	Previous Year 12/31/2022
1	ASSETS	29,509,130	24,853,853
1.01	CURRENT ASSETS	12,805,377	9,534,751
1.01.01	Cash and cash equivalents	9,733,890	6,414,998
1.01.02	Financial investments	12,452	247,326
1.01.02.03	Financial Investments Valued at Amortized Cost	12,452	247,326
1.01.03	Trade receivables	1,698,759	1,538,234
1.01.04	Inventories	935,827	923,849
1.01.06	Recoverable Taxes	224,405	175,889
1.01.06.01	Recoverable current taxes	224,405	175,889
1.01.08	Other Current Assets	200,044	234,455
1.01.08.03	Others	200,044	234,455
1.01.08.03.03	Other Assets	200,044	234,455
1.02	NO CURRENT ASSETS	16,703,753	15,319,102
1.02.01	Long Term Assets	1,802,671	1,255,953
1.02.01.05	Inventories	1,412,103	1,039,983
1.02.01.05.01	Inventories	1,412,103	1,039,983
1.02.01.10	Other Noncurrent Assets	390,568	215,970
1.02.01.10.04	Recoverable taxes	290,251	112,664
1.02.01.10.05	Other Assets	100,317	103,306
1.02.02	Investments	2,023,837	1,797,990
1.02.03	Fixed Assets	8,677,679	8,058,748
1.02.03.01	Fixed Assets in Operation	6,636,953	6,330,643
1.02.03.02	Right of Use in Lease	116,084	129,091
1.02.03.03	Fixed assets in progress	1,924,642	1,599,014
1.02.04	Intangible	4,199,566	4,206,411

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

Parent Company Financial Statements / Balance Sheet - Liabilities

(R$ thousand)

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
2	LIABILITY	29,509,130	24,853,853
2.01	CURRENT LIABILITY	6,038,607	4,607,925
2.01.01	Social and Labor Obligations	92,183	81,381
2.01.02	Trade payables	1,844,015	1,383,623
2.01.03	Fiscal Obligations	535,889	427,449
2.01.04	Borrowings and financing	445,182	1,045,990
2.01.05	Other Obligations	3,117,282	1,666,366
2.01.05.02	Others	3,117,282	1,666,366
2.01.05.02.01	Dividend and interests on equity payables	369,960	74,566
2.01.05.02.04	Lease liabilities	11,411	17,533
2.01.05.02.05	Advances from customers	1,697,890	933,315
2.01.05.02.06	Derivative financial instruments	936,027	416,935
2.01.05.02.07	Other Obligations	101,994	224,017
2.01.06	Provisions	4,056	3,116
2.01.06.01	Tax, Social Security, Labor and Civil Provisions	4,056	3,116
2.02	NON-CURRENT LIABILITY	12,771,826	8,852,501
2.02.01	Borrowings and financing	7,733,799	7,350,418
2.02.02	Other Obligations	4,850,963	1,356,120
2.02.02.02	Others	4,850,963	1,356,120
2.02.02.02.03	Lease liabilities	113,627	117,847
2.02.02.02.04	Advances from customers	4,092,033	549,670
2.02.02.02.05	Taxes to be collected	57,213	113,055
2.02.02.02.06	Environmental liabilities and decommissioning (ARO)	531,046	486,275
2.02.02.02.07	Other Obligations	42,057	57,356
2.02.02.02.08	Trade payables	14,987	31,917
2.02.03	Deferred Taxes	114.050	81,323
2.02.04	Provisions	73,014.000	64,640
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	73,014.000	64,640
2.03	SHAREHOLDERS' EQUITY	10,698,697	11,393,427
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	3,273,934	3,966,773
2.03.04.01	Legal Reserve	634,220	1,087,698
2.03.04.08	Proposed Additional Dividend	631,913	631,913
2.03.04.10	Reserve Investments	2,007,801	2,247,162
2.03.06	Equity Valuation Adjustments	322,635	322,635
2.03.08	Other Comprehensive Income	(498,894)	(497,003)

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

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

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
3.01	Revenue from the Sale of Goods and/or Services	18,868,483	13,258,159
3.02	Cost of Goods and/or Services Sold	(9,918,327)	(7,124,560)
3.03	Gross Profit	8,950,156	6,133,599
3.04	Operating Expenses/Revenues	(2,954,494)	(1,403,062)
3.04.01	Selling expenses	(2,055,644)	(1,041,287)
3.04.02	General and administrative expenses	(143,204)	(102,532)
3.04.04	Other Operating Revenues	23,304	4,410
3.04.05	Other Operating Expenses	(1,065,808)	(410,961)
3.04.06	Equity in results of investee	286,858	147,308
3.05	Income before taxes	5,995,662	4,730,537
3.06	Financial Results	(1,222,528)	(769,929)
3.06.01	Financial Revenues	531,057	342,557
3.06.02	Financial Expenses	(1,753,585)	(1,112,486)
3.06.02.01	Financial Expenses	(1,107,788)	(650,197)
3.06.02.02	Net monetary and exchange rate variations	(645,797)	(462,289)
3.07	Income Before Taxes on Profits	4,773,134	3,960,608
3.08	Income Tax and Social Contribution on Profits	(1,204,397)	(1,010,310)
3.08.01	Current	(1,174,817)	(1,023,585)
3.08.02	Deferred	(29,580)	13,275
3.09	Net Result from Continued Operations	3,568,737	2,950,298
3.11	Net income for the Year	3,568,737	2,950,298
3.99	Earning per share (Reais/share)		
3.99.01	Basic Earnings per Share	-	-
3.99.01.01	ON	0,65057	0,53784
3.99.02	Diluted Earnings per Share		-

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

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

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
4.01	Net income for the Year	3,568,737	2,950,298
4.02	Other Comprehensive Income	3,816	(500,185)
4.02.01	Actuarial gains/(loss) with pension plans, net of deferred taxes	(1,891)	(2,803)
4.02.03	Gain/(loss) on cash flow hegde, net of deferred taxes	(525,752)	(440,916)
4.02.04	Realization with cash flow accounting hegde, net of taxes	531,459	(56,466)
4.03	Comprehensive income for the year	3,572,553	2,450,113

(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 12/31/2023	Previous Year 12/31/2022
6.01	Net Cash from Operating Activities	8,258,747	(598,576)
6.01.01	Cash Generated from Operations	6,766,762	4,999,751
6.01.01.01	Net income for the period	3,568,737	2,950,298
6.01.01.02	Equity accounting result	(286,858)	(147,308)
6.01.01.03	Exchange and monetary variations	(92,360)	(179,941)
6.01.01.04	Interest expense on loans and financing	628,784	359,490
6.01.01.05	Capitalized Interest	(124,625)	(94,437)
6.01.01.06	Interest on lease liabilities	10,522	11,708
6.01.01.07	Amortization transaction cost	41,061	20,035
6.01.01.08	Depreciation and amortization	997,635	988,701
6.01.01.09	Estimated loss for write-off of fixed assets	(805)	(22,467)
6.01.01.10	Current and deferred income tax and social contribution	1,204,397	1,010,310
6.01.01.11	Other provisions	86,949	2,752
6.01.01.12	Realized losses on hedge accounting - cash flow	733,325	106,100
6.01.02	Changes in Assets and Liabilities	1,491,985	(5,598,327)
6.01.02.01	Trade receivables	(48,041)	(905,493)
6.01.02.02	Stocks	(384,097)	(452,434)
6.01.02.03	Recoverable taxes	(226,103)	(78,955)
6.01.02.04	Advances to suppliers	128,671	78,463
6.01.02.05	Other Assets	52,665	(23,740)
6.01.02.06	Trade payables	403,067	395,390
6.01.02.07	Social and Labor Obligations	10,802	6,554
6.01.02.08	Taxes to be collected	(51,099)	64,626
6.01.02.09	Advances from customers	4,235,447	(863,370)
6.01.02.10	Receipt of dividends	38,679	31,387
6.01.02.11	Income tax and social contribution paid	(1,256,025)	(2,872,697)
6.01.02.12	Interest paid on loans and financing	(557,623)	(295,972)
6.01.02.13	Other Obligations	(9,639)	(1,056,058)
6.01.02.14	Cash Flow Hedge Accounting	(794,752)	(26,031)
6.01.02.15	Advance payment - electric power contracts	(49,967)	400,003
6.02	Net Cash from Investing Activities	(1,208,510)	(1,579,951)
6.02.01	Acquisition of Fixed Assets	(1,443,383)	(1,191,015)
6.02.03	Acquisition of investments	-	(358,634)
6.02.05	Financial investments	234,873	(30,302)
6.03	Net Cash from Financing Activities	(3,734,414)	(2,099,170)
6.03.01	Payment of principal on loans	(1,157,621)	(406,339)
6.03.02	Lease amortization	(18,763)	(22,656)
6.03.03	Financial Transaction Cost	(121,543)	(240,618)
6.03.04	Dividends paid	(3,546,896)	(4,283,404)
6.03.05	Raising loans and financing	1,417,778	4,011,171
6.03.06	Interest on Own Capital	(307,369)	(1,155,231)
6.03.08	Repurchase of shares	-	(2,093)
6.04	Exchange variation on cash and cash equivalents	3,069	(5,240)
6.05	Increase (Decrease) in cash and cash equivalents	3,318,892	(4,282,937)
6.05.01	Initial Balance of cash and cash equivalents	6,414,998	10,697,935
6.05.02	Ending Balance of cash and cash equivalents	9,733,890	6,414,998

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

Parent Company Financial Statements / Statements of Changes in Equity - 01/01/2023 to 12/31/2023

(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	3,966,773	-	(174,368)	11,393,427
5.03	Adjusted Opening Balances	7,473,980	127,042	3,966,773	-	(174,368)	11,393,427
5.04	Capital Transactions with Partners	-	-	(2,181,913)	(2,079,663)	6,199	(4,255,377)
5.04.06	Dividends	-	-	(2,181,913)	(1,364,983)	-	(3,546,896)
5.04.07	Interest on Own Capital	-	-	-	(714,680)	-	(714,680)
5.04.09	Actuarial gains with pension plans, net of deferred taxes	-	-	-	-	492	492
5.04.10	Gains/(losses) with cash flow hegde, net of deferred taxes	-	-	-	-	5,707	5,707
5.05	Total Comprehensive Income	-	-	-	3,568,737	(8,090)	3,560,647
5.05.01	Net income for the year	-	-	-	3,568,737	-	3,568,737
5.05.02	Other Comprehensive Income	-	-	-	-	(8,090)	(8,090)
5.05.02.03	Result with equity	-	-	-	-	(8,090)	(8,090)
5.06	Internal Changes in Shareholders' Equity	-	-	1,489,074	(1,489,074)	-	-
5.06.01	Constitution of Reserves	-	-	1,489,074	(1,489,074)	-	-
5.07	Ending Balances	7,473,980	127,042	3,273,934	-	(176,259)	10,698,697

(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
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 Partners	-	-	(4,285,496)	(769,479)	(500,185)	(5,555,160)
5.04.04	Treasury share adquired		(2.093)				
5.04.06	Dividends	-	-	(4,283,403)	-	-	(4,283,403)
5.04.07	Interest on Own Capital	-	-	-	(769,479)	-	(769,479)
5.04.08	Reclassifications of treasury stock	-	(651,017)	651,017	-	-	(2,093)
5.04.09	Actuarial gains with pension plans, net of deferred taxes	-	-	-	-	(2,803)	(2,803)
5.04.10	Losses with cash flow hegde, net of deferred taxes	-	-	-	-	(497,382)	(497,382)
5.04.11	Treasury share canceled		653,110	(653,110)			-
5.05	Total Comprehensive Income	-	-	-	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)	-	-

Parent Company Financial Statements / Statements of Changes in Equity - 01/01/2021 to 12/31/2021
(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 12/31/2023	Previous Year 12/31/2022
7.01	Revenues	19,184,378	13,633,286
7.01.01	Sales of Goods, Products and Services	19,176,556	13,634,944
7.01.02	Other Revenues	7,002	(869)
7.01.04	Provision/Reversal of Doubtful Receivables	820	(789)
7.02	Inputs Acquired from Third Parties	(10,763,343)	(6,802,627)
7.02.01	Costs of Products, Goods and Services Sold	(7,628,854)	(4,947,353)
7.02.02	Materials, Energy, Third-Party Services and Others	(3,068,497)	(1,800,356)
7.02.03	Loss/Recovery of Assets	(65,992)	(54,918)
7.03	Gross Value Added	8,421,035	6,830,659
7.04	Withholdings	(996,646)	(987,358)
7.04.01	Depreciation, amortization and depletion	(996,646)	(987,358)
7.05	Net Added Value Produced	7,424,389	5,843,301
7.06	Added Value Received in Transfer	131,386	645,803
7.06.01	Equity in results of investee	286,858	147,308
7.06.02	Financial Revenues	531,057	342,556
7.06.03	Others	(686,529)	155,939
7.06.03.01	Other and active exchange variations	(686,529)	155,939
7.07	Total Added Value to Distribute	7,555,775	6,489,104
7.08	DISTRIBUTION OF VALUE ADDED	7,555,775	6,489,104
7.08.01	Personnel	282,905	685,515
7.08.01.01	Salaries and wages	214,880	510,625
7.08.01.02	Benefits	56,943	148,277
7.08.01.03	F.G.T.S	11,082	26,613
7.08.02	Taxes, Fees and Contributions	1,830,473	1,584,851
7.08.02.01	Federal	1,685,294	1,408,652
7.08.02.02	State	135,399	166,949
7.08.02.03	Municipal	9,780	9,250
7.08.03	Remuneration on third-party capital	1,873,660	1,268,440
7.08.03.01	Interest	629,116	361,174
7.08.03.02	Rentals	1,363	17
7.08.03.03	Others	1,243,181	907,249
7.08.03.03.01	Other and Passive Exchange Variation	1,243,181	907,249
7.08.04	Return on Equity	3,568,737	2,950,298
7.08.04.01	Interest on Equity Capital	714,680	769,479
7.08.04.02	Dividends	1,364,983	-
7.08.04.03	Retained Earnings / Period Loss	1,489,074	2,180,819

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

Consolidated Financial Statements / Balance Sheet - Assets

(R$ thousand)

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
1	ASSETS	29,690,605	25,053,595
1.01	CURRENT ASSETS	12,987,583	9,617,117
1.01.01	Cash and cash equivalents	9,795,878	6,489,572
1.01.02	Financial investments	12,452	247,326
1.01.02.03	Financial Investments Valued at Amortized Cost	12,452	247,326
1.01.03	Trade receivables	1,712,870	1,545,463
1.01.04	Inventories	935,979	923,849
1.01.06	Recoverable Taxes	227,624	177,737
1.01.06.01	Recoverable current taxes	227,624	177,737
1.01.08	Other Current Assets	302,780	233,170
1.01.08.03	Others	302,780	233,170
1.01.08.03.03	Other Assets	302,780	233,170
1.02	NO CURRENT ASSETS	16,703,022	15,436,478
1.02.01	Long Term Assets	1,814,280	1,267,450
1.02.01.05	Inventories	1,412,103	1,039,983
1.02.01.10	Other Noncurrent Assets	402,177	227,467
1.02.01.10.04	Recoverable taxes	291,251	114,336
1.02.01.10.05	Other Assets	110,926	113,131
1.02.02	Investments	1,577,155	1,425,588
1.02.03	Fixed Assets	8,958,768	8,356,288
1.02.03.01	Fixed Assets in Operation	6,934,291	6,628,183
1.02.03.02	Right of Use in Lease	116,085	129,091
1.02.03.03	Fixed assets in progress	1,908,392	1,599,014
1.02.04	Intangible	4,352,819	4,387,152

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

Consolidated Financial Statements / Balance Sheet - Liabilities

(R$ thousand)

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
2	LIABILITY	29,690,605	25,053,595
2.01	CURRENT LIABILITY	6,069,785	4,642,823
2.01.01	Social and Labor Obligations	92,972	82,196
2.01.02	Trade payables	1,843,187	1,384,390
2.01.03	Fiscal Obligations	538,795	432,216
2.01.04	Borrowings and financing	445,182	1,045,990
2.01.05	Other Obligations	3,145,593	1,694,915
2.01.05.02	Others	3,145,593	1,694,915
2.01.05.02.01	Dividend and interests on equity payables	369,960	74,566
2.01.05.02.04	Lease liabilities	11,411	17,533
2.01.05.02.05	Advances from customers	1,710,383	945,808
2.01.05.02.06	Derivative financial instruments	936,027	416,935
2.01.05.02.07	Other Obligations	105,532	227,792
2.01.05.02.08	Concession payable	12,280	12,281
2.01.06	Provisions	4,056	3,116
2.01.06.01	Tax, Social Security, Labor and Civil Provisions	4,056	3,116
2.02	NON-CURRENT LIABILITY	12,922,123	9,017,345
2.02.01	Borrowings and financing	7,733,799	7,350,418
2.02.02	Other Obligations	5,001,227	1,520,934
2.02.02.02	Others	5,001,227	1,520,934
2.02.02.02.03	Lease liabilities	113,627	117,847
2.02.02.02.04	Advances from customers	4,168,120	637,188
2.02.02.02.05	Taxes to be collected	57,213	113,055
2.02.02.02.06	Environmental liabilities and decommissioning (ARO)	531,046	486,275
2.02.02.02.07	Other Obligations	42,057	57,356
2.02.02.02.08	Trade payables	14,987	31,917
2.02.02.02.09	Concession payable	74,177	77,296
2.02.03	Deferred Taxes	114,050	81,323
2.02.04	Provisions	73,047	64,670
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	73,047	64,670
2.03	SHAREHOLDERS' EQUITY	10,698,697	11,393,427
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	3,273,934	3,966,773
2.03.04.01	Legal Reserve	634,220	1,087,698
2.03.04.08	Proposed Additional Dividend	631,913	631,913
2.03.04.10	Reserve Investments	2,007,801	2,247,162
2.03.06	Equity Valuation Adjustments	322,635	322,635
2.03.08	Other Comprehensive Income	(498,894)	(497,003)

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

Consolidated Financial Statements / Statements of Income

(R$ thousand)

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
3.01	Revenue from the Sale of Goods and/or Services	18,880,426	13,272,564
3.02	Cost of Goods and/or Services Sold	(9,839,057)	(7,083,267)
3.03	Gross Profit	9,041,369	6,189,297
3.04	Operating Expenses/Revenues	(3,004,994)	(1,436,726)
3.04.01	Selling expenses	(2,050,270)	(1,028,842)
3.04.02	General and administrative expenses	(161,189)	(117,446)
3.04.04	Other Operating Revenues	128,710	4,531
3.04.05	Other Operating Expenses	(1,074,439)	(411,531)
3.04.06	Equity in results of investee	152,194	116,562
3.05	Income before taxes	6,036,375	4,752,571
3.06	Financial Results	(1,229,817)	(772,169)
3.06.01	Financial Revenues	536,481	344,247
3.06.02	Financial Expenses	(1,766,298)	(1,116,416)
3.06.02.01	Financial Expenses	(1,108,244)	(652,013)
3.06.02.02	Net monetary and exchange rate variations	(658,054)	(464,403)
3.07	Income Before Taxes on Profits	4,806,558	3,980,402
3.08	Income Tax and Social Contribution on Profits	(1,237,821)	(1,030,104)
3.08.01	Current	(1,209,037)	(1,043,200)
3.08.02	Deferred	(28,784)	13,096
3.09	Net Result from Continued Operations	3,568,737	2,950,298
3.11	Net income for the Year	3,568,737	2,950,298
3.99	Earning per share (Reais/share)		
3.99.01	Basic Earnings per Share	-	-
3.99.01.01	ON	0,65057	0,53784
3.99.02	Diluted Earnings per Share	-	-

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

Consolidated Financial Statements / Statement of Comprehensive Income

(R$ thousand)

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
4.01	Net income for the Year	3,568,737	2,950,298
4.02	Other Comprehensive Income	3,816	(500,185)
4.02.01	Actuarial gains/(loss) with pension plans, net of deferred taxes	(1,891)	(2,803)
4.02.03	Gain/(loss) on cash flow hegde, net of deferred taxes	(525,752)	(440,916)
4.02.04	Realization with cash flow accounting hegde, net of taxes	531,459	(56,466)
4.03	Comprehensive income for the year	3,572,553	2,450,113
4.03.01	Attributed to Partners of the Parent Company	3,572,553	2,450,113

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

Consolidated Financial Statements / Statements of Cash Flows – Indirect Method

(R$ thousand)

Code	Description	Current Year 12/31/2023	Previous Year 12/31/2022
6.01	Net Cash from Operating Activities	8,246,363	(584,552)
6.01.01	Cash Generated from Operations	6,961,620	5,027,279
6.01.01.01	Net income for the period	3,568,737	2,950,298
6.01.01.02	Equity accounting result	(152,194)	(116,562)
6.01.01.03	Exchange and monetary variations	(92,360)	(179,941)
6.01.01.04	Interest expense on loans and financing	628,784	359,490
6.01.01.05	Capitalized Interest	(124,625)	(94,437)
6.01.01.06	Interest on lease liabilities	10,522	11,708
6.01.01.07	Amortization transaction cost	41,061	20,035
6.01.01.08	Depreciation and amortization	1,042,129	1,000,269
6.01.01.09	Estimated loss for write-off of fixed assets	(804)	(22,445)
6.01.01.10	Current and deferred income tax and social contribution	1,237,821	1,030,104
6.01.01.11	Other provisions	69,224	(31,850)
6.01.01.12	Realized losses on hedge accounting - cash flow	733,325	100,610
6.01.02	Changes in Assets and Liabilities	1,284,743	(5,611,831)
6.01.02.01	Trade receivables	(82,896)	(906,977)
6.01.02.02	Stocks	(383,198)	(453,452)
6.01.02.03	Recoverable taxes	(226,803)	(65,124)
6.01.02.04	Advances to suppliers	128,671	78,463
6.01.02.05	Other Assets	(79,360)	(32,792)
6.01.02.06	Trade payables	432,601	397,192
6.01.02.07	Social and Labor Obligations	10,777	6,512
6.01.02.08	Taxes to be collected	(86,384)	44,868
6.01.02.09	Advances from customers	4,235,447	(863,371)
6.01.02.10	Receipt of dividends	38,679	31,387
6.01.02.11	Income tax and social contribution paid	(1,256,025)	(2,872,697)
6.01.02.12	Interest paid on loans and financing	(557,623)	(295,972)
6.01.02.13	Other Obligations	(33,440)	(1,053,840)
6.01.02.14	Cash Flow Hedge Accounting	(794,752)	(26,031)
6.01.02.15	Advance payment - electric power contracts	(60,951)	400,003
6.02	Net Cash from Investing Activities	(1,208,712)	(1,538,268)
6.02.01	Acquisition of Fixed Assets	(1,443,585)	(1,191,025)
6.02.02	Financial investments	-	41,693
6.02.03	Acquisition of investments	-	(358,634)
6.02.05	Financial investments	234,873	(30,302)
6.03	Net Cash from Financing Activities	(3,734,414)	(2,099,170)
6.03.01	Payment of principal on loans	(1,157,621)	(406,339)
6.03.02	Lease amortization	(18,763)	(22,656)
6.03.03	Financial Transaction Cost	(121,543)	(240,618)
6.03.04	Dividends paid	(3,546,896)	(4,283,404)
6.03.05	Raising loans and financing	1,417,778	4,011,171
6.03.06	Interest on Own Capital	(307,369)	(1,155,231)
6.03.08	Repurchase of shares	-	(2,093)
6.04	Exchange variation on cash and cash equivalents	3,069	(5,240)
6.05	Increase (Decrease) in cash and cash equivalents	3,306,306	(4,227,230)
6.05.01	Initial Balance of cash and cash equivalents	6,489,572	10,716,802
6.05.02	Ending Balance of cash and cash equivalents	9,795,878	6,489,572

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

Consolidated Financial Statements / Statements of Changes in Equity - 01/01/2023 to 12/31/2023

(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	3,966,773	-	(174,368)	11,393,427	-	11,393,427
5.03	Adjusted Opening Balances	7,473,980	127,042	3,966,773	-	(174,368)	11,393,427	-	11,393,427
5.04	Capital Transactions with Partners	-	-	(2,181,913)	(2,079,663)	6,199	(4,255,377)	-	(4,255,377)
5.04.06	Dividends	-	-	(2,181,913)	(1,364,983)	-	(3,546,896)	-	(3,546,896)
5.04.07	Interest on Own Capital	-	-	-	(714,680)	-	(714,680)	-	(714,680)
5.04.09	Actuarial gains with pension plans, net of deferred taxes	-	-	-	-	492	492	-	492
5.04.10	Ganis/(losses) with cash flow hegde, net of deferred taxes	-	-	-	-	5,707	5,707	-	5,707
5.05	Total Comprehensive Income	-	-	-	3,568,737	(8,090)	3,560,647	-	3,560,647
5.05.01	Net income for the year	-	-	-	3,568,737	-	3,568,737	-	3,568,737
5.05.02	Other Comprehensive Income	-	-	-	-	(8,090)	(8,090)	-	(8,090)
5.05.02.03	Result with equity	-	-	-	-	(8,090)	(8,090)	-	(8,090)
5.06	Internal Changes in Shareholders' Equity	-	-	1,489,074	(1,489,074)	-	-	-	-
5.06.01	Constitution of Reserves	-	-	1,489,074	(1,489,074)	-	-	-	-
5.07	Ending Balances	7,473,980	127,042	3,273,934	-	(176,259)	10,698,697	-	10,698,697

(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 share adquired		(2,093)						
5.04.06	Dividends	-	-	(4,283,403)	-	-	(4,283,403)	-	(4,283,403)
5.04.07	Interest on Own 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 with pension plans, net of deferred taxes	-	-	-	-	(2,803)	(2,803)	-	(2,803)
5.04.10	Losses with cash flow hegde, net of deferred taxes	-	-	-	-	(497,382)	(497,382)	-	(497,382)
5.04.11	Treasury share 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	Adtional dividends proposed			631,913	(631,913)				
5.07	Ending Balances	7,473,980	127,042	3,966,773	-	(174,368)	11,393,427	-	11,393,427

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

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 12/31/2023	Previous Year 12/31/2022
7.01	Revenues	19,199,432	13,649,733
7.01.01	Sales of Goods, Products and Services	19,191,610	13,651,195
7.01.02	Other Revenues	7,002	(673)
7.01.04	Provision/Reversal of Doubtful Receivables	820	(789)
7.02	Inputs Acquired from Third Parties	(10,549,118)	(6,741,844)
7.02.01	Costs of Products, Goods and Services Sold	(7,534,137)	(4,894,061)
7.02.02	Materials, Energy, Third-Party Services and Others	(2,948,989)	(1,792,843)
7.02.03	Loss/Recovery of Assets	(65,992)	(54,940)
7.03	Gross Value Added	8,650,314	6,907,889
7.04	Withholdings	(1,041,140)	(998,926)
7.04.01	Depreciation, amortization and depletion	(1,041,140)	(998,926)
7.05	Net Added Value Produced	7,609,174	5,908,963
7.06	Added Value Received in Transfer	653	(159,377)
7.06.01	Equity in results of investee	152,194	116,562
7.06.02	Financial Revenues	536,481	344,247
7.06.03	Others	(688,022)	(620,186)
7.07	Total Added Value to Distribute	7,609,827	5,749,586
7.08	DISTRIBUTION OF VALUE ADDED	7,609,827	5,749,586
7.08.01	Personnel	292,477	696,079
7.08.01.01	Salaries and wages	224,139	520,747
7.08.01.02	Benefits	57,150	148,687
7.08.01.03	F.G.T.S	11,188	26,645
7.08.02	Taxes, Fees and Contributions	1,862,096	1,604,678
7.08.02.01	Federal	1,716,917	1,428,479
7.08.02.02	State	135,399	166,949
7.08.02.03	Municipal	9,780	9,250
7.08.03	Remuneration on third-party capital	1,886,517	498,531
7.08.03.01	Interest	629,116	361,174
7.08.03.02	Rentals	3,000	2,305
7.08.03.03	Others	1,254,401	135,052
7.08.03.03.01	Other and Passive Exchange Variation	1,254,401	135,052
7.08.04	Return on Equity	3,568,737	2,950,298
7.08.04.01	Interest on Equity Capital	714,680	769,479
7.08.04.02	Dividends	1,364,983	-
7.08.04.03	Retained Earnings / Period Loss	1,489,074	2,180,819

MANAGEMENT REPORT 2023

1 - MESSAGE FROM THE ADMINISTRATION

A historic year, marked by great achievements. This is how we can summarize 2023 for CSN Mineração, which delivered to the market a record production and purchases of 42.6 million tons of iron ore, significantly surpassing the previous highlight, which had been achieved in 2021, of 36.2 million tons. It also set a record in sales, with 42.7 million tons against 38.2 million tons sold in 2019, the highest milestone so far. For shareholders, significant dividends were distributed: 19% *of dividend yeld* (or R$ 3.9 billion), in addition to a share appreciation of 92%. Numbers that illustrate the strength and solidity of a company that, despite its consolidated operations, has only three years since its IPO on the Stock Exchange, but already demonstrates all the gigantism and capacity to deliver to investors, while remaining committed to safety and all the operational excellence of operations.

In this regard, all of CSN Mineração's dam stability declarations were renewed in September by an independent auditor, proving once again the safety of our structures. We completed the de-characterization works of the Vigia Dam and also hired an engineering company to study the de-characterization of the Casa de Pedra Dam, in order to accelerate the processes of de-characterization and decommissioning of the dams. All the zeal and dedication are reflected in indices that we celebrate and are proud of, without any accident recorded in our dams in our entire history, which began in 1913. And in the area of occupational safety, we have reached the mark of more than ten years without fatal accidents.

With regard to expansion projects, the Company recently updated the delivery schedule for the new capacities and the expectation is that the additional 28 million tons of iron ore should come online in 2028, with an average iron content of 65%, increasing the quality of our product and, consequently, the premium realized, resulting in a significant cash generation, which will make CSN Mineração an even more competitive company.

In the constant search for innovation and decarbonization of operations, CSN Mineração completed the tests of three 60-ton electric trucks with significant results, already incorporating the equipment into its fleet. And, at the beginning of 2024, it received four more trucks, an excavator and an electric loader to reinforce the operation in Congonhas (MG). The new equipment has a capacity of 20 to 75 tons and has benefits such as reduced greenhouse gas emissions, lower fuel consumption and greater energy efficiency. They will be used in mine infrastructure tasks, tailings management services and internal transportation of materials. Tests with the new equipment are expected to begin in the first quarter and will last six months. This investment is part of CSN Mineração's commitment to achieve its greenhouse gas emission reduction goals in its operations.

Also in this sense, CSN Mineração is taking an important step in the search for the decarbonization of the steel industry. Through a project in the United Arab Emirates in partnership with Itochu, JFE and Emirates Steel, we are investing in a plant in Abu Dhabi for the production of direct reduction pellets, as well as other products. The use of these materials in the steel chain can reduce emissions by more than 70% when compared to blast furnace production, making it part of the solution to the decarbonization of the global steel sector. This brings a lot of hope not only for the viability and return of this project, but especially for what it will mean for the future of steel production.

In addition, CSN Mineração maintained, together with the CSN Group, recognition in environmental issues through important ESG *ratings*, such as "*Sustainalytics*", which pointed out that the companies are among the 10 organizations with the best scores in the sector evaluated globally by the *ESG Risk Rating*. An achievement that reflects the dedication and effort undertaken around this agenda, which is extremely relevant and tirelessly guides the decision-making of the entire group, from the simplest to the most strategic.

In 2023, the integrated management of climate and nature risks was also completed, a work that mapped the risks and opportunities related to global warming and its physical and regulatory consequences, following the recommendations of the TCFD (*Task Force on Climate Related-financial Disclosures*) and TNFD (*Taskforce on Nature-related Financial Disclosures*)). In addition, CSN was a pioneer in the sector by disclosing to the market its first Climate *Action Report*, a publication that brings together climate indicators and actions to reduce GEE emissions from all segments of the Company and also from CSN Mineração.

Another important advance was in the walk towards diversity and inclusion, jumping from 22% female participation in 2022 to 24% in 2023. We also increased racial representation, ending the year with 32% of blacks in the company's leadership, an increase of 7% compared to 2022. These numbers reinforce CSN Mineração's concern and commitment to the issue and reflect all the efforts that have been made systematically to build an increasingly diverse and plural company, thus offering growth opportunities for our community and surroundings.

There have been many achievements in the last year. In 2024, CSN Mineração remains optimistic about the sector's prospects. The demand for ore continues to grow stronger, also reflecting the appreciation of the realized price. In addition, this is a year in which the Company expects to increase the volume of its own production, with an even more efficient and competitive operation. The management remains aware and committed to its social and environmental role, in addition to remaining firm in its commitment to the payment of dividends, acting, however, in a balanced manner to ensure the continuity of the schedule of new investments. In less than five years, with the completion of the first phase of the expansion project, CSN Mineração will be able to significantly increase the supply of iron ore to the market, offering a *premium* product, bringing better margins and generating even more competitiveness for the company. With focus, resilience and the solid and tireless work of the entire team, we continue more than ever guided by our essence of "do well, do more, do forever".

Happy reading!

Benjamin Steinbruch

CSN Mineração Board of Directors' Chairman

2 – The Company

CSN Mineração S.A. ("CSN Mineração" or the "Company") operates in an integrated and competitive manner, through efficient mining operations, beneficiation, participation in the railroad MRS Logística S.A. ("MRS") and lease agreement for the Coal and Minerals Port Terminal ("TECAR") in Itaguaí, Rio de Janeiro, supplying quality iron ore to the domestic steel industry and the transoceanic market. With a relatively high iron content and consequent low generation of slag in steel production, CSN Mineração helps its customers reduce greenhouse gas emissions, contributing to a sustainable future and reducing pollution.

Located in the Iron Quadrangle, a region recognized for its mineral wealth, in the south-central part of the 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 2023, 42.7 million tons of iron ore were sold by CSN Mineração, an increase of 28% compared to 2022, of which 8.2% (3.5 million tons) were destined for UPV (Presidente Vargas Plant) and 91.8% was exported.

CSN Mineração has a history of more than 100 years in the production of iron ore. Acting as the second largest exporter of iron ore in Brazil, certified at 4.1 billion tons of resources and reserves, according to the audit of Snowden do Brasil Ltda. ("*Snowden*"). In 2022, the Company carried out a new drilling campaign independently at 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 billion tons of measured resources; and (ii) confirmed total reserves at 2.1 Bi ton, 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 pillar of support 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 been 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 mine to port that support its expansion plans:

CURRENT OPERATION

3.1- MINING

CASA DE PEDRA MINE

The oldest operating mine in the country and the 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 operating in 1950, is an open-pit mine located in the southwestern 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 shovels and wheel loaders for the extraction of iron ore, which is then transported by a fleet of trucks with a current annual capacity of handling 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 (including the production of the central plant plus production in the dry plants).

3.2- TECAR PORT TERMINAL

CSN Mineração holds the right to operate TECAR, under the terms of the Lease Agreement of the dry 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) unload of gearboxes (e.g., coal, coke), it allows for a significant gain in the Company's operational synergy. The lease period for the operation of TECAR is expected to end in 2047, subject to 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, and Belo Horizonte axis, and connects the Casa de Pedra mine in Congonhas, 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 essential for the flow of its products.

MRS's main segment of operation is Heavy Haul cargo, having transported, in 2023, around 122.1 million tons of these products, equivalent to 61.8% of the total transported by MRS. Recently, MRS has been following a strategy of diversifying the cargo transported with an increase in General Cargo, which accounted for 38.2% of the transported mix in 2023 (including the volume referring to the right of way of other railroads).

All the iron ore sold by CSN Mineração and the coal and coke imported through TECAR to supply the UPV are transported by MRS. CSN Mineração holds a stake of 18.74% of MRS's total share capital, and its results are reflected as equity equivalents.

PROJECTS FOR CAPACITY EXPANSION

CSN Mineração believes that the coming years will be transformational, as it has projects in an advanced stage of development with a robust investment plan to finance the acceleration of iron ore production. In 2023, the company updated its forecasts for the expansion plan and remains confident in the execution capacity 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 2028, will add +28.4 Mton of capacity to the Company's mining operations and reach 60 Mtpa of capacity at TECAR, with an expected investment of R$ 15.3 billion, divided into seven projects. For the years following 2028, the company enters phase 2 of the plan, with four major expansion projects with a capacity addition of +56Mton of itabirite mining and 130Mtpa of capacity at TECAR.

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

- **Ultrafines Recovery**: project that allows the recovery of another 1Mtpa of ore with a content of 66% Fe, expected to be completed in 4Q25;
- **Itabirito P15**: project that allows the extraction of an additional 16.5Mtpa of ore with a content of 67% Fe, expected to be completed in 1Q27;
- **Pires Tailings Recovery**: project that allows the recovery of another 1.5Mtpa of ore with a 65% Fe content, expected to be completed in 2Q26;
- **B4 Tailings Recovery**: project that allows the recovery of another 2.5Mtpa of ore with a 67% Fe grade, expected to be completed in 3Q26;
- **Itabirito P4+:** project that allows the extraction of an additional 4.4Mtpa of ore with a content of 65% Fe, expected to be completed in 1Q28;
- **Casa de Pedra Tailings Recovery**: project that allows the recovery of another 2.5Mtpa of ore with a content of 67% Fe, expected to be completed in 2Q28.

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 mastered by the Company; and (iii) return, with *premium* products at competitive costs (maintenance of current levels of operating costs).

4- RELEVANT CORPORATE EVENTS

On March 30, 2023, the Company signed an Export Prepayment Financing Agreement for a total amount of up to US$1.4 billion and a final term of 12 years, with the amount of up to US$980 million to be granted by JAPAN BANK FOR INTERNATIONAL COOPERATION, and the amount of up to US$420 million to be granted by the syndicate of banks formed by BNP PARIBAS (acting on its behalf of TOKYO BRANCH), CITIBANK, N.A., TOKYO BRANCH, CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK, TOKYO BRANCH, JPMORGAN CHASE BANK, N.A., TOKYO BRANCH, SUMITOMO MITSUI TRUST BANK, LIMITED, NEW YORK BRANCH and SUMITOMO MITSUI BANKING CORPORATION, insured by Nippon Export and Investment Insurance ("NEXI"). This operation aims to support the Company in its project to build a new pellet feed plant (P15) at the Casa de Pedra mine, aiming to ensure the supply of high-quality iron ore to its customers, helping them in their strategies to decarbonize the steel sector.

5 - CORPORATE GOVERNANCE

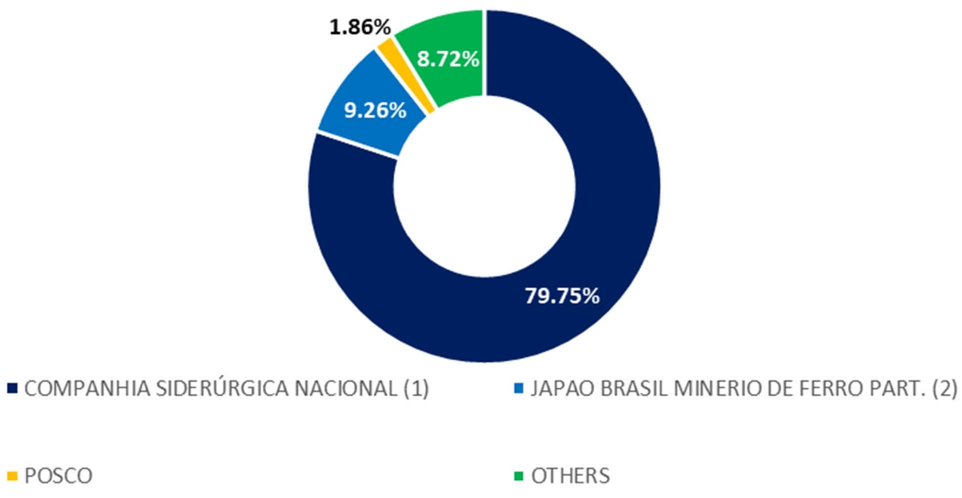
Investor Relations

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 12/31/2023 (%)



(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 five (5) and at most seven (7) sitting members and a number of alternates that shall not exceed the number of sitting members, whether or not resident 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, 2023, the Board of Directors was composed of seven (7) sitting members and one (1) alternate, with the unified term of office ending at the 2025 Annual General Meeting. 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 Executive Board, and may also, if necessary, create special committees to advise them.

Executive Board

The Executive Board is composed of at least two (2) and at most five (5) Executive Officers, one of whom is the Chief Executive Officer, one Chief Financial Officer, and one Investor Relations Officer, with the accumulation of positions being permitted, and the others with the designation conferred upon them by the Board of Directors. The term of office of the Executive Officers is two (2) years, with reelection allowed for an unlimited number of terms. As of December 31, 2023, the Board of Executive Officers was composed of five (5) members, including a Chief Executive Officer, a Chief Financial and Investor Relations Officer, a Chief Operating Officer, a Chief Strategic Planning Officer and an Chief Investment Officer, with the unified term of office ending on September 30, 2024. The Executive Board is responsible for conducting the management 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 called 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 office of 2 years. The Audit Committee meets ordinarily at least once every two months and, extraordinarily, whenever necessary. Some of its main duties are: reviewing the financial statements and other public information on the Company's operating performance and financial situation and recommending to the Board of Directors the appointment, compensation and hiring of an external auditor, as well as monitoring the performance of internal and external audits.

Internal Audit

The CSN Parent Company has an Audit, Risk and *Compliance Department*, acting independently within the organization, linked to the Board of Directors of the CSN Parent Company, in accordance with Article 19, VIII of the bylaws. The activities of this Board of Directors cover all the Companies. of the CSN Economic Group, including CSN Mineração.

The internal audit team has its own methodology and tools to carry out its activities, which are aligned with the best market practices and adopts a systematic and disciplined approach, acting objectively and independently in the conduct of its work, to assess 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 2023 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	721
Fees related to other assurance services	101
Total	822

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 so that it can be concluded, in accordance with the pertinent 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, former CVM Instruction 480/2009, the Board of Directors declared on 03/06/2024 that it discussed, reviewed and agreed with the opinions expressed in the independent auditors' opinion and with the financial statements for the fiscal year ended December 31, 2023.

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 impact in the short, medium and long term. In order to decarbonize the CSN Group's production processes and generate more efficiency in our operations, CSN Inova prioritizes development projects, partnerships and investments in industry 4.0 technologies and solutions, 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: reducing the consumption of fossil fuels and electricity, increasing the availability of assets, reducing logistics expenses, digitalization and optimization of processes for decision-making based on data, new products and materials, environmental recovery and 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 involves the mapping of processes in various segments, areas and operations of the CSN Group, including the analysis of pain points and related indicators. Based on these diagnoses, pilot projects are built and executed (with a 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 businesses.

In 2023, of the 73 initiatives in progress, 33 were in the planning phase, 23 were piloted, and 17 were being scaled up – which demonstrates the maturity of CSN Inova's portfolio. The main objective of innovation management is to prioritize challenges and projects that are actually 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 corporate venture capital 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 sustainable future.

CSN Inova Ventures*'* thesis focuses on companies in the *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 2023, part of the investees in *CSN Inova Ventures' portfolio* operated and worked together with the Group.

CSN Inova Ventures ended 2023 with nine companies in its portfolio, with investments made through contributions between R$ 1 million and R$ 10 million, and new contributions are expected to be made throughout 2024, 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 established itself as one of the 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 drive 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 social and environmental transition strategy contributes to the Group's agility to accelerate its sustainability agenda.

On the third front, with the motivation of ensuring 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 on 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 based on the CSN Group's sustainability materiality matrix in a systemic, integrated, experimental and participatory manner. Always in a network and with multidisciplinary teams from the operation to the corporate, it unlocks and leverages resources for critical structural projects, mobilizes the connection between knowledge of the social innovation ecosystem and trains 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 for the development of technological routes. In 2023, more than 15 different types of technologies related to new technological routes and new materials/fuels were evaluated.

In 2023, there were significant advances in projects for the use of green hydrogen in the Steel Industry, such as the implementation of Utis technology and the Selene Project, created to decarbonize a rolling mill of the Group. The work on the first application of the Utis technology in the UPV is in its final phase, with a startup of the technology expected for the first half of 2024. On the Selene project front, a team was assembled with members located in São Paulo and Paraná, who will dedicate themselves fully to the development of projects for the use of hydrogen in the steelmaking process.

In addition, 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, advanced in the 2023 project portfolio.

CSN Inova Tech also acts as a radar for trends in the most promising technologies for the sectors in which the CSN Group operates. On the front that started last year, of mapping carbon capture solutions, there have been significant advances, with pilots expected to start in 2024.

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

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 advantage 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 recognition.

In 2023, CSN Mineração continued to intensify its investments to create a more diverse, equitable and inclusive environment, focusing its efforts on the development of organizational culture and employee growth. This approach was based on valuing the uniqueness of each employee and the importance of Diversity, Equity and Inclusion, values aligned with the company's strategic objectives.

The strategy was based on two pillars: culture and representativeness. In the cultural sphere, there was the implementation of a broad action plan involving communication, awareness and training in all units, which is crucial to achieve high engagement results. In the pillar of representation, CSN Mineração focused on its commitment to the UN Global Compact, with the objective of reaching, by 2025, the representation of 28% of women in the general staff. In addition, she worked with internal goals to include people with disabilities, expand the representation of black people and women in leadership positions.

It is important to note that this analysis includes all assets, including interns, young apprentices, and trainees.

Representativeness was worked on through the establishment of specific plans and goals. Meticulously monitoring the implementation of these plans, the strategies have been adapted more precisely and effectively, understanding the particularities, challenges and unique opportunities of each sector. This detailed understanding allowed us to direct efforts in a more assertive way, continuously strengthening the progress towards the achievement of the established goals.

During 2023, we continued to drive Diversity, Equity, and Inclusion outcomes with a series of initiatives:

- **Adhesion to the Corporate Citizen Program.** The Corporate Citizen Program, established by Law No. 11,770/2008 and regulated by Decree No. 7,052/2009, is intended to extend the duration of maternity leave for sixty days and for fifteen days, in addition to the five already established, the duration of paternity leave (Law No. 13,257/2016).

- **Empower Women Program:** Training of women from the areas surrounding our projects, in partnership with educational institutions.

- **Women's Development Pilot of the Capacitar program**: a hybrid behavioral development track was developed for women in Capacitar that started in December 2023.

- **Training Diversity Program**: Training of People with Disabilities at the Casa de Pedra Mining Unit.

- **Online literacies** on gender applied in all Units.

- **Daily Talk Show in ESG Week** on women in operation, women and black people in leadership and inclusive leadership, broadcast to all units.

- **ESG Week Diversity Booths**: Informational materials about the programs, diversity indicators, as well as the importance of DE&I.

- **Online literacy on inclusive leadership** for coordination and supervision levels.

- **Talk Show Race on the Agenda, Past, Present and Future:** Online literacy with the participation of CSN Group employees and an external partner.

- **Racial literacy "Desafio Mover":** For one year, the companies participating in MOVER had the opportunity to carry out the literacy of their employees. On December 5, at the last meeting of Mover with the associated companies, the awards were given to those who stood out in the engagement of their employees. Among the 49 participating companies, 15 were awarded in the engaged leadership category, and 18 received recognition for the engagement of their employees in the general staff. CSN stood out brilliantly, winning 4 trophies. The CSN Group was awarded two gold trophies for the high rate of engaged leaders, reaching 90.50% literacy, and for the certification of employees, achieving 80.61% certification. In addition, CSN received silver and bronze trophies for the high rates of certification of leaders, reaching 77.39%, and for the engagement of employees, exceeding 15.37% and totaling more than 4000 literate people. This achievement reinforces CSN's commitment to equity and inclusion, promoting a fairer and more respectful work environment for all.

- **English scholarships** were made available in partnership with Mover and Hult EF for self-declared black employees.

- **2 Prolíder Scholarships** – Black Leadership Development Program. A partnership between Mover and Instituto Four.

- **1 Blackleadership Academy Scholarship**. A partnership between Mover and McKinsey & Company.

- **Citizen Mentoring Program**: in which the company's leadership mentors socially vulnerable young people from the CSN Foundation's Boy Citizen Program.

In 2023, we invested more than 232,600 hours in training, which demonstrates CSN Mineração's concern for the development of its employees, at all levels of the pipeline. When comparing the average hours of training between 2022 and 2023, we observed an increase of 10% in CSN Mineração's indicator, calculated from the total hours of training during the year divided by *the headcount* on 12/31/2023. In the average number of hours of training for women, there was a 62% increase at CSN Mineração.

This result is an expression of the consolidation of **the CSN Corporate University,** especially with regard to the LMS platform, available to all employees of the Group, which is responsible for more than 60 thousand hours of virtual training. We reached the mark of more than 80 virtual contents available on the platform, in *on-demand mode,* for employees to build their own learning journeys, in addition to promoting face-to-face training, including leadership development.

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

At the **School of Excellence in Results**, in addition to online training, we have started the process of unifying mandatory training for Mining Critical Risks (RCM). In order to align mandatory and legal training with RCMs, the company started, in 2023, the project to unify these contents. This measure aims not only to speed up the release of employees for their activities, but also to improve the quality of training, ensuring that they are in accordance with the company's guidelines and adjusted to the reality of the mining industry. From this, we started a Gamification approach to RCM content, in an innovative strategy to engage and empower employees more effectively. This approach enriches the learning experience, contributing to the practical application of the knowledge acquired and strengthening the effectiveness of training in optimizing maintenance processes in the organization. Through this initiative, we seek not only to transmit information, but also to motivate and engage employees, making learning more interactive and efficient.

Also, at the **School of Excellence in Results**, in order to improve knowledge management, CSN Mineração directed investments to train its multipliers and internal instructors. This specific training addressed communication strategies and tools, strengthening the sharing of information and knowledge, contributing to the enrichment of intellectual capital and promoting an organizational learning community through assertive communication.

In addition, the following outstanding projects were carried out in this same school:

- **Mandatory Training Improvement Project:** The Continuous Improvement program aims to enhance the results of Mining through the development of people and processes, recognizing employees who implement initiatives with the greatest impact on the business. In 2023, 2,396 improvements were implemented with the participation of 4,452 employees in the program. As a result, CSN Mineração participated in the 11th edition of the Great Meeting, the main quality management event in Brazil, promoted by the Brazilian Union for Quality. The company was awarded 2nd place in the Lean Category, with the project "*Reduction of Unproductive Hours in Shift Change*", and 3rd place in the GMC Category, with the project "*Optimization of Overstock of Critical Mining Spares".*

- **Renovation of the Training Center:** To provide the best learning experience to employees, the company carried out a renovation of the Training Center, now located at the Pires Unit. The new structure has more rooms and offers a more efficient learning experience, including the integration of new employees and other training actions.
- **Intern Development:** In addition to supporting the engagement of interns to join the Super Interns Development Track, available at the Corporate University, the company invested in technical training in partnership with areas, such as Excel and Lean Six Sigma Certification through projects applied to the process. In addition, it carried out actions such as "Coffee with Leadership", providing interns with the opportunity to hear inspiring stories from company managers, promoting recognition and learning.

- **SOTREQ Training Class:** In order to mitigate the impacts of the shortage of qualified labor in the area of Mobile Equipment Maintenance, CSN Mineração took an important step in 2023: the first training classes, in partnership with Sotreq S/A. Through the Mechanics Training School, the company trained 24 new maintainers in electromechanics, which are already performing their functions in maintenance activities.

- **Capacitar Development Track:** The introduction of the Capacitar Development Path demonstrates CSN Mineração's continuous effort to provide professional growth opportunities for this audience. In 2023, we supported employee engagement for adherence, in addition, we promoted face-to-face actions that aim to further strengthen the learning culture. These actions reflect CSN Mineração's commitment to the constant development and improvement of its team, contributing not only to the individual growth of employees, but also to the company's success.

The **Business and Leaders Schools** promoted the development of more than,1300 managers throughout the CSN Group, covering several business locations, with a total of 353 managers participating in CSN Mining. This stint at CSN Mineração focused on the skills expected of CSN leaders and sought to collect information on development needs for the construction of the Company's specific leadership track. An activity was also carried out to appropriate knowledge about the 2022 Integrated Report. In this sense, more than 1290 leaders were contemplated throughout the CSN Group, with the participation of 302 leaders of CSN Mineração, and in this action that aims to align the ESG theme to achieve the strategic priorities of the business. As a result of these actions, more than 9,900 hours of training were promoted within the categories of Leaders and Executives of CSN Mineração.

In 2023, CSN Mineração held specific events to address gender and inclusion issues. The Conversation Circle in celebration of Women's Day and the Lecture "Mothers in the Industry" are examples of this. These activities not only recognize and celebrate women's contributions but also foster an inclusive environment by encouraging discussions about women's role in the industry. As a result of these actions, CSN Mineração trained 7,827 employees on Human Rights issues, an indicator that represents 97.6% of its *headcount* as of 12/31/2023.

In addition, through the inclusion of the ESG Pillars in the application form for Continuous Improvement projects, CSN Mineração demonstrates its commitment to integrating equity and inclusion into all operational aspects. In addition, it encourages our employees to take a closer look at the topic, promoting continuous improvement towards more inclusive practices.

These are some of the practices that reflect CSN Mineração's commitment to creating a work environment that respects human rights, promoting diversity and inclusion as an integral part of its corporate culture. By integrating these topics into training, the company seeks not only to comply with ethical standards, but also to strengthen its position as a socially responsible and committed organization.

To expand learning, networking, and benchmarking opportunities, **CSN Mineração** encouraged the participation of its employees in prominent events on the national scene, such as: *Geosynthetics Congress 2023, Operational Excellence Summit 2023*, *CBMINA, CONARTS, National Congress of Contract Management,* among others.

Another project aimed at training the workforce and expanding the business was the **CSN Internationalization Journey**, which consists of an exchange with the aim of promoting the opening to markets, strengthening ties with local business partners and implementing new practices and processes that can be more efficient in the company's day-to-day operations. We had 03 classes that went to our New York office, totaling 29 employees. Subsequently, concurrent classes were held in Portugal and Germany. In all, 38 people participated in the units abroad, for a period of 80 days.

While at the units in the USA, Germany and Portugal, our employees had the opportunity to develop some projects related to the area of expertise, immerse themselves in the CSN universe, acquire even more knowledge, skills and experiences, in addition to showing in practice our essence of doing well, doing more, doing forever.

Another important front in 2023 was the consolidation of the **Trainee Program**, aimed at attracting and retaining talent to work in the various businesses of the CSN Group. The 46 trainees who started at the company in March 2022 completed their development track, after spending 9 months in the core areas, in *the On The Job phase.* At CSN Mineração, 11 trainees were hired in positions of SR Analyst, Engineers I and II.

Before the conclusion of the 2022 program, we started the selection process for the new program, which this time had an even greater number of approved candidates. After a very robust selection process, which included a *Hackathon* and had almost 16,000 applicants, in October we received 60 young talents who will be developed to occupy leadership positions in the medium term. A total of 13 trainees, 9 women and 4 men, will be directed to CSN Mineração. A major milestone of this program is the percentage of women equivalent to 69.2% of the vacancies allocated to the mining business.

The new program follows the same structure as the previous one, lasting 18 months and is expected to end in February 2025. The structure was divided into 4 phases, namely: *Onboarding*, Business Knowledge, *Hackathon* and *On The Job*.

In partnership with CSN Inova, we held the second edition of **CSN.conecta.** In this cycle, we had 14 finalist projects and 3 winners.

CSN.conecta identifies ESG action initiatives that can transform the day-to-day life of the CSN Group and the entire industry.

The themes addressed in this cycle were: water and effluents; energy efficiency; waste management; climate change; diversity and inclusion; biodiversity and forests and health and safety. Employees who do not hold a management position, in squads of up to 4 people, who may be from different units/locations, were eligible to participate.

PARTICIPATION IN THIS SECOND CYCLE:

• Projects submitted: 105

• Qualified projects (meeting the requirements of the manual): 88

• Projects submitted (presentations and video) by participants: 61

• Selected projects (considering the value of the investment and the score of the evaluations by the board): 14

The projects were presented to the evaluation board on 11/22/2023 and 11/23/2023 at CSN Faria Lima, in São Paulo. After analysis by the evaluation board, the three best-evaluated projects (1st place Mobile gas station in the Mine, from the Mining business; 2nd place Safe inspection of confined spaces with RPA from the Cements business and 3rd place Smart digital plug for electromotive tools, from the Steel business), will receive an award.

Our Recruitment & Selection **policy includes** the following points:

- ü The organization maintains a professional and responsible relationship with its employees and does not allow career-related decisions to be based on personal relationships;

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

- ü The organization does not tolerate 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 free from any type of discrimination and sexual or moral harassment. The organization will not employ child or slave labor, nor will it condone such practices by third parties who provide us with products or provide any type of service;

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

In 2023, CSN Mineração participated in the Professions Exhibition in the city of Conselheiro Lafaiete. The main objective of the initiative was to provide information about careers and the job market for high school students, contributing to the training and preparation of these young people to enter the job market. In addition, we sought to strengthen the CSN brand and encourage participation in attraction programs, such as Young Apprentice, Training and Internship.

CSN Mineração operates with the People Development Cycle (People Cycle) methodology, in which all employees have the opportunity to receive and provide feedback on their current situation and career aspirations. This cycle comprises the following stages: Evaluations, Evaluation Committee, Feedback and preparation of the Individual Development Plan (IDP). The role of the leader in this process is essential, in which they have the responsibility to support the professional development of each member of the team, and thus contribute to the continuity and sustainability of CSN.

The evaluation process in the People Cycle is composed of evaluations, which include the Self-Evaluation (evaluation of the employee himself), Manager, Peers and Customers. Levels of evaluations vary according to positions.

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

The result of the People Assessment methodology includes the 9box, the mapping of talents and the identification of potential successors within the Company. These tools are essential to guide the career development and individual development plans of employees.

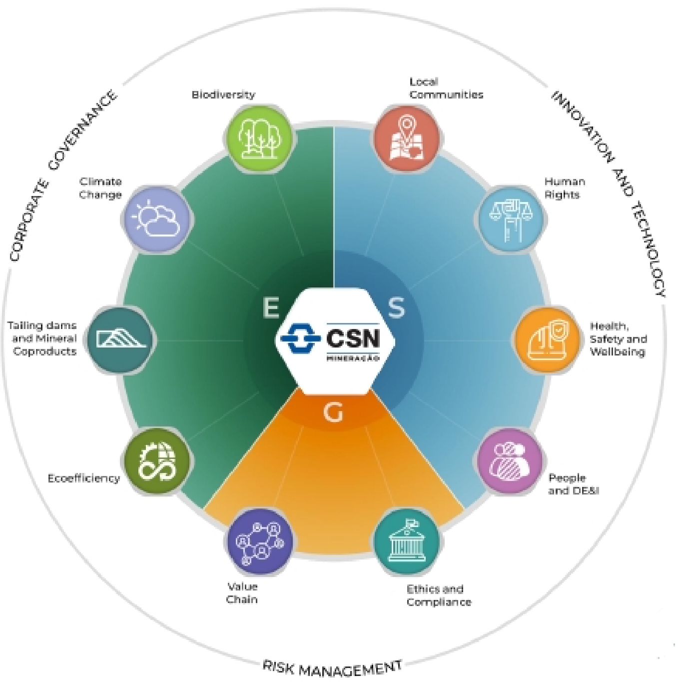
8 - PERFORMANCE IN ESG ASPECTS

The year 2023 was historic for CSN Mineração, marked by great achievements in all segments of activity and significant advances in the ESG agenda. In April 2023, the company published its third Integrated Report for the year 2022, the document is ensured by a third party, prepared in accordance with the GRI, IIRC, TCFD and SASB standards for the "Metals and Mining" sector, and brings in detail the results of our efforts carried out in the period. The document also presented CSN Mineração's new Biodiversity strategy, in line with the premises adopted by the TNFD, and the Climate Scenario Study integrating the decarbonization journey of the company's segments. The document can be accessed on the company's ESG website: www.esg.csn.com.br.

As of 2023, CSN Mineração (CMIN) began to be evaluated by some ESG rating agencies independently of CSN, the parent company. At the beginning of the year, it received its rating by the Sustainalytics agency of 23.1, a score related to ESG risks. Of the 156 steel and iron ore companies evaluated globally, CSN Mineração achieved the 6th best score. In the second quarter, CMIN was independently required to report to S&P and achieved a score of 46:

	2021	**2022**	**2023**
Sustainalytics	-	-	23.1
S&P Global	-	-	46
CDP Climate Change	B-	B	B
CDP Water Security	C	B	B
GHG Protocol	Gold Seal	Gold Seal	Gold Seal

Also in 2023, CSN Mineração updated its materiality in line with the biennial periodicity adopted as a best market practice. The methodology used adheres to the organic materiality approach, which provides a more dynamic, in-depth and continuous view of stakeholders' expectations and the impacts, risks and opportunities associated with material issues. The review process also adopted the perspective of double materiality, meeting the requirements set forth in the IFRS S1 and GRI Standard, with topics analyzed from the perspectives of impact materiality and financial materiality. This update resulted in a change – albeit subtle – in the company's materiality matrix: the inclusion of the Human Rights theme and the consolidation of the Water and Effluent and Air Quality themes into an umbrella theme, "Eco-efficiency".



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

The materiality matrix guides the company's efforts and investments, which is why CSN Mineração is committed to goals connected to its material issues in search of an increasingly efficient, integrated and sustainable management. The results of the main goals are presented below, according to their relevance and materiality for the Company and its *stakeholders*.

Performance on Key ESG Goals

Dimension	Indicators	Unit	Base Year Indicator	2023	Status	Goal	Target
Environmental	Mining Emission Intensity (GHG)[1]	kgCO2e/ T ore	5,77 (Base year 2019)	7,33		4,04	2035
	Water intensity[2]	m^3/t ore	-	0,26		0,45	2030
Social	Frequency Rate3	CAF+SAF	1,96 (Base year 2021)	1,09		1,37	2030
Governance	Diversity (women in the workforce)[4]	%	13% (Base year 2019)	23,4		26%	2025

(1) It considers emissions only from CSN Mineração's scope 1 mobile combustion category, which represent 95% of scope 1 emissions. The scope 2 emission is zeroed due to the electricity consumption coming from 100% renewable sources. It should be noted that the 2023 inventory data is being audited by a third-party company and the official results will be made available in the Integrated Report in April 2024.
(2) New target established in the last quarter of 2023 and which considers the entry of new ore and tailings processing projects.
(3) CSN Mineração's rate considers (CAF+SAF: own and outsourced/1 million hours worked).
(4) It considers employees allocated in Brazil, CLT, Apprentice, Internship and Training Program

- **Integrated Management System**

CSN Mineração maintains several Socio-Environmental and Sustainability Management instruments in order to act in a purposeful manner, serving the various *stakeholders* involved in the communities in which it operates.

The Company has an Integrated Management System (IMS), implemented in accordance with the requirements of the international standard ISO 14.001:2015, certified by an independent international body and duly accredited by INMETRO, at the Casa de Pedra (MG) unit since 2000 and, since 2021, at the Port of Tecar (RJ) and the requirements of ISO 9001:2015 - Quality Management System also certified in these Units.

A – Environmental Dimension

- **Water Resources**

Water is one of the main inputs for CSN Mineração's production process, so since 2021 the company has been monitoring the risks linked to water scarcity, assessing potential impacts that the operation may face in the event of unavailability of this resource. Focused on the commitment to responsible water management, the company monitors, through effluent and drainage control systems, more than sixty points, twenty-eight of which in watercourses located in the project's area of influence, continuously investing in new technologies with guaranteed satisfactory results in the various effluent parameters analyzed.

In 2023, CSN Mineração redefined and extended the time horizon of its water efficiency target. Throughout the year, within the scope of the Water and Wastewater Thematic Group of the ESG Committee, the team of experts designed in detail the water consumption curves considering the expansion projects of the Casa de Pedra unit, in Congonhas, Minas Gerais. New iron ore processing plants with different technologies from the current ones will be installed in the next ten years and, in addition, the very high-quality product will go through more processing stages. Based on this detailed curve, CSN Mineração defined a new commitment, in line with the best market practices, to keep water intensity below 0.45 m³ of water abstracted per ton of ore produced by 2032, extending the time horizon in relation to the previous target set for 2030.

Due to the operational investments made in recent years, the recirculation index, which considers ore processing operations and drinking water consumed, increased from 77.6% in 2018 to 88.2% in 2023. From the beginning of the operation of the P15, implementation of the projects for the decharacterization of the dams and projects planned in phase one of expansion for the coming years, with this the expectation that the Casa de Pedra unit will operate more efficiently in the coming years. In this sense, still in 2023, CSN Mineração also committed to achieving a 94% water recirculation rate by 2032.

The Company also reports annually to the *Disclosure Insight Action* (CDP) the guidelines followed with respect to water security. In 2023, we had our *score maintained* at "B".

- **Biodiversity and Ecosystem Services**

Throughout the mining life cycle, biodiversity-related issues are assessed. The negative impacts resulting from direct interventions on habitats (vegetation suppression) are managed through the licensing process, initiated by conducting environmental studies, in which the significant impacts are addressed according to the mitigation hierarchy, initially seeking to avoid, then minimize and, if necessary, compensate.

Likewise, aspects related to biodiversity loss factors (noise, air, water or soil pollution) are also properly controlled through the environmental licensing process in compliance with license conditions, being periodically and duly monitored by the competent agencies. On the other hand, the recovery areas (and compensations) and the preserved areas have monitoring of fauna, flora and recovery status.

CSN Mineração (CMIN) has a history of more than 15 years of preserving and monitoring local biodiversity. In 2023, the Company accumulated more than 16.2 hectares of revegetated area. In 2023, 6,453 seedlings of native species were planted in Atlantic Forest offset areas, which allowed the completion of activities on the properties of Pinta Cuia, in Itabirito, and Águas Vermelhas, in Queluzito. Currently, CMIN has 8755.37 hectares of its own protected and recovered areas.

In 2023, the company implemented the Biodiversity *Index for Operations (*BIO) at the Casa de Pedra unit in Congonhas, Minas Gerais. The indicator is based on the "*Biodiversity Indicator and Reporting System* (BIRS)" guide of the International Union for Conservation of Nature (IUCN) and measures the biodiversity condition of the operational units, giving them a score from 1 to 10 and allowing the ranking of the level of biodiversity preservation in our operations, enabling the definition of specific goals and an analysis from the perspective of the concepts "*no net loss*" and "*net gain*"".

That same year, by adopting the Performance Standard 6 of the International Financial Corporation (IFC), the study of critical habitats of the Casa de Pedra Complex was completed. This study is a fundamental part of the process of scaling up operations based on internationally adopted best practices with careful analysis to minimize, mitigate and offset impacts on biodiversity, in addition to establishing more accurate baselines and indicators.

In relation to ecosystem services, CMIN mapped their main dependencies, impacts, risks and opportunities related to nature. This mapping was carried out following the guidelines of the TNFD (*Taskforce on Nature-Related Financial Disclosure*) and shared with the company's senior management through the ESG Committee. The process was carried out in line with the identification and prioritization of climate risks, in line with the TCFD (*Taskforce on Climate-Related Financial Disclosure*) guidelines, already established and permanent in the company. As a result, CMIN established in 2023 the integration of the process and the list of critical risks related to climate and nature through a single matrix. More information on CMIN's adherence to TNFD will be made available in its 2023 Integrated Report, to be published in April 2024.

- **Climate Change**

CSN Mineração has the goal of achieving scope 1 and 2 emissions neutrality in its operations by 2044. To navigate this *journey* towards carbon neutrality, the company has structured its climate strategy on three pillars, namely: Stakeholder Engagement, Mitigation and Adaptation. CSN Mineração's strategy, as well as that of its parent company, is fully presented in the Climate Action Report, which was first published in August 2023 and can be accessed here.

In addition to the ambition to be carbon neutral, the company has set a goal of reducing CO2 emissions per ton of iron ore by 30% by 2035, including scope 1 and 2 emissions. One of the fronts of action is the electrification of its truck fleet. In 2023, tests were completed with 60-ton *off-road* trucks , which are more efficient than diesel models and have zero carbon emissions, since 100% of the electricity purchased by CSN Mineração comes from renewable sources.

Other projects in 2023 that contributed to a reduction in diesel consumption were the test for RPM (revolutions per minute) limitation and the installation of a *start/stop* system for large trucks. The company is also focused on the implementation of the Autonomous Mine system, with phase 1 scheduled for 2024, and on the start of tests with synthetic fuel HVO, which has low greenhouse gas (GHG) emissions when compared to fossil fuel.

In addition to investing in the reduction of its direct GHG emissions, CSN Mineração is also committed to mitigating emissions from its chain. With the entry of P15 (a new Itabirito processing plant that will be installed in Casa de Pedra), the company will supply more than 15 Mt/year of premium products with 67% Fe, which is essential in the direct reduction routes for steel production in the steel industry, which has a lower carbon intensity.

In 2022, we reported information related to Climate Change following the guidelines and recommendations of the TCFD (Task *Force for Cimate Related Financial Disclosures*). In 2023, the risks and opportunities of Climate were integrated with those of Nature in a single matrix, which is incorporated into the company's risk matrix. That same year, CSN Mineração initiated the Climate Vulnerability study, whose main objective is to reassess existing physical risks and identify new ones. In 2024, adaptation actions will be proposed to support the Company's decision-making for the climate transition.

It should be noted that CSN Mineração reports its emissions independently of CSN, the parent company, following the guidelines of the *GHG Protocol* to support its carbon management, risk mitigation and adaptation to climate change. In 2023, in its third year of reporting its GHG emissions inventory, CSN Mineração once again received the GHG Protocol gold seal, which demonstrates the achievement of the highest level of qualification in our greenhouse gas emissions inventory. In response to requests from investors, the Company has been reporting to the *Disclosure Insight Action* (CDP) since 2021 on the guidelines followed in relation to climate change. In 2023, the *Climate* Change and Water Security scores were equivalent to B, which demonstrates that the company is committed to environmental management and is on the path to adopting the best practices in the market.

- **Dam Management**

In 2020, CSN Mineração was the first large-scale mining company to become 100% independent of the use of tailings dams, with an investment of around R$400 million in technologies that enabled the filtration and dry stacking of tailings. All dams, since then inactive and/or in the process of decharacterization, are audited by independent and specialized companies on the subject, aiming to attest to stability and identify preventive actions to ensure this stability.

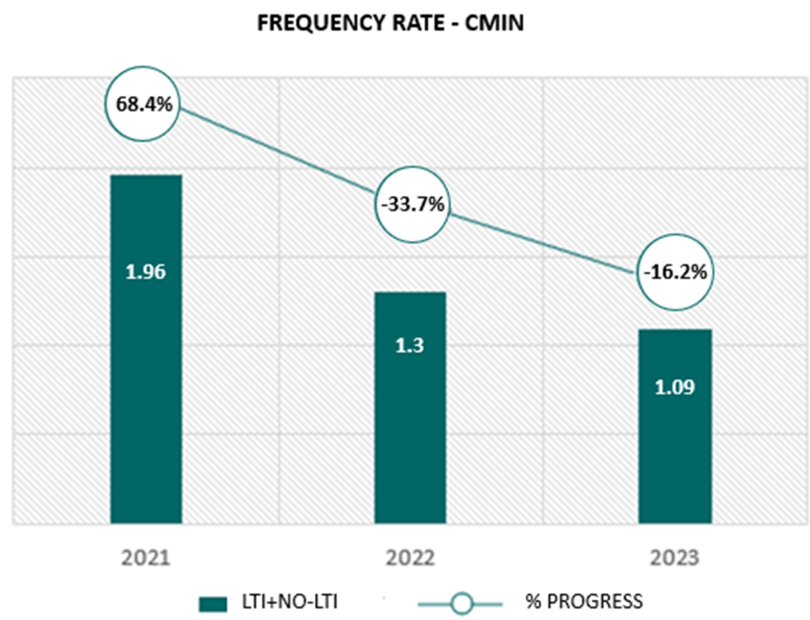
CSN Mineração follows the guidelines and recommendations on dam operation and safety established by ICOLD (*International Commission on Large Dams*), an international non-governmental commission that encourages the exchange of information on planning, design, construction and operation of large dams. These standards and practices are in line with the principles of the International *Council on Mining and Metals* (ICMM). The Dam Safety Plans and the Emergency Action Plan for Mining Dams (PAEBM) of CSN Mineração's structures are available on the company's ESG website (Access here).

We ended 2023 with all CSN Mineração dams with a stable emergency level, that is, with guaranteed stability according to current national legislation. In continuity with the schedule of de-characterization of our dams, the de-characterization of the Vigia Auxiliary and B5 Dams has been completed so far, and the de-characterization works of the Vigia Dam have been concluded, remaining only to be monitored for the legal term, so that it can be de-registered as a dam with the inspection agencies. Work on the B4 dam is still underway and is expected to be completed in 2028, according to the schedule below:

B - Social Dimension

- **Occupational Health and Safety**

For CSN Mineração, the health, safety and well-being of its employees is a top priority. The successive improvement in the accident frequency rate indicators reinforces the company's commitment to its pursuit of zero accidents. In 2023, the frequency rate of accidents with and without sick leave for own and third-party employees achieved a significant reduction compared to the previous year, with a drop of 16.2%, reaching an index of 1.09 (factor of 1MM HHT), ratifying the organization's focus on improving its performance. CMIN ended the year 2023 without any fatal accident, an indicator maintained since 2013.



In the continuous search for evolution, the CSN group launched the AGIR Program, which also includes CSN Mineração's operations. With the active participation of leadership, the program, which aims to reduce the risk of high-potential accidents and prevent fatalities, reinforces the commitment of all managers to safety as a non-negotiable value. Based on the pillars "Culture of Occupational Health and Safety", "Critical Risk Management" and "Process Safety", the program unifies, through systematized actions, the practices already existing in the units with the objective of reinforcing the culture of prevention, and continuously improving safety in the workplace.

The company's Health and Safety guidelines are based on the 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 the prevention of accidents and occupational diseases.

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

- Sustainability Policy
- Occupational Health and Safety Management Manual
- Occupational Health and Safety Manual for Suppliers

The Company's health promotion actions go beyond occupational health, seeking engagement and changing habits with a focus on a healthy life for all employees, both own and third parties. Among the programs, 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 substances are highlighted.

In 2023, in partnership with public health entities, the company encouraged adherence to vaccination against communicable diseases, including the vaccination gesture within CSN Mineração units. Among them, internal vaccination campaigns against Influenza (H1N1) were carried out with the adherence of 93% of employees. Additionally, we carried out campaigns in conjunction with the Health Department of the State of Minas Gerais, providing vaccination against Covid-19 and Hepatitis at the Casa de Pedra Complex.

CSN Mineração works directly in the creation and maintenance of a safe and healthy work environment. Among these initiatives, the following stand out:

Readiness Test Program: Online tool that combines science and technology to predict the risk of accidents in the workplace. The objective is to track the physical, mental, emotional and socio-occupational conditions that affect the professional's readiness and that may put him or her at risk. In 2023, we had the expansion of 700 licenses for the readiness test at CSN Mineração and zero accidents with participating employees.

PPAE – Prevention Program for Alcohol and Narcotics: Preventive action to combat the improper consumption of alcohol and/or other narcotics, aiming at the physical and psychological integrity of employees and suppliers, through prevention, information and treatment. The entire process is carried out in compliance with the criteria of medical confidentiality and the Company's Compliance guidelines. In 2023, more than 83 thousand breathalyzer tests and 5 thousand toxicological tests were carried out on CSN Mineração's own and third-party employees.

SIPATMA Integrated: The Company annually holds SIPATMA – Internal Week for Accident Prevention and the Environment in a structured manner, covering all its own employees and suppliers. The event takes place in all CMIN units and aims to make employees more aware of physical and mental health, the environment and safety.

Virtual Learning Platform: The company is in the development phase of training with the application of games and virtual assistant as a facilitator of theoretical content, rules with animation pills and application of glasses for 3D simulations, providing experience and simulation of risk scenarios in a virtual environment. In 2023, three training modules were implemented and already registered on the CSN Group's Corporate University Platform, namely: Blocking Hazardous Energies, General Rules for Drivers and Operators, and Control Room Operation. Three more modules are in the development phase for the year 2024.

- **Diversity & Inclusion**

CMIN recognizes that diversity among people drives innovation and business growth, promoting a transformation in society. Its initiatives to evolve the processes of recruitment, evaluation and recognition of talent reflect practices that promote representation and equality of gender, people with disabilities (PWDs) and minority groups in operational and leadership positions. The company adopts a zero-tolerance policy for discrimination, as expressed in its Code of Conduct. In 2020, it set a goal of doubling the female workforce by 2025, from 13% to 26%, focusing on commitment to the UN Global Compact. The result of the representation of women increased from 21.6% in December 2022 to 24% in December 2023, a growth of 15.76% in the number of women in the period.

In 2023, CMIN intensified its investments to create a more diverse, equitable, and inclusive environment, focusing efforts on the development of organizational culture and employee growth. This approach was based on valuing the uniqueness of each employee and the importance of Diversity, Equity and Inclusion as values aligned with the company's strategic objectives. In the cultural sphere, there was the implementation of a broad action plan involving communication, awareness and training in the company, which is crucial to achieve high engagement results. In this sense, the live videoconference on racial literacy and the Mover Challenge stands out, in which the company was recognized with four trophies for the engagement of its employees.

Other actions that were also highlighted in 2023: CSN Mineração's adhesion to the Corporate Citizen Program, which extends the duration of maternity and paternity leave; Another cycle of the Capacitar Program, impacting more than 271 women and people with disabilities in the areas where their projects operate; Developed a hybrid behavioral development track for the participants of the Capacitar Program; launched the Diversity Training Program for People with Disabilities at the Casa de Pedra Mining Unit, and; Promoted online literacies on gender and inclusive leadership in all units.

The CSN group also held a daily Talk Show and informative booths at ESG Week at CSN Mineração on various topics related to diversity. It also provided English scholarships in partnership with Mover and Hult EF for self-declared black employees and participated in black leadership development programs such as Prolíder and the Blackleadership Academy. In addition to the Citizen Mentoring Program, in which the company's leadership mentors socially vulnerable young people from the CSN Foundation's Boy Citizen Program. These initiatives reinforce CMIN's commitment to equity and inclusion, driving a fairer and more respectful work environment for all.

- **Human Rights and Stakeholder Relations**

Since the last review of the company's materiality, the topic of Human Rights has been considered as a material issue, becoming even more relevant to the company's strategy. CMIN is committed to the defense of human rights and adopts measures and tools that guarantee and promote the protection and respect of all in order to prevent, mitigate and repair any possible impacts that may violate human rights.

The company's human rights management is aligned with international principles and standards, such as the United Nations Global Compact Principles, the United Nations Guiding Principles on Business and Human Rights (POs), International Labor Organization conventions and the Sustainable Development Goals, especially SDGs 5, 8, 10 and 16.

In 2023, CSN Mineração completed a *human rights due diligence* in the municipality of Congonhas/MG, the city where the Casa de Pedra Mine is located. In a work that began in 2022, the CSN Group and its Foundation, together with the Center for Human Rights and Business of the Getúlio Vargas Foundation, evaluated processes, systems, and people to identify potential adverse risks to Human Rights in the communities located near this operation. The work was developed based on the *UN* Guiding Principles for Business & Human Rights *framework*, used as the main tool to identify risks and impacts on human rights associated with business activity, including in its value chain.

In addition, it is worth highlighting the Community Committee, a relationship practice created by CSN Mineração that involves several actors. The Committee has a schedule of routine meetings held bimonthly with representatives of the public/private sector and local communities, with the objective of debating demands, criticisms and suggestions for improvement in minimizing or mitigating the social and environmental impacts inherent to the company's projects. With the "CSN Support House", located in the Residencial neighborhood in Congonhas (MG), the company establishes another important communication channel with the community that has been used to provide clarifications to the population about the activities and actions of CSN Mineração, formulate initiatives according to the demands of the community and publicize job opportunities. With this action, new employees were hired, transforming the local reality through the generation of employment and income. In 2023, more than 1.3 thousand consultations were carried out at the Support House.

- **Social Responsibility**

The CSN Foundation is one of the main vehicles for the promotion of positive relations between CSN Mineração and the local population, with more than 60 years of experience, it plays a fundamental role in promoting the transformation of communities through social, educational and cultural development and in developing projects of direct execution in the cities where CMIN is present. In 2023, more than R$54 million were invested in 104 social projects as an incentive through various laws, of which 97 projects were contributed by CSN Mineração.

Pursuing the same goal, the Center for Technological Education (CET), a program of the CSN Foundation in partnership with the Department of Education of the Government of Minas Gerais, expanded its scholarship program through the "Trails of the Future" program. Last year, the Congonhas school had a total of 906 students, 622 of whom were scholarship holders, for Elementary and High School and Technical Courses in 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 in which it operates. To learn more about the CSN Foundation's actions and programs, visit https://fundacaocsn.org.br/.

C - Governance Dimension

The CSN Group and CSN Mineração have been working to formalize their main ESG commitments with a focus on the governance of their material issues. The ESG Committee, a non-statutory advisory body to the CSN Group's Board of Directors, is composed of senior executive leadership and acts in the definition of the Company's ESG strategy, together with the Sustainability Department, which reports directly to the group's CEO, CSN. The Committee acts directly in the management of indicators, assessment and identification of ESG risks and opportunities, and the development of projects to leverage the innovation agenda.

The Board of Directors 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 Boards 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 Thematic Groups presented in the image below. These Groups were created in accordance with the Company's Materiality Matrix, last revised in 2023.

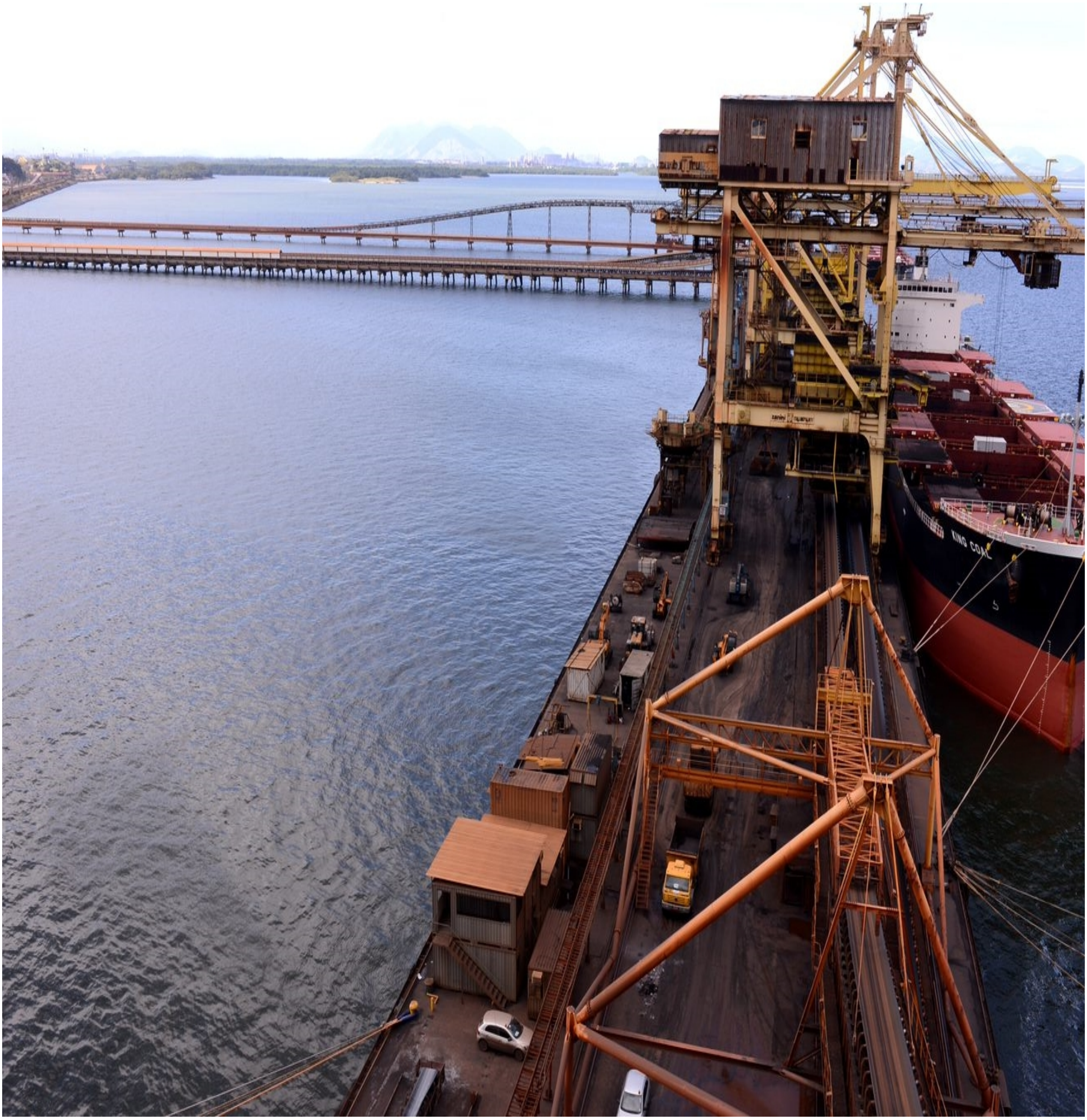
The structure is also composed of the Integrated ESG Management Committee, formed by ESG ambassadors appointed by the members of the Committee, whose main function is to implement an open innovation and sustainability system distributed by the Thematic Groups. The main function of the Integrated Management Committee is to standardize concepts and disseminate good practices in all segments of activity, with a focus on achieving the established goals. In parallel, ESG Ambassadors participate in training and workshops related to the topic of ESG Innovation and coordinate strategic projects. In 2023, eight ESG Committee meetings, several workshops with the 55 ambassadors, and more than 70 mapped initiatives were held. In addition, more than 26,000 hours of training were carried out by the ESG School at the Corporate University.

Also in 2023, with the support of the ESG Committee, the CSN Conecta program had its second cycle carried out. The program aims to identify initiatives with ESG actions that can transform the day-to-day operations of our operations and the entire industry with the potential for acceleration. The themes worked on this year were: Water & Effluents; Energy Efficiency; Climate Change; Diversity & Inclusion; Biodiversity & Ecosystem Services; Circular Economy; and Occupational Health & Safety. Of the 105 projects received, 14 were approved and implemented. The top three winners received a financial award and were announced during ESG Week 2023.

9 - FORWARD-LOOKING STATEMENTS AND PROSPECTS

This document contains forward-looking statements that express or suggest expectations of results, performance or events. Actual results, performance and events may differ materially from those expressed or suggested by forward-looking statements due to a number of factors, such as: general and economic conditions in 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. The non-financial information, as well as other operational information, was not audited by the independent auditors.



4Q23 AND 2023 FINANCIAL RESULTS

March 6, 2024

São Paulo, March 6, 2024 - CSN Mineração ("CMIN") (B3: CMIN3) announces its results for the fourth quarter of 2023 and accumulated results for 2023 (4Q23 and 2023) in Reais, with its consolidated financial statements in accordance with the 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 the International *Financial Reporting Standards* ("IFRS") issued by the *International Accounting Standards Board* ("IASB").

The comments address the Company's consolidated results for the fourth quarter of 2023 and full year of 2023 (4Q23 and 2023) and the comparisons are with the third quarter of 2023 (3Q23), the fourth quarter of 2022 (4Q22) and the year of 2022. The dollar exchange rate was R$ 5.22 on 12/31/2022; R$ 5.01 on 09/30/2023 and R$ 4.84 on 12/31/2023.

4Q23 and 2023 Operational and Financial Highlights

SOLID PRODUCTION PACE AT THE END OF THE YEAR ALLOWED THE COMPANY TO EXCEED ITS *GUIDANCE*

In addition to all the positive impact of the improved price realization in the quarter, the Company achieved another strong operational result, exceeding the expected production (including purchases) guidance for 2023. A total of 42.6 Mton were produced in 2023, highlighting all the operational efficiency shown throughout the year.

When looking at the combination of a solid volume presented in the quarter and the strong increase in the realized price, the result is a solid adjusted EBITDA of R$ 2.7 billion in 4Q23, with an adjusted EBITDA margin of 55%.

ESG

At the end of 2023, the test with two off-road electric trucks was completed with very positive results, generating greater production and cost efficiency. For 2024, six more electrical equipment will be tested in operation.

STRONG CASH GENERATION IN THE QUARTER IS A RESULT OF THE EXCELLENT OPERATIONAL RESULT ACHIEVED AT THE END OF THE YEAR.

Adjusted Cash Flow reached R$ 1.1 billion in 4Q23, an increase compared to the previous quarter because of the excellent operational performance that combined solid commercial activity with increased realized prices, helping to offset the higher investments and financial expenses recorded in the period.

CSN MINERAÇÃO MAINTAINED ITS NET CASH POSITION AT THE END OF THE YEAR, EVEN WITH DIVIDEND DISBURSEMENTS

With solid cash generation, the Company was able to maintain its net cash position even with the payment of R$ 1.4 billion in dividends in the period. As a result, the leverage indicator measured by the Net Debt/EBITDA ratio was negative by -0.15x.

CMIN
B3 LISTED N2

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

Consolidated Framework - CMIN

	4Q23	3Q23	4Q23 X 3Q23	4Q22	4Q23 x 4Q22	2023	2022	2023 X 2022
Iron Ore Sales (thousand tons)	**11,144**	**11,641**	**-4%**	**9,729**	**15%**	**42,662**	**33,325**	**28%**
- Domestic Market	1,558	1,765	-12%	1,038	51%	4,993	4,133	21%
- Foreign Martket	9,586	9,876	-3%	8,691	10%	37,669	29,192	29%
Consolidated Results (R$ million)								
Net Revenue	5,018	4,310	16%	3,512	43%	17,054	12,446	37%
Gross Profit	2,553	1,786	43%	1,646	55%	7,215	5,363	35%
Adjusted EBITDA [(1)]	**2,759**	**1,988**	**39%**	**1,785**	**55%**	**7,863**	**6,033**	**30%**
EBITDA Margin %	**55.0%**	**46.1%**	**8.9 p.p.**	**50.8%**	**4.2 p.p.**	**46.1%**	**48.5%**	**-2.4 p.p.**

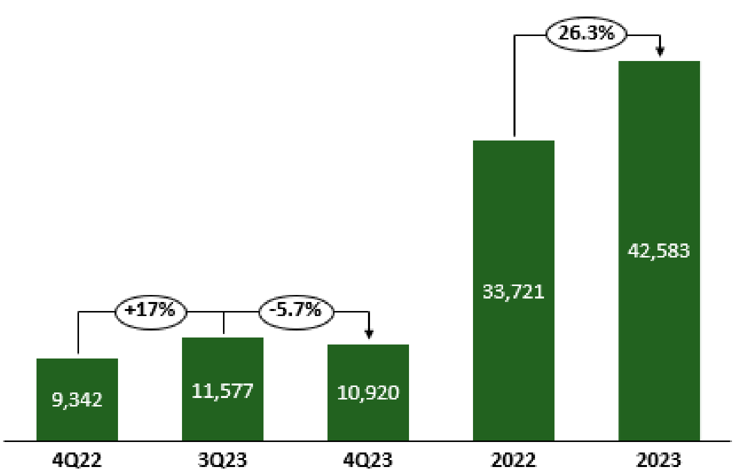
[1] Adjusted Net Revenue is calculated by eliminating the portion of revenue attributable to freight and marine insurance.
[2] Adjusted EBITDA is calculated from net income (loss), plus depreciation and amortization, taxes on profit, net financial income, other operational income/expenses, and equity result.

Operating Results - CSN Mineração

4Q23 was another quarter marked by strong demand for iron ore in China, driven by the high utilization capacity of local steel plants and inventory levels that remained below historical averages. This situation ended up giving even more traction to the iron ore prices, which ended the quarter with a quotation US$ 14.3/ton above the average seen in the previous quarter. This higher demand has been supported by stimulus packages from the Chinese government that have helped to boost the consumer, manufacturing, and infrastructure segments, thus mitigating the slowdown in the construction segment and helping to dissipate greater risks of a decrease in iron ore demand. On the supply side, not even the drier period in Brazil was enough to reduce the appreciation of the iron ore in the quarter. In this scenario, the price of iron ore ended 4Q23 with an average of US$ 128.30/dmt (Platts, Fe62%, N. China), 12.5% higher than in 3Q23 (US$ 114.04/dmt) and 29.6% higher than in 4Q22 (US$ 99.00/dmt).

Regarding Sea Freight, the BCI-C3 Route (Tubarão-Qingdao) averaged US$ 24.9/wmt in 4Q23, which represents an increase of 22.8% compared to the sea freight cost of the previous quarter, reflecting the increase in demand in the transoceanic market due to higher bauxite export volumes in Guinea, in addition to a stronger performance for the period in iron ore volumes from Australia and Brazil.

Total Production* - Mining

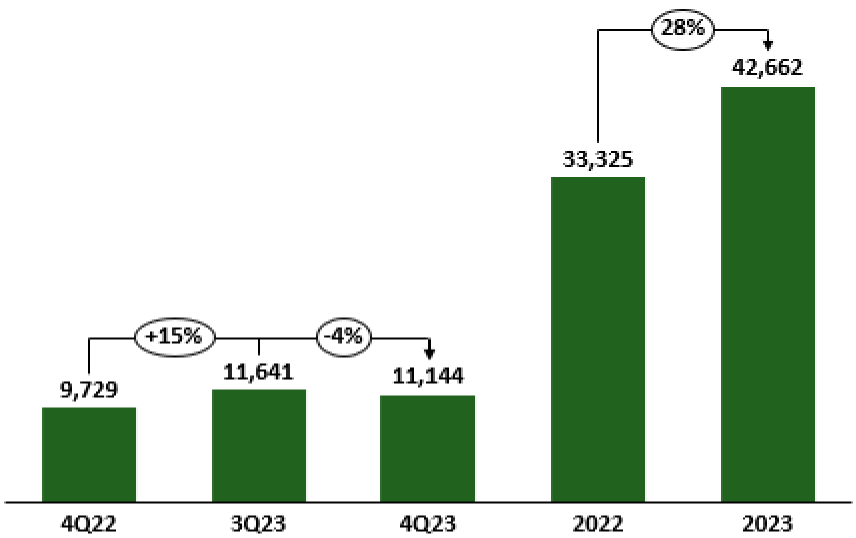


* Production plus third-party purchases

- Iron ore production totaled 10,920 thousand tons in 4Q23, which represents a decrease of 5.7% compared to the record volume recorded in 3Q23, that was already expected due to the arrival of the rainy season, and an increase of 16.9% compared to the same period of last year. After two consecutive records, production in the quarter continued at very high levels, resulting in a performance above the projections expected for 2023, which proves the operational excellence achieved by the Company throughout the year. In total, 42,583 thousand tons were produced, which represents an annual increase of 26.3%.

- Sales Volume, in turn, reached 11,144 thousand tons in 4Q23, only 4.3% below the previous record set last quarter and 14.6% above the same period last year. The Company was once again able to take advantage of the favorable environment with strong Chinese demand and the period with less rainfall than usual for this time of year to deliver a high level of sales in the quarter. In 2023, the volume sold reached 42,662 thousand tons and was 28% higher than in 2022.

Sales Volume - Mining (thousand tons)



Consolidated Income

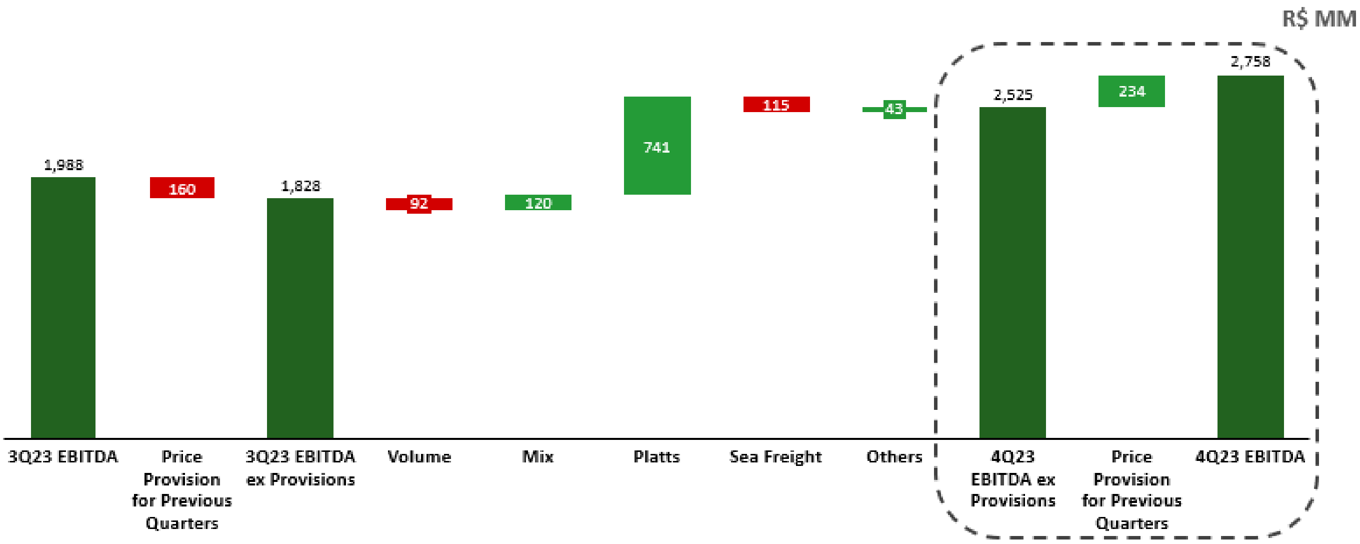
- Adjusted net revenue totaled R$5,018 million in 4Q23, 16.4% higher than in 3Q23, as a direct result of the higher price realization in the period. as consequence, Net Unitary Revenue was US$ 91.37 per ton, which represents an increase of 21.5% compared to 3Q23, following the upward trajectory of the Platts price and the stability in the exchange rate, which closed the quarter with an average dollar of R$/US$ 4.93. In 2023, net revenue reached R$ 17,054 million, an increase of 37% compared to 2022, because of the combination of the strong volume increase recorded in the period with a higher average price. As a result, the net unitary revenue in 2023 was US$ 80.30/ton compared to US$ 72.92/ton in the previous year.

- In turn, the cost of goods sold from mining totaled R$ 2,466 million in 4Q23, a reduction of 2.3% compared to the previous quarter, because of the lower sales volume, in addition to the lower purchased volume and the non-use of third-party ports. In turn, the C1 cost reached US$ 22.5/t in 4Q23 and was 5.6% higher than in the previous quarter, reflecting the lower fixed cost dilution. In 2023, COGS reached R$ 9,839 billion, an increase of 38.9% compared to last year, mainly due to the higher volume of sales and purchases made in the period. The C1 of the year ended with an average of US$ 21.8 per ton, or below the guidance.

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

- In 4Q23, gross profit was R$ 2,553 million, 42.9% higher than in 3Q23 and with a gross margin of 50.9%, or 9.4 p.p. higher than in the previous quarter. The strong profitability achieved in the period was due to the excellent commercial performance in conjunction with the favorable price dynamics observed at the end of the year. In 2023, gross profit reached R$ 7,215 million, which corresponds to an increase of 34.6% and reflects the entire sales record for the period, with higher unit prices throughout the year.

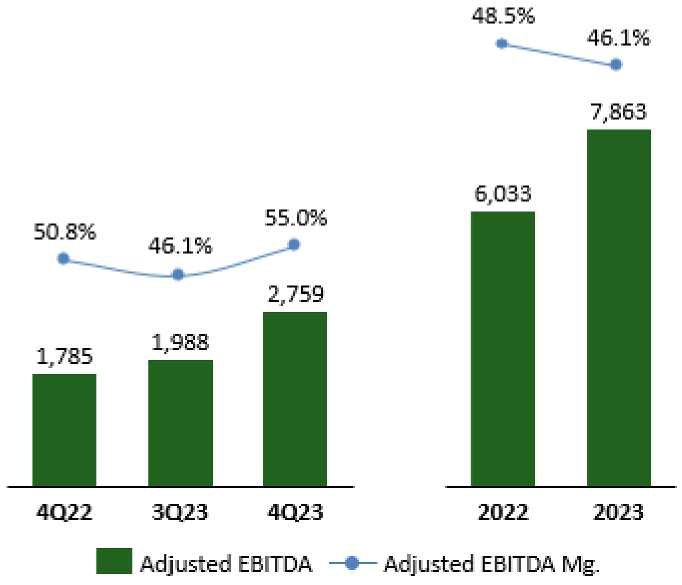
- Adjusted EBITDA reached R$ 2,759 million in 4Q23, with a significant quarterly EBITDA margin, reaching 55% or 8.8 p.p. higher than in the previous quarter. This significant result is a consequence of the combination of better iron ore prices and high sales volume, resulting in an extraordinary performance that reflects the operational improvement in the rainy period. In 2023, Adjusted EBITDA reached R$ 7,863 million, an increase of 30.3% compared to the previous year, reflecting the production and sales records achieved, in addition to the strong price realization verified in the year.



	4Q23	3Q23	4Q23 X 3Q23	4Q22	4Q23 x 4Q22	2023	2022	2023 X 2022
Net Income for the period	**1,359**	**1,200**	**159**	**871**	**488**	**3,569**	**2,950**	**618**
(+) Depreciation	273	263	**10**	270	**3**	1,033	990	**43**
(+) Income Tax and Social Contribution	328	574	**(246)**	25	**303**	1,238	1,030	**208**
(+) Net Financial Result	345	(3)	**348**	439	**(94)**	1,230	772	**458**
EBITDA (ICVM 527)	**2,305**	**2,034**	**271**	**1,605**	**700**	**7,070**	**6,033**	**1,037**
(+) Equity Income	**(37)**	**(55)**	**18**	**(32)**	**(5)**	**(152)**	**(117)**	**(36)**
(+) Other Operating Income and Expenses	**492**	**9**	**483**	**212**	**280**	**946**	**407**	**539**
Adjusted EBITDA	**2,759**	**1,988**	**771**	**1,785**	**974**	**7,863**	**6,033**	**1,830**

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

Adjusted EBITDA[1] (R$ MM) and Adjusted EBITDA Margin[2] (%)



[1] The Company discloses its Adjusted EBITDA excluding other operational income (expenses) and equity results because it understands that they should not be considered in the calculation of recurring operational cash generation.
[2] Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA and Adjusted Net Revenue.

- The financial result was negative by R$ 345 million in 4Q23, an impact in line with the exchange rate variation effect in the quarter. In 2023, the financial result was negative by R$ 1,230 million, impacted by the significant increase in financial expenses in the year.

	4Q23	3Q23	4Q23 X 3Q23	4Q22	4Q23 x 4Q22	2023	2022	2023 X 2022
Financial Result - IFRS	**(345)**	**3**	**(348)**	**(439)**	**93**	**(1,230)**	**(772)**	**(458)**
Financial Revenues	**165**	**120**	**45**	**103**	**62**	536	344	**192**
Financial Expenses	**(510)**	**(117)**	**(393)**	**(541)**	**31**	**(1,766)**	**(1,116)**	**(650)**
Financial Expenses (ex-exchange variation)	(271)	(288)	**18**	(199)	**(72)**	(1,108)	(652)	**(457)**
Income with Exchange Variation	(239)	172	**(411)**	(342)	**103**	(658)	(464)	**(194)**

- In turn, the equity result was R$ 37 million in 4Q23, a performance 31.4% lower than in the previous quarter, reflecting the seasonality of the period and the consequent result achieved by MRS. In the year, equity result reached R$ 152 million, an increase of 30% compared to 2022, due to the solid operational performance recorded by MRS throughout the year as it benefited from the higher volume of cargo transported, particularly from the iron ore segment.

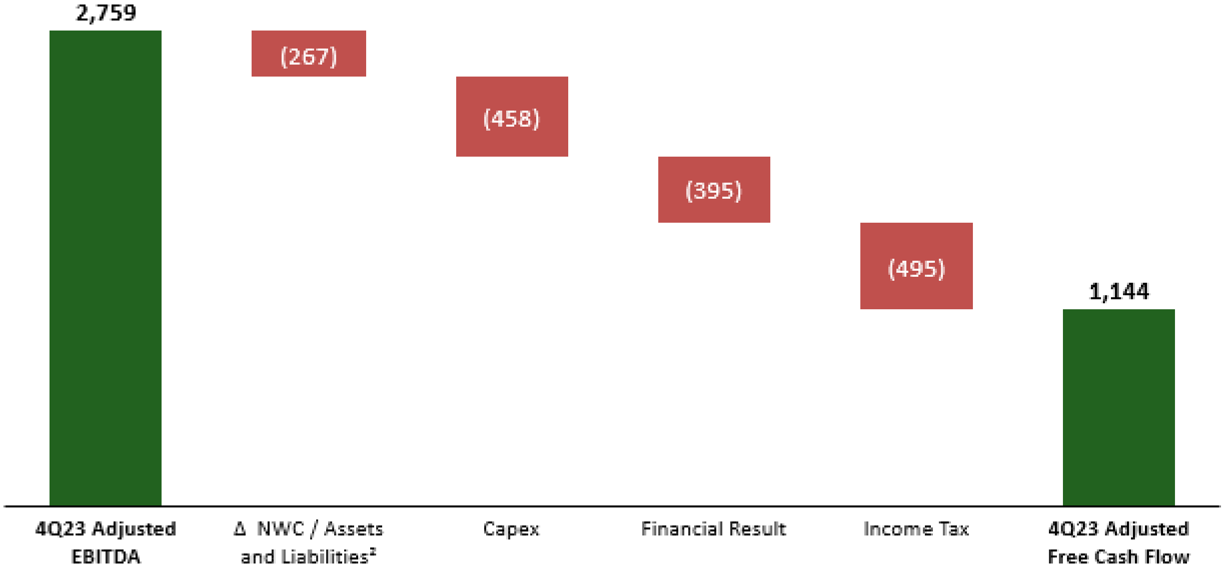
- In 4Q23, CSN Mineração's net income reached R$ 1,359 million, which represents an increase of 13.2% compared to the previous quarter. This result is a consequence of the improvement in the operational result, with higher prices and volumes, reinforcing the excellent moment experienced by the Company. In 2023, net income reached R$ 3.6 billion, which represents a significant increase of 21% compared to 2022.

Free Cash Flow[1]

Adjusted Cash Flow in 4Q23 was positive by R$ 1,144 million, a higher performance than in the previous quarter, because of the strong EBITDA achieved in the period, which more than offset the increase in financial expenses, the higher tax disbursements, and a stronger level of investment in the period.

4Q23 Free Cash Flow

(R$ million)



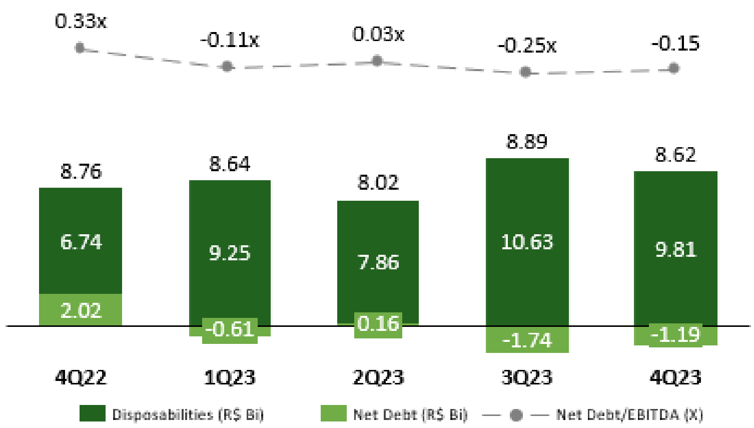
[1] The concept of adjusted cash flow is calculated from Adjusted EBITDA, minus CAPEX, Income Tax, Financial Result and changes in Assets and Liabilities[2], excluding the effect of prepayments entered into with Glencore in 2019 and 2020.
[2] The ΔNWC/Assets and Liabilities is composed of the change in Net Working Capital, plus the change in long-term assets and liabilities accounts and does not consider the net change in Income Tax and Social Contribution.

Indebtedness

As of 12/31/2023, CSN Mineração had a total of R$ 9.8 billion in cash equivalents, helping to further strengthen the Company's net cash position, which reached R$ 1.2 billion in the period. This performance reflects all the strong cash generation in the period, which helped to offset the dividend disbursements in the period. On the other hand, the leverage indicator measured by the Net Debt/EBITDA ratio was negative by 0.15x.

Indebtedness (R$ Billion) and

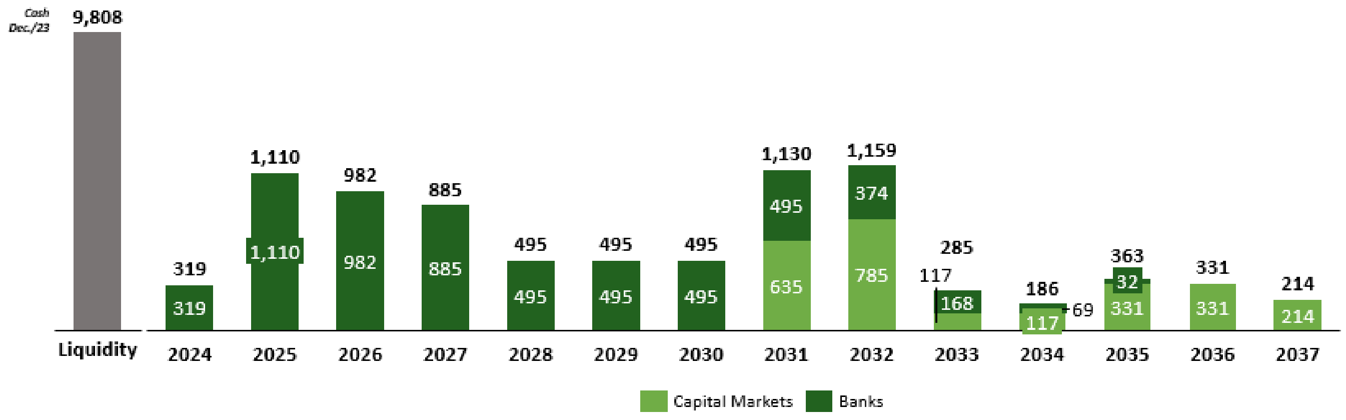
Net Debt / Adjusted EBITDA (x)



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

Amortization Schedule

(R$ Billions)



Investments

Total Capex in 4Q23 was R$ 490 million, an increase of 21.3% compared to the previous quarter, because of current investments to maintain operational capacity, a movement in line with the history of greater concentration of investments in the end of the year. In 2023, Capex reached the value of R$ 1,486 million, an increase of 22.7% compared to 2022, the result of investments to advance operational excellence, in addition to progress in the Company's growth projects that should accelerate throughout 2024.

	4Q23	3Q23	4Q23 X 3Q23	4Q22	4Q23 X 3Q23	2023	2022	2023 X 2022
Business Expansion	113	140	-19%	64	77%	478	459	4%
Operational Continuity	377	264	43%	158	139%	1,008	752	34%
Total Investment IFRS	**490**	**404**	**21%**	**222**	**121%**	**1,486**	**1,211**	**23%**

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

Net Working Capital

Net Working Capital applied to the business was positive by R$ 566 million in 4Q23, because of the strong increase in accounts receivable, impacted by the appreciation of iron ore and intense commercial activity, which ended up offsetting the increase in the supplier line.

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

	4Q23	3Q23	4Q23 x 3Q23	4Q22	4Q23 x 4Q22
Assets	**3,139**	**2,804**	**335**	**2,884**	**255**
Accounts Receivable	1,713	1,398	315	1,546	167
Inventories [3]	1,019	1,001	18	1,102	(83)
Taxes to be Recovered	178	267	(89)	142	36
Prepaid Expenses	100	117	(17)	59	41
Other Assets NWC [1]	129	21	108	35	94
Liabilities	**2,573**	**2,207**	**366**	**1,897**	**676**
Suppliers	1,843	1,619	224	1,384	459
Labor Obligations	155	167	(12)	147	8
Tributes to Collect	218	120	98	101	117
Customer Advances	258	197	61	141	117
Other Liabilities [2]	99	104	(5)	124	(25)
Net Working Capital	**566**	**597**	**(31)**	**987**	**(421)**

NOTE: The calculation of the Net Working Capital applied to the business does not take into account Glencore's advances and respective amortizations.
[1]Other NWC Assets: Considers advances to employees and other accounts receivable
[2]Other NWC Liabilities: Considers other accounts payable, installment taxes and other provisions
[3]Inventories: Does not consider the effect of the allowance for stock/inventory losses.

Dividends

On November 14, 2023, the Company announced the distribution of dividends to its shareholders in the amount of R$ 1,365 million, which corresponded to R$ 0.25 per share of the share capital. In addition, in December, the Company decided to distribute R$ 435.2 million of Interest on Equity, representing a gross amount of R$ 0.08 per share.

ESG – Environmental, Social & *Governance*

ESG PERFORMANCE

Since the beginning of 2023, CSN Mineração has adopted a new format for disclosing its ESG actions and performance, making its performance in ESG indicators available on an individual basis. The new model allows *stakeholders* to have access to key results and indicators on a quarterly basis and to monitor them in an effective and even more agile way.Access can be made through the results center of CSN Mineração's IR website: https://ri.csnmineração.com.br/informacoes-financeiras/central-de-resultados/

The information included in this release has been selected based on its relevance and materiality to the company. Quantitative indicators are presented in comparison with the period that best represents the metric for monitoring them. Thus, some are compared with the same quarter 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 Mineração's performance and initiatives can be found in the 2022 Integrated Report, released in April 2023 (https://esg.csn.com.br/nossa-empresa/relatorio-integrado-gri). The review 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.

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

Capital Markets

In the fourth quarter of 2023, CSN Mineração's shares registered a strong increase of 61.4%, while the Ibovespa index appreciated by 15.1%. In 2023, CSN Mineração's shares were one of the best performers of B3 and registered an impressive 91.9% increase, while the Ibovespa increased 22.3%. The average daily volume of CMIN3 shares traded on B3 was R$ 59.6 million in 4Q23 and R$ 42.6 million in 2023.

	4Q23	2023
No. of shares in thousands	5,485,339	5,485,339
Market Cap		
Closing Price (R$/share)	7.83	7.83
Market Value (R$ million)	42,950	42,950
Change in the period		
CMIN3 (R$)	61.4%	91.9%
Ibovespa (R$)	15.1%	22.3%
Volume		
Daily average (thousand shares)	9,764	8,540
Daily average (R$ thousands)	59,576	42,559

Source: Bloomberg

Earnings Conference Call:

4Q23 and 2023 Results Presentation Webcast	Investor Relations Team
Conference call in Portuguese with Simultaneous Translation for English March 7, 2024 10:00 a.m (Brasilia time) 08:00 a.m (New York time) *Webinar:* click here	Pedro Oliva - CFO and IR Executive Director Pedro Gomes de Souza (pedro.gs@csn.com.br) Rafael Byrro (rafael.byrro@csn.com.br)

Some of the statements contained herein are forward-looking statements that express or imply actual results, performance or events. These perspectives include future results that may be influenced by historical results and the statements made in 'Prospects'. Current results, performance and events may differ materially from assumptions and outlooks 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 (on a global, regional, or national basis).

INCOME STATEMENT

Corporate Law - In Thousands of Reais

	4Q23	3Q23	4Q22	2023	2022
Net Sales Revenue	5,512,531	4,839,552	3,978,016	18,880,426	13,272,565
Domestic Market	573,822	541,405	319,206	1,726,721	1,620,931
External Market	4,938,709	4,298,147	3,658,810	17,153,705	11,651,634
Costs of Goods Sold (COGS)	(2,465,549)	(2,523,535)	(1,866,636)	(9,839,057)	(7,083,266)
COGS without depreciation and exhaustion	(2,192,820)	(2,261,279)	(1,597,180)	(8,806,896)	(6,093,670)
Depreciation/Exhaustion aswerded at cost	(272,729)	(262,256)	(269,456)	(1,032,161)	(989,596)
Gross Profit	3,046,982	2,316,017	2,111,380	9,041,369	6,189,299
Gross Marging (%)	55.3%	47.9%	53.1%	47.9%	46.6%
Sales Expenses	(517,708)	(552,875)	(564,216)	(2,050,270)	(1,028,842)
General and Administrative Expenses	(43,114)	(37,673)	(31,870)	(160,135)	(117,176)
Depreciation and Armotization Expenses	(262)	(264)	(264)	(1,054)	(272)
Other operating income (expenses)	(491,631)	(8,601)	(211,956)	(945,729)	(407,001)
Other operating income	127,046	738	(12,872)	128,710	4,530
Other operating expenses	(618,677)	(9,339)	(199,084)	(1,074,439)	(411,531)
Equity Income	37,427	54,529	32,241	152,194	116,562
Operating Profit Before Financial Results	2,031,694	1,771,133	1,335,315	6,036,375	4,752,570
Net Financial Result	(345,107)	2,757	(438,528)	(1,229,817)	(772,168)
Financial Revenue	164,795	119,653	102,737	536,481	344,247
Financial Expenses	(270,947)	(288,465)	(199,233)	(1,108,244)	(652,013)
Net Currency Exchange	(238,955)	171,568	(342,032)	(658,054)	(464,602)
Profit Before Tax	1,686,587	1,773,890	896,787	4,806,558	3,980,402
Income tax and social contribution	(327,756)	(573,962)	(25,408)	(1,237,821)	(1,030,104)
Net Profit	1,358,831	1,199,928	871,379	3,568,737	2,950,298

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

CONSOLIDATED INCOME STATEMENT- FOB BASE	4Q23	3Q23	4Q22	2023	2022
Net Revenue	5,512,531	4,839,552	3,978,016	18,880,426	13,272,565
Freigth and Maritime Insurance	(494,117)	(529,928)	(465,630)	(1,826,735)	(826,552)
Net Revenue - FOB Basis	5,018,414	4,309,624	3,512,386	17,053,691	12,446,013
COGS without depreciation	(2,192,820)	(2,261,279)	(1,597,180)	(8,806,896)	(6,093,670)
Depreciation	(272,729)	(262,256)	(269,456)	(1,032,161)	(989,596)
Gross Profit - FOB Basis	2,552,865	1,786,089	1,645,750	7,214,634	5,362,747
Adjusted Gross Profit - FOB Basis (%)	50.9%	41.4%	46.9%	42.3%	43.1%
Adjusted SG&A expense - FOB basis	(66,967)	(60,884)	(130,720)	(384,724)	(319,738)
SG&A Expenses	(561,084)	(590,812)	(596,350)	(2,211,459)	(1,146,290)
Freigth and Maritime Insurance	494,117	529,928	465,630	1,826,735	826,552
Other net operating income (expenses)	(491,631)	(8,601)	(211,956)	(945,729)	(407,001)
Equity Income	37,427	54,529	32,241	152,194	116,562
Net Financial Result	(345,107)	2,757	(438,528)	(1,229,817)	(772,168)
Profit Before Tax and Social Contribution	1,686,587	1,773,890	896,787	4,806,558	3,980,402
Tax and Social Contribution	(327,756)	(573,962)	(25,408)	(1,237,821)	(1,030,104)
Net Profit	1,358,831	1,199,928	871,379	3,568,737	2,950,298

DFP –– Annual Financial Statements – December 31, 2023 – 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

	12/31/2023	09/30/2023	12/31/2022
Current Assets	12,987,583	13,472,894	9,617,117
Cash and cash equivalents	9,795,878	10,622,092	6,489,572
Financial investments	12,452	12,084	247,326
Accounts Receivable	1,712,870	1,397,789	1,545,463
Inventories	935,979	916,364	923,849
Recovarable Taxes	227,624	298,308	177,737
Other current assets	302,780	226,257	233,170
Suppliers Advances	10,230	48,805	100,696
Other Assets	292,550	177,452	132,474
Non-Current Assets	16,703,022	16,152,220	15,436,479
Taxes to be recovered	291,251	117,581	114,336
Long-Term Inventory	1,412,103	1,311,820	1,039,983
Other Non- Current Assets	110,926	89,512	113,131
Suppliers Advances	4,177	2,803	41,694
Other Assets	106,749	86,709	71,437
Investments	1,577,155	1,577,420	1,425,588
Property, plant and equipment	8,958,768	8,694,229	8,356,288
Assets in operation	6,934,291	6,605,488	6,767,821
Right of Use in Lease	116,085	117,576	129,091
Ongoing Assets	1,908,392	1,971,165	1,459,376
Intangible Assets	4,352,819	4,361,658	4,387,153
TOTAL Assets	29,690,605	29,625,114	25,053,596
Current Liabilities	6,069,785	4,551,259	4,642,824
Payroll and related taxes	92,972	114,704	82,196
Suppliers	1,843,187	1,618,377	1,384,390
Taxes payable	538,795	609,227	432,216
Borrowings and financing	445,182	421,551	1,045,990
Customer Advances	1,710,383	1,538,878	945,808
Dividends and IoE payable	369,960	-	74,566
Other Obligations	1,065,250	244,999	674,542
Lease Liabilities	11,412	11,998	17,533
Derivative financial instruments	936,027	87,099	416,935
Other Obligations	117,811	145,902	240,074
Labor and Civil Social Security Tax Provisions	4,056	3,523	3,116
Non-Current Liabilities	12,922,123	13,629,631	9,017,345
Loans, Financing and Debentures	7,733,799	8,026,569	7,350,418
Suppliers	14,987	4,388	31,917
Customer Advances	4,168,120	4,462,025	637,188
Environmental liabilities and deactivation	531,046	516,834	486,275
Other Obligations	287,074	301,923	365,554
Lease Liabilities	113,627	114,068	117,847
Derivative financial instruments	57,215	71,332	113,055
Other Obligations	116,233	116,523	134,652
Deferred Taxes	114,050	242,928	81,323
Provisions for Environmental Liabilities and Deactivation	73,047	74,964	64,670
Shareholders' equity	10,698,697	11,444,224	11,393,427
Paid-in capital	7,473,980	7,473,980	7,473,980
Capital reserves	127,042	127,042	127,042
Earnings reserves	3,273,934	1,784,860	3,966,773
Accumulated Profit / Loss	-	1,930,471	-
Equity Valuation Adjustments	322,635	322,635	322,635
Other comprehensive income	(498,894)	(194,764)	(497,003)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	29,690,605	29,625,114	25,053,596

DFP –– Annual Financial Statements – December 31, 2023 – CSN Mineração S.A
(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)
(Expressed in thousands of reais – R$, unless otherwise stated)

CASH FLOW

CONSOLIDATED - Corporate Law - In Thousands of Reais

	4Q23	3Q23	4Q22
Net Cash Flow from Operating Activities	1,103,247	2,565,059	(243,289)
Net income / Loss for the period	1,358,832	1,199,926	871,379
Equity income	(37,427)	(54,529)	(32,241)
Exchange and monetary variations	(151,707)	30,015	127,747
Interest expense on loans and financing	153,176	166,463	134,646
Capitalized interest	(37,264)	(31,829)	(26,305)
Interest on leases	2,507	2,544	2,901
Losses with derivative instrument	439,849	82,196	75,667
Amortization transaction cost	11,115	10,396	5,081
Depreciation and amortization	274,789	264,601	272,598
Current and deferred income tax and social contribution	327,756	573,961	25,408
Income from the loss or disposal of assets	(2,838)	1,276	(30,649)
Other	114,735	(21,763)	(13,626)
Change in assets and liabilities	(510,705)	775,666	(1,360,767)
Accounts receivable from customers	(281,310)	(505,451)	(916,691)
Inventory	(119,897)	80,514	(204,296)
Taxes to be recovered	(102,987)	(15,218)	(38,407)
Other assets	(63,644)	(3,889)	(19,322)
Advance Supplier - CSN	35,879	29,485	22,165
Suppliers	287,575	(113)	374,592
Salaries, provisions and social contributions	(21,731)	13,724	(21,335)
Tributes to be collected	(87,276)	(18,742)	(52,862)
Advance Client - Glencore	(180,371)	1,191,445	(181,998)
Advance - Energy contracts	(15,710)	(15,295)	-
Other accounts payable	38,767	19,206	(322,613)
Other payments and receipts	(839,571)	(433,864)	(295,128)
Hedge Accounting cash flow	(236,792)	11,348	-
Dividends received MRS	38,679	-	31,387
Income tax and social contribution paid	(495,264)	(313,934)	(216,896)
Interest paid on loans and financing	(146,194)	(131,278)	(109,619)
Cash Flow from Investment Activities	(457,739)	(405,395)	(649,745)
Acquisition of fixed assets	(457,370)	(404,559)	(222,406)
Financial investments	(369)	(836)	(110,398)
Cash received in Chapeco acquisition	-	-	41,693
Acquisition of Cia Energética Chapeco	-	-	(358,634)
Cash Flow from Financing Activities	(1,474,791)	616,405	(2,196,116)
Payment of the principal on loans	(167,616)	(34,492)	(169,058)
Captures	5,238	674,318	430,000
Transaction cost	(3,682)	(18,852)	(6,151)
Dividends paid	(1,364,984)	-	(1,763,000)
Interests on capital	59,789		(681,754)
Lease liabilities	(3,536)	(4,569)	(6,153)
Exchange Variation on Cash and Cash Equivalents	3,069	(2,175)	(5,240)
Increase in Cash and Cash Equivalents	(826,214)	2,773,894	(3,094,390)
Cash and cash equivalents at the beginning of the period	10,622,092	7,848,198	9,583,962
Cash and cash equivalents at the end of the period	9,795,878	10,622,092	6,489,572

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED ON DECEMBER 31, 2023 AND 2022
(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 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, 2023, 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 11.a - Goodwill impairment test (impairment);
- Note 15 - Financial instruments: derivatives and hedge accounting ("hedge accounting");
- Note 21 - Provision for tax, social security, labor, civil, environmental, and judicial deposits: main assumptions about the probability and magnitude of resource outflows;
- Note 22 – Provision for environmental liabilities and asset retirement obligations;
- Note 29 – Employee benefits;

The consolidated and parent company financial statements were approved by the Board of Directors on March 06, 2024.

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, 2023, US$1 was equivalent to R$4.8413 (R$ 5,2177 on December 31, 2022) and € 1 was equivalent to R$ 5,3516 (5,5694 on December 31, 2022), 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. 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

Recently, new accounting standards and interpretations were issued, which will only come into force on January 1, 2024. The main amended standards are:

- Amendment IAS 7 – Statements of Cash Flows and IFRS 7 – Financial Instruments: new requirements for disclosure of drawdown and forfaiting risk operations, allowing users to have more information to assess the impacts of these operations.
- IFRS Amendment 16: Leases: guidance on how to account for sale and leaseback transactions on the date of the transaction itself.
- IAS Amendment 21 - The effects of changes in exchange rates: the amendment aims to improve the quality of the information presented in the financial statements when there is a situation where one currency cannot be easily exchanged for another by establishing a requirement for companies to adopt a uniform approach when assessing the possibility of conversion.
- IAS Amendment 1 – Presentation of Financial Statements: the amendment aims to improve the information disclosed by companies on long-term debt with covenants.
- CPC 36 – Consolidated Financial Statements and CPC 18 – Investments in Affiliates and Joint Ventures: Alignment of the wording of the aforementioned standards with IAS 10 and IAS 28.
- IFRS S1: General Requirements for Disclosure of Sustainability-Related Financial Information: proposes that companies disclose short- and long-term financial information, risks and opportunities related to sustainability that are useful to the general-purpose user in making decisions about the provision of resources to the entity.
- IFRS S2: Climate-related disclosure requirements establishes the requirements for the disclosure of climate-related information, and applies to the aspects to which the entity is exposed, which may be physical risks, transition risks and opportunities available to the organization.
- CVM Resolution 199 – Approval of the edition of CPC 09 – Statement of Value Added ("DVA"): the document aims to regulate the presentation of the DVA, required from the approval of Law 11,638/2007.

The Company has not adopted any standard in advance and does not expect these standards to have a material impact on the financial statements of subsequent fiscal years.

3. CASH AND CASH EQUIVALENTS

	Consolidated		Parent Company	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Cash and cash equivalents				
In Brazil:	20,711	613	7,412	200
Abroad:	8,092,521	5,349,645	8,069,731	5,327,523
	8,113,232	**5,350,258**	**8,077,143**	**5,327,723**
Short-term investments				
In Brazil:	830,330	721,667	804,431	669,627
Abroad:	852,316	417,648	852,316	417,648
	1,682,646	**1,139,315**	**1,656,747**	**1,087,275**
Total	**9,795,878**	**6,489,572**	**9,733,890**	**6,414,998**

(In thousands of reais, unless otherwise noted)

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.

4. FINANCIAL INVESTMENTS

As of December 31, 2023, the Company had financial investments in public securities - LFT - National Treasury Bills, managed by CSN exclusive funds, which amounted to R$ R$12,452 (R$247,326 as of December 31, 2022) in the consolidated and parent company.

Accounting Policy

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

5. TRADE RECEIVABLES

	Consolidated		Parent Company	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Trade receivables				
Third parties				
Domestic market	196,606	8,232	194,390	1,003
Foreign market	1,162,761	1,348,225	924,679	1,339,514
	1,359,367	**1,356,457**	**1,119,069**	**1,340,517**
Allowance for doubtful debts	(9,057)	(10,672)	(1,141)	(1,961)
	1,350,310	**1,345,785**	**1,117,928**	**1,338,556**
Related parties (Note 12-b)	362,560	199,678	580,831	199,678
Total	**1,712,870**	**1,545,463**	**1,698,759**	**1,538,234**

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.

The following are the balances of trade receivables by maturity:

	Consolidated		Parent Company	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Current	1,350,276	1,346,743	1,118,061	1,339,514
Past-due over 180 days	9,091	9,714	1,008	1,003
Total	**1,359,367**	**1,356,457**	**1,119,069**	**1,340,517**

(In thousands of reais, unless otherwise noted)

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

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Opening balance	**(10,672)**	**(10,489)**	**(1,961)**	**(1,172)**
Expected (losses)/reversion	165	(1,174)	165	(1,174)
Recovery of receivables	655	385	655	385
Exchange variations	795	606		-
Closing balance	**(9,057)**	**(10,672)**	**(1,141)**	**(1,961)**

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.

6. INVENTORIES

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Finished goods	718,670	681,282	718,670	681,282
Work in progress	1,378,403	1,033,632	1,378,403	1,033,632
Spare parts	269,104	274,504	269,104	274,504
Others	1,747	771	1,595	771
(-) Provision for losses	(19,842)	(26,357)	(19,842)	(26,357)
	2,348,082	**1,963,832**	**2,347,930**	**1,963,832**
Current	935,979	923,849	935,827	923,849
Noncurrent	1,412,103	1,039,983	1,412,103	1,039,983
Total	**2,348,082**	**1,963,832**	**2,347,930**	**1,963,832**

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

(In thousands of reais, unless otherwise noted)

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

	Consolidated and Parent Company	
	12/31/2023	**12/31/2022**
Openning balance	**(26,357)**	**(13,651)**
Reversal for slow-moving and obsolescence	6,515	(12,706)
Closing	**(19,842)**	**(26,357)**

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.

7. RECOVERABLE TAXES

	Consolidated		Parent Company	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Credit Compensation CFEM	11,199	12,383	11,199	12,383
Prepayment of Income Tax and Social Contribution	67,445	23,968	63,549	20,562
State VAT (ICMS)	200,647	161,707	200,559	161,593
Taxes on Revenue (PIS and COFINS)	235,350	88,846	235,115	88,846
Others	4,234	5,169	4,234	5,169
Total	**518,875**	**292,073**	**514,656**	**288,553**
Current	227,624	177,737	224,405	175,889
Noncurrent	291,251	114,336	290,251	112,664
Total	**518,875**	**292,073**	**514,656**	**288,553**

The non-current portion is basically represented by ICMS credits that are expected to be realized in the long term, in addition to the PIS/COFINS values relating to operations that generated credits throughout the year.

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

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.

(In thousands of reais, unless otherwise noted)

8. OTHER CURRENT AND NON-CURRENT ASSETS

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

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Judicial deposits (Note 21)	70,301	51,878	69,862	51,873
Dividends receivable (Note 12.b)	53,360	38,679	55,750	41,069
Other receivables from related parties (Note 12.b)	24,880	150,852	26,793	151,518
Freight and maritime insurance (1)	86,909	56,556	86,755	56,556
Insurance premiums	16,920	20,332	16,662	20,332
Income tax diferred assets (Note 19.b)	10,138	9,342	-	
Derivative financial instruments (Note 15.a)	10,522		10,522	
Amount receivable ²	106,405			
Other	34,271	18,662	34,017	16,413
Total	**413,706**	**346,301**	**300,361**	**337,761**
Current	302,780	233,170	200,044	234,455
Noncurrent	110,926	113,131	100,317	103,306
Total	**413,706**	**346,301**	**300,361**	**337,761**

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. Amount receivable from the Portuguese tax authorities in favor of the offshore CSN Mining Holding S.L.U, referring to the refund of taxes collected (Income Tax) greater than the amount due.

9. 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, 2023, and 2022, include the subsidiaries and associates shown in the table below:

- **Companies**

	Equity interests (%)		
	12/31/2023	12/31/2022	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	99.99	Generation and marketing of electrical 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
CSN Mining International GmbH (2)	100.00		Marketing and representation of produts
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.
2. In December 2023, the company CSN Mining International GmHd, based in Switzerland, began its ore sales operations.

(In thousands of reais, unless otherwise noted)

- Balances

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Investments accounted for under the equity method				
Subsidiary				
CSN Mining Holding			135,047	18,701
Campanhia Energética Chapecó			73,861	83,656
Business combination- Companhia Energética Chapecó [2]			237,774	270,045
Associate				
MRS Logística S.A.	1,190,503	1,027,190	1,190,503	1,027,190
Fair value allocated to MRS [1]	386,652	398,398	386,652	398,398
Total	**1,577,155**	**1,425,588**	**2,023,837**	**1,797,990**

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.

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

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Opening balance of investments	1,425,588	1,313,186	1,797,990	1,333,203
Share of profit (loss) of investees	224,674	162,913	331,224	167,646
Amortization of fair value allocated to MRS shares	(11,747)	(11,747)	(11,747)	(11,747)
Dividends	(53,360)	(38,678)	(55,750)	(41,069)
Aquisitions of share Chapecó				79,998
Allocated Fair Value to Chapecó				278,636
Amortization of fair value allocated to Chapecó shares			(32,619)	(8,591)
Others [1]	(8,000)	(86)	(5,261)	(86)
Total	**1,577,155**	**1,425,588**	**2,023,837**	**1,797,990**

1. Amount referring to the purchase of treasury shares carried out by the associated company MRS, which occurred in August 2023.

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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Equity in earnings of subsidiaries MRS	224,674	162,913	224,674	162,913
Equity in earnings of subsidiaries CSN Mining Holding			116,345	(1,315)
Equity in earnings of subsidiaries Chapecó			(9,795)	
Business combination- Companhia Energética Chapecó				6,048
Compensation of cost share in the income statement (IAS28)	(60,733)	(34,604)		
Amortization of fair value allocated to MRS shares	(11,747)	(11,747)	(11,747)	(11,747)
Amortization of fair value allocated to Chapecó shares			(32,619)	(8,591)
Total	**152,194**	**116,562**	**286,858**	**147,308**

9.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, CSN Mining Portugal Unipessoal, LDA. and CSN Mining International GmHd, whose main activities are related to the sale of iron ore in the foreign market and to do financial transactions.

(In thousands of reais, unless otherwise noted)

- 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.

- 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

					Consolidated
	12/31/2023	12/31/2022		12/31/2023	12/31/2022
Assets			**Liabilities**		
Current			**Current**		
Cash and cash equivalents	3,388,052	867,937	Borrowings	993,367	735,231
Advance of suppliers	101,318	29,500	Leases liabilities	565,002	472,129
Others	1,390,539	1,351,335	Others	2,111,252	1,682,928
Noncurrent			**Noncurrent**		
Others	679,749	887,987	Borrowings	5,879,207	3,604,793
Investment, property, plant and equipment, and intangible assets	12,774,225	11,541,779	Leases liabilities	1,665,072	1,928,931
			Others	729,734	740,892
			Equity	**6,390,249**	**5,513,634**
Total Assets	**18,333,883**	**14,678,538**	**Total Liabilities and Equity**	**18,333,883**	**14,678,538**

Statement of Income

		Consolidated
	12/31/2023	12/31/2022
Statement of profit or loss		
Net revenue	6,445,618	5,592,118
(-) Cost of sales	(3,444,706)	(3,477,896)
Gross profit	**3,000,912**	**2,114,222**
Operating expenses	(485,694)	(243,399)
Finance income (costs), net	(722,407)	(641,862)
Profit before taxes	**1,792,811**	**1,228,961**
Taxes on profit	(586,831)	(354,786)
Profit or Loss for the year	**1,205,980**	**874,175**

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.

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. 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, 2023, 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.

(In thousands of reais, unless otherwise noted)

10. PROPERTY, PLANT AND EQUIPMENT

10.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	Outros (**)	Total
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**
Additions	9,591	12,423	33,534	325	1,395,824		34,899	1,486,596
Remuneration right to use						(2,101)		(2,101)
Capitalized interest (Note 28)					124,625			124,625
Depreciation		(87,166)	(860,403)	(1,843)		(10,906)	(45,626)	(1,005,944)
Transfers to other asset categories		262,277	918,400	13,203	(1,208,822)		14,942	-
Transfers to intangible assets (Note 11)					(1,502)			(1,502)
Disposals and estimated losses, net of reversal (Note 27)		-	(1,431)		15,503	-	(6,543)	7,529
Remeasurement of lease agreements			(6,725)					(6,725)
Other movements			2					2
Balance at December 31, 2023	**87,286**	**1,476,511**	**5,259,864**	**20,555**	**1,924,642**	**116,084**	**73,826**	**8,958,768**
Cost	87,286	2,922,964	10,905,972	46,726	1,924,642	160,499	314,247	16,362,336
Accumulated depreciation	-	(1,446,453)	(5,646,108)	(26,171)	-	(44,415)	(240,421)	(7,403,568)
Balance at December 31, 2023	**87,286**	**1,476,511**	**5,259,864**	**20,555**	**1,924,642**	**116,084**	**73,826**	**8,958,768**

Parent Company

	Land	Buildings and infrastructure	Machinery, equipment and facilities	Furniture and fixtures	Construction in progress (*)	Right of use	Outros (**)	Total
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**
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**
Additions	9,591	12,423	33,332	325	1,395,824		34,899	1,486,394
Remuneration right to use						(2,101)		(2,101)
Capitalized interest (Note 28)					124,625			124,625
Depreciation		(79,610)	(852,366)	(1,836)		(10,906)	(44,571)	(989,289)
Transfers to other asset categories		262,103	918,577	13,203	(1,208,822)		14,939	-
Transfers to intangible assets (Note 11)					(1,502)			(1,502)
Disposals and estimated losses, net of reversal (Note 27)			(1,431)		15,503		(6,543)	7,529
Reversal			(6,725)					(6,725)
Balance at December 31, 2023	**72,044**	**1,352,057**	**5,150,941**	**20,459**	**1,924,642**	**116,084**	**41,452**	**8,677,679**
Cost	72,044	2,763,888	10,726,374	46,493	1,924,642	160,499	246,951	15,940,891
Accumulated depreciation	-	(1,411,831)	(5,575,433)	(26,034)	-	(44,415)	(205,499)	(7,263,212)
Balance at December 31, 2023	**72,044**	**1,352,057**	**5,150,941**	**20,459**	**1,924,642**	**116,084**	**41,452**	**8,677,679**

(*) Progress in business expansion projects stands out, mainly Expansion of the port in Itaguaí and Casa de Pedra, Itabirito Project and Recovery of tailings from dams.
(**) It refers substantially to improvements, vehicles, and hardware.

The average estimated useful life period, in years, the years ended December 31, 2023 and 2022 are as follows:

	Consolidated and Parent Company	
	12/31/2023	**12/31/2022**
Buildings	30	32
Machinery, equipment and facilities	15	16
Furniture and fixtures	11	12
Others	6	6

(In thousands of reais, unless otherwise noted)

10.b) Right of use

The movement of the rights of use as of December 31, 2023, is as follows:

	Consolidated and Parent Company				
	Land	Buildings and infrastructure	Machinery, equipment and facilities	Others (*)	Total
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**
Remeasurement of lease agreements	(2,732)	-	-	631	(2,101)
Depreciation	(4,968)	(29)	(329)	(5,580)	(10,906)
Balance at December 31, 2023	**115,821**	**-**	**-**	**263**	**116,084**
Cost	135,969	12	1,931	22,587	160,499
Accumulated depreciation	(20,148)	(12)	(1,931)	(22,324)	(44,415)
Balance at December 31, 2023	**115,821**	**-**	**-**	**263**	**116,084**

(*) The leasing contract for the Port of Itaguaí (TECAR) had its values readjusted according to the annual variation of the IGP-M/FGV, highlighting that deflation occurred in relation to 2023, which justifies the decrease in the current value.

10.c) Capitalized interest

Borrowing costs of R$124.625 (R$94,437 as of December 31, 2022) 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 (Terminal de Carvão e Minérios do Porto de Itaguaí).

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.

- **Capitalized interest**

Borrowing costs directly attributable to the acquisition, construction and production of such 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.

- **Exploration 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.

(In thousands of reais, unless otherwise noted)

- **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.

11. INTANGIBLE ASSETS

						Consolidated
	Goodwill (1)	Relationships with suppliers (2)	Trademarks and patents	Software	Rights and licenses (3)	Total
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**
Amortization		(19,263)	(13)	(3,260)	(13,648)	(36,184)
Transfers to other asset categories (Note 10.a)			83	1,419		1,502
Other		349				349
Balance at December 31, 2023	**3,236,401**	**12,474**	**70**	**2,513**	**1,101,361**	**4,352,819**
Cost	3,236,401	38,433	84	24,558	1,263,935	4,563,411
Amortization	-	(25,959)	(14)	(22,045)	(162,574)	(210,592)
Balance at December 31, 2023	**3,236,401**	**12,474**	**70**	**2,513**	**1,101,361**	**4,352,819**

						Parent Company
	Goodwill (1)	Relationships with suppliers (2)	Trademarks and patents	Software	Rights and licenses (3)	Total
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**
Amortization			(14)	(1,786)	(6,547)	(8,347)
Transfers to other asset categories (Note 10.a)			83	1,419		1,502
Balance at December 31, 2023	**3,236,401**		**69**	**3,591**	**959,505**	**4,199,566**
Cost	3,236,401	1,420	83	23,987	1,022,818	4,284,709
Amortization	-	(1,420)	(14)	(20,396)	(63,313)	(85,143)
Balance at December 31, 2023	**3,236,401**		**69**	**3,591**	**959,505**	**4,199,566**

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 and Companhia Energética Chapecó-CEC;
3. Mining rights of the Engenho mine, whose amortization is carried out by the volume of extraction of raw iron ore carried out in the mine, as well as the Quebra-queixo plant concession, acquired in the acquisition of control of Companhia Energética Chapeco-CEC, whose amortization is carried out for the duration of the concession contract.

The average estimated of useful live period, in years, for the period ended December 31, 2023 and 2022 are as follows:

	Consolidated	
	12/31/2023	**12/31/2022**
Relationships w ith suppliers	7	7
Softw are	8	8
Rights and licenses (1)	43	43
Softw are	5	

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.

11.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 41 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, 2023.

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.

- 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.

(In thousands of reais, unless otherwise noted)

12. RELATED-PARTY BALANCES AND TRANSACTIONS

12.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 40.99% 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 6, 2024.

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

												Consolidated
						12/31/2023						12/31/2022
	Parent Company	Asian Consortium	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total
Assets												
Current												
Cash and equivalens cash				630,047	16,311	646,358						
Financial investments						-				422,744	610,473	1,033,217
Trade receivables (Note 5)	183,402	172,377		6,725		362,504	97,354	96,889		5,435		199,678
Advances to suppliers (Note 8)	12,667					12,667	99,645					99,645
Dividends (Note 8)			53,360			53,360			38,679			38,679
Others (Note 8)	3,008			1,740		4,748	3,008					3,008
	199,077	**172,377**	**53,360**	**638,512**	**16,311**	**1,079,637**	**200,007**	**96,889**	**38,679**	**428,179**	**610,473**	**1,374,227**
Non-current												
Advances to suppliers (Note 8)						-	41,694					41,694
Others (Note 8)				7,465		7,465				6,505		6,505
	-	**-**	**-**	**7,465**	**-**	**7,465**	**41,694**	**-**	**-**	**6,505**	**-**	**48,199**
	199,077	**172,377**	**53,360**	**645,977**	**16,311**	**1,087,102**	**241,701**	**96,889**	**38,679**	**434,684**	**610,473**	**1,422,426**
Liabilities												
Current												
Trade payables	9	6,052	70,617	63,614		140,292	(14)	6,484	35,980	53,259		95,709
Dividends and interest on equity	295,058	42,647				337,705	59,469	15,096				74,565
Other payables (note 18)	5,016		23,547	13		28,576	2,777		84,945			87,722
Advance payment of customers				98		98						
	300,083	**48,699**	**94,164**	**63,725**	**-**	**506,671**	**62,232**	**21,580**	**120,925**	**53,259**	**-**	**257,996**
Non-current												
Other payables (note 18)			38,058			38,058			53,356			53,356
	-	**-**	**38,058**	**-**	**-**	**38,058**	**-**	**-**	**53,356**	**-**	**-**	**53,356**
	300,083	**48,699**	**132,222**	**63,725**	**-**	**544,729**	**62,232**	**21,580**	**174,281**	**53,259**	**-**	**311,352**

												Consolidated
						12/31/2023						12/31/2022
	Parent Company	Asian Consortium	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total
Operating income (expenses)												
Sales	1,581,275	1,041,163		16,681		2,639,119	1,952,684	1,522,498		11,066		3,486,248
Cost and expenses	(142,874)	(31,263)	(1,394,815)	(516,474)		(2,085,426)	(106,221)	(34,980)	(927,000)	(411,204)		(1,479,405)
Financial income (expenses)												
Interest, net	13,076		(8,249)	18,832		23,659	25,263		(10,297)	309		15,275
Exclusive funds					13,753	13,753					32,175	32,175
Exchange differences, net		(2,348)		(29,676)		(32,024)		(3,052)		(5,240)		(8,292)
Other			(2,164)			(2,164)						-
	13,076	**(2,348)**	**(10,413)**	**(10,844)**	**13,753**	**3,224**	**25,263**	**(3,052)**	**(10,297)**	**(4,931)**	**32,175**	**39,158**
	1,451,477	**1,007,552**	**(1,405,228)**	**(510,637)**	**13,753**	**556,917**	**1,871,726**	**1,484,466**	**(937,297)**	**(405,069)**	**32,175**	**2,046,002**

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED ON DECEMBER 31, 2023 AND 2022
(In thousands of reais, unless otherwise noted)

Parent Company

							12/31/2023							12/31/2022
	Parent Company	Asian Consortium	subsidiaries	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	subsidiaries	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total
Assets														
Current														
Financial investments					630,047	16,311	646,358					422,744	610,473	1,033,217
Trade receivables (Note 5)	183,402	172,377	218,327		6,725		580,831	97,354	96,889			5,435		199,678
Advances to suppliers (Note 8)	12,667						12,667	99,645						99,645
Dividends (Note 8)			2,390	53,360			55,750			2,390	38,679			41,069
Others (Note 8)	3,008		1,913		1,740		6,661	3,008		666				3,674
	199,077	**172,377**	**222,630**	**53,360**	**638,512**	**16,311**	**1,302,267**	**200,007**	**96,889**	**3,056**	**38,679**	**428,179**	**610,473**	**1,377,283**
Non-current														-
Advances to suppliers (Note 8)								41,694						41,694
Others (Note 8)					7,465		7,465					6,505		6,505
	-	**-**	**-**	**-**	**7,465**	**-**	**7,465**	**41,694**	**-**	**-**	**-**	**6,505**	**-**	**48,199**
	199,077	**172,377**	**222,630**	**53,360**	**645,977**	**16,311**	**1,309,732**	**241,701**	**96,889**	**3,056**	**38,679**	**434,684**	**610,473**	**1,425,482**
Passivo														
Current														
Trade payables	9	6,052	2,081	70,617	63,614		142,373	(14)	6,484		35,980	53,259		95,709
Dividends and interest on equity	295,058	42,647					337,705	59,469	15,096					74,565
Other payables (note 18)	5,016			23,547	13		28,576	2,777		708	84,945			88,430
		100					100							
	300,083	**48,799**	**2,081**	**94,164**	**63,627**	**-**	**508,754**	**62,232**	**21,580**	**708**	**120,925**	**53,259**	**-**	**258,704**
Non-current														
Other payables (note 18)				38,058	-	-	38,058				53,356			53,356
	-	**-**	**-**	**38,058**	**-**	**-**	**38,058**	**-**	**-**	**-**	**53,356**	**-**	**-**	**53,356**
	300,083	**48,799**	**2,081**	**132,222**	**63,627**	**-**	**546,812**	**62,232**	**21,580**	**708**	**174,281**	**53,259**	**-**	**312,060**

Parent Company

							12/31/2023							12/31/2022
	Parent Company	Asian Consortium	subsidiaries	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total	Parent Company	Asian Consortium	subsidiaries	Joint Venture e Joint Operation	Other related parties	Exclusive funds	Total
Operating income (expenses)														
Sales	1,581,275	1,041,163	218,342		16,681		2,857,461	1,952,684	1,522,498			11,066		3,486,248
Cost and expenses	(142,874)	(31,263)	(54,643)	(1,394,815)	(516,474)		(2,140,069)	(106,221)	(34,980)	(17,909)	(927,000)	(411,204)		(1,497,314)
Financial income (expenses)							-							-
Interest, net	13,076			(8,249)	18,833		23,660	25,263			(10,297)	309		15,275
Exclusive funds						13,752	13,752						32,175	32,175
Exchange differences, net		(2,348)	(523)		(29,676)		(32,547)		(3,052)	272		(5,240)		(8,020)
Other				(2,164)			(2,164)							
	13,076	**(2,348)**	**(523)**	**(10,413)**	**(10,843)**	**13,752**	**2,701**	**25,263**	**(3,052)**	**272**	**(10,297)**	**(4,931)**	**32,175**	**39,430**
	1,451,477	**1,007,552**	**163,176**	**(1,405,228)**	**(510,636)**	**13,752**	**720,093**	**1,871,726**	**1,484,466**	**(17,637)**	**(937,297)**	**(405,069)**	**32,175**	**2,028,365**

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

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 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, 2023, the contract balance was R$12,667 (R$141,339 million as of December 2022).

Dividend receivables: minimum mandatory dividends to be received for participation in MRS, in the amount of R$53,360 (R$38,679 on December 31, 2022).

Trade payables: The company entered into a contract for the provision of long-term rail transport services for flow and movement of production. The prices charged with MRS follow a tariff model based on market assumptions.

Suppliers: In September 2018, the Company entered into an agreement to revise the volumes of the Annual Plan of Transportation (PAT), which will result in the payment of an indemnity of R$ 120 million at present value. The payment It will take place annually until 2026. The updated amount of compensation to be paid in December 2023 is R$ 71 million.

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. The updated value of compensation payable in December 2023 is R$71 million.

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.

(In thousands of reais, unless otherwise noted)

12.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.

- **Banco Fibra**

Banco Fibra is under the same control structure as Vicunha Aços S.A., the Company's direct controller, and the Financial transactions with this bank are limited to transactions in current accounts and financial investments in fixed income.

12.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, 2023, and 2022:

		P&L
	12/31/2023	12/31/2022
Short-term benefits for employees and officers	12,598	12,950
Post-employment benefits	314	281
Total	**12,912**	**13,231**

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)

13. BORROWINGS AND FINANCING

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

	Consolidated and Parent Company			
	Current liabilities		Non-current liabilities	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Debt agreements in the international market				
Fixed interest in:				
FINAME, CDC e CCE	56,617	36,806		15,332
Prepayment	324,405	614,989	4,770,891	4,326,465
	381,022	**651,795**	**4,770,891**	**4,341,797**
Debt agreements in Brazil				
Variable interest in:				
NCE - Banco do Brasil	35,946	351,288	680,000	629,604
Fixed interest in:				
FINAME, CDC, CCE and Debentures	71,870	71,301	2,678,467	2,709,640
	107,816	**422,589**	**3,358,467**	**3,339,244**
Total borrowings and financing	**488,838**	**1,074,384**	**8,129,358**	**7,681,041**
Transaction costs	(43,656)	(28,394)	(395,559)	(330,623)
Total Borrowings + Transaction Costs	**445,182**	**1,045,990**	**7,733,799**	**7,350,418**

During the first quarter of 2023, the Company entered into an export prepayment agreement in the amount of US$75 million (equivalent to R$388 million), due in 2025. Additionally, in the second quarter, the Company contracted an export credit note worth R$250 million, with staggered maturities between 2025 and 2027. In relation to the following quarter, in September 2023, the Company recorded the signing of an export prepayment contract in the amount of US$134 million (equivalent to R$670 million), with expiration dates distributed between the years 2025 and 2035.

The following table shows the average interest rate:

	Consolidated and Parent Company	
	Average interest rate	Total debt
US$	6.93%	5,151,447
R$	13.09%	3,466,749
		8,618,196

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

As of December 31, 2023, 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		
			12/31/2023
	Borrowings and financing in foreign currency	Borrowings and financing in nacional currency	Total
2024	380,556	108,282	488,838
2025	940,886	169,500	1,110,386
2026	711,437	270,997	982,434
2027	611,803	273,557	885,360
2028	476,247	18,557	494,804
2029	476,247	18,557	494,804
After 2029	1,554,271	2,607,299	4,161,570
	5,151,447	**3,466,749**	**8,618,196**

(In thousands of reais, unless otherwise noted)

- **Movement of borrowings and financing**

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

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Opening balance	**8,396,408**	**4,713,062**
Funding transactions	1,417,778	4,011,171
Funding transactions for assets acquisition	43,010	19,970
Amortization of principal	(1,157,621)	(406,339)
Payments of charges	(557,623)	(295,972)
Accrued charges	628,784	359,490
Exchange differences	(511,273)	215,611
Transaction cost	(121,543)	(240,618)
Transaction cost amortized	41,063	20,035
Closing balance	**8,178,981**	**8,396,408**

- **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.

14. TRADE PAYABLES

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Trade payables	1,876,494	1,436,216	1,877,322	1,435,449
(-) Present Value Adjustment	(18,320)	(19,909)	(18,320)	(19,909)
Total	**1,858,174**	**1,416,307**	**1,859,002**	**1,415,540**
Current	1,843,187	1,384,390	1,844,015	1,383,623
Noncurrent	14,987	31,917	14,987	31,917
Total	**1,858,174**	**1,416,307**	**1,859,002**	**1,415,540**

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.

15. FINANCIAL INSTRUMENTS

15.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.

(In thousands of reais, unless otherwise noted)

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)**

					12/31/2023			12/31/2022
	Note	Fair value through comprehensive income	Fair value through profit or loss	Measured at amortized cost	Total	Fair value through profit or loss	Measured at amortized cost	Total
Assets								
Current								
Cash and cash equivalents	3			9,795,878	9,795,878		6,489,572	6,489,572
Financial investments	4			12,452	12,452		247,326	247,326
Trade receivables	5			1,712,870	1,712,870		1,545,463	1,545,463
Dividends	8			53,360	53,360		38,679	38,679
Derivative financial instruments	8	10,522			10,522			
Total		**10,522**		**11,574,560**	**11,585,082**		**8,321,040**	**8,321,040**
Liabilities								
Current								
Borrowings and financing	13			488,838	488,838		1,074,384	1,074,384
Leases	18.a			11,411	11,411		17,533	17,533
Trade payables	14			1,843,187	1,843,187		1,384,390	1,384,390
Derivative financial instruments (1)	15.b	672,280	263,747		936,027	416,935		416,935
Dividends and interest on equity	24				-		74,569	74,569
Non current					-		-	-
Borrowings and financing	13			8,129,358	8,129,358		7,681,041	7,681,041
Trade payables	14			14,987	14,987		31,917	31,917
Leases	18.a			113,627	113,627		117,847	117,847
Total		**672,280**	**263,747**	**10,601,408**	**11,537,435**	**416,935**	**10,381,681**	**10,798,616**

(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.

- **Fair value measurement**

The financial instruments recognized at fair value through profit or loss, as of December 31, 2023, were classified according to the fair value hierarchy:

Level 1: The data is from prices quoted in an active market for items identical to the assets and liabilities being measured.

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 3.

15.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.

(In thousands of reais, unless otherwise noted)

- **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, 2023, Management did not consider necessary to enter into derivative transactions or to adopt hedge accounting.

The consolidated exposure as of December 31, 2023 is as follows:

Foreign Exchange Exposure	12/31/2023 (Amounts in US$'000)	12/31/2022 (Amounts in US$'000)
Cash and cash equivalents overseas	1,848,526	1,108,061
Trade receivables - foreign market	254,135	283,716
Total assets	**2,102,661**	**1,391,777**
Borrowings	(1,064,061)	(957,048)
Trade payables	(28,481)	(15,061)
Other liabilities	(6,045)	(9,516)
Total liabilities	**(1,098,587)**	**(981,625)**
Cash flow hedge	837,900	887,560
Natural exposure	**1,841,974**	**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, 2023.

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

	12/31/2023			
Currency	**Exchange rate**	**Probable scenario (*)**	**Scenario 1**	**Scenario 2**
USD	4.8413	4.9125	6.0516	7.2620

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

	12/31/2023				
Instruments	**Notional amount**	**Risk**	**Probable scenario (*)**	**Scenario 1**	**Scenario 2**
Natural exposure	1,004,074	Dollar	134,894	1,211,173	2,422,347
Hedge accounting of cash flow	837,900	Dollar	113	1,014	2,029
Posição cambial líquida	1,841,974	Dólar	135,007	1,212,187	2,424,376

(*) The probable sceneries were calculated considering the quotation from Central Bank of Brazil on February 19,2024.

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, 2023:

									12/31/2023
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 (US$ 000)	Impact on Shareholders' equity (R$'000)
06/01/2022	Export prepayments in US$ to third parties	Part of the highly probable future monthly iron ore exports	Foreign exchange - R$ vs. US$ spot rate	June 2022 - May 2023	4.7289	878,640	(110,740)	(14,312)	(86,312)
12/01/2022	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 2023	5.0360	70,000			13,629
Total						**948,640**	**(110,740)**	**(14,312)**	**(72,683)**

(*) On December 31, 2023, the amount of R$72,683 was recorded in shareholders' equity, (R$412,342) on December 31, 2022. The effect on results is recognized under the heading "other operating income (expenses).

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, 2023, 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, SOFR and IPCA, exposing these financial assets and liabilities to interest rate fluctuations as shown in the sensitivity analysis framework.

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, 2023, recognized in financial results.

				Appreciation (R$)		Fair value (market)		
Instruments	Maturity	Functional Currency	Notional amount	Asset position	Liability position	Amounts payable	Impact on financial income in 2023	Impact on financial income in 2022
Interestrate (Debentures) CDI x IPCA	07/15/2031	Real	576,448	681,828	(627,557)	54,271	55,829	(67,470)
Interestrate (Debentures) CDI x IPCA	07/15/2032	Real	745,000	859,068	(821,688)	37,380	5,841	(36,573)
Interestrate (Debentures) CDI x IPCA	07/15/2036	Real	423,552	479,374	(471,900)	7,474	49,964	(25,058)
Interestrate (Debentures) CDI x IPCA	07/15/2037	Real	655,382	706,622	(697,546)	9,076	(53,028)	(25,578)
			2,400,382	**2,726,892**	**(2,618,691)**	**108,201**	**58,606**	**(154,679)**

- **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, 2023.

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

	12/31/2023		
Rate	Interest rate	Scenario 1	Scenario 2
CDI	11.65%	14.56%	17.48%
TJLP	6.55%	8.19%	9.83%
SOFR 6M	5.16%	6.45%	7.74%
SOFR	5.38%	6.73%	8.07%

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

						12/31/2023
Changes in interest rates	**%p.a**	**Notional amount (R$ 000)**		**Probable scenario**	**Scenario 1**	**Scenario 2**
		Assets	**Liabilities**			
CDI	12.65	1,656,746	(3,208,467)	(1,748,013)	(1,797,086)	(1,846,160)
TJLP	7.00		(150,000)	(160,500)	(163,125)	(165,750)
SOFR	5.31		(2,462,850)	(2,593,627)	(2,626,322)	(2,659,016)

(*) The sensitivity analysis is based on the assumption of maintaining, as a probable scenario, the market values as of December 31, 2023, 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, 2023, 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, 2023 recognized in "Other comprehensive results" and, in carrying out shipments, the amount reclassified to "Other Operating Income and Expenses".

		12/31/2023			12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
		Appreciation (R$)		Fair value (market)	Other operating (expenses)/income (Note 27)		Other Comprehensive Income		Exchange variation (Note 28)	
Maturity	Notional	Asset position	Liability position	Amounts receivable / (payable)						
05/31/2022 (Settled)										(1,087)
01/01/2022 to 12/31/2023 (Settled)	Platts					(52,290)		341,269		(3,246)
01/01/2023 to 11/30/2023 (Settled)	Platts				(527,076)				(11,844)	
12/01/2023 to 12/31/2023 (*)	Platts	1,708,582	(1,972,329)	(263,747)	(263,853)				599	
01/01/2024 to 01/31/2024	Platts	2,122,502	(2,411,003)	(288,501)			(288,501)		4,477	
02/01/2024 to 02/28/2024	Platts	1,314,990	(1,504,462)	(189,472)			(189,472)		3,370	
03/01/2024 to 03/31/2024	Platts	1,348,909	(1,440,328)	(91,419)			(91,419)		889	
04/01/2024 to 04/30/2024	Platts	964,254	(1,028,079)	(63,825)			(63,825)		789	
05/01/2024 to 05/31/2024	Platts	783,144	(817,011)	(33,867)			(33,867)		365	
06/01/2024 to 06/30/2024	Platts	283,636	(288,832)	(5,196)			(5,196)		32	
		8,526,017	**(9,462,044)**	**(936,027)**	**(790,929)**	**(52,290)**	**(672,280)**	**341,269**	**(1,323)**	**(4,333)**

(*) The maturity of the operation occurred on December 31, 2023 and its settlement at the beginning of January 2024.

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.

(In thousands of reais, unless otherwise noted)

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.

- **Sensitivity analysis for Platts price risks**

The following is the sensitivity analysis for price risks. The Company considered scenarios 1 and 2 as a 25% and 50% increase in the Platts index using the closing price on December 31, 2023 as a reference.

The effects on the result, considering scenarios 1 and 2 are shown below:

			12/31/2023
Maturity	**Probable scenario (*)**	**Scenario 1**	**Scenario 2**
01/01/2024 to 01/31/2024	(202,888)	(783,153)	(1,363,417)
02/01/2024 to 02/29/2024	(50,344)	(390,249)	(730,155)
03/01/2024 to 03/31/2024	79.161	(239,566)	(558,293)
04/01/2024 to 04/30/2024	55.298	(172,219)	(399,736)
05/01/2024 to 05/31/2024	59.651	(121,760)	(303,171)
06/01/2024 to 06/30/2024	27.517	(37,046)	(101,609)
	(253,232)	**(1,743,993)**	**(3,456,381)**

(*) The likely scenario was calculated considering the price of "Platts" on February 20, 2024.

- **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, 2023					
Borrowings	488,838	2,092,820	1,380,164	4,656,374	8,618,196
Leases	11,411	20,401	17,393	75,833	125,038
Trade payables	1,843,187	532	14,455		1,858,174
Derivative financial instruments	936,027				936,027
Dividends and interest on equity	369,960				369,960
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
Derivative financial instruments	416,935				416,935
Trade payables	1,384,390	16,081	15,836		1,416,307
Dividends and interest on equity	74,566				74,566

• 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, 2023, are shown below:

Instruments	Assets		Liabilities			Other operating income expenses		Other operating income expenses		Financial income (expenses), net (note 28)	
	Current	Total	Current	No Current	Total	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Interestrate (Debentures) CDI x IPCA	10,522	**10,522**	(936,027)		**(936,027)**	(672,280)	(341,268)	(790,929)	(52,292)	(11,245)	(4,333)
Swap CDI x IPCA (1)		**-**	-	108,201	**108,201**					58,606	(154,679)
	10,522	**10,522**	**(936,027)**	**108,201**	**(827,826)**	**(672,280)**	**(341,268)**	**(790,929)**	**(52,292)**	**47,361**	**(159,012)**

(1) The SWAP CDI x IPCA derivative instruments are fully classified in the loans and financing group, as they are linked to debentures with the aim of protecting exposure to the IPCA.

The changes in the amounts related to cash flow hedge accounting recorded in equity on December 31, 2023 are shown below:

	12/31/2022	Movement	Realization	12/31/2023
Cash flow hedge accounting – "Platts"	(341,268)	(1,121,941)	790,929	(672,280)
Income tax and social contribution on cash flow hedge accounting – "Platts"	116,031	381,460	(268,916)	228,575
Fair Value of cash flow accounting - Platts, net	**(225,237)**	**(740,481)**	**522,013**	**(443,705)**
Cash flow hedge accounting – "Exchange"	(412,342)	325,347	14,312	(72,683)
Income tax and social contribution on cash flow hedge accounting – "Exchange"	140,196	(110,618)	(4,866)	24,712
Fair Value of cash flow accounting – "Exchange", net	**(272,146)**	**214,729**	**9,446**	**(47,971)**
Cash flow hedge accounting	(753,610)	(796,594)	805,241	(744,963)
Income tax and social contribution on cash flow hedge accounting	256,227	270,842	(273,782)	253,287
Fair Value of cash flow accounting net	**(497,383)**	**(525,752)**	**531,459**	**(491,676)**

15.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:

	12/31/2023	12/31/2022
Shareholders' equity	10,698,697	11,393,427
Borrowings and financing (Third-party capital)	8,178,981	8,396,408
Gross debts/shareholders' equity	0.77	0.74

(In thousands of reais, unless otherwise noted)

15.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 revenue, other operating income, expenses and financial expenses.

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.

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.

16. TAXES PAYABLES

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Taxes in installments (Note 20)	60,521	252,775	60,521	252,775
Income tax and social contribution	260,387	78,107	258,708	75,254
CFEM/TFRM	106,655	72,144	106,655	72,144
State VAT (ICMS)	22,353	4,794	21,966	4,633
Service tax	1,051	780	1,051	780
Other taxes (1)	87,828	23,616	86,988	21,863
Total	**538,795**	**432,216**	**535,889**	**427,449**

1 - Refers, substantially, to the withholding income tax on interest on equity declared on December 22, 2023.

For the fiscal year 2023 and 2022, 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)

17. ADVANCES FROM CUSTOMERS

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Iron ore	5,189,756	954,309	5,189,756	954,309
Price adjustment - shipments effected	16,213	11,766	16,213	11,766
Electric energy contracts	438,771	500,014	350,192	400,003
Maritime freight	233,660	115,802	233,660	115,802
Others	103	1,105	102	1,105
Total	**5,878,503**	**1,582,996**	**5,789,923**	**1,482,985**
Current	1,710,383	945,808	1,697,890	933,315
Noncurrent	4,168,120	637,188	4,092,033	549,670
Total	**5,878,503**	**1,582,996**	**5,789,923**	**1,482,985**

Iron ore: refers to iron ore supply agreements entered by the Company with important international players. On January 16, 2023, the Company received in advance the total amount of US$500,000 (equivalent to R$2,599,300) relating to iron ore supply contracts. The contracts involve approximately 13 million tons of ore, to be executed over 4 years, with completion scheduled for 2024.

On June 30, 2023, the Company entered into an amendment to the advance contract, signed on January 16, 2023, in the amount of US$300,000 for the additional supply of 6.3 million tons of iron ore. From this amendment, the Company received on June 30, 2023 the amount of US$205,000, and on July 31, 2023 the balance of US$95,000. Furthermore, on August 2, 2023, the Company received the total amount of US$200,000 (equivalent to R$961,660) relating to the execution of a supply contract for 4.3 million tons of ore, signed on July 28, 2023 with expected to be completed over the next 4 years, with supply scheduled to begin in 2024.

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.

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	1,397,656	2,577,163	1,214,937	5,189,756
Price adjustment - shipments effected	16,213	-	-	16,213
Electric energy contracts	62,751	126,013	250,007	438,771
Maritime freight	233,660			233,660
Others	103			103
	1,710,383	**2,703,176**	**1,464,944**	**5,878,503**

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)

18. OTHER PAYABLES

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Taxes in installments (Note 20)	57,213	113,055	57,213	113,055
Profit sharing - employees	61,779	64,815	61,779	64,721
Demurrage / Dispatch with third parties	10,598	33,625	9,243	32,145
Other payables - related parties (Note 12.b)	66,634	141,078	66,634	141,786
Accrued supplies	38	31,808	67	30,345
Leases liabilities (Note 18.a)	125,038	135,380	125,038	135,380
concessions payable	86,458	89,577		
Other obligations	8,539	13,822	6,328	12,376
Total	**416,297**	**623,160**	**326,302**	**529,808**
Current	129,223	257,606	113,405	241,550
Noncurrent	287,074	365,554	212,897	288,258
Total	**416,297**	**623,160**	**326,302**	**529,808**

18.a) Leases liabilities

The leases liabilities are presented in financial statement as follows:

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Leases	277,486	301,752
NPV - leases	(152,448)	(166,372)
	125,038	**135,380**
Current	11,411	17,533
Noncurrent	113,627	117,847
Total	**125,038**	**135,380**

The Company has lease agreements for port terminals in TECAR (Port of Itaguaí Coal and Mining Terminal), used for the loading and unloading of iron ores, the agreements have a remaining term of 23 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, 2023, are shown in the table below:

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Opening balance	**135,380**	**128,057**
Remeasurement (Note 10.a)	-	2,339
Leases remeasurement (Note 10.a)	(2,101)	16,714
Low	-	(782)
Payments	(18,763)	(22,656)
Interest	10,522	11,708
Closing balance	**125,038**	**135,380**

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, 2023, 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	11,910	59,955	205,621	277,486
VPL - leases	(499)	(14,451)	(137,498)	(152,448)
	11,411	**45,504**	**68,123**	**125,038**

- **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	
	12/31/2023	12/31/2022
Leases	277,486	301,722
Present value adjustment - Leases	(152,448)	(166,372)
Potencial PIS and COFINS credit	25,667	27,909
Present value adjustment – Potential PIS and COFINS credit	(14,101)	(15,389)

- **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 TECAR (Port of Itaguaí Coal and Mining Terminal) 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	
	12/31/2023	12/31/2022
Short-term leases	-	700
Assets of lower value	5,122	2,649
Variable lease payments	388,312	307,694
	393,434	**311,043**

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 lease 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.

(In thousands of reais, unless otherwise noted)

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.

19. INCOME TAX AND SOCIAL CONTRIBUTION

19.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	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Income tax and social contribution (expense) income				
Current	(1,209,037)	(1,043,200)	(1,174,817)	(1,023,585)
Deferred	(28,784)	13,096	(29,580)	13,275
	(1,237,821)	**(1,030,104)**	**(1,204,397)**	**(1,010,310)**

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	
	12/31/2023	**12/31/2022**
Profit before income tax and social contribution	**4,806,558**	**3,980,402**
Tax rate	34%	34%
Income tax and social contribution at combined statutory rate	**(1,634,230)**	**(1,353,337)**
Adjustments to reflect the effective rate:		
Interest on equity	242,991	261,623
Share of profit (loss) of investees	59,340	45,681
Other permanent deductions (add-backs)	92	(11,376)
Profit with differentiated rates or untaxed	31,627	(2,523)
Transfer price adjustment	(7,715)	(9,201)
Incentivated donations	53,928	20,315
Workers' Meal Program	16,146	18,714
Income tax and social contribution for the year	**(1,237,821)**	**(1,030,104)**
Effective tax rate	**25.75%**	**25.88%**

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED ON DECEMBER 31, 2023 AND 2022
(In thousands of reais, unless otherwise noted)

	Parent Company	
	12/31/2023	12/31/2022
Profit before income tax and social contribution	**4,773,134**	**3,960,608**
Tax rate	34%	34%
Income tax and social contribution at combined statutory rate	**(1,622,866)**	**(1,346,607)**
Adjustments to reflect the effective rate:		
Interest on equity	242,991	261,623
Share of profit (loss) of investees	112,616	56,999
Other permanent deductions (add-backs)	(20,266)	(12,153)
Incentivated donations	53,928	20,315
Adjust prince transfer and profits abroad	(7,715)	(9,201)
Workers' Meal Program	16,146	-
Other	20,769	18,714
Income tax and social contribution for the year	**(1,204,397)**	**(1,010,310)**
Effective tax rate	**25.23%**	**25.51%**

19.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.

	Consolidated		Parente Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Deferred tax liabilities				-
Temporary differences	**(103,912)**	**(71,981)**	**(114,050)**	**(81,323)**
Provision for tax, social security, labor and civil risks	26,204	23,037	26,204	23,037
Provision for environmental liabilities	6,840	6,790	6,840	6,790
Estimated losses on assets	33,870	34,313	33,870	34,313
Estimated losses on inventories	18,199	10,127	18,199	10,127
Actuarial liability (pension and healthcare plan)	(186)	140	(186)	140
Accrued supplies and services	-	31,098	-	31,098
Estimated losses on doubtful debts	388	667	388	667
Provision for A.R.O	97,299	77,413	97,299	77,413
Business combination Mining	(244,473)	(262,605)	(244,473)	(262,605)
Provision for covenants	253,287	256,228	253,287	256,228
Tax benefit from amortization of goodwill	(286,372)	(286,372)	(286,372)	(286,372)
Adjustment to present value (1)	(3,293)	(6,618)	(3,293)	(6,618)
Provisions GSF Chapecó (2)	10,138	9,342	-	-
Others	(15,813)	34,459	(15,813)	34,459
Noncurrent liabilities	**(103,912)**	**(71,981)**	**(114,050)**	**(81,323)**
Total deferred liabilities	(114,050)	(81,323)	(114,050)	(81,323)
Total deferred assets (Note 8)	10,138	9,342		
Noncurrent liabilities	**(103,912)**	**(71,981)**	**(114,050)**	**(81,323)**

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.

(In thousands of reais, unless otherwise noted)

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

Below are the changes in deferred taxes:

	Consolidated	Parent company
Balance at December 31, 2021	**(352,231)**	**(352,231)**
Recognized in the result	13,096	13,275
Recognized in other comprehensive income	257,633	257,633
Acquisitions of companies	9,521	
Balance at December 31, 2022	**(71,981)**	**(81,323)**
Recognized in the result	(28,784)	(29,580)
Recognized in other comprehensive income	(3,147)	**(3,147)**
Balance at December 31, 2023	**(103,912)**	**(114,050)**

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, 2023.

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.

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.

(In thousands of reais, unless otherwise noted)

20. 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 16 and 18, are shown below:

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Federal REFIS Law 11,941/09 (1)		7,381
Federal REFIS Law 12,865/13 (2)	34,775	39,522
Ordinary installment (3)	82,959	318,927
	117,734	**365,830**
Current	60,521	252,775
Noncurrent	57,213	113,055
Total	**117,734**	**365,830**

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.

21. 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(*)
	12/31/2023	12/31/2023	12/31/2022	12/31/2022
Tax	2,202		1,746	
Labor	60,001	62,876	53,500	45,818
Civil	11,155	5,227	9,060	4,420
Environmental	3,745	2,198	3,480	1,640
Total	**77,103**	**70,301**	**67,786**	**51,878**
Current	4,056	-	3,116	-
Noncurrent	73,047	70,301	64,670	51,878
Total	**77,103**	**70,301**	**67,786**	**51,878**

				Parent Company
	Accrued liabilities	Judicial deposits(*)	Accrued liabilities	Judicial deposits(*)
	12/31/2023	12/31/2023	12/31/2022	12/31/2022
Tax	2,202	-	1,746	-
Labor	59,968	62,871	53,470	45,815
Civil	11,155	4,793	9,060	4,420
Environmental	3,745	2,198	3,480	1,638
Total	**77,070**	**69,862**	**67,756**	**51,873**
Current	4,056		3,116	-
Noncurrent	73,014	69,862	64,640	51,873
Total	**77,070**	**69,862**	**67,756**	**51,873**

(*) The judicial deposits are allocated in the balance sheet under "Other noncurrent assets" – see note 8.

(In thousands of reais, unless otherwise noted)

The changes in the provision for tax, social security, labor, civil and environmental risks in the year ended December 31, 2023, were as follows:

					Consolidated
Nature	**12/31/2022**	**Additions**	**Net update on amount**	**Net utilization of reversal**	**12/31/2023**
Tax	1,746	1,039	78	(661)	2,202
Labor	53,500	6,391	9,377	(9,267)	60,001
Civil	9,060	1,744	1,293	(942)	11,155
Environmental	3,480	49	216	-	3,745
	67,786	**9,223**	**10,964**	**(10,870)**	**77,103**

					Parent Company
Nature	**12/31/2022**	**Additions**	**Net update on amount**	**Net utilization of reversal**	**12/31/2023**
Tax	1,746	1,039	78	(661)	2,202
Labor	53,470	6,391	9,377	(9,270)	59,968
Civil	9,060	1,744	1,293	(942)	11,155
Environmental	3,480	49	216	-	3,745
	67,756	**9,223**	**10,964**	**(10,873)**	**77,070**

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.

Additionally, 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, 2023, totaled R$ R$11,326,419 (R$9,948,273 at December 31, 2022), of which R$540,602 in labor lawsuits (R$451,713 at December 31, 2022), R$31,214 in civil lawsuits (R$28,944 at December 31, 2022), R$10,599,537 in tax lawsuits (R$9,361,028 at December 31, 2022) and R$155,066 in environmental lawsuits, (R$57,761 at December 31, 2022).

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

Main lawsuits	**12/31/2023**	**12/31/2022**
Tax Deficiency Notice and Imposition of Fine (AIIM)- IRPJ/CSLL- Disallowance of deductions of goodwill generated on downstream merger of Big Jump into Namisa	5,443,666	4,920,177
Tax Deficiency Notice and Imposition of Fine (AIIM)-Withholding income tax - Mining Business Combinations in Nov 2015	1,106,401	986,196
Tax Deficiency Notice and Imposition of Fine (AIIM) - IRPJ/CSLL - Profits earned abroad 2008	494,888	439,146
CFEM- Administrative collections for alleged non-payment of CFEM (Financial Compensation for Exploration of Mineral Resources) due to differences in the tax base.	1,236,128	1,107,837
Tax Deficiency Notice - IRRF - Capital gain of the sellers of the company CFM located abroad	317,522	289,406
Other tax lawsuits (federal, state and municipal taxes)	2,000,932	1,618,266
Total	**10,599,537**	**9,361,028**

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 in progress. The Company expects the arbitration will be concluded in 2 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.

(In thousands of reais, unless otherwise noted)

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.

22. 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	
	12/31/2023	12/31/2022
Environmental liabilities	13,878	13,793
Assets retirement	517,168	472,482
total	**531,046**	**486,275**

22.a) Environmental Liabilities

As of December 31, 2023, 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.

23. SHAREHOLDERS EQUITY

23.a) 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 31,2023 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.

(In thousands of reais, unless otherwise noted)

23.b) Authorized capital

The Company's bylaws in effect on December 31, 2023, 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.c) Capital Reserve

As of December 31, 2023 and 2022, 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.

23.d) 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.

23.e) Ownership structure

As of December 31, 2023, and 2022, the Company's ownership structure was as follows:

	12/31/2023			12/31/2022		
	Number of common shares	% of total 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%	79.75%	4,374,779,493	79.75%	79.75%
Japão Brasil Minérios de ferro Participações	507,762,966	9.26%	9.26%	507,762,966	9.26%	9.26%
Posco Holdings Inc.	102,186,675	1.86%	1.86%	102,186,675	1.86%	1.86%
China Steel Corporation	22,366,860	0.41%	0.41%	22,366,860	0.41%	0.41%
Others	478,242,844	8.72%	8.72%	478,242,844	8.72%	9%
Total outstanding shares	**5,485,338,838**	**100.00%**	**100.00%**	**5,485,338,838**	**100.00%**	**100.00%**

23.f) 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:

	12/31/2023	12/31/2022
	Common shares	**Common shares**
Income for the year		
Attributable to the owners of the Parent Company	3,568,737	2,950,298
Weighted average number of shares	5,485,339	5,485,506
Basic and diluted earnings (loss) per share	0.6505955	0.5378352

23.g) 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.

(In thousands of reais, unless otherwise noted)

23.h) 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	3/24/2021	58,415,015	from 3/25/2021 to 9/24/2021	R$ 6.1451	R$5.5825 and R$6.7176	52,940,500		52,940,500
2º	11/03/2021	53,000,000	from 11/04/2021 to 9/24/2022	R$ 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**	

At the Meeting of the Board of Directors held in 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.

As of December 31, 2023, 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.

24. SHAREHOLDERS' COMPENSATION

The Company approved at meetings of the Board of Directors, during the years ended December 31, 2023, and 2022, 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 22, 2022, will be paid until December 31, 2024, in the amount of R$369,960 considering the withholding income tax of R$65,286.

(In thousands of reais, unless otherwise noted)

				Parent Company
	Earnings for the past few years	Current year earnings	Interest on equity	Per share
April 28, 2023	2,181,913			0.537851481
May 03, 2023			279,434	0.050941885
November 14, 2023		1,364,983		0.248841853
December 22, 2023			435,246	0.079347194
Amount distributed in 2023	**2,181,913**	**1,364,983**	**714,680**	

The interest on equity distributed on December 22, 2022, was paid on May 16, 2023, in the amount of R$74,566, considering the withholding income tax of R$13,158.

				Parent Company
	Earnings for the past few years	Current year earnings	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**	

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

	12/31/2023	**12/31/2022**
Profit (loss) for the year	**3,568,737**	**2,950,298**
Legal reserve	(178,436)	(147,515)
Investment reserve	(1,310,638)	(1,401,391)
Anticipated dividends and interest on equity	(714,680)	(769,479)
Proposed additional dividends	(1,364,983)	(631,913)

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”.

(In thousands of reais, unless otherwise noted)

25. NET OPERATING REVENUE

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

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Gross revenue				
Domestic market	2,037,905	2,001,120	2,034,951	1,983,534
Foreign market	**17,153,705**	11,651,633	17,141,605	11,651,633
	19,191,610	**13,652,753**	**19,176,556**	**13,635,167**
Deductions				
Taxes levied on sales	(311,184)	(378,631)	(308,073)	(376,785)
Discounts		(1,558)	-	(223)
	(311,184)	**(380,189)**	**(308,073)**	**(377,008)**
Net Revenue	**18,880,426**	**13,272,564**	**18,868,483**	**13,258,159**

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.

(In thousands of reais, unless otherwise noted)

26. EXPENSES AND COSTS BY NATURE

	Consolidated		Parent Company	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Freight /Maritime insurance	(1,876,508)	(826,553)	(1,876,485)	(826,553)
Labor	(894,149)	(784,355)	(892,065)	(787,348)
Maintenance cost	(380,692)	(495,431)	(389,580)	(512,776)
Depreciation, amortization and depletion	(1,033,215)	(989,870)	(988,721)	(978,302)
Third party services (including concessionaires)	(701,411)	(487,549)	(740,546)	(501,870)
Third party material (purchased ore)	(4,994,805)	(3,198,569)	(4,994,805)	(3,198,569)
Supplies	(1,135,721)	(533,198)	(1,212,688)	(552,344)
Taxes and fees	(437,236)	(350,534)	(432,219)	(350,534)
Port Leasing	(97,852)	(268,139)	(97,852)	(268,139)
Port expenses - third parties	(135,802)	(68,299)	(135,802)	(68,299)
Demurrage/Dispatch	(39,966)	(93,366)	(40,120)	(93,352)
Sharing expenses	(141,747)	(103,726)	(141,747)	(103,726)
Others	(181,412)	(29,966)	(174,545)	(26,567)
Total by nature	**(12,050,516)**	**(8,229,555)**	**(12,117,175)**	**(8,268,379)**
Cost of sales	(9,839,057)	(7,083,267)	(9,918,327)	(7,124,560)
Selling expenses	(2,050,270)	(1,028,842)	(2,055,644)	(1,041,287)
General and administrative expenses	(161,189)	(117,446)	(143,204)	(102,532)
Total by allocation	**(12,050,516)**	**(8,229,555)**	**(12,117,175)**	**(8,268,379)**

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

	Consolidated		Parent Company	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Production costs (1)	(1,032,160)	(989,596)	(988,718)	(978,299)
Sales expenses	(1)	(1)	(1)	(1)
General and Administrative Expenses	(1,054)	(273)	(2)	(2)
	(1,033,215)	**(989,870)**	**(988,721)**	**(978,302)**
Other operating expenses (*)	(7,925)	(9,056)	(7,925)	(9,056)
	(1,041,140)	**(998,926)**	**(996,646)**	**(987,358)**

(*) Refers mainly to the depreciation and amortization of paralyzed assets, see note 27.
(1) The production cost includes PIS and COFINS credits on leases agreement in the amount of R$989 in the consolidated and the parent company on December 31, 2023 (R$1.343 on December 31,2022), in according with the guidelines set out in Official Circular CVM / SNC / SEP 02/2019.

(In thousands of reais, unless otherwise noted)

27. OTHER OPERATING INCOME (EXPENSES)

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Other operating income				
Indemnities and contractual fines	1,169	1,433	1,169	1,433
Untimely credit of taxes and contributions (1)	113,015	-	6,610	-
Gains / (losses) with pension plan	352	506	352	506
Other income	14,174	2,592	15,173	2,471
	128,710	**4,531**	**23,304**	**4,410**
Other operating expenses				
Tax and contribution	(43,894)	(25,734)	(45,695)	(25,702)
Provision of losses of judicial deposits	(3,686)	(3,465)	(3,686)	(3,465)
Provision for environmental liabilities	(9,157)	(660)	(9,157)	(660)
Reversal/(Provision) for social security, labor, civil and environmental risks,net of reversals	(9,326)	(6,051)	(9,323)	(6,051)
Expenses from social security, labor, civil and environmental law suits	(5,158)	(3,891)	(5,158)	(3,891)
Estimated losses and disposal (Note 10)	7,529	22,445	7,529	22,467
Losses from spare parts inventories	(13,168)	(16,064)	(13,168)	(16,064)
Studies and project engineering expenses	(11,155)	(17,112)	(11,155)	(17,112)
Depreciation of equipment paralyzed (note 26)	(7,925)	(9,056)	(7,925)	(9,056)
Contractual fines (4)	(2,705)	(61,398)	(2,705)	(61,398)
Reversal/(loss) in inventories of finished goods	(60,310)	(61,141)	(60,310)	(61,141)
Maintenance equipment paralyzed	(43)	(181)	(43)	(181)
Losses on Cash flow hedge accounting (Note 15.b) (3)	(805,241)	(85,555)	(805,241)	(85,555)
Operational idleness (2)	-	(89,467)	-	(89,467)
Incentivated donations	(53,928)	(20,156)	(53,928)	(20,156)
Expenses with personnel transportation	-	(1,804)	-	(1,804)
Other expenses	(56,272)	(32,241)	(45,843)	(31,725)
	(1,074,439)	**(411,531)**	**(1,065,808)**	**(410,961)**
Other operating income (expenses), net	**(945,729)**	**(407,000)**	**(1,042,504)**	**(406,551)**

1.In 2023, this involves tax refunds from the Portuguese tax authorities relating to payments exceeding the amount due.
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.
4.Take or Pay generated in the transportation contract with MRS.

28. FINANCIAL INCOME (EXPENSES)

	Consolidated		Parent Company	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Financial costs:				
Borrowings and Financing - Foreign Currency	(335,767)	(141,612)	(335,767)	(141,612)
Borrowings and Financing - Local Currency	(293,349)	(219,562)	(293,349)	(219,562)
Interest on advances from customers	(324,841)	(92,253)	(324,841)	(92,253)
Related parties (Note 12.b)	(8,249)	(10,297)	(8,249)	(10,297)
Capitalized interest (Note 10)	124,625	94,437	124,625	94,437
Interest, fines and tax late payment charges	(30,176)	(69,591)	(29,745)	(69,459)
Present value adjustment (1)	(68,463)	(107,582)	(68,463)	(107,582)
Taxes on financial revenue	(108,711)	(63,068)	(108,687)	(63,067)
Other finance costs	(63,313)	(42,485)	(63,312)	(40,802)
	(1,108,244)	**(652,013)**	**(1,107,788)**	**(650,197)**
Financial income:				
Related parties (Note 12.b)	45,661	57,747	45,661	57,747
Income from short-term investments	486,736	279,910	481,313	278,294
Other income	4,084	6,590	4,083	6,516
	536,481	**344,247**	**531,057**	**342,557**
Others financial items, net				
Exchange rate variation, net	(705,415)	(308,637)	(703,080)	(306,523)
Exhange rate variation of hedge accounting - Platts	(11,245)	(1,087)	(1,323)	(1,087)
IPCA/CDI swap result (Note 15.b)	58,606	(154,679)	58,606	(154,679)
	(658,054)	**(464,403)**	**(645,797)**	**(462,289)**
Financial costs, net	**(1,229,817)**	**(772,169)**	**(1,222,528)**	**(769,929)**

1. 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.

29. 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.

29.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.

29.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”).

(In thousands of reais, unless otherwise noted)

29.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, 2023 and 2022:

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
	Actuarial assets	
Benefits of pension plans	(7,465)	(6,505)

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

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Present value of defined benefit obligation	7,763	7,843
Fair value of plan assets	(15,365)	(14,797)
(Surplus)	**(7,602)**	**(6,954)**
Restriction to actuarial assets due to recovery limitation	137	449
Net liabilities/ (assets) recognize in the financial statement	**(7,465)**	**(6,505)**

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

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Present value of obligations at beginning of year	**7,843**	**8,198**
Service cost	432	597
Interest cost	883	839
Contributions of participant paid in the period	305	306
Benefits paid	(648)	(314)
Actuarial loss(gain)	(1,052)	(1,783)
Present value of obligations at end of the Year	**7,763**	**7,843**

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

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Fair value of plans at beginning of Year	**(14,797)**	**(18,555)**
Interest income	(1,718)	(1,966)
Benefits paid	648	314
Contributions of participant paid in the period	(305)	(306)
Return on plan assets (excluding interest income)	807	5,716
Fair value of plans at end of the Year	**(15,365)**	**(14,797)**

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

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Current service costs	432	597
Interest cost	883	839
Expected return on plan assets	(1,718)	(1,966)
Total cost /(income)recognized in the income statement	**(403)**	**(530)**

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

(In thousands of reais, unless otherwise noted)

Changes in the actuarial gains and losses are shown below.

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
Actuarial (gains) and losses	**(1,052)**	**(1,783)**
Return on plan assets (excluding interest income)	807	5,716
(Gains) and actuarial losses recognized in other comprehensive income	**(245)**	**3,933**

The composition of the actuarial gains and losses are show below:

	Consolidated and Parent Company	
	12/31/2023	12/31/2022
(Gain) / loss due to changing demographic assumptions	(438)	-
(Gain) / loss due to change in financial assumptions	260	(313)
(Gain) / loss due to experience adjustments	(874)	(1,470)
Return on plan assets (excluding interest income)	807	5,716
Actuarial gains and (losses)	**(245)**	**3,933**

The main actuarial assumptions used were as follows:

	12/31/2023	12/31/2022
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: 5,36%	Plano Milênio: 6,14%
Inflation rate	3.90%	5.31%
Nominal salary increase rate	1.00%	1.00%
Nominal benefit increase rate	3.90%	5.31%
Rate of return on investments	5.36%	6.14%
General mortality table	AT-2012 segregated by gender.	AT-2012 segregated by gender.
Disability table	Light	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	**12/31/2023**	**12/31/2022**
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	46.68	46.28

(In thousands of reais, unless otherwise noted)

Allocation of plan assets

	Consolidated and Parent Company			
	12/31/2023		12/31/2022	
Variable income	590	3.84%	535	4%
Fixed Income	13,206	85.95%	13,031	88%
Properties	750	4.88%	790	5%
Others	819	5.33%	441	3%
Total	**15,365**	**100.00%**	**14,797**	**100%**

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

For the mixed supplementary benefit plan, the expense in 2023 was R$305 (R$305 on December 31, 2022).

In 2023 for the mixed supplementary benefit plan, the expected contributions in the amount of R$9,677 and R$314 for the defined benefit portion (risk benefits).

29.e) Sensitivity analysis

The quantitative sensitivity analysis in relation to significant assumptions, for pension plans on December 31, 2023, is shown below:

	12/31/2023		12/31/2022	
	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	(16,201)	15,983	(15,729)	17,500
Effect on the present value of the obligations	(167,843)	176,038	(210,193)	213,799
Hypothesis: wage growth				
Sensitivity level	**0.5%**	**-0.5%**	**0.5%**	**-0.5%**
Effect on current service cost and interest on actuarial obligations	35,526	(34,268)	55,028	(51,742)
Effect on the present value of the obligations	160,222	(154,619)	211,164	(198,438)
Hypothesis: Benefit Readjustment				
Sensitivity level	**0.5%**	**-0.5%**	**0.5%**	**-0.5%**
Effect on current service cost and interest on actuarial obligations	6,257	(6,258)	1,501	(1,501)
Effect on the present value of the obligations	38,085	(38,094)	12,750	(12,749)
Hypothesis: Mortality Table				
Sensitivity level	+1 ano	- 1 ano	+1 ano	- 1 ano
Effect on current service cost and interest on actuarial obligations	(1,135)	1,622	(1,030)	1,557
Effect on the present value of the obligations	11,160	(9,317)	7,494	(5,717)

(In thousands of reais, unless otherwise noted)

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

	Consolidated and Parent Company	
Payments	**12/31/2023**	**12/31/2022**
Year 1	773,093	715,690
Year 2	791,647	697,170
Year 3	765,974	692,705
Year 4	750,330	679,235
Year 5	732,240	672,611
Next five years	3,366,625	3,184,147
Total expected payments	**7,179,910**	**6,641,559**

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.

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.

(In thousands of reais, unless otherwise noted)

30. COMMITMENTS

As of December 31, 2023, and 2022, the Company was a party to take-or-pay contracts as shown in the following table:

	Payments in the period						
Type of service	2022	2023	2024	2025	2026	After 2026	Total
Transportation of iron ore.	951,807	1,443,222	1,136,739	1,165,368	1,124,600		3,426,707
Electricity supply		105,148	126,823	81,991	74,781	237,604	521,199
Labor and consultancy services	33,300	31,391	24,207	24,207	24,207	96,826	169,447
Total	**985,107**	**1,579,761**	**1,287,769**	**1,271,566**	**1,223,588**	**334,430**	**4,117,353**

31. 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	
	12/31/2023	**%**	**12/31/2022**	**%**
Asia	16,483,425	87%	10,306,459	78%
Europe	670,196	4%	1,345,174	10%
Domestic market	1,726,805	9%	1,620,931	12%
	18,880,426		**13,272,564**	

			Parent Company	
	12/31/2023	**%**	**12/31/2022**	**%**
Asia	16,483,425	87%	10,306,459	78%
Europe	670,196	4%	1,345,174	10%
Domestic market	1,714,862	9%	1,606,526	12%
	18,868,483		**13,258,159**	

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.

32. 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 2023, after negotiation with insurers and reinsurers in Brazil and abroad, an extension of the policy was issued of Operational Risk of Material Damage and Loss of Profits, effective from June 30, 2023 to September 30, 2023. 2023 and thereafter, its renewal, until September 30, 2024 for locations with the Company's activities, combined for Property Damage and Loss of Profits. For this renewal, the conditions of the Insurance Policy were changed. Operational Risks where the Maximum Indemnity Limit of US$ 400 million was changed due to the change in the deductible value to $310 million for property damage and remaining 45 days for loss of profits.The maximum indemnity limit of the policy is shared with other insured establishments

(In thousands of reais, unless otherwise noted)

The risk assumptions adopted, given their nature, are not part of the scope of an audit or review of the financial statements, consequently have not been examined or reviewed by the independent auditors of the Company.

33. ADDITIONAL INFORMATION TO CASH FLOWS

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

	Consolidated and Parent Company	
	12/31/2023	**12/31/2022**
Additions and initial adoption CPC 06 - Right of use (Note 10.b)	-	2,339
Remeasurement of the Right of Use (Note 10.b)	(2,101)	16,714
Financing of fixed asset acquisitions (Note 13)	43,010	19,970
Addition to PP&E w ith interest capitalization (notes 13 and 28)	124,625	94,437
	165,534	**133,460**

34. EXPLANATION ADDED TO THE ENGLISH VERSION

The accompanying financial statements were translated into English from the original Portuguese version prepared for local purposes. Certain accounting practices adopted by the Company that conform to those accounting practices adopted in Brazil may not comply with the generally accepted accounting principles in the countries where these financial statements may be used.

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

Comment on the Evolution of Business Projections

3.1 Projections

The Company clarifies that the information disclosed in this item represents a mere estimate, with hypothetical data and in no way constitutes a promise of performance on the part of the Company and/or its managers. 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	2024	2025	2026	2027	2028	2023-2028E
Production Volume and Purchases of Iron Ore from Third Parties (Mton) - Mining	*42 - 42.5*	*42.0 - 43.5*	*42*	*44*	*53*	*68*	-
Cash Cost (C1 Cost) - Mining (US$/ton)	*US$ 22*	*US$ 21.5 -23*	-	-	-	-	-
Capex (R$ milhões) - Mining	-	-	-	-	-	-	*R$ 15,300*
Projection of reaching a potential EBITDA with the P15 project (R$ million)	-	-	-	-	-	*R$ 4,000*	-

b) Projected period and the validity of the projection.

The projected periods and expiration dates can be seen in the table above in item 3.1 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 forward-looking assumptions mentioned above are subject to external influencing factors, which are beyond 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 in comparison with 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 ore production volume always considers our mining plans for 2023 and 2024, with an increase in pellet feed production, on the other hand, key factors such as sales prices and raw material inputs are out of the Company's control.

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

The values can be found above in item 3.1 a).

3.2 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	2024	2025	2026	2027	2028	2023-2028E
Production Volume and Purchases of Iron Ore from Third Parties (Mton) - Mining	*42 - 42.5*	*42.0 - 43.5*	*42*	*44*	*53*	*68*	-
Cash Cost (C1 Cost) - Mining (US$/ton)	*US$ 22*	*US$ 21.5 -23*	-	-	-	-	-
Capex (R$ milhões) - Mining	-	-	-	-	-	-	*R$ 15,300*
Projection of reaching a potential EBITDA with the P15 project (R$ million)	-	-	-	-	-	*R$ 4,000*	-

Estimates replaced in the last 3 fiscal years:

In Dec/21, the Company replaced its estimate of iron ore production volume in 2021 to 36-37 Mton, against a previous expectation of 38-40 Mton.

In Dec/21, the Company replaced its estimate of Cash Cost Mining in 2021 to US$19.00, against a previous expectation of US$16.00.

In Dec/21, the Company replaced its estimate of CAPEX for Mining Expansion between 2022-2026 to R$12,000 million, against a previous expectation of R$14,000 million between 2021-2025.

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

In August/22, the Company replaced its estimate of Cash Cost Mining in 2022 to the range of US$20.00 - US$22.00, against the previous expectation of US$18.00

In August/22, the Company replaced its estimate of iron ore production volume in 2022 to 36-38 Mton, against a previous expectation of 39-41 Mton.

In October/22, the Company replaced 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 CAPEX projection for expansion in Mining to approximately R$ 13.8 billion in the 2023-2027 period, related to phase 1 of the capacity addition project.

In December/22, the Company added the projection of production volume and purchases of third-party ores between 39-41 Mton in 2023.

In December/22, the Company added the mining cash cost projection to a level between US$19/ton and US$21/ton in 2023.

In November/23, the Company replaced the projection for iron ore production plus third-party purchases from a level between 39,000 kton and 41,000 kton to 42,000 kton and 42,500 kton at the end of 2023.

In November/23, the Company replaced the C1 cash cost in mining from a level between US$19/ton and US$21/ton to US$22/ton in 2023.

In December/23, the Company replaced the projection of production volume and purchases of third-party ores between 42.0-43.5 Mton in 2024, 42 Mton in 2025, 44 Mton in 2026, 53 Mton in 2027 and 68 Mton in 2028.

b) **With regard to projections for periods that have already elapsed, compare the projected data with the actual performance of the indicators, clearly indicating the reasons that led to deviations in the projections.**

2021

The company's cash cost, in dollars, was at an annual average of US$2.6/t worse than the *guidance* due to a one-off pressure in November as a result of scheduled shutdowns and heavy rains in the period, causing a lower dilution of the fixed cost of the mine and port. If we exclude November from the calculation of the average for the year, the average *Cash Cost* would be US$19.00, i.e., in line with what was expected by the Company.

2022

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

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

2023

Projections	2023 Projected	2023 Realized	Variation
Production Volume and Purchases of Third-Party Iron Ore (Mton) - Mining	*42 – 42.5*	*42.6*	*0.1*
Cash Cost (C1 Cost) - Mining (US$/ton)	*$22*	*$21.8*	*- $0.2*

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

The Ore Production Volume was positively impacted by higher operational efficiency, causing the result for the year to exceed initial estimates. In addition, the high volume allowed for a higher dilution of fixed costs, bringing the C1 cash cost in mining to a lower level than projected.

c) for projections for periods still in progress, inform whether the projections remain valid on the date of submission of the form and, if so, explain why they were abandoned or replaced.

Ongoing and valid estimates:

Projections	2023E	2024	2025	2026	2027	2028	2023-2028E
Production Volume and Purchases of Iron Ore from Third Parties (Mton) - Mining	*42 - 42.5*	*42.0 - 43.5*	*42*	*44*	*53*	*68*	-
Cash Cost (C1 Cost) - Mining (US$/ton)	*US$ 22*	*US$ 21.5 -23*	-	-	-	-	-
Capex (R$ milhões) - Mining	-	-	-	-	-	-	*R$ 15,300*
Projection of reaching a potential EBITDA with the P15 project (R$ million)	-	-	-	-	-	*R$ 4,000*	-

Follow-up and changes to disclosed projections.

Superseded estimates:

In November/23, the Company replaced the projection for iron ore production plus third-party purchases from a level between 39,000 kton and 41,000 kton to 42,000 kton and 42,500 kton at the end of 2023.

In November/23, the Company replaced the C1 cash cost in mining from a level between US$19/ton and US$21/ton to US$22/ton in 2023.

In December/23, the Company replaced the projection of production volume and purchases of third-party ores between 42.0-43.5 Mton in 2024, 42 Mton in 2025, 44 Mton in 2026, 53 Mton in 2027 and 68 Mton in 2028.

In December/23, the Company replaced the C1 mining cost projection to a level between US$21.5/ton and US$23.0/ton in 2024.

In December/23, the Company replaced the CAPEX projection for expansion in Mining from a level of R$ 13.8 billion in the 2023-2027 period to a level of R$ 15.3 billion in the 2023-2028 period, related to phase 1 of the capacity addition project.

In December/23, the Company added the projection of reaching a potential EBITDA of R$ 4 billion with the Itabirito P15 Plant project, after the maturation of operations, expected to occur in 2028.

Estimates abandoned in the last 3 years:

Not applicable.

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese-language version shall prevail. See Note 34 to the financial statements.)

Independent Auditor's Report on the Financial Statements

Grant Thornton Auditores Independentes Ltda.

Av. Eng. Luiz Carlos Berrini, 105 - 12º andar Itaim Bibi, São Paulo (SP) Brasil

T +55 11 3886-5100

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, 2023 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 material accounting policies and other explanatory information.

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, 2023 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 (KAM) are those matters that, in our judgment, were of most significance in our audit of the financial statements for the current year. 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 tax risks (Note 21)

Why the matter was determined to be a key audit matter

The Company is a defendant in tax 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 their required disclosures.

The total provision amount recorded in the financial statements amounts was R$2 million, parent and consolidated as of December 31, 2023. The amount of possible tax lawsuits losses, therefore, not required to record a provision in accordance with accounting practices adopted in Brazil and IFRS, was R$ 10,600 million as of December 31, 2023.

The tax framework in Brazil is highly complex. Therefore, the measurement, recognition and disclosure of tax risks, requires a certain level of judgment by the Company and its subsidiaries to support the determination of a reasonable estimate of loss and expected results for each tax proceeding and, consequently, records and disclosures in their individual and consolidated financial statements. Therefore, we considered, again, this matter as critical for our audit of the current audit and a key audit matter.

How the matter was addressed in the individual and consolidated financial statements audit

Our audit procedures included, among others:

- evaluation of the internal control environment 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 responses to requests for confirmations received, in order to verify if they were adequate and consistent;
- involvement of our internal tax specialists to evaluate the merit and information on the prospect of success provided by the legal advisors in relation to the main tax matters involving the Company in the extension we understand was necessary;
- testing of legal expenses, with the aim to verify if there were any legal advisors possibly 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 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 in the tax sphere in relation to ongoing processes 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, 2023, 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 06, 2024

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

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

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 31,2023.

São Paulo, March 6, 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 31,2023.

São Paulo, March 6, 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