

Integrated Report

2021



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Presentation



CSN Mineração S.A. (“CSN Mineração,” “CMIN,” or the “Company”) is the second largest iron ore exporter in Brazil, and conducts its operations with a focus on efficiency, productivity, and sustainability in its entire value chain. Since it became a joint-stock company, in 2021, CMIN has been independently disclosing its Integrated Report with the purpose of demonstrating how it integrates the management of environmental, social, and corporate governance (ESG) aspects into its strategic planning in order to generate long-term value.

The current report has been elaborated in conformity with the Global Reporting Initiative (GRI) Norms, under the Essential option. In addition to that, this publication has been elaborated according to the principles and under the guidance of the International Integrated Reporting Framework (IIRF), as proposed by the Value Reporting Foundation, and that complies with CVM Resolution 014/2020 and the standards set by the Sustainability Accounting Standards Board (SASB) for the Metals and Mining sector. This report also deals with the recommendations made by the Task Force on Climate-Related Financial Disclosure (TCFD) on the disclosure of climate risks and opportunities.

The performance data is permanently monitored at the management level, and is correlated to the principles of UN'S (United Nations) Global Compact and Sustainable Development Goals (SDG's). The Integrated Report also fulfills the requirements associated to the commitments assumed by its controlling company, Companhia Siderúrgica Nacional S.A. – CSN, as a signatory of the Global Compact, and complies with the ISO 26000:2010 standards.

The financial information follows the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). CSN Mineração also follows the directives issued by the Brazilian Accounting Pronouncements Committee (CPC). Such information can be verified on page 38 of the current document and in the Company's Financial Statements available in CSN Mineração S.A.'s IR (Investor Relations) website at <https://ri.csnmineracao.com.br>.

The information submitted in the current Integrated Report has been obtained through interviews with corporate leaders and data collection and review by the administrative and operational areas of CSN Mineração and CSN, its controlling company. Information on company MRS Logística S.A. has not been incorporated into the answers to the contents requested by the GRI norms, this operation is only considered in the company's Financial Statements, which consolidate the results through the equity method.

This report is in line with the main international market frameworks, was approved by the Board of Directors and submitted to an independent audit



Iron ore conveyor belt

The financial data has been submitted to external verification by the independent company Grant Thornton Auditores Independentes, in conformity with the standards issued by the Brazilian Accounting Council (CFC). The non-financial data (ESG) have been submitted to a limited assurance undertaken by company Russell Bedford, an independent audit firm registered at the Securities and Exchange Commission (CVM).

The document, approved by the Company's Board of Directors, covers the operations of mines of

Casa de Pedra and Engenho, of the Processing Complex of Pires, and of Tecar (Solid Bulk Port Terminal at the Port of Itaguaí-RJ) in the period between January 01 and December 31, 2021, in addition to subsequent events deemed relevant to comprehend the business model verified until the publication date. The previous edition was published in 2021 to report the company's performance in year 2020. Any doubt, comment, and suggestion regarding the Integrated Report may be forwarded to sustentabilidade@csn.com.br.

The data and information presented in the current Integrated Report contain claims about corporate measures and goals, and other current and future sustainability objectives. These goals have been disclosed within the limited context of the Company's sustainability efforts and should not be understood as statements on the Board's expectations or estimates about the financial results or other guidelines. The Company would like to advise investors not to apply the current statements in any other context.

Ore beneficiation at the Pires unit



How to navigate

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to access interactive contents.



Click on highlights

to access additional content online.



The icons of the Sustainable Development Goals (SDGs) and the Global Compact Principles on the side of the pages show the connection of the reported content with these global sustainability frameworks.

GRI 102-1 | 102-45

In the footer, the notes indicate which contents of the Global Reporting Initiative (GRI) are answered on each page. Correlations between GRI content and SASB, UNCTAD, Global Compact Principles and SDG indicators are presented in the GRI Content Index.



Materiality

CSN Mineração's Materiality Matrix has as its purpose to identify the most relevant issues for sustainability management and to communicate developments to internal and external publics. The identified issues are derived from a study undertaken by the Company in 2021, with the purpose of evaluating how the main aspects of the ESG agenda are connected to its strategy, and how they can influence the decision-making process of its stakeholders.

The process has been developed in four different phases: evaluation of studies and sector benchmarks; engagement of the public through surveys and interviews; consolidation of the issues in view of the principles of the GRI and of the Integrated Report; and validation by the company's leaders.

During the first phase, six companies from CSN Mineração's operating sectors were analyzed in the benchmarking process, with an analysis on the reporting frameworks and on the answers to sustainability indexes. During the second phase, qualitative interviews were undertaken with nine individuals, three of them with the Company's officers, and six with representatives from financial institutions, clients, suppliers, and regulatory agencies.

The quantitative survey, open to all stakeholders and available in Portuguese and English, was answered

by 175 stakeholders. Of that total, 144 (82%) were the company's employees, and the 31 remaining ones included external publics, such as suppliers, shareholders and investors, financial institutions, subcontracted professionals, non-government organizations, the academia and teaching and research institutions, clients, local communities, public powers, and civil society.

After identifying and validating the material issues, CSN Mineração correlated to Materiality Matrix to the Sustainable Development Goals (SDG's), established by the United Nations Organization (UN) to engage member countries in the fight against poverty, and to preserve the environment, mitigate climate change, and promote peace and prosperity. The material issues were also correlated to the Principles of the Global Compact and to the market indicators as presented in the report, in descending order from higher to lower relevance, as seen in the chart available on the next page.

Thus, the issues indicated in the Materiality Matrix have oriented the elaboration of the current Integrated Report's text and content. Throughout its chapters, stakeholders will be able to understand how investments, projects, and governance systems are oriented so all business units can contribute to the SDG's and fulfill the main demands of global society.

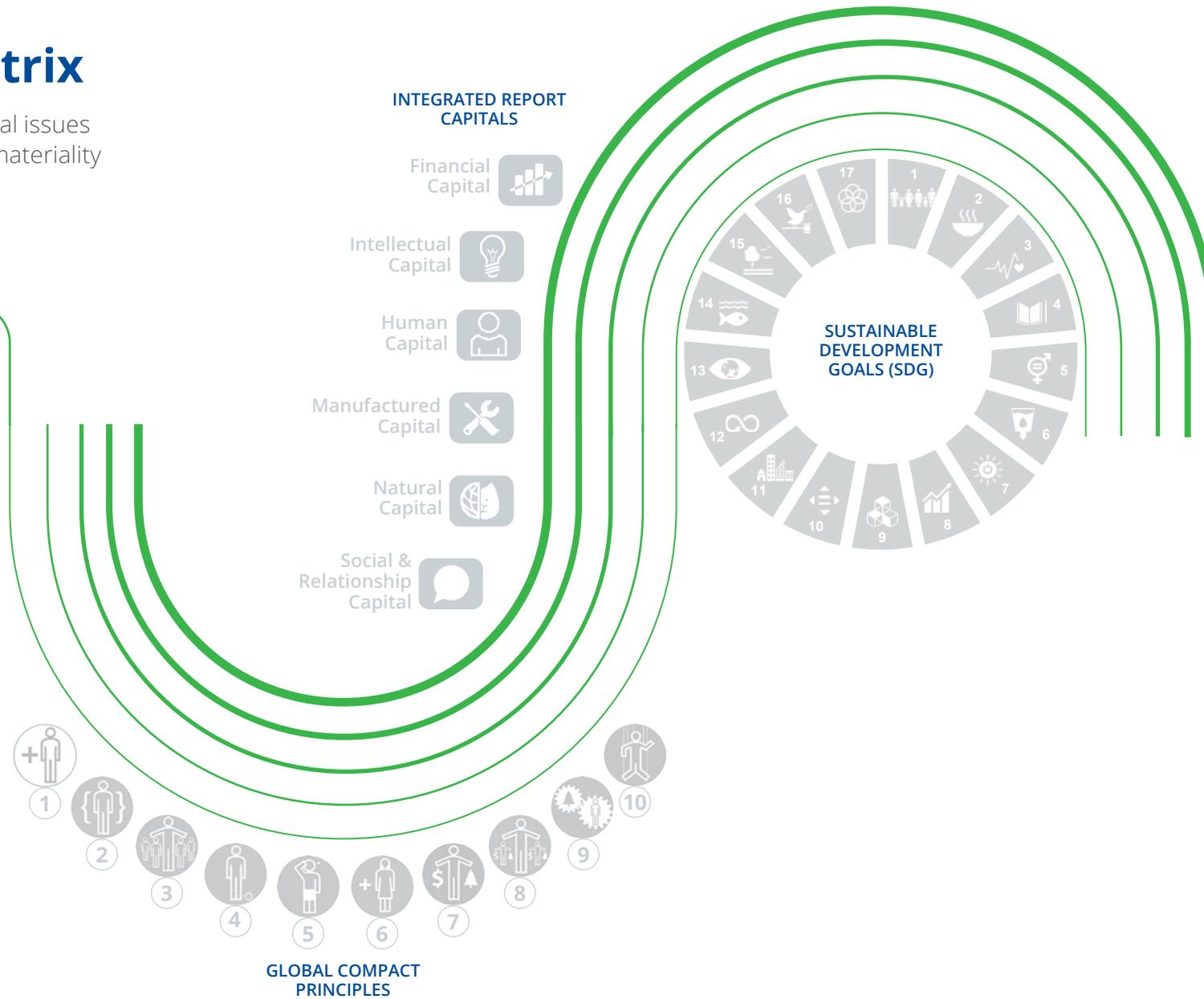


As a signatory of the Global Compact, CSN, CSN Mineração's controlling company, promotes the integration of the SDG's into its activities and in all of its business segments, by aligning its operations and business strategies with society's current and future demands

Materiality matrix

Learn more about the 12 material issues that make up CSN Mineração's materiality matrix, revised in 2021.

ISSUES



Letter from the Board of Directors

CSN Mineração, one of the pillars of the 80-year history of the CSN Group, had a historic year in 2021. The Company went public and R\$ 5.2 billion was raised in a public offering of shares (primary and secondary), one of the ten largest IPOs ever held on B3 stock exchange. This is a clear demonstration of trust in a business that is essential for society and that generates value in a sustainable and long-term manner.

The record results in production and sales volume, cash generation, revenue and profitability were accompanied by a major evolution in ESG (Environmental, Social and Governance) management policies and practices. The Company, for example, already has 100% of the electricity it uses generated from renewable sources, and in 2022 it will start testing with electric trucks, replacing diesel oil with rechargeable batteries. This move is another step towards the goal of promoting decarbonization and having a carbon neutral operation by 2044.

On the diversity front, a priority topic for CSN Mineração, there were also important advances. In 2021, the number of women employed grew by 25% compared to 2020, causing female participation to reach 18% of the total number of employees. The number of people with disabilities employed also increased significantly, 9% more year-on-year. We will make every effort to consolidate a plural, diverse and inclusive Company.

The commitment to de-characterizing the tailings dams has been fulfilled according to the established schedule. The de-characterization of the B5 dams, in Congonhas, and Auxiliar do Vigia, has already been completed. The works on the B4 and Vigia structures have already started, the latter with completion scheduled for 2022. And, with the new technologies already implemented, CSN Mineração has become, since 2020, a company completely independent from the use of dams with the disposal of tailings – all material is stacked safely and with less environmental impact.



*Benjamin Steinbruch
Chairman of the Board of Directors*

The IPO at B3 was a milestone in the trajectory of the Company and the CSN Group and demonstrates confidence in a business that is essential for society and the generation of sustainable value in the long term

Innovation is a lever for the growth of CSN Mineração connected to the contribution to sustainable development. Therefore, the performance of CSN Inova, through its four pillars, is essential for increasing the Company's competitiveness. In this sense, the Digital Transformation project stands out, with the objective of increasing the efficiency of the Casa de Pedra mine, within the scope of the Memorandum of Understanding ("MoU") signed with Itochu Corporation, a Japanese multinational and minority partner of the Company.

ESG management is a fundamental part of the growth strategy defined for CSN Mineração, which will be the fifth largest producer of iron ore in the world by 2032. The expansion projects will increase the production capacity and

operational efficiency of the mine and the port of Tecar, in Itaguaí (RJ), while making the entire operation even more sustainable.

Our entire team is committed to these themes and we are sure that 2022 will be a spectacular year, not only due to the increase in volumes or the quality of our assets, but mainly due to the commitment and effort of the employees who make up the CSN Mineração team. Let's go together, doing well, doing more, doing forever!

Benjamin Steinbruch
Chairman of the Board of Directors

*Product yard
and plant view*

Letter from the Superintendent Director

In 2021, CSN Mineração achieved record financial and operating results in its history. The positive performance confirms the success of the strategy of carrying out the primary and secondary offering of shares in B3, opening the opportunity for the participation of minority shareholders who invest in a Company that generates wealth and promotes positive socio-environmental impacts.

Even with a still adverse scenario due to the Covid-19 pandemic, with high volatility in relation to the price of iron ore and sea freight, we achieved growth in both production volume (+18%) and sales (+7 %) compared to 2020. Evolutions reflected in an adjusted EBITDA of R\$ 10.4 billion and a net revenue of almost R\$ 19 billion, 41% higher in the annual comparison.

Efficiency in operations and cost management were key to achieving these records. Mainly due to the fact that the price of iron ore, after a first semester of appreciation, suffered adjustments in the second half of the year, with drops of more than 60%. Thus, our focus will continue to be on ensuring high quality products, with high productivity and control of operating costs.

In addition to high operating standards, CSN Mineração's strategic plan is geared towards business growth. By 2032, we aim to be the fifth largest producer of iron ore in the world, increasing production capacity by more than 200%. We will invest around R\$12 billion in the first phase of this expansion alone.

The mapped projects will also take our environmental performance to an even higher level, expanding the technologies that have made us, since 2020, a Company that does not use dams for the disposal of tailings. With innovations and adaptations to the beneficiation process, we started to filter the tailings to remove and reuse water, enabling the dry stacking of the tailings.

With this solution, we will also continue in the process of de-characterizing the dams that were built in the past. By 2021, the B5 dams, in Casa de Pedra, and Auxiliar do Vigia, in the Pires Complex, had already been de-characterized, and by the end of 2022 the work on the Vigia Dam will be completed.



*Enéas Garcia Diniz
Superintendent Director of CSN Mineração*

We achieved record financial results in 2021, supported by operational efficiency and cost management, and we continue to seek business growth and reach even higher levels of environmental performance

In the search for more productivity, we will implement new projects for the processing of Itabirito, obtaining an ore with higher iron content. This high quality input contributes to the reduction of CO₂ emissions in the steelmaking process.

This benefit of our business model is even more relevant in the current context, in which climate change poses a risk to all productive sectors. The need to reduce greenhouse gas emissions demands the ability to innovate and transform production methods.

At CSN Mineração, we are committed to totally neutralizing direct emissions and emissions resulting from the purchase of electricity by 2044. Until then, we will continue to invest in new technologies, renewable energy and more efficient processes to reduce our carbon footprint.

In 2021, we achieved a 7% reduction in the carbon emission index per ton of ore produced compared to 2020. Our goal is to achieve a 30% reduction by 2035.

The solutions to achieve this objective are related to a profound transformation of the mine operation. The electrification of trucks, for example, will avoid the use of fossil fuels. We also study mechanisms to allow the insertion of non-polluting alternative fuels, such as hydrogen, to reduce the burning of diesel.

Even with technological advances to increase efficiency, productivity and improve environmental performance, the role of employees remains paramount in all of the Company's activities, with a focus on ensuring safe and efficient operation.

For this reason, we also prioritize investment in training, leadership preparation and diversity

promotion actions. The engagement of teams is essential to achieve standards of excellence in quality and safety. In 2021, we were able to celebrate a 13% decrease in the accident severity rate, the result of an integrated action plan carried out for more than a decade to strengthen the safety awareness and culture among everyone who works at the Company.

CSN Mineração is just at the beginning of a new cycle of growth and modernization. We have great challenges to materialize the strategic plan and achieve the long-term goals agreed with shareholders. The pillars for carrying out this strategy are the technical capacity of our teams and the commitment to ethical and sustainable performance throughout the production cycle.

Enéas Garcia Diniz
Superintendent Director of
CSN Mineração

Highlights **in 2021**



Iron ore pile

FINANCIAL CAPITAL

R\$ 19.0 billion

in net revenues (+41%)

R\$ 11.0 billion

in gross profit (+37%)

R\$ 10.4 billion

in adjusted EBITDA (+27%)

R\$ 6.0 billion

in net cash

MANUFACTURED CAPITAL

R\$ 5.2 billion

raised in the public offering of common stocks (primary and secondary – IPO)

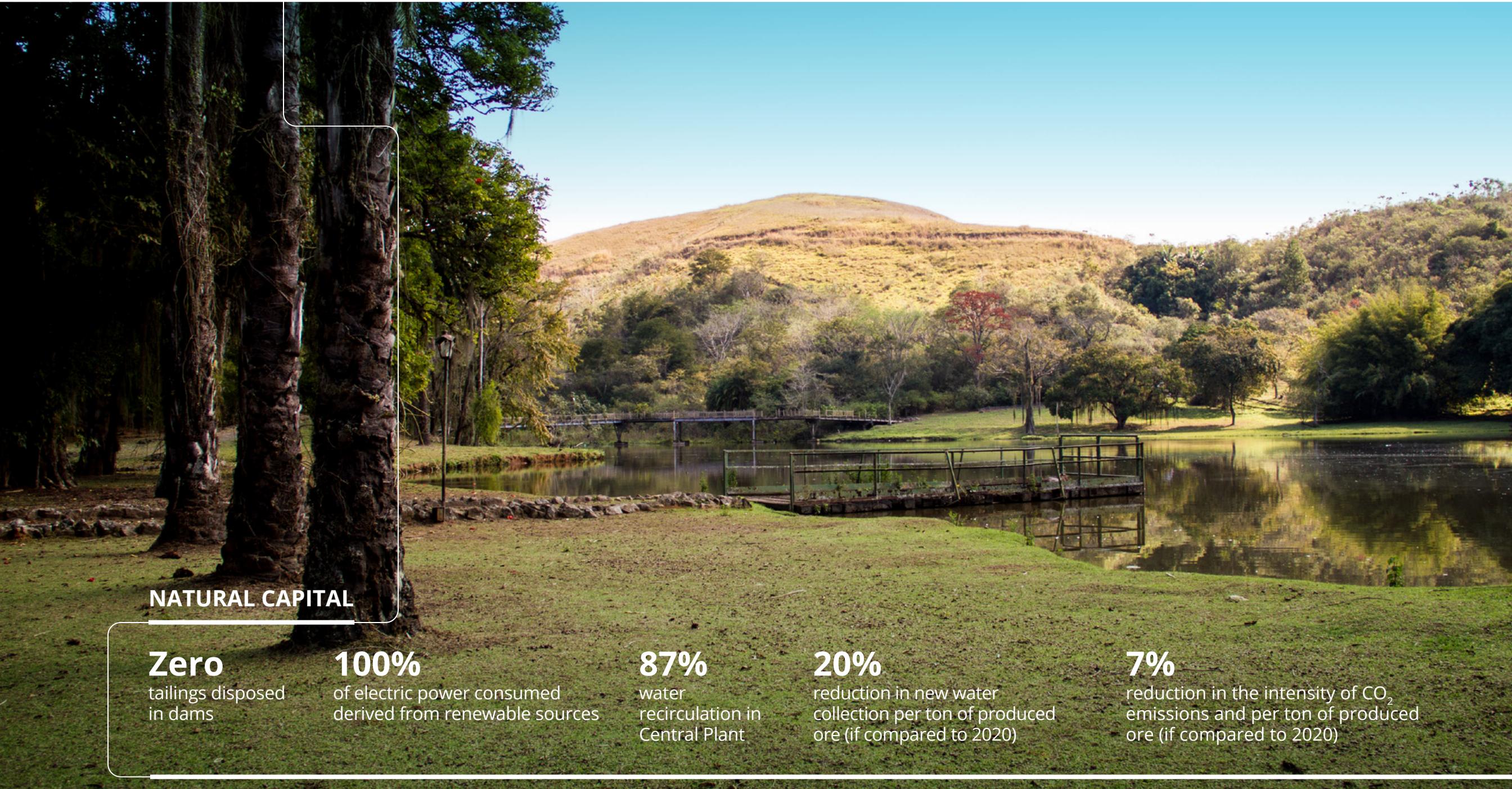
36 million

tons of produced and purchased ore (+18%)

33 million

tons of traded ore (+7%)

Loading area of Pires



NATURAL CAPITAL

Zero

tailings disposed
in dams

100%

of electric power consumed
derived from renewable sources

87%

water
recirculation in
Central Plant

20%

reduction in new water
collection per ton of produced
ore (if compared to 2020)

7%

reduction in the intensity of CO₂
emissions and per ton of produced
ore (if compared to 2020)

SOCIAL & RELATIONSHIP CAPITAL

Incentive

to vaccination against Covid-19

160 scholarship

programs offered for technical courses by the Trilhas de Futuro/ Trails into the Future Program

Technological Education Center (CET) with

398 scholarship holders

, for Elementary Schools, Middle School and Technical Courses

HUMAN CAPITAL

Zero

fatality in the year

9%

growth in the representation of disabled persons

18%

of women in the company' staff (+36% relative to the target base year)

13%

reduction in the accident severity rate

Employees of Pires unit





INTELLECTUAL CAPITAL

Score B-

in the first reporting year to CDP in the Climate Change questionnaire

Score C

in the first reporting year to CDP in the Water Security questionnaire

Achieved in 2021

ISO 14,001

certification also for the Port of Tecar-RJ

Start of the implementation of the

autonomous truck system

at the Mine of Casa de Pedra

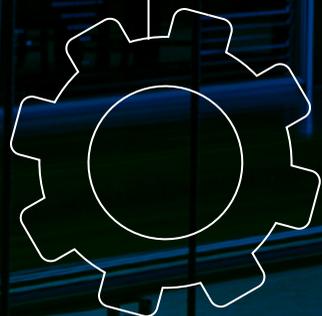
MOU signing with strategic partners to develop initiatives related to

decarbonization and digital transformation

Laboratory of Congonhas

Business model

CSN Mineração S.A. is one of the largest iron ore producers and exporters in Brazil. The Company operates in an integrated and vertical manner in its entire production chain, from extraction and processing in own mines to participation in logistic companies for shipment and to serve the main consumer markets - especially China.



Mining activities are undertaken at the mines of Casa de Pedra, considered the second largest mine in the country in terms of production capacity, and Engenho, both located in the Iron Quadrangle region, in the State of Minas Gerais.

The Mine of Engenho, also an opencast mine located in the Southwestern region of the Iron Quadrangle, is located just beside the mine of Casa de Pedra and is currently considered as another deposit belonging to the complex to be prospected. It has reserves calculated at 300.0 million tons of ore (Snowden *do Brasil* certification, 2015). The Pires complex counts on dry processing plants, equipped with Mobile Sieving Units and an Ore Treatment Facility (OTF), which comprises crushing and classification operations. The ore processing takes place at the central plant of Casa de Pedra and at the dry plants in Pires, with an installed capacity of 33 million tons of production per year.

The Company also holds an 18.63% stake in the total social capital of MRS Logística S.A., the logistic operator of the railroad network that connects the Iron Quadrangle to the port terminals used to distribute production to the transoceanic market. In addition to that, CSN Mineração holds a concession to operate the port terminal of TECAR, located in the Port of Itaguaí (Rio de Janeiro), with a loading installed capacity of 45 million tons of iron ore, and an unloading capacity of 4 million tons of reducers (i.e., coal, coke, etc.) per annum.

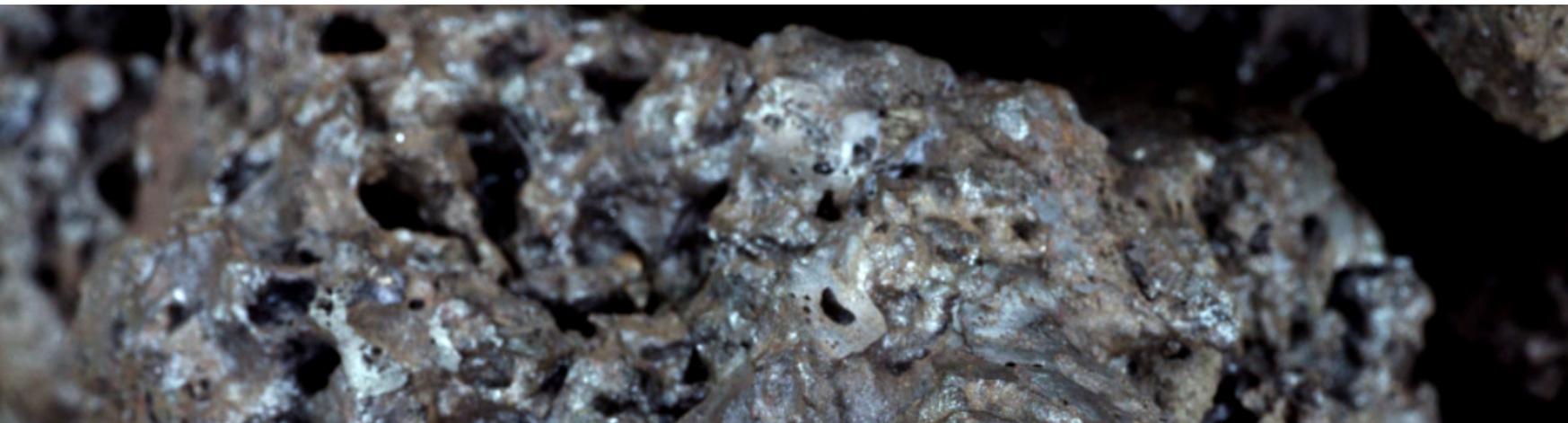


CSN Mineração's products



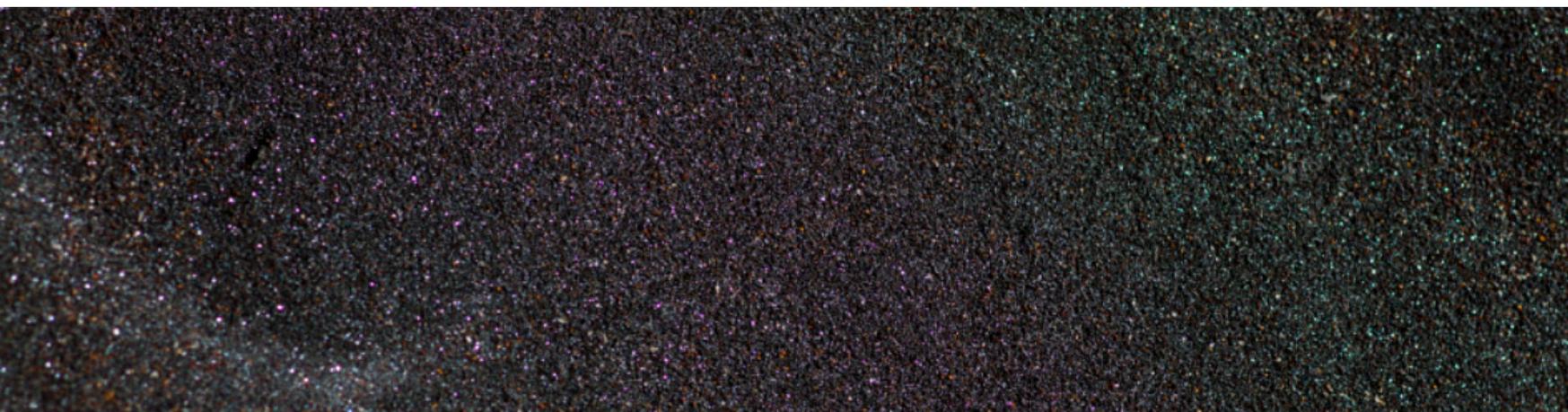
Lump Ore

Iron ore obtained after the crushing and sieving process. Granulometry varies between 50 mm and 6.3 mm, and may it be directly utilized in steel blast furnaces.



Sinter Feed

Obtained in the later ore processing stages, sinter feed has a granulometry between 6.3 mm and 0.150 mm. Before it is used in the blast furnaces, the ore needs to be clustered in sintering units.



Pellet Feed

With a granulometry inferior to 0.150 mm, pellet feed is the fine particle of iron ore. Before being utilized in steel mills, it goes through a pelletization process.

Employees of
Casa de Pedra



Mission

To act in an integrated and innovative approach, generating perpetual and sustainable development

Vision

To be the most respected and renowned company, locally and globally, strengthening what it means to be Brazilian.

Values

Our path is one of respect for life, ethics and the planet;
Our focus is on operational excellence;
Our solutions are innovative and integrated;
Our strength comes from people who make a difference;
Our pride is TO BE CSN MINERAÇÃO.

Integrated operations

CSN Mineração is controlled by CSN – Companhia Siderúrgica Nacional, a business group with an 80-year history and operations in many different segments of the national industry. The iron ore produced in Minas Gerais ensures the self-sufficiency of the Plant of Presidente Vargas (CSN UPV), located in Volta Redonda (RJ), CSN'S main steel plant and the first integrated steel producer in the country. In 2021, CSN Mineração commercialized 33.2 million tons, a 7% increase if compared to the previous year. Approximately 15% of that total was sold to UPV, and the remainder was exported to many countries around the world.

The logistic model implemented to distribute production, with integrated railways and ports, makes CSN Mineração one of the most efficient and competitive companies in the sector, both in terms of cost management and quality of its production, and management of socio-environmental aspects.



Locomotive wagon

Business model

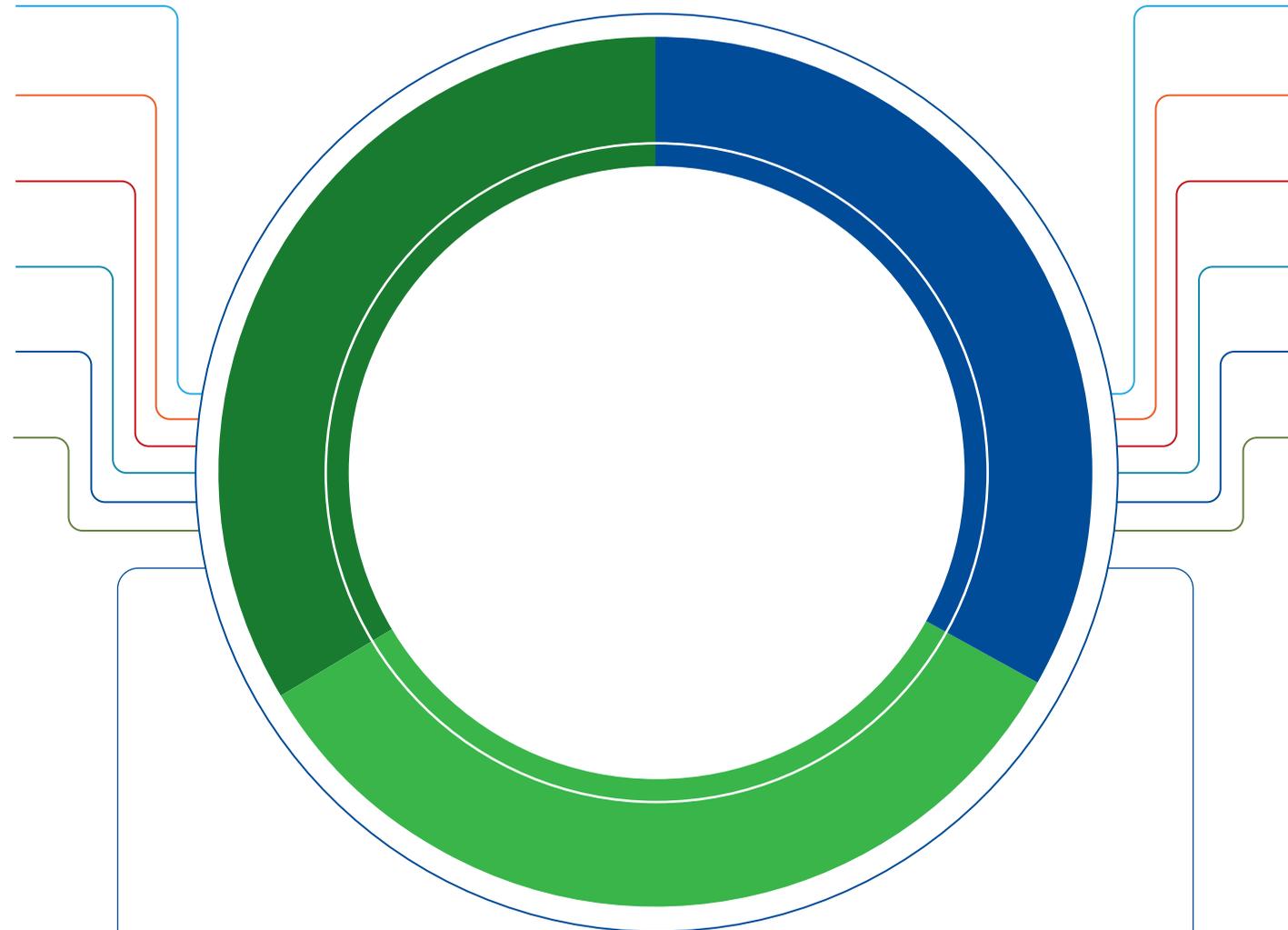


Click on the green boxes
to learn more about the inputs and the value generated by CSN Mineração in the six capitals of the Integrated Report, in addition to knowing the corporate guidelines and the Company's management differentials.

The representation of CSN Mineração's business model in accordance with the principles and capitals of the Integrated Report (IIRC) is a way of synthesizing the generation of financial and non-financial value in the business.

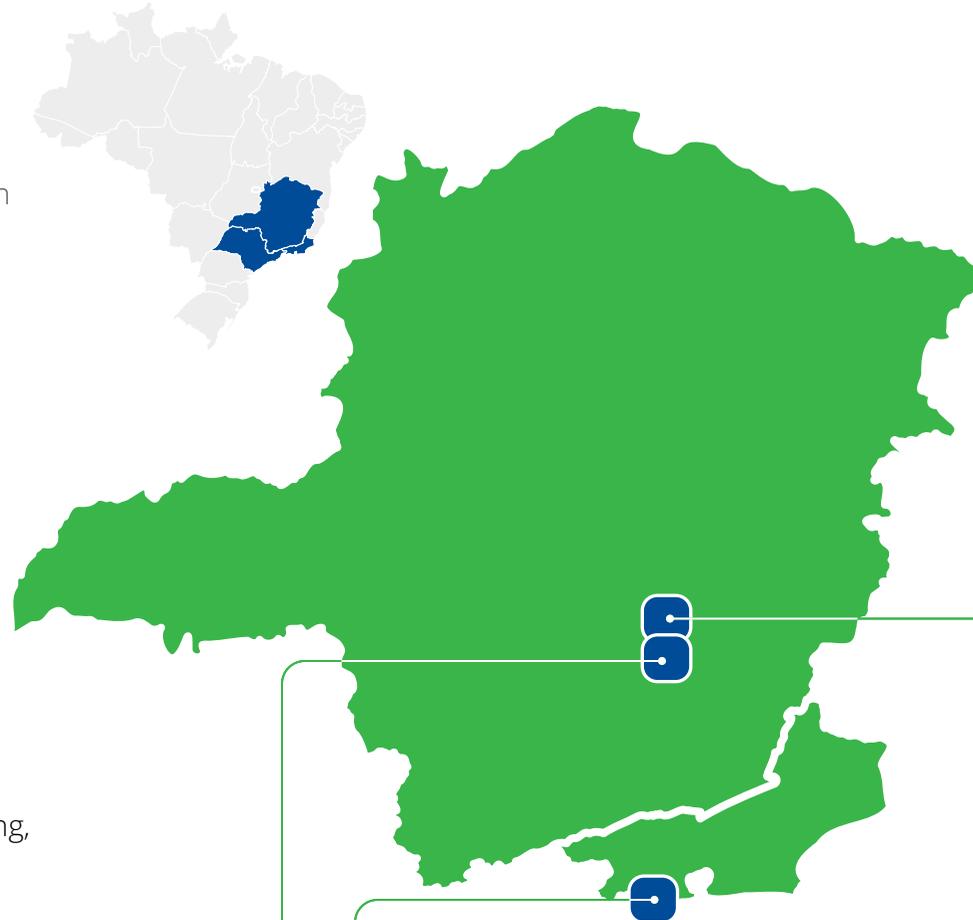
INPUTS

VALUE GENERATED



Map of operations

CSN Mineração has production units in the Southeast of Brazil, in addition to holding an equity interest in MRS Logística



Casa de Pedra Mine

It is the oldest mine in operation in Brazil, having started its extraction process in 1913, and it is known as one of the main mines in the country due to the quality of its iron ore, and as with one of the largest reserves in the world. It is an opencast mine with a processing plant comprising three macro-processes:

1

Crushing and Homogenization

Flow composed of primary crushing, buffer pile, secondary crushing, sieving, and homogenization pile.

2

Classification and Concentration

Works with sieving, classifiers, desliming, cyclones, flotation, concentrate thickener, re-crushing, spirals, talling thickener, HIMC I (Ultrafine Particles), HIMC II and III (WHIMS), and a lime thickener.

3

Filtering, Loading, and Disposal of Tailings

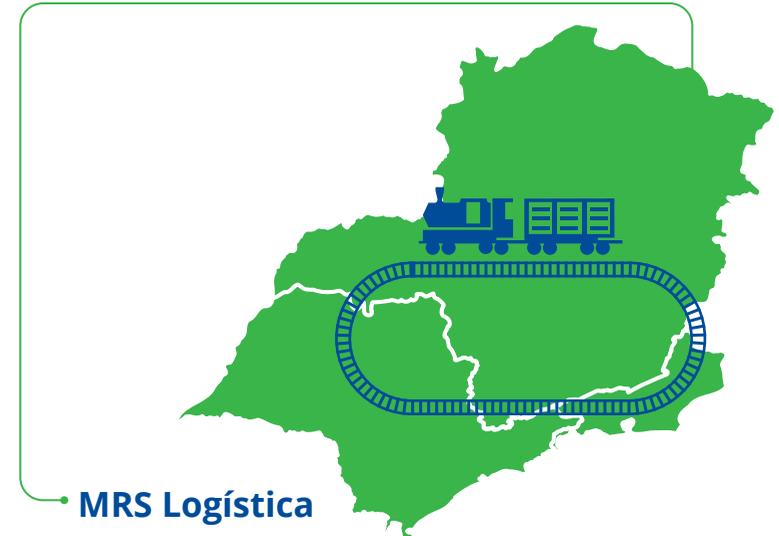
Works with HIMC I, filtering, product stacking and loading onto wagons, filtering of tailings, and disposal on piles.

Tecar

Port terminal managed by CSN Mineração and interconnected to MRS' railway terminal. It has the capacity to export 45 million tons of iron ore per annum and can discharge up to 4 million tons per annum of reducers, and may also operate with other kinds of solid bulk cargos.

Engenho and Pires Mines

The Mine of Engenho comprises one of the mining deposits of the Casa de Pedra complex. The Pires Complex has a crushing and sieving unit (ITM) and mobile sieving (UPEs), dry processing plants.



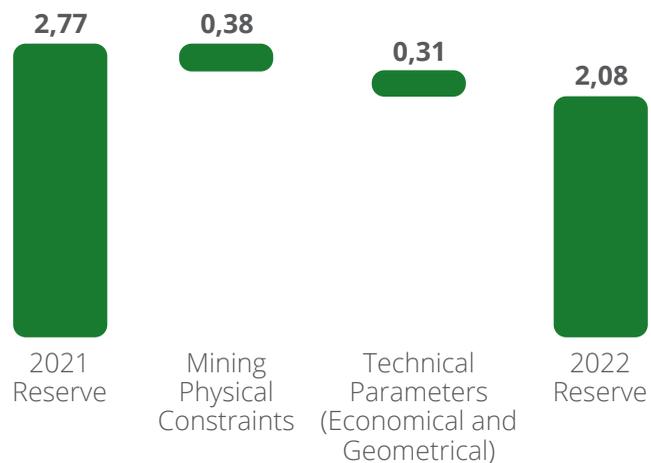
MRS Logística

CSN Mineração holds an 18.63% stake in MRS Logística, which operates the railroad network in the Minas Gerais – Rio de Janeiro – Sao Paulo hub. The so-called 'Steel Railway' connects the mines of Casa de Pedra and Engenho & Pires, the Plant of Presidente Vargas (UPV), and the Port of Tecar.

Reserves and Resources – Casa de Pedra and Engenho Mines

Although it has had the current configuration only since 2015, the Company has a history spanning more than 100 years of iron ore production. The Reserves of Casa de Pedra reached 2.80 Bt in 2020. Considering the material extracted in 2021 (depletion), the total Reserves amounted to 2.77 Bt. In 2022, the Mineral Reserve was upgraded by 2.1 Bt, in conformity with SEC rules. That variation was due to the a number of factors, including:

Mineral reserve (Bt)



In the 2022 estimate, there were narrower limits for the wells. More specifically, CSN Mineração excluded the ore taken from the adjacent areas Northeast of the mine due to their proximity to the mineral rights of third parties, which would require formal agreements to allow for joint operation.

Revision of the well project according to updated technical and economic parameters.

For further information, [click here](#) and access the Technical Report Summary on the Casa de Pedra Operations



Casa de Pedra iron ore reclaimer

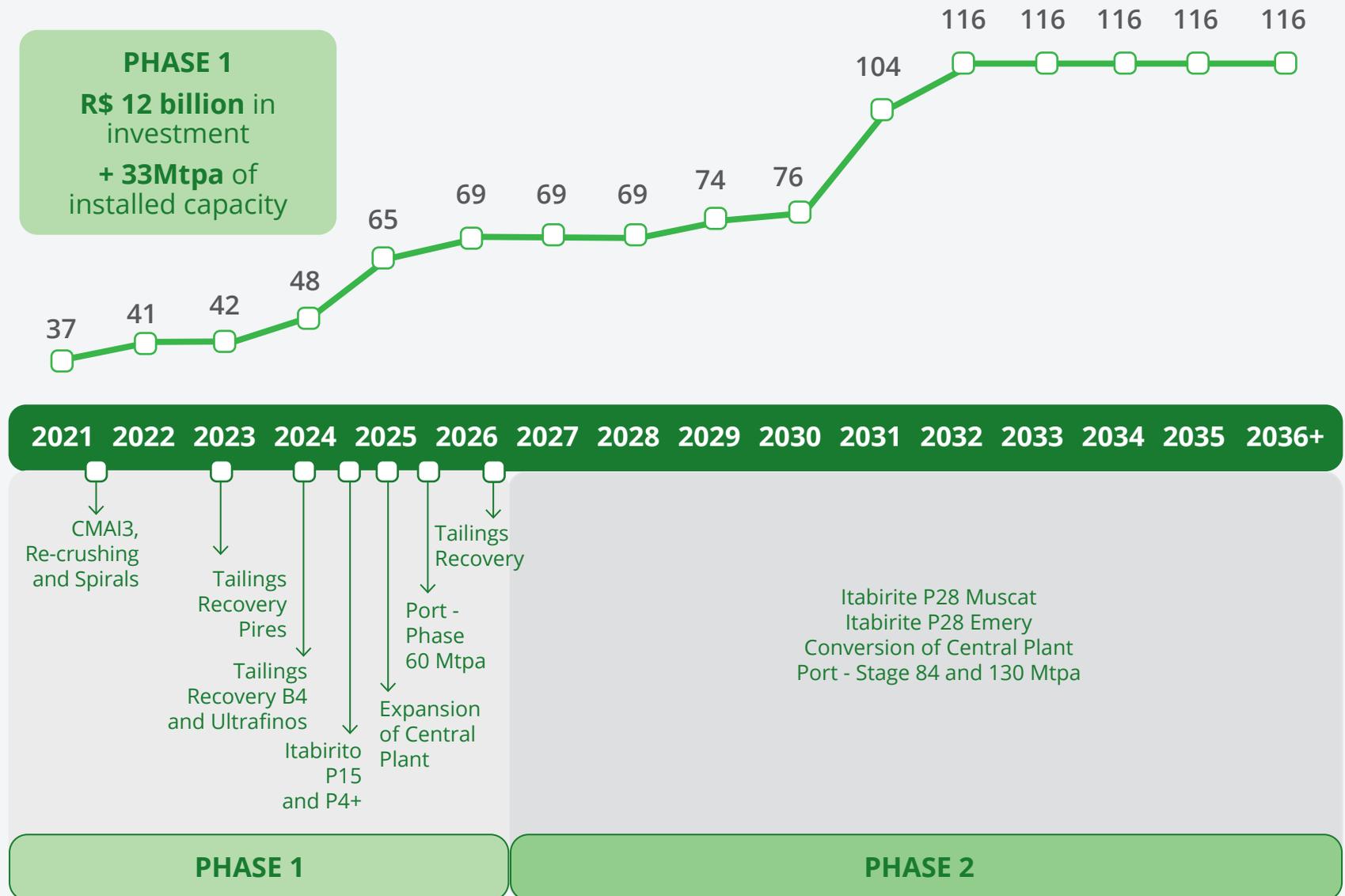
Efficiency, growth and sustainability

CSN Mineração has established an investment plan to triple its production capacity and become the fifth largest iron ore producer in the world until 2032. Its production volume plus purchases will go from the current 36 million tons in 2021 to 116 Mtpa.

The projects designed to achieve this objective have been divided into two phases. In the first one, until 2026, a total of R\$ 12 billion will be invested, which will add a 33 Mtpa capacity to the company's operations. In the second phase, with the planned expansion and quality improvement projects, a 56 Mtpa ore capacity accrual, and a boost in the capacity of the Port of TECAR to 130 Mtpa, have been forecasted.

These initiatives includes adaptation works and new equipment to improve the processes and extend the recovery of tailings deposited in dams and ultrafine particles, and especially the implementation of processing plants for the reserves of Itabirite/pellet feed, which will produce very high quality ore with an iron content of up to 67%.

Projects for Capacity Expansion¹



1. Company estimates (does not include volume of ore purchases, own production only).

CSN Mineração's expansion projects

With the purpose of fulfilling the high and increasing demand for high-quality iron ore, the Company plans to execute two large Expansion Projects in the next 10 years:

PROJECTS IN THE 1ST PHASE

- Dam Tailings Recovery Projects (Tailings Processing at Pires, Dam B4, and Casa de Pedra)
- Plant of Itabirito P15 and P4 Plant
- Expansion of Central Plant 5+ and Ultrafine Particles
- Port of Tecar – Stage 60 Mtpa

PROJECTS IN THE 2ND PHASE

- Itabirito P28 Mascate
- Itabirito P28 Esmeril
- Central Plant Conversion
- Port of Tecar – Stage 84 and 130 Mtpa

Dam Tailings Recovery Projects (Tailings Processing at Pires, Dam B4, and Casa de Pedra): brownfield expansions that will generate value through the recovery of 180 million tons of tailings currently stored in the dams, as a part of its de-characterization program. It has been estimated that such dam tailings recovery projects will provide a production accrual of 8 million tons per annum.

Central Plant Expansion Projects: brownfield expansions that will accelerate the production of pellet feed, and the ultrafine particles project to recover lime from the central plant, which today is sent to tailings, at a low operational cost. It has been estimated that such expansion projects will provide a production accrual of 6 million tons per annum (5 million tons from Plant P5+ and 1 Mta from the Ultrafine Particles plant).

Projects in Itabirite (Itabirite P15, Plant P4, Itabirite P28 Muscat, Conversion of the Central Plant and Itabirite P28 Emery): mix of brownfield and greenfield expansions, all projects with proven technology and a competitive investment per ton to produce premium pellet feed with a low degree of impurities and high iron content (including directly reduced pellet feed). It has been estimated that such expansion projects will provide a production accrual of 75 million tons per annum.

Expansion Projects at TECAR: brownfield investments to support the ore production capacity expansions described above. It has been estimated that such expansion projects will provide operational capacity accrual at TECAR along 3 phases (shipment of 60, 84, and 130 million tons per annum).

Casa de Pedra ore beneficiation plant

The expansion project in the High-Intensity Magnetic Concentrators (HIMC) plants, for the treatment of tailings (lime and sandy tailings), started in 2018, has provided optimization in the productive process at the Casa de Pedra mine.

CSN Mineração already operates three plants. The HIMC III plant, concluded and installed at the end of 2021, performs the first magnetic separation of the ore that leaves the Central Plant. After that, tailings are forwarded to the HIMC I and II plants, which perform fine ore recovery, thus ensuring a high-quality product. After mass recovery at the industrial plant, the generated tailings are forwarded to the filtering process and dry stacked without requiring dams.

With the implementation of the HIMC I and HIMC II projects, approximately 1.7 million tons of tailings will be turned into products per annum



Filtered tailings have only a 16% humidity level, and so they can be disposed on piles. After tailings have been pressed, the recovered water is reintroduced into the production process, thus reducing collection from water bodies. With two tailings filtration plants, CSN Mineração S.A. counts on a total filtration capacity of 9 million tons per annum, which will be increased with the start of operation of the new projects. Since 2020, CSN Mineração has been able to operate without tailings dams, by stacking 100% of its dry waste.

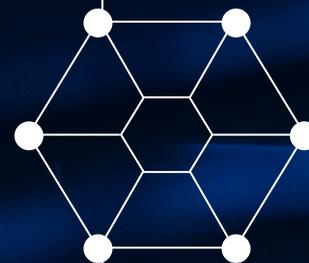
CSN Mineração's expansion projects also forecast investments to build two new High-Intensity Magnetic Concentrator Plants – HIMC, which will be essential to recover the iron ore still found in the tailings currently disposed in dams, and will also contribute to the process to de-characterize its structures. The new processing plant of Itabiritos P15 will enable producing pellet feeds with a high iron content and low degree of impurities as of the year 2024. The plant will also recirculate 95% of all the water utilized in the process, thus contributing to the Company's goal of reducing by 10% its specific water consumption per ton of produced ore until 2030.

From the social point of view, the P15 Project forecasts generating 4 thousand direct jobs, a figure forecasted during the intensive period of construction works in that industrial unit. Preference has been given to hiring local workforce.





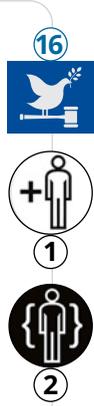
Corporate governance



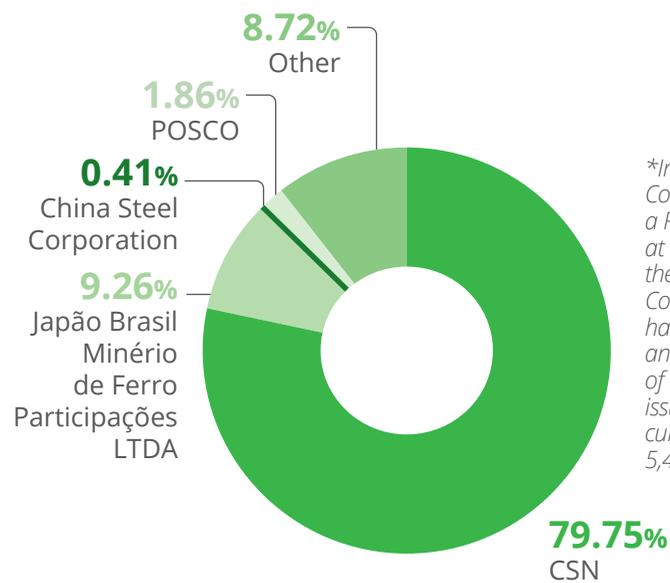
CSN Mineração concluded, in February 2021, its initial public offer (IPO) of common stocks at B3 – Brazilian Exchange and Over-the-Counter Market, and became a joint-stock company (CMIN3), listed in the Level 2 segment of Corporate Governance, a special segment for trading securities that employs a differentiated corporate governance standard. Being listed in that segment implies the establishment of an even stricter set of corporate and governance rules, in addition to the disclosure of policies and the implementation of transparency, inspection, and control mechanisms.

Minority shareholders are represented in the decisions made by the General Assembly, by exercising their voting right, similarly as the controlling stockholder, and, in the case of any transfer of control, they have the right to sell stocks under identical conditions as the divesting controlling stockholder (tag along).

CSN Mineração's IPO has been one of the ten largest at B3 in terms of volume, having raised approximately R\$ 5.2 billion with its primary and secondary offers. With the conclusion of the IPO, CSN'S equity stake in CSN Mineração went from 87.52% in December 2020 to 78.24% in December 2021 and, in May 2022, to 79.75%*.



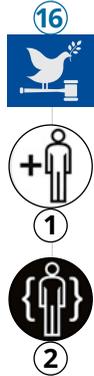
Shareholding structure of CSN Mineração*



*In May 2022, the Company published a Relevant Fact, filed at the ESC, claiming the stocks held in the Company's Treasury had been cancelled, and the total number of common stocks issued by the Company currently amounts to 5,485,338,838.



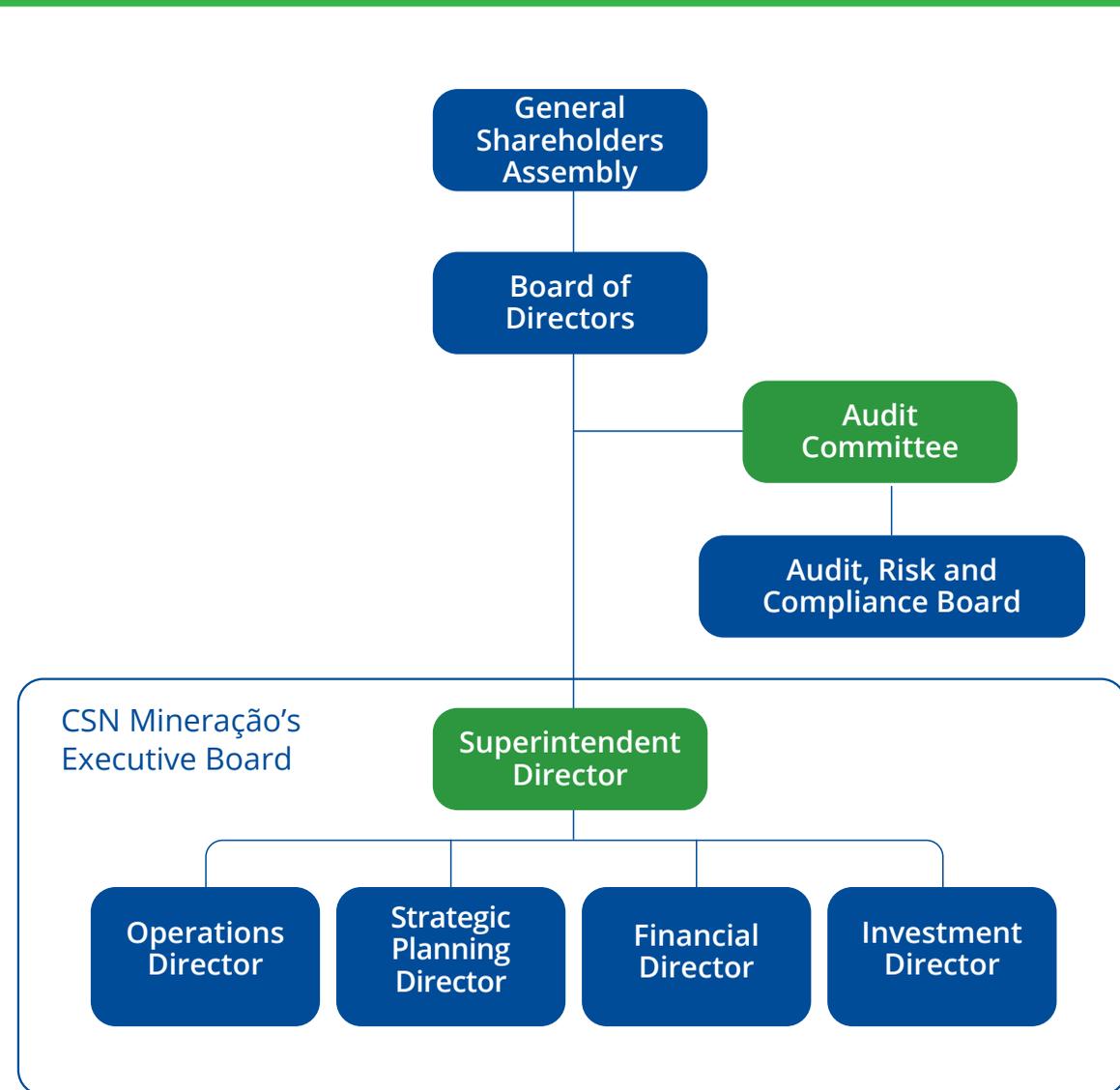
Governance Structure

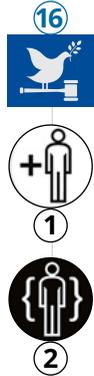


As regards its corporate governance structure, CSN Mineração has adopted the best practices to make sure investments are properly made and its business strategy is executed while focusing on long-term value generation, efficiency increase, and strengthening its transparent relations with all stakeholders. The Board of Directors is responsible for establishing the strategic guidelines and approving the company's investment and expansion plans. That body is composed of seven full members, two of which are independent, and one is a substitute member, all of them elected by the shareholders in a General Assembly. No member of the Board of Directors holds any executive function in the Company. The Company also counts on an independent Audit Committee.

CSN Mineração's Executive Board steers the general conduction of its business according to the strategic guidelines and policies established by the Board of Directors.

28% of CSN Mineração's Board of Directors is composed of women





CSN Mineração's Executive Board is composed of at least two and at most five directors, all of them residing in Brazil, eligible to their functions according to the applicable laws, and with specific knowledge on their areas. They remain in office for two years, with reelection being allowed for an unlimited number of terms, and their tenure is extended until their respective successors have been invested.



CSN Faria Lima office

COMPOSITION OF THE BOARD OF DIRECTORS OF CSN MINERAÇÃO S.A.*

- Benjamin Steinbruch (68 years old) — Chairman of the Board of Directors
- Marcelo Cunha Ribeiro (44 years old) — Full member
- Victoria Steinbruch (29 years old) — Full member
- Helena Olímpia de Almeida — Full member
- Brennand Guerra (years old) — Full member
- Hiroshi Akiba (59 years) — Full member
- Miguel Ethel Sobrinho (75 years old) — Independent full member
- Yoshiaki Nakano (77 years old) — Independent full member
- Daisuke Hori (49 years old) — Substitute member

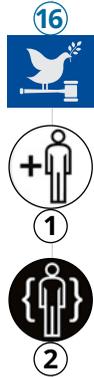
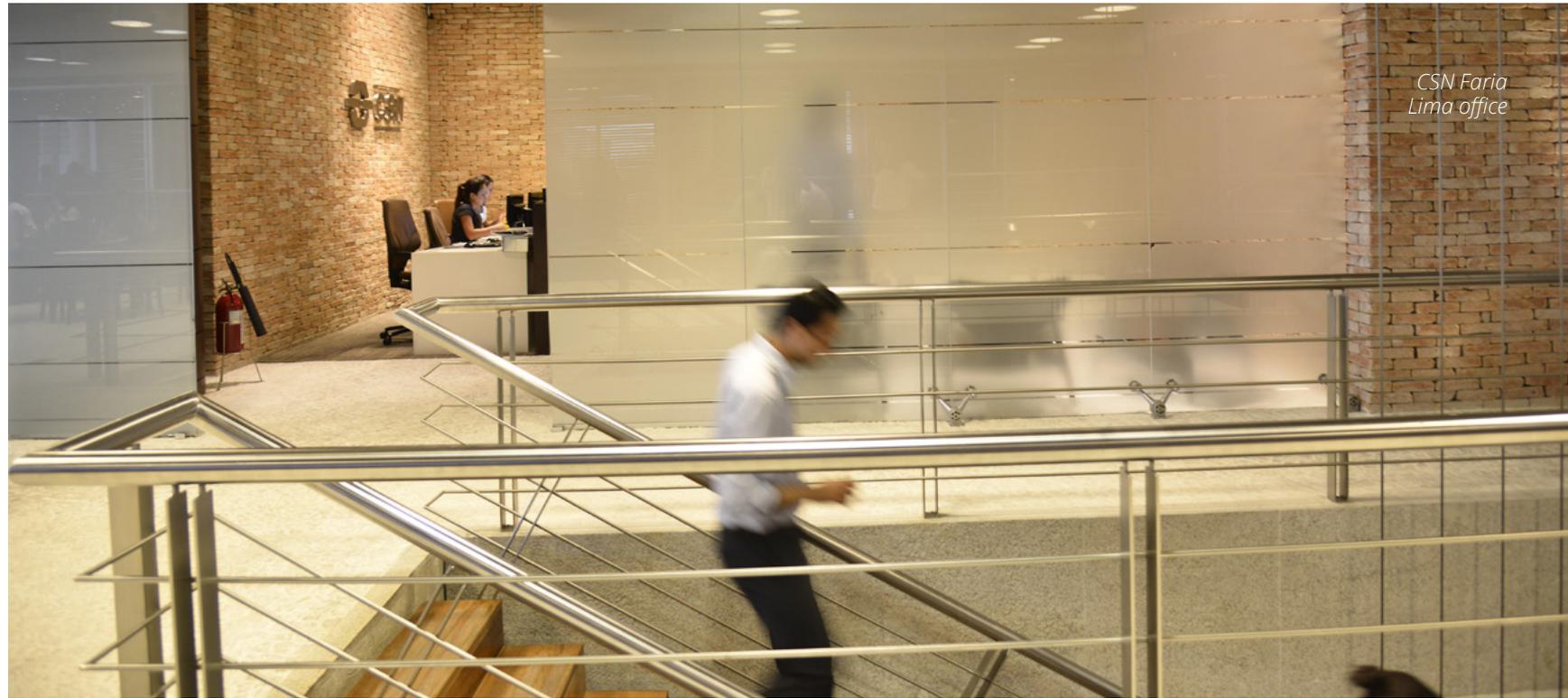
*Current composition, as approved at the Annual and Extraordinary General Meeting held on May 29, 2022.

COMPOSITION OF THE STATUTORY BOARD OF CSN MINERAÇÃO S.A.

- Enéas Garcia Diniz (61 years old) — Superintendent Director
- Ricardo Grossi Neves (47 years old) — Operations Director
- Hironori Makanae (51 years old) — Strategic Planning Director
- Pedro Barros Mercadante Oliva (36 years old) — Financial and Investor Relations Director
- Otto Alexandre Levy Reis (56 years old) — Investment Director

COMPOSITION OF THE AUDIT COMMITTEE OF CSN MINERAÇÃO S.A.*

- Angélica Maria de Queiroz (65 years old) — Independent chairwoman of the Audit Committee
- Yoshiaki Nakano (77 years old) — Independent full member
- Beatriz Santos Martini (67 years old) — Independent full member



The Company also has an independent Audit Committee. The Audit Committee, a non-statutory advisory body to the Board of Directors, advises the Board in monitoring and controlling the quality of the Financial Statements, in internal controls, in risk management and compliance, as well as in relation to the results of internal audits and investigations. The body, aimed at the perpetuity and sustainable growth of the Company and the creation of long-term value, considers the impacts of CSN's activities on society and the environment, in accordance with the provisions of its Code of Conduct.

Composed of at least three members, all elected by the Board of Directors, with a term of office of two years, reelection being permitted, and (i) at least one of them must be an independent member of the Board of Directors and (ii) at least one must have recognized experience in corporate accounting matters, being certain that the same member of the Audit Committee may accumulate the characteristics of these items (i) and (ii). The participation in the Audit Committee of directors of CSN Mineração, its subsidiaries, parent company, affiliates or companies under common control is prohibited.



Companhia Siderúrgica Nacional (“CSN”), CSN Mineração’s controlling company, has established the ESG Committee as an advisory instrument for its Board of Directors. Thus, the projects and recommendations submitted by CSN’S ESG Committee – based on its pillars of sustainable finances, social practices, technology and operational sustainability, governance, diversity and inclusion – shall also guide the management of CSN Mineração’s socio-environmental and governance agenda.

For more detailed information about the ESG Committee, access the subchapter “Integrated Management in ESG and Innovation”, on page 36, and to know the composition of the Committee in detail, access the CSN Integrated Report at link <https://esg.csn.com.br>

Remuneration

The independent members of the Board of Directors receive the same fixed monthly remuneration, as defined at a meeting held by the very Board of Directors. The non-independent members have renounced to receive any remuneration. No member – either independent or not – is entitled to any direct or indirect benefit, variable remuneration, or stock based compensation.

The members of CSN Mineração's Executive Board receive a fixed monthly remuneration and benefits such as a health and dental plan, life insurance, a complimentary pension plan (CBS – Pension Fund – Welfare Plan for the Employees of Companhia Siderúrgica Nacional, to which participants may contribute 3% to 6% of their respective nominal wages/fees with the Company adding 100% of the value contributed by a participant), and an annual health check-up. There is no stock based compensation scheme. The Executive Board members may also receive bonuses based on the achievement of financial and non-financial goals or in the form of recognition of specific works, projects or differentiated goals linked to the projects.

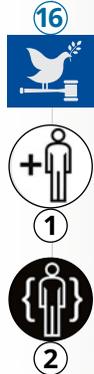
The Board of Directors defines the remuneration of CSN Mineração's Audit Committee members, and all of them receive the same monthly amount. They are not entitled to any direct or indirect benefit, or any variable remuneration, nor do they take part in any stock based compensation scheme.



CSN Faria
Lima office

Board of Directors' evaluation of ESG aspects

CSN Mineração's Board of Directors does not have an independent evaluation process or formalized self-evaluation mechanisms dedicated to economic, environmental and social topics. The Board of Directors has the autonomy to discuss the performance of each member and to propose improvement measures regarding economic, environmental and social issues.



Conflicts of interest

Being approved by the Board of Directors in 2020, CSN Mineração's Code of Conduct established specific rules and principles to protect the Company against any decision that might hinder its social interest, the adoption of ethical principles, as well as its compliance with any Anticorruption Law. The Code applies to all employees, including the members of Management bodies, service providers, and eventual intermediary and associated agents. In case there is any conflict of interest of any nature among Management members, they must abstain from voting in any deliberation and justify it in a minute, and such decision shall be made by the remaining members that do not hold any relation whatsoever with the matter under examination.

The Company's Bylaws have ascribed to the Board of Directors the exclusive responsibility for assigning and establishing competences to the Executive Board in order to perform certain acts, including those entered into with related parties. According to the terms of the Bylaws, the Board of Directors shall approve any legal business outside the competences assigned to the Executive Board.

Other committees

The Company also counts on other advisory Committees for the Executive Board:



Sustainability Committee

In order to share and disseminate decisions between all hierarchical levels, the Sustainability Committee meets every month with the purpose of analyzing the Sustainability Management area's performance through environmental and labor health and safety indicators.



Crisis Committee

Established in order to decrease the effects of a crisis or adopt preventive measures to deal with events that might lead to a crisis with impacts on the Company's employees, operations, transactions, financial results, and reputation.



Dam Committee

Is composed of members dedicated to ensuring the implementation of the global best practices to manage still existing dams. The Committee strives to ensure the best governance and redundancy when analyzing all aspects related to dam management. This Committee includes representatives from the Engineering, Geology, and Projects technical areas, and also representatives from the Company's Legal and Sustainability areas and Executive Board. Items regarding dams and piles under the technical, legal, and socio-environmental aspects are discussed.



Community Relations Committee

Created in August 2018, the CSN Community Relations Committee's purpose is to establish a permanent relationship-building channel between CSN Mineração and local communities. This forum is utilized to discuss and clarify matters of common interest and ensure greater interaction and transparency between the Company's processes and the daily routines of neighboring cities. It is composed of 23 members, including representatives from local communities, NGOs, civil society, and municipal public powers. Its meetings are held every two months.

16



1



2



Financial management



The mining sector was affected, in 2021, by the high volatility of iron ore prices. The effects of the Covid-19 pandemic saw prices reach record historical levels in the first half of the year, reflecting a strong demand increase combined with a limited offer in the transoceanic market. In the second half of the year, prices quotations suffered adjustments and went down by as much as 60%, due to the concerns and uncertainties associated to the Chinese steel market, greater control of steel production due to carbon emissions, inflationary pressures, and energy and real estate crisis, and the impacts of the pandemic on ports.

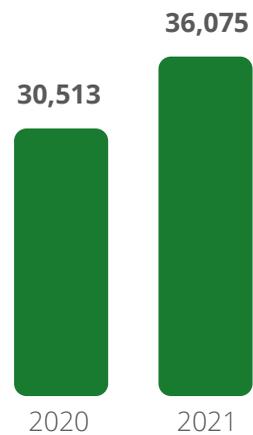
In such a scenario, CSN Mineração achieved a total production of 36 million tons, an 18% growth if compared to the previous year, even with the scheduled maintenance downtimes at the end of 2021 and the strong rains that forced to Company to halt operations in Minas Gerais, in December of that same year.

The volume of ore sales also grew if compared to the previous year. In 2021, CSN Mineração traded 33.2 million tons, a 7% increase if compared to the previous year. Approximately

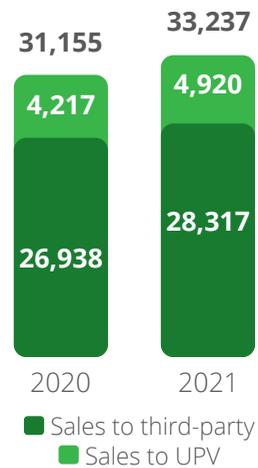
14.8% of that total was sold to UPV, to supply CSN'S steel production.

With the appreciation of ore, the company also obtained net revenues amounting to R\$ 19.0 billion and a record adjusted EBITDA of R\$ 10.4 billion. The leverage indicator, measured through the Net Debt/EBITDA ratio, was of (-0.59%). The revenue growth also contributed to increase the generated and distributed added value, which amounted to R\$ 11.6 billion in 2021.

Total production + purchase of CSN Mineração (thousand t)



Sales of CSN Mineração (thousand t)



Added value statement - main lines (R\$ million)

	2020	2021
Revenues	14,143.2	19,761.6
Inputs acquired from third parties	(5,579.3)	(8,020.0)
Gross added value	8,563.9	11,741.7
Retentions	(1,231.2)	(751.3)
Net produced added value	7,332.7	10,990.4
Added value received from transfers	58.9	626.0
Total added value to be distributed	7,391.6	11,616.4
Added value distribution		
Personnel and charges	538.0	590.6
Taxes, fees and contributions	2,297.6	3,839.8
Remuneration from third-party capitals	525.2	798.3
Remuneration from own capitals	4,030.7	6,387.6
Total distributed added value	7,391.6	11,616.4



In 2021, the free cash flow reached R\$ 8.8 billion, 60% above the amount reported in 2020. This level has confirmed the favorable moment during which the company has been increasing its volume of sales while taking advantage of price opportunities in the international market. CSN Mineração's net cash closed the year at R\$ 6 billion.

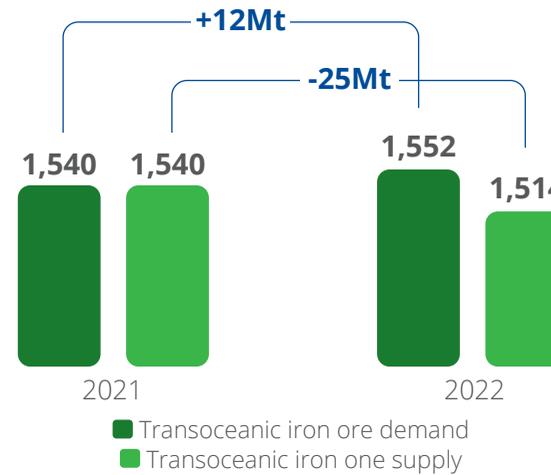
In the sector's scenario, a growth in international demand is expected, especially due to the ongoing resumption of steel production after the Covid-19 pandemic has been controlled. Nonetheless, the seaborne offer of iron ore should see a decline between 2021 and 2022, especially due to the impacts of the war between Russia and Ukraine, and India's greater focus on fulfilling its domestic demand.

The projects in progress at CSN Mineração have driven its production growth and offer of higher quality products, in order to serve a market that has seen higher prices.

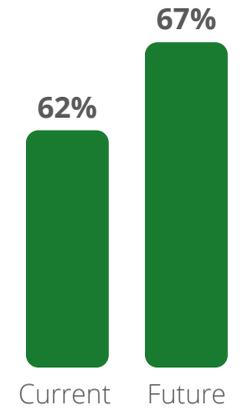


Free cash flow surpassed the 2020 level, reaching R\$ 8.8 billion in the last year

Transoceanic iron ore market (million tons)



Increased quality (iron content)



CSN Faria Lima office

Investments and expansion



CSN Mineração invested R\$ 1.4 billion in the year 2021, especially to import equipment for the operations at Casa de Pedra, such as trucks, motor graders, and excavators. The total investment made in that year was double the amount invested in 2020 and in line with the Company's guidance.

In addition to the investments directed to its operations while caring to protect and reduce its impacts on the environment, the Company spent a total of R\$ 49.16 million between cost and environmental investment, an increase of 6% compared to 2020.

Casa de Pedra iron ore reclaimer

Tax management

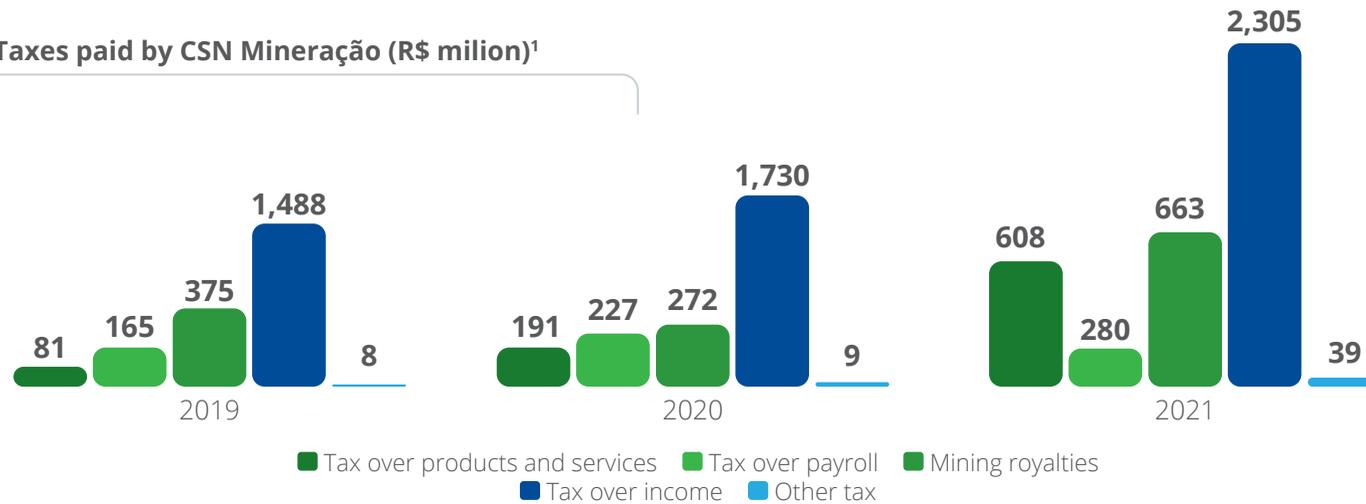


The main purposes of the Company's tax management are to ensure compliance with the tax rules and requirements forecasted in the applicable legislation, to assess and pay the taxes due, in a correct, controlled, and timely manner, and to obtain tax incentives so as to promote greater competitiveness in its operations. Such governance efforts are undertaken within the scope of the Company's Financial Board and executed by the General Tax Management Office, integrated into CSN'S, its controlling company, Shared Services Center (CIG).

The identification and management of tax risks are performed by the fiscal, tax and legal areas, and generate constant internal follow-up processes on the compliance rules established by the tax authorities in the jurisdictions in which the Company operates.

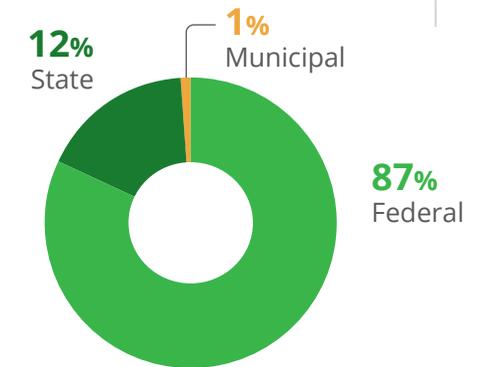
In order to ensure risk mitigation and minimize tax impacts, the Company performs follow-up actions and a formal and centralized evaluation of changes in the federal, state and municipals legislations applicable to its business activities.

Taxes paid by CSN Mineração (R\$ milion)¹

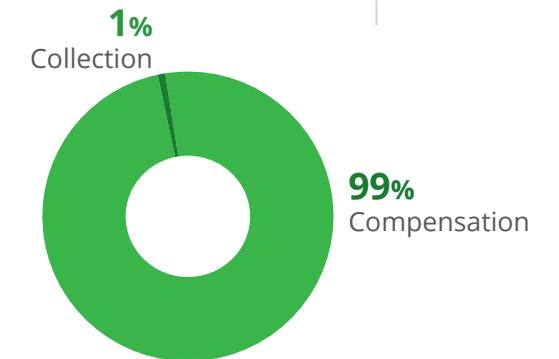


1. Since 2020, the amounts respect the accounting competence of taxes, with the exception of Income Tax, which follows a cash basis.

Destination of paid taxes (%)



Form of payment of taxes due (%)



Risk management

Risk management is enforced in the entire organization in order to identify, evaluate, report and mitigate the risks inherent to its operations, without being restricted only to financial risks, but also contemplating the strategic, ESG, operational, and compliance risks.

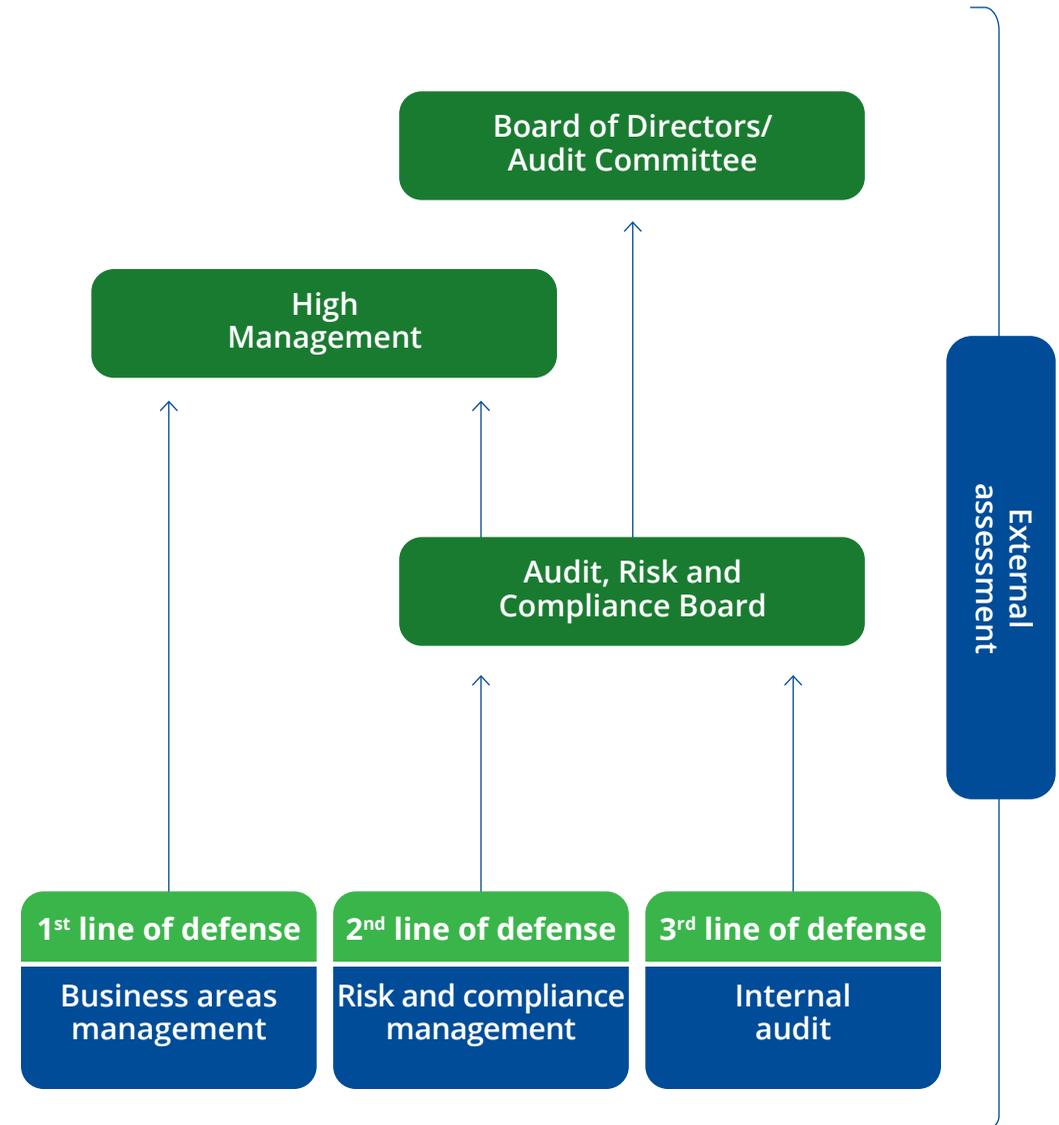
Such management is guided by the Risk Manual, directly used by the Audit, Risk and Compliance Board, and by the internal Compliance and Integrity norms, which establish the guidelines to identify, evaluate,

report and mitigate the risks inherent to CSN Mineração's operations, based on the guidelines set by the ISO 31000 norm and the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Risk Management structure at CSN is operated in a partially decentralized manner, based on the concept of Lines of Defense, and risk control and management activities must be performed at all levels of the Company and at various stages within the processes corporate.

The risk management process includes five interrelated elements found in the company's entire internal controls scenario:

- 1** Control Environment
- 2** Risk Evaluation
- 3** Control Activity
- 4** Information and Communication
- 5** Monitoring



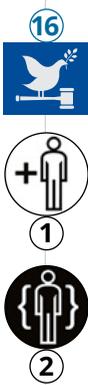


Iron ore transport logistics at the Pires unit

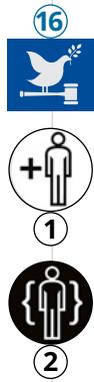
The Board of Directors and the Audit Committee take action in the risk management process. The Board of Directors established the general directives for the Company's business activities, by approving the guidelines and objectives that orient its operations. This body, by aiming at the Company's continuity and sustainable growth, and value creation in the long term, considers the impacts of the company's activities on society and the environment, according to the provisions of its Code of Conduct.

The Audit Committee, in turn, supports the Board of Directors in monitoring the effectiveness and quality of internal controls, supervising the Organization's risk management structure and activities.

The Audit Management and the Corporate Risk Coordination, subordinated to the Audit, Risk and Compliance Department of CSN, the parent company, report to the Audit Committee of CSN Mineração and act in an objective and independent manner when conducting its activities to evaluate the effectiveness and integrity of the controls environment, by employing its own methodology and tools, in line with the best market practices.



The governance of risk management includes the Audit Committee and the Board of Directors of CSN Mineração, in addition to the Audit, Risk and Compliance Department of the CSN Group



The Corporate Risk Coordination is responsible for executing the General Risk Analysis (AGR); performing independent tests of the internal controls and monitor the implementation of the action plans destined to each business area to mitigate any deficiency identified in the processes; specialists responsible for the Compliance Program's activities, including the independent investigation of any denunciations reported through the CSN Mineração Reporting Channel, and ensuring secrecy and non-retaliation of any whistleblower. The results of the activities undertaken by the Audit, Risk and Compliance Board are reported to the Company's Audit Committee.

The Executive Boards of the business areas are responsible for the direct management of the risks inherent to their processes, having as their attribution the management and execution of mitigating actions. These areas are responsible for the technical and regulatory assessment of aspects such as environmental licensing, maintenance and operational risks of the Company's assets.

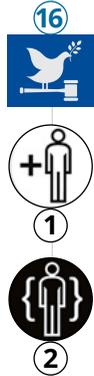
For risk management, the Company uses the organizational structure described on the previous page, in which the Risk Coordination, subordinated to the Audit, Risk and Compliance Board, conducts the AGR.

During the elaboration of the AGR, the following activities are undertaken:

- **Interviews** with senior officers, who report their perceptions and concerns regarding the risks inherent to their respective business processes;
- **Acquisition of information** and categorization of risks;
- **Analysis** of impact and probability;
- **Definition** of the critical categories; and
- **Presentation** of the results to the Audit Committee, as well as, when applicable, to CSN'S, the controlling company, ESG Committee.



Cargo ship in Port of Teçar



Risks are analyzed and classified according to their probability of occurrence and impact. After classification, the responsible areas develop detailed action plans to prevent the materialization of risks and mitigate their potential impacts.

In order to ensure that risk management is effective and continuous in supporting organizational performance and strategic decision-making by Senior Management, the Company conducts continuous monitoring by combining the preparation of the AGR, self-assessments of internal controls in the areas of business, independent assessments (internal and external audit) of internal controls and information obtained from external entities, when necessary, thus providing timely information on the maturity of the environment, as well as the timeliness of reporting deficiencies to the governance structure.

The results of the risk evaluations are also used to support the elaboration of the Company's reports to regulatory entities, such as the Securities and Exchange Commission (CVM), in addition to the Annual Internal Audit Plan



Operation area of the Pires unit



Climate risk management

Legal Reserve

The Task Force on Climate-Related Financial Disclosures (TCFD) was created by the Financial Stability Board (FSB), the operational arm for financial matters of the G20 group of countries. Since 2015, when it was implemented, financial institutions have been requiring the internalization of the recommendations set by the TCFD as a consistent methodology applicable to several sectors. The TCFD'S tool consists in 11 recommendations divided into 4 pillars (Governance, Strategy, Risk Management and Metrics). When answering to the TCFD, the company provides information on how it has been managing climate risks and opportunities, informing how they might financially affect the Company, and the Senior Management's responsibilities in regard to this issue. The report, elaborated in conformity with the structure set by the TCFD, aims at meeting the need of information so investors and stakeholders can make consistent and well-informed decisions.

In order to meet that need, in 2021 CSN Mineração, together with the CSN, controlling company, started to map and evaluate the risks and opportunities associated to climate changes. The objective of this study has been to map and detail the most relevant climate risks and opportunities in the context of its operations. Although the Company had already been taken climate risks into consideration, this was the first study undertaken by CSN Mineração under a systemic approach aimed at implementing the 11 recommendations of the TCFD'S framework as a whole. The evaluation process undertaken in 2021 was divided into four parts (as represented by the diagram on the next page).

During the entire process, the Risk and Compliance Board took part in the study so the mapped risks could be incorporated into the Company's risk matrix. The Company's risk matrix includes 58 risk categories, among which are the ESG risks.

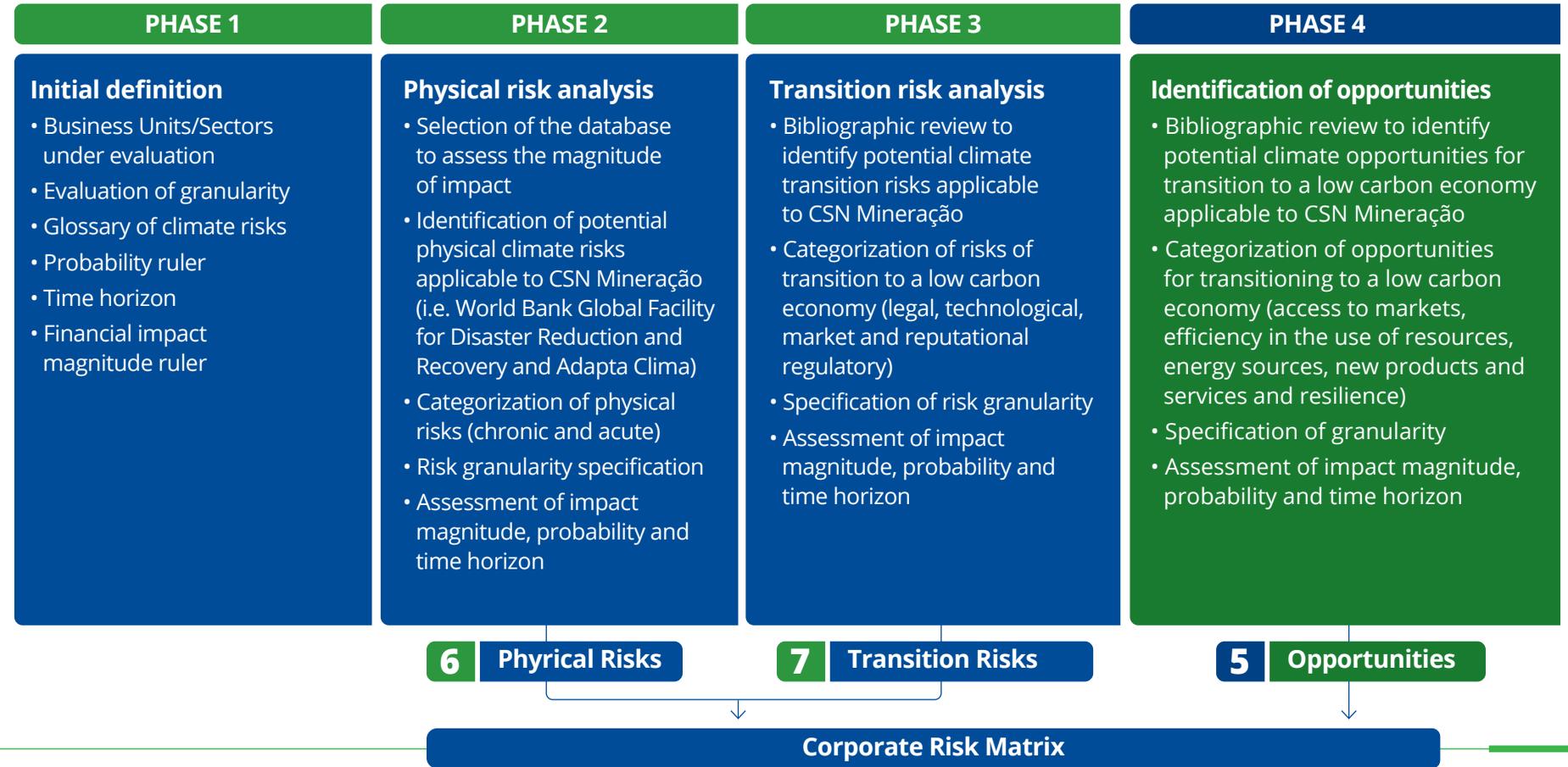


Systemic evaluation of climate risks and opportunities

The CSN Mineração climate risk and opportunity assessment study was divided into **4 phases** and considers **3 time horizons**:

- 1** Short term (1 to 3 years)
- 2** Medium term (4 to 5 years)
- 3** Long term (more than 6 years)

Based on this process, it has been possible to build a risks and opportunities matrix for CSN Mineração. Risks and opportunities have been categorized according to their relevance and time horizon and then placed in the matrix according to the structure presented below:



Final Risk Matrix

Risk Relevance X Time horizon of occurrence

High/Critical			
Medium			
Low			
	Long term	Medium term	Short term

Final Opportunity Matrix

Opportunity Relevance X Time horizon of occurrence

High/Critical			
Medium			
Low			
	Long term	Medium term	Short term

The red and dark green quadrants respectively represent the relevant/critical risks and opportunities for CSN Mineração. Relevance (Y axis) was calculated through the perception of impact magnitude and probability of occurrence. The assessment process (second part of the process) mapped 13 potential climate risks for CSN Mineração, being 6 physical risks and 7 risks of transition to a low carbon economy. In the process of evaluating the 13 risks, it was identified that 4 of these are located in the quadrants of high relevance for CSN Mineração (learn about them on the next page).





Mine of Casa de Pedra

In addition to the risks, the study enabled to identify opportunities for CSN Mineração in the transition to a low-carbon economy. Out of the five opportunities identified for CSN Mineração, three may generate a significant positive financial impact in the short term, if the Company decides to internalize them.

RISKS	ACTIONS TO MITIGATE POTENTIAL IMPACT
1. Incidence of carbon pricing and taxation on emissions from industrial operations and national and international road, railway, and seaborne transportation in Brazil	1.a Establishment of greenhouse gas emission reduction goals; 1.b Development of the MAC curve; 1.c Internal carbon pricing impact study.
2. Landslides associated to a higher frequency and intensity of storms	2.a Investments amounting to R\$ 400 million in systems to filter dry tailings and for the magnetic recovery of iron ore; 2.b De-characterization of dams.
3. Cost increase due to the worsening of water shortage associated to changes in weather patterns	3.a Undertake a water footprint study on mining operations; 3.b Investments in projects with a high water recirculation rate.
4. Loss of investments due to restricted access to investors and banks with stricter socio-environmental and climate criteria	4.a Establishment of greenhouse gas emission reduction goals; 4.b Investments to produce premium products necessary under the steel industry decarbonization roadmap; 4.c Development of the MAC curve.

OPPORTUNITIES	STRATEGY
1. Reutilization of tailings in mining operations	1.a Reprocessing of tailings currently disposed in dams; 1.b Investments in innovation to reutilize tailings currently dry stacked to generate new products.
2. Issuance of green bonds	2.a Definition of robust and ambitious goals; 2.b Mapping of potential partners to build frameworks and second-party opinions.
3. Development of products and solutions with a lower negative impact - through steel production using higher quality ore, steel will continue to be the main raw material to build the infrastructure for a new low-carbon economy	3.a Investments in projects that will generate products with a higher iron content and quality necessary for the direct reduction or EAF routes.





Ethics and compliance management

The performance of all employees, directors and members of CSN Mineração's Board of Directors is guided by the principles and guidelines formalized in CMIN'S Code of Conduct.

The Code of Conduct, in addition to gathering the standards of personal and professional conduct and ethics expected in the relations maintained with employees, clients, shareholders, suppliers, local communities, competitors, and the environment, is also a statement on corporate conduct and on the commitments assumed by all CSN Mineração employees.

[Click here](#) and access the Code of Conduct



[Click here](#) and access the Anticorruption Policy



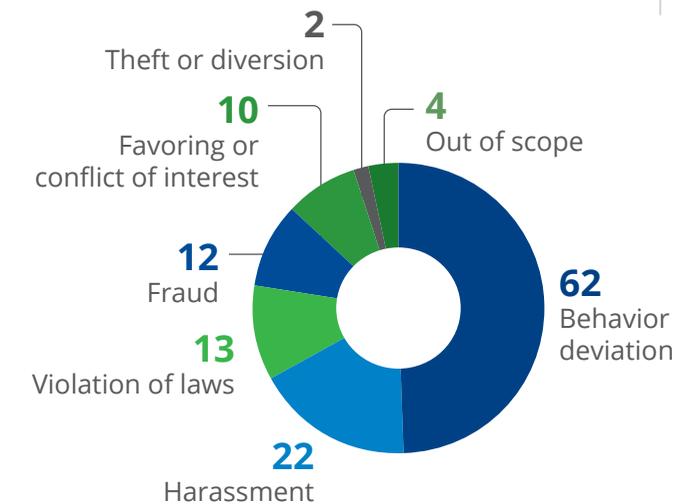
In order to ensure integrity, transparency, and alignment with the best practices, the CSN Group, CSN Mineração's controlling company, has structured a Compliance Program applicable to CSN Mineração and to all remaining Group companies, which encompasses initiatives of awareness-building, training, communication and monitoring of all corporate activities.

Each employee is responsible for its execution, and the Audit, Risk and Compliance Board establishes the rules and guidelines counting no support from CSN Group's Legal and Staff & Management areas. Within the scope of the corporate governance instances, the enforcement of the Code of Conduct avoids situations of conflicts of interest, by explicitly forecasting the prohibition of acts of liberality, the receipt of any personal advantage, or any intervention in an operation involving any conflicting interest.

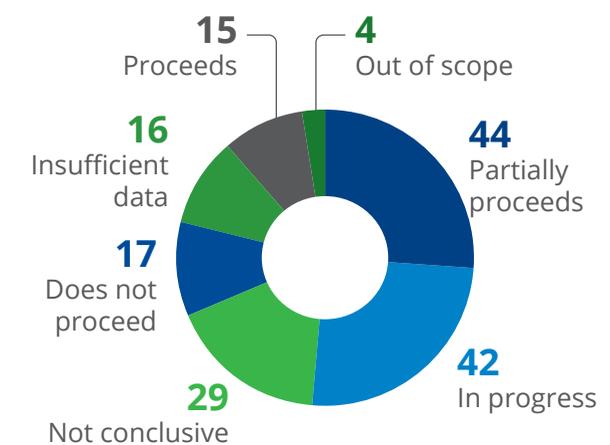
The execution of the Compliance Program is also oriented to ensure the effectiveness of the anticorruption and anti-bribery controls enforced in all CSN Mineração units. Mechanisms and tools have been developed and are continuously improved, according to the parameters set in the Brazilian Anticorruption Law (Law nº 12,846/13 and in the international legislations, such as the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act. The Compliance Program also goes through a periodical evaluation by an external audit.

Within the scope of the Compliance Program, CSN Mineração provides an exclusive Reporting Channel to all publics, available 24 hours a day, 7 days a week by phone, at a website or by e-mail, to receive reports and communications about acts and behaviors that are in disagreement with the Code of Conduct, the legislation or the corporate values. Not only employees, but also subcontractors or any person who interacts with the Company's operations can report any suspected misconduct or irregularity (such as practices involving corruption, bribery, discrimination, and harassment, etc.).

Claims received by the Reporting Channel in 2021 as per category



Claims received by the Reporting Channel in 2021 as per treatment status



Claims received by the Reporting Channel*



**Data from 2020 and 2019 have been revised and updated in conformity with the alignment of the calculation premise.*



Any person can follow the status of the analysis of a case and add new information, if he/she so wishes. Any case can be followed at the website, by e-mail or through the Reporting Channel's call center, and all options are operated by an independent third-party company, thus ensuring anonymity to whistleblowers. All the information is stored in an external server, to ensure confidentiality and impartiality when dealing with such issues. All denunciations are investigated and no retaliation is allowed against any whistleblower.

The result of investigations and the channel's statistics are submitted to the Audit Committee, ensuring independence and impartiality during the whole process. For the cases assessed as well founded, the applicable disciplinary measures are enforced. In 2021, 125 claims were received, of which 15 were considered well founded and 44 partially well founded. Out of those claims, two cases were related to confirmed cases of discrimination: after the conclusion of the investigations, all the team was given new conduct guidelines. No case of corruption has been confirmed so far.

Measures taken in relation to the Reporting Channel cases investigated by the Audit, Risk and Compliance Board

	2020	2021
Written notice	3	5
Verbal warning	4	2
Resignation	5	7
Dismissal for just cause	3	11
Guidance	5	2
Suspension	0	2
Work transfer	0	1
Training	0	1
Total	20	31

Doubts and clarification requests can be sent by e-mail to the Audit, Risk and Compliance Board. In 2021, seven requests were received, with five of them about conflicts of interest, one about information leakage, and one with an inquiry about the Compliance area.

[Click here](#) and access the Code of Conduct



How to access the Compliance Program's channel



0800-884-2006
 canal_denuncia@csnmineracao.com.br
 Internal e-mail: CANAL DENUNCIA
 www.canalconfidencial.com.br/csn

C/o Risk and Compliance Board
 Estrada Casa de Pedra, s/ nº – Zona Rural –
 C. P. 101 – Congonhas /MG –
 Zip Code 36415-000

In case you have any doubt or additional information about compliance
 compliance@csn.com.br





Compliance Day

For the sixth consecutive year, CSN, the controlling company, held the Compliance Day, which for the second time was organized together with the programming of the ESG Week (learn more on page 61). The event counted on the participation of employees from all corporate areas of controlled companies.

Through lectures, and theoretical and practical activities, the event facilitated important reflections and reinforced how compliance is an integral part of the daily routines of our employees. Events were held remotely and broadcast live in our internal social media and in the company's communication channels.

Lectures included the participation of guest experts who discussed issues such as moral and sexual harassment in work relations; impacts and control tools to promote prevention; compliance and ESG: An important connection with corporate responsibility; Diversity and Inclusion: what do you have to do with it?



Employee of Casa de Pedra

Fight against discrimination

It is expressly forbidden, at all units, to make any mention or manifest any discrimination due to origin, religion, ethnicity, race, gender, sexual orientation, workers' union affiliation, social class, age, civil state, political and ideological positions, physical appearance, and handicap of any nature. The Company has also established a "zero tolerance" policy against any kind of harassment, which includes any act or attitude, either verbal or physical, involving any humiliation, constraint or threat against any employee, supplier, and client.

Management structure



The Audit, Risk and Compliance Board is responsible for executing the activities related to CSN Group's and CSN Mineração's Compliance Program. Based on the best practices and in an independent manner, the Board reports directly to CSN Mineração's Audit Committee. The Compliance Management Office is responsible for developing the actions and initiatives to provide training, build awareness and make the communications associated to this issue. All employees, upon their onboarding into the Company, receive training on the Code of Conduct and the Anticorruption Policy, and must formally accept both instruments. During their onboarding process, new employees are oriented in regard to compliance and, in addition to that, receive monthly communications on this issue (e-mail and internal TV).

CSN Mineração counts on a compliance ambassadors program, which includes around 64 employees who voluntarily help disseminate the Company's ethical values. In 2021, more than 6 thousand employees were trained on compliance, accounting for 82.6% of the Company's workforce.

This area also applies procedures and tools to evaluate the integrity of suppliers and to detect conflicts of interest. One of the Compliance Program's focus, in CSN Mineração's supply chain and in all business units, is on ensuring full respect for Human Rights and good labor practices, by fighting against child labor or equivalent to slavery.



The Compliance Program encompasses mechanisms to assess the compliance of the value chain with full respect for Human Rights





CSN Faria Lima office

In order to define which are the critical suppliers that must be assessed by CSN Mineração's Compliance area, a previous evaluation is undertaken through the Compliance Form and based on its National Classification of Economic Activities (CNAE). In addition to that, data related to every supplier is verified in many public sources information with the purpose of identifying business continuity hindrances.

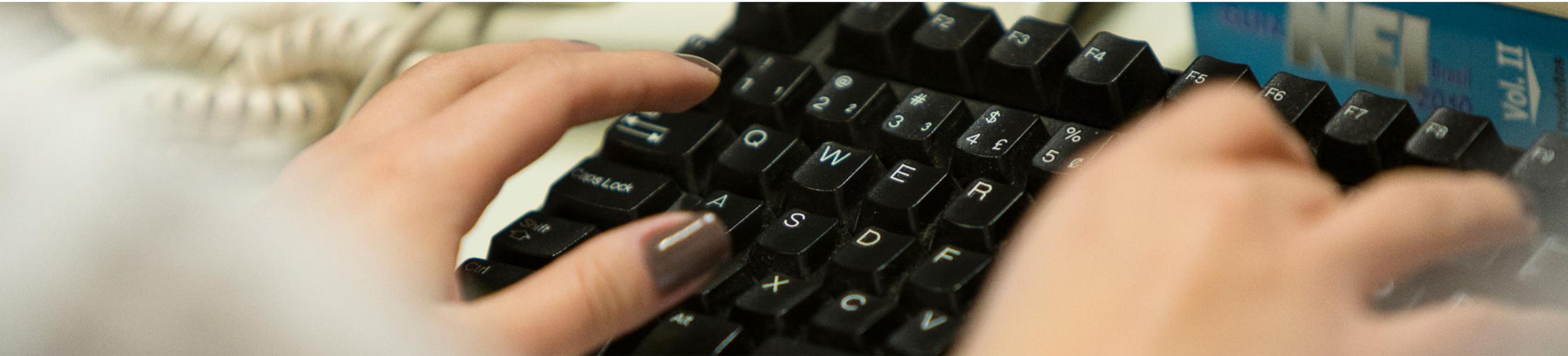
All suppliers are asked to fill the Form Compliance and to formally accept CSN Mineração's Anticorruption Policy. This procedure is fundamental to ensure that all of the Company's business partners, and which operate on its behalf, are in conformity with the Brazilian and international laws to which the Company is subject.

The contracts signed between CSN Mineração and its suppliers also contemplate clauses on sanctions and anticorruption requirements, with the purpose of mitigating any risk to the Company's operations. The Internal Audit Management Office, on its turn, is responsible for undertaking the investigations related to claims made through the reporting channels or to internal requests submitted by managers.

The Audit Committee supervises the results of the monitoring and control processes undertaken by the management offices, and makes recommendations to the Board of Directors.



6.2 thousand employees were trained on compliance in 2021, adding up to 3.1 thousand hours of qualification activities



Policies

Issues related to anticorruption practices, unfair competition, and conflicts of interest have their own specific chapters in the Code of Conduct, and are treated as well in the Policy to Detect, Prevent and Fight Against Fraud and Corruption. In addition to the legal obligations, these issues are basic pillars of the Company's Compliance Program.

The Compliance Program and the Code of Conduct include clear guidelines regarding issues such as discrimination or harassment, gifts, bribery or corruption, and conflict of interests, among others.

Having been approved by the Board of Directors of CSN, controlling company, the CSN'S Sustainability, Environment, Health and Safety Policy, elaborated under the acronym "SEMPRE/ALWAYS" and applicable to CSN Mineração, defines as one of its fundamental pillars that the Company, and its employees and suppliers, must follow the precepts of good governance, ethics and integrity, by respecting human rights and proactively fighting against practices such as child and forced labor or under conditions equivalent to slavery, harassment and discrimination in any form in the company's entire value chain.

This policy also determines that the company and its employees must align their practices with the commitments with the Sustainable Development Goals (SDG's) and the Guiding Principles of Human Rights (GP's), as well as to promote a safe, diverse, and inclusive work environment, while respecting free union association and the right to collective agreements, and being permanently open to and internalizing the demands submitted through the communication channels by our internal and external publics.

[Click here and access the Sustainability, Environment, Health and Safety Policy](#)



Integrated ESG and innovation management



CSN Mineração's governance structure counts on innovation policies, instances, and tools to integrate the socio-environmental aspects and the sustainability agenda into its strategic decision-making process. In the quest for the leadership in innovation in the governance of material issues, the Company has evolved on how it defines its corporate structures in order to identify risks and opportunities, support the definition of ESG goals and monitor the evolution of all business units towards achieving these objectives.

Having this purpose in mind, in 2021 the Board of Directors of CSN, CSN Mineração's controlling company, established the ESG Committee as an advisory instrument for the Board. The Committee must act on the socio-environmental and governance material issues recognized by the Company's leaders as highly relevant and essential for the continuity of its activities, in line with the Principles of UN'S Global Compact and the Sustainable Development Goals.

CSN'S ESG Committee's projects and recommendations – in their pillars involving sustainable finances, social practices, technology and operational sustainability, governance, diversity and inclusion – must also guide the management of CSN Mineração's socio-environmental and governance agenda.

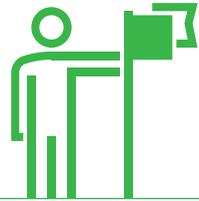
The ESG Committee, according to its internal regulations, comprises at least nine members, all of them company's officers, with the possibility of asking for technical-scientific assistance from an external member when deemed relevant. Three of the members of the ESG Committee are also effective members of the Company's Board of Directors, in addition the Superintendent Director and Chief Financial and Investor Relations Officer of CSN Mineração also being part of this committee.



CSN Faria Lima office

Competences of the ESG Committee

- i. to advise the Board of Directors on the integration of ESG Factors in the CSN Group's corporate strategy, through the presentation of evolution strategy for the material issues;
- ii. to follow and monitor the CSN Group's advancements in regard to indicators and metrics related to matters within the environmental, climate, social and governance scope;
- iii. to advise the Board of Directors when analyzing the initiatives associated to innovation research and new technologies in the CSN Group's many different operating sectors, ensuring the identification of ESG opportunities;
- iv. to evaluate the CSN Group's conducts and policies associated to or that might have an impact on its material issues;
- v. to propose actions, concrete measures and practical projects, in the CSN Group's many different operational and administrative areas, with the purpose of generating improvements in sustainability and innovation indicators and metrics, which will be evaluated in an annual review and submitted in the ESG Committee's Annual Plan;
- vi. to foster the Company's and CSN Group's communication, dialogue, and engagement on matters related to sustainability, and their application in the activities of the CSN Group, whether on the initiative of the ESG Committee or provoked by an organizational component of the Company;
- vii. to contribute so that risk factors and ESG metrics are taken into consideration in the Company's and remaining CSN Group member companies' decision-making processes;
- viii. to evaluate, propose and provide support to the CSN Group's adhesion or attachment to initiatives, projects, investment proposals, technical standards or agreements at the national or international levels related to socio-environmental, innovation, and governance issues, and to supervise as well the elaboration and disclosure of reports containing such information to the Company's Board of Directors;
- ix. to annually report to the Board of Directors, or, exceptionally, with a shorter periodicity, and whenever deemed necessary, the Company's and CSN Group's performance in regard to ESG indicators;
- x. to create a channel to provide access so that the CSN Group's employees can propose innovation suggestions to the ESG Committee, which analyzed may generate concrete actions, which will be monitored and mediated by the respective Coordinators;
- xi. to elaborate and inform the Board of Directors on the ESG Committee's Annual Plan.



26 ESG ambassadors have been appointed to compose the Integrated ESG Management Commission

In 2021, the ESG Committee approved the creation of the Integrated ESG Management Commission, composed of 26 ESG ambassadors (managers, coordinators and experts from CSN Group companies to promote an integrated innovation, culture, and sustainability model in all business segments).

The Integrated ESG Management Commission acts by coordinating eight work groups dedicated the ESG topics. The issues managed by those groups are connected to CSN Mineração's Materiality Matrix, and they are composed in average by six representatives from all the associated operational units or areas. The main function of the Integrated Management Commission is to standardize concepts and disseminate

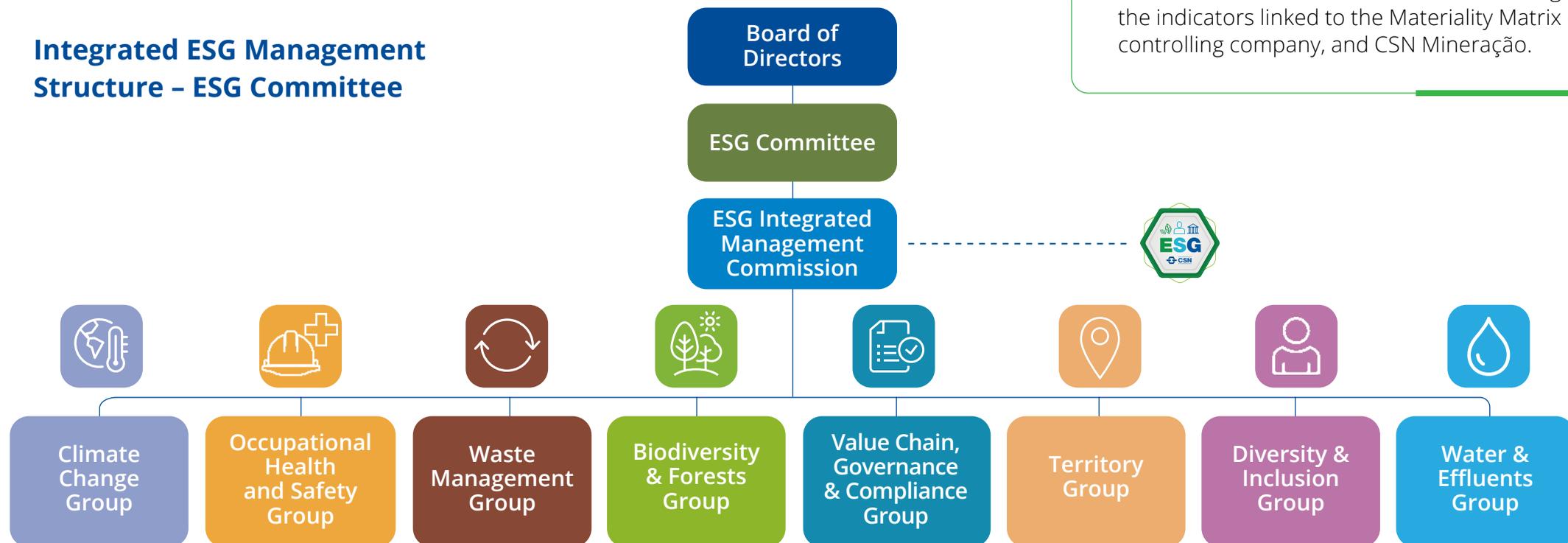
good practices in all business segments, with a focus on achieving the established ESG goals.

It applies to the 8 thematic groups to care for the quality, robustness and precision of the Company's ESG indicators, as well as for the qualification and creation of an internal culture for its employees and value chain as a whole.

CSN Inova, through the Inova Bridge work front, drives the ESG innovation projects associated to boosting efficiency and the positive impact on those topics on the Company (further information on CSN Inova is available on page 65). Under this model, the ESG Committee is one of the only Integrated ESG Management bodies in a joint-stock company to count on innovation tools to execute an actual diagnostic of the indicators linked to the Materiality Matrix of CSN, controlling company, and CSN Mineração.



Integrated ESG Management Structure – ESG Committee



ESG Week 2021

In 2021, the second ESG Week was held by CSN, the parent company, with the participation of CSN Mineração employees and a 100% virtual and diversified program for employees, the community and investors. The event had more than 4 thousand spectators and five days of lectures and meetings focused on different subjects – all related to the ESG theme. External guests enriched the week, which also included the participation of the robust internal team. Employees had the opportunity to participate and lead certain meetings on the agenda.

The week began with a roundtable on climate change and COP26 and continued with the approach of several key issues for sustainable development of the companies at CSN Group. During the week, the CSN Foundation addressed the impact made on culture and social

relationships in the territories where it operates, Diversity and Inclusion was also addressed, with a lecture on the responsibility of each pillar within companies and the applicability of ESG in Procurement was also the subject of one of the event's chats.

Also within the ESG Week, two events were held: the CSN Day/CSN CMIN, aimed especially at the external public and investors with the presentation of the main results of the year, and the Compliance Day, focused on employees and discussed in detail in the chapter on "Management of Ethics and Compliance" on page 50.



Sustainability Policy

The business operations and developments of all the companies at CSN Group, including CSN Mineração, are guided by the principles set in the Sustainability, Environment, and Labor Health and Safety Integrated Policy, as approved by the Board of Directors in 2020. The Policy reinforces their commitment to generate value to stakeholders and is aligned with the regulatory guidelines and global best practices. Based on it, the company, its controlled companies and direct and indirect employees, through the proactive incorporation of the best socio-environmental, competition, ethical and governance practices in their decisions and by strengthening a culture of health and safety risk prevention and control, and of respect for the environment and promotion of ethical and safe behaviors commit themselves to **S.E.M.P.R.E /A.L.W.A.Y.S.** follow the Policy pillars.



Pillars of CSN's Sustainability Policy

S	Business sustainability
E	To be an ethical, transparent and inclusive Company
M	Continuous improvement
P	Protect the environment, prevent pollution and occupational accidents and diseases
R	Respect the applicable legislation
E	Educate and train

The Sustainability Policy's materialization at CSN Mineração is undertaken by the Sustainability, Environment, and Labor Health and Safety Board, which operates in an integrated manner in all CSN Group's business units, including CSN Mineração, and directly reports to the CEO of CSN, its controlling company. Acting in an integrated manner, the regional and local management offices included in this corporate structure are responsible for standardizing the processes and good practices to be disseminated among all business units, while promoting greater operational efficiency and strengthening their commitment to sustainable development.

[Click here](#) to know more about the Sustainability Policy



Production unit Casa de Pedra



Management systems

The Sustainability Policy is materialized through the processes, procedures and tools created and monitored by the Environmental Management System (SGA), Health and Safety Management System (SGSS), and the Quality Management System (SGQ).

The SGA was developed based on the highest standards, and especially on the NBR ISO 14001:2015 norm. It covers 100% of CSN

Mineração's operations in all of its business areas, and is certified by an external organism. In 2021, the Port of Tecar was certified by ISO 14001:2015. The Mine of Casa de Pedra has also held this certification since 2000. As regards quality management, the Company obtained in 2021 the ISO 9001:2015 certification of its Quality Management System for the units of Casa de Pedra and Pires (MG) and the Port of TECAR (RJ).

This integrated operation also guides the actions to promote the safety and health of all employees, as well

as to mitigate the risks of accidents, to protect the environment, and quality assurance, and these systems are structured according to the guidelines set in the Sustainability, Environment, Health and Safety Policy, and their procedures are mapped in the Labor Health and Safety Management Manual, in the Environmental Management System Manual, and in the Quality Management System Manual, developed based on good market practices, regulatory norms, and national and international standards.



Those manuals establish procedures to ensure the safety of all employees, third parties and local communities in all activities, a priority when conducting CSN Mineração's business operations. In addition to that, the Company strives to promote and strengthen a culture of safety among all professionals, while highlighting the role of leaders to build and maintain a safe work environment. The LHS Management Manual is based on 10 management elements that subsidize the elaboration of all procedures related to this issue, through concepts aligned with the Corporate Policy:

10 Strategic Elements of SGSS

- Commitment and Leadership
- Communication
- Standards and Procedures
- Behavioral Management
- Risk Management
- Change Management
- Legal Requirements
- Planning
- Management of Suppliers and Services
- Management of Competences and Skills

<p>CSN Mineração's Green Line 0800 282 4440</p>	<p>E-mail: meio.ambiente@csn.com.br</p>
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Through these management systems, CSN Mineração strives to ensure full compliance with the applicable legislation in all of its operations and in the guidelines established when implementing projects to enhance the Company's performance. Water, energy, emissions and waste management is oriented to promote maximum efficiency when using natural resources, as well as to protect biodiversity and build awareness among all employees.

As an important tool of the Management System in the company, there is an open and free communication channel with the internal and external publics, called "Linha Verde/Green Line."

Linha Verde/Green Line can be utilized to submit denunciations, complaints, to provide suggestions, praises and to discuss other matters related to environmental and social issues. With a specialized team to attend to the many demands received through the "Linha Verde/Green Line," each situation is evaluated in a secret and confidential manner, and the team is committed to answering the received demands and to submit solutions or justifications within up to 15 working days. The volume and content of disputes, as well as the internal procedures derived from each dispute, are periodically reported to the Company's Senior Management.

[Click here](#) and access the Labor Health and Safety Management Manual



Innovation management

For all CSN Group companies, and especially for CSN Mineração, innovation is one of the levers to drive business growth, efficiency and sustainability. New technologies and solutions to face business challenges are prospected and evaluated in an integrated manner through CSN Inova, the corporate innovation platform created in 2018 to strategically and actively position CSN Group companies in the innovation ecosystem.

CSN Inova is responsible for systematizing and lead the innovation process in an organized and comprehensive manner. The platform is composed of four operational pillars: CSN Inova Open, Inova Ventures, Inova Bridge, and Inova Tech, contemplating different innovation formats.

In 2021, more than 50 diagnostic sessions were held in the steel industry, mining, logistics, and cement production segments, with the involvement of more than 20 different areas, which led to many new challenges faced throughout the year. For each one of those challenges, **CSN Inova Open** mapped their processes and indicators, in addition to measuring their economic and strategic potential in order to identify assertive technological solutions for proof of concept tests and pilot projects followed by implementation at scale, when applicable.

Laboratory of Congonhas

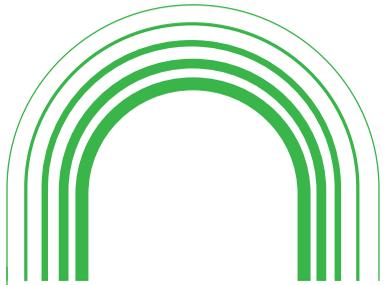


*Employee from
the laboratory of
Congonhas*

CSN Inova Ventures, to ensure access to the best investment opportunities, undertook more than 100 connections with investment funds and startup accelerators in Brazil, Israel, the United States, Singapore, China, and the UK, among other countries, in addition to establishing partnerships with agents considered market references in innovation and Venture Capital – such as Endeavor, ABVCAP, and BR Angels.

As result of the undertaken market connections and studies, an investment thesis has been established, which today contemplates the verticals of Industry 4.0, Greentechs/ESG (ex: energy, energy efficiency, technologies to assist in the decarbonization of processes), and Adjacent topics (Healthtechs and Agtechs). The companies selected to join the fund are involved with extremely important topics for the CSN Group's future, such as advanced materials (2DM), decarbonization (1s1 and H2Pro), energy (Clarke), and digital channels and process digitalization (Oico and Traive).





Through four pillars of action, CSN Inova systematizes and leads the innovation process in the Company



Iron ore analysis sample



Still in 2021, based on a comprehensive research of sustainability and innovation governance models in joint-stock companies undertaken by **CSN Inova Bridge**, the ESG Committee was established as an advisory body for CSN'S Board of Directors. It has been formatted as an agile socio-environmental innovation lab model to manage the main opportunities associated to the material issues mapped by the CSN Group.

Finally, the year of 2021 was also marked by the creation of **CSN Inova Tech**, an area that leads the

technological front of CSN'S decarbonization journey. In order to do that, a Climate Change Group (GMC) has been structured, a multidisciplinary team connected to the ESG Committee and responsible for leading the decarbonization journey. The GMC'S activities have led to the identification and technological analysis of more than 100 mitigation options and the elaboration of a decarbonization roadmap for the CSN Group's operations. This area is also responsible for elaborating disruptive projects and mapping strategic partners as relevant players in the sector, in addition to universities and cutting-edge technological centers, with the purpose

of building long-term relationships to develop technological solutions associated to the controlling company's strategic agenda.

CSN also invests in innovation projects whose related expenses are classified according to the legal concept of technological innovation and deduced based on a calculation involving Revenue Tax and Social Contribution over Net Profit, according to the rules and limits forecasted in Law nº 11,196/2005, the so-called "Law of Good." In 2021, those resources added up to R\$ 3.2 million.

Collaborator
in the off-road
truck operation
simulator at the
Casa de Pedra mine



Financing for innovation

CSN'S innovation strategy has been recognized through a R\$ 200 million grant from Finep (Research and Projects Funding Institution). So, the initiatives and projects developed in the years 2021 and 2022 have been using own resources and those obtained through innovation funding lines, with a focus on the financial self-sufficiency of innovation initiatives.

**Finep grants refundable and non-refundable resources to Brazilian research institutions and companies. Finep's support covers all the stages and dimensions of the scientific and technological development cycle: basic research, applied research, innovations and product development, services and processes. Further information is available at: <http://www.finep.gov.br/>.*

For further details on CSN Inova's investments and evolution, **click here** and access page 79 of the CSN Group's Integrated Report.



Leading initiatives

In addition to the projects implemented by CSN INOVA, CSN Mineração has also developed innovative projects aimed at increasing its operational efficiency and the safety of its employees.



Telemetry of mining assets

The real time collection of data and information on the conditions of the operating equipment provides greater efficiency to the decision-making process about interventions and equipment maintenance works. The teams undertake an on-line monitoring of the measurements for vibration, oil levels, temperature, and any situation that might indicate any possible failure or unexpected downtime. The system also increases the safety of employees, who do not need to monitor the equipment on-site.

Fleet Management System

The Fleet Management System optimizes the routes used to transport materials in the operational areas and the use of vehicles. Technology enhances the ore transportation systems between the mines of Engenho and Pires, and helps to handle the tailings filtered from the Casa de Pedra dam. The system is utilized to monitor the conditions of the equipment and signs of fatigue among operators, while improving care and the safety of employees.



Off-road truck at Casa de Pedra mine

Mining Hub

CSN Mineração is associated to the Mining Hub, an open innovation development platform used to connect startups to the sector's production chain. This initiative counts on the institutional support of the Brazilian Mining Institute (Ibram), and contributes to transform the sector's culture and look for new solutions to the challenges faced by mining operations.

The Mining Hub promotes annual innovation cycles with different programs to fulfill specific purposes. This initiative has already received more than 1,255 registrations of ideas and projects, and has undertaken almost 90 proofs of concept (POCs) for innovation projects.

[Click here](#) and know more about the Mining Hub



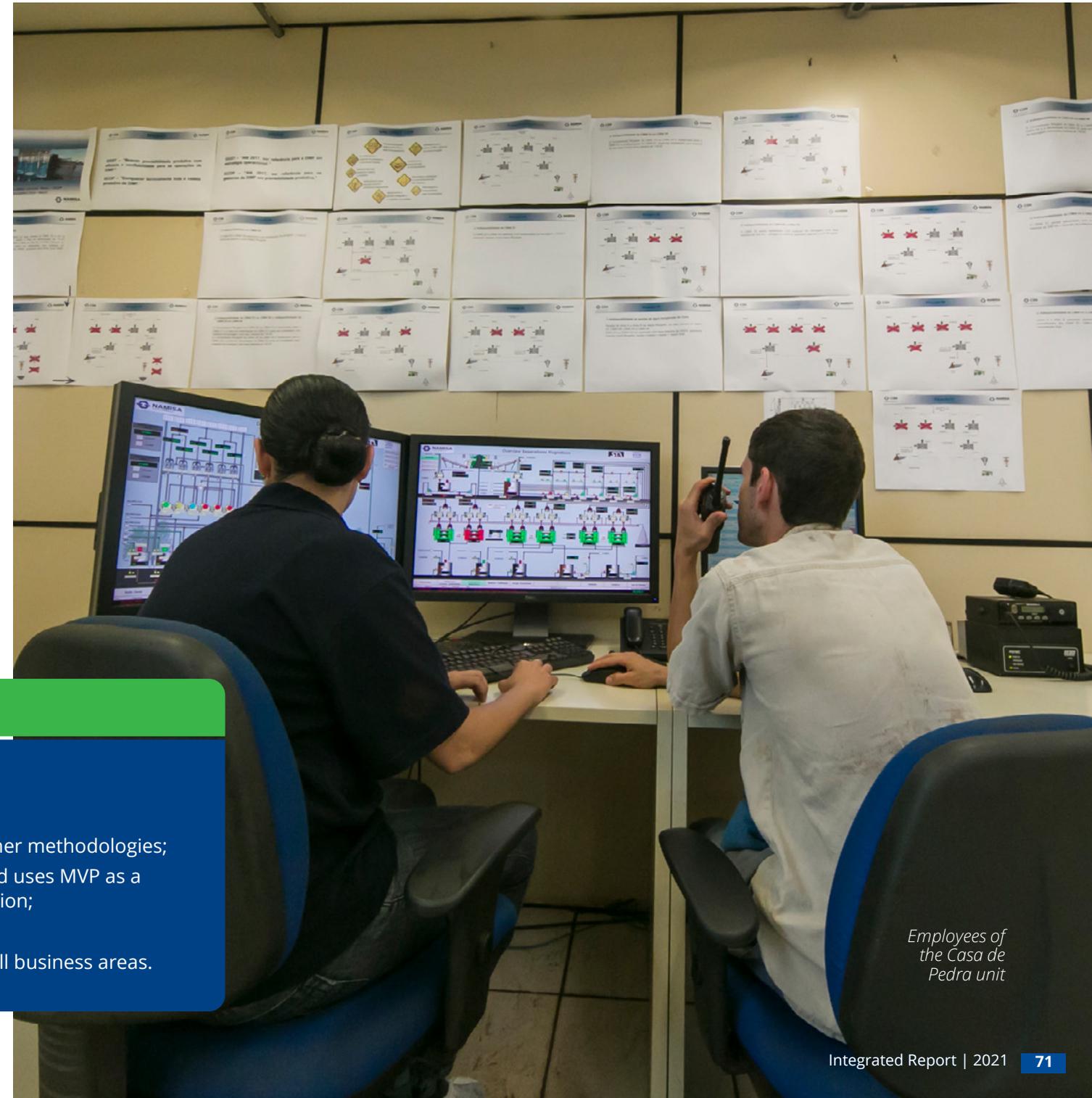
Information Security

The Information Technology Board reports directly to the CEO of CSN, its controlling company, and provides services to all CSN Group companies, including CSN Mineração. This area has as its main challenge to have all the Company's systemic operations act in a responsible way and in conformity with the internationally recognized good practices and frameworks: ITIL, COBIT, and ISO 27001.

In order to provide innovative and high-added value solutions to the business, while maintaining the availability and integrity of the systems, and especially those that support the main business processes, the Information Technology area recurrently asks for the collaboration of all business areas to ensure an assertive and efficient delivery of technological solutions and make sure all internal processes are executed with utmost quality.

The Company:

- adopts Design Thinking to solve problems and challenges;
- has many initiatives to promote its digital journey;
- adopts Agile Frameworks in a hybrid form together with other methodologies;
- incorporates the Values of a Startup in its daily routines, and uses MVP as a practice – intra-entrepreneurship, innovation, experimentation;
- adopts Lean Manufacturing in all internal IT processes;
- implements RPA (Robotic Process Automation) projects in all business areas.



Employees of the Casa de Pedra unit



CSN Faria Lima office

The Company also counts on processes and infrastructure to mitigate the risks associated to cyber attacks. Controls are executed according to the guidelines established in its internal policies and procedures, which are based on market frameworks. In 2021, a 12.3% increase in its maturity level was reported as regards the CIS (Critical Security Controls) framework.

The Company's datacenters are hosted in an external service provider, which uses 100% renewable energy in its operations in Brazil and holds the ISO/IEC 20000, ISO/IEC 9001, ISO/IEC 27001, and ISAE 3402 certificates.

Still focusing on the assurance of its internal controls, the IT area of CSN, the controlling company, is audited according to the Sarbanes-Oxley Law (SOX).

CSN Mineração has invested in tools, processes and people. It has continuously executed a user awareness-building plan in regard to information security, from the process to onboard new employees to periodical campaigns to disseminate its directives regarding the use and protection

of personal and the Company's data in its internal communication channels. Among other processes, frequent Phishing attack simulations are undertaken to monitor the metrics.

In 2019 CSN and its controlled, including CSN Mineração, launched the Adaptation Journey to the General Data Protection Law (LGPD), whose main purpose was to map the data used in its business processes and evaluate the maturity of data privacy and protection management in the Company.



ESG Goals

Based on its business strategy and on innovation oriented to the application of new technologies and promoting higher efficiency in its processes and operations, CSN Mineração has established goals connected to the ESG agenda that will guide its journey towards a more efficient, innovative, integrated, and sustainable management:



Achieved goals

Theme	SDG	Base Year	Goal	Actions performed in 2021	Status
Efficiency in water use and effluent management		2020	Carry out, in 2021, the Water Footprint of CSN Mineração	Completed the water footprint study	Achieved
Environmental management - certification		2020	Certify the following units to ISO 9001: CSN Mineração (Mine of Casa de Pedra) and TECAR	Certification obtained in all planned units	Achieved
		2020	Certify the Port of TECAR in ISO 14,001	Certification obtained in the Port of TECAR	Achieved
Waste management, responsible use and circular economy		2020	Reduction of at least 10% of waste (class II) sent to landfill compared to the total sent in 2020	10.6% reduction in the sending of non-hazardous waste to landfill	Achieved
Climate change		2020	Maintenance of energy consumption from 100% renewable sources	100% energy from renewable sources	Achieved
Health and safety		2019	Continuously achieve zero fatality rate	Zero fatalities in 2021	Achieved
		2019	Reduce by 10%, year after year, the accident frequency rate (CAF + SAF) of CSN Group's own employees	20% reduction in the accident frequency rate (CAF + SAF) of CSN Group's own employees	Achieved
		2020	In 2021, achieve a 10% reduction in the number of days lost due to accidents (own employees)	12.3% reduction in the number of days off work due to accidents (own) at CSN Group	Achieved

Goals in progress

Theme	SDG	Base Year	Goal Year	Description of the goal	Actions performed in 2021	Status
Diversity and Inclusion		2019	2025	Double the percentage of women at CSN Mineração by 2025	In 2021, the number of female representation at CSN Mineração was 17.8%, a growth of 36% compared to 2019 (13%)	Positive
Local communities	 	2020	2022	By 2022, expand the service to children and adolescents by 39% through the Garoto Cidadão project	In 2020, 2,300 children and adolescents were assisted; in 2021, there was an 11% growth in services provided by the Garoto Cidadão project	Positive
	 	2020	2022	By 2022, train guardianship counselors from six municipalities and their regions in which we are present	In 2021, a course was held to update institutions on public policies, project design and fundraising, with the participation of 37 civil society organizations and representatives of Volta Redonda city law councils. The goal remains so that, in 2022, it will carry out an update course for the institutions of Congonhas, Arcos, Bonito and Coxim, and train the State Youth Forum RJ	Positive
		2021	2022	In 2022, carry out a formal due diligence process on Human Rights	New goal	Neutral
Efficiency in water use and effluent management	 	2018	2030	By 2030, reduce new water consumption for iron ore production by at least 10% per ton of ore (base year 2018)	In 2021, a 27% reduction was achieved in the consumption of new water in the production of iron ore compared to 2018 (0.22 m³/t of ore)	Positive

Goals in progress (continued)

Theme	SDG	Base Year	Goal Year	Description of the goal	Actions performed in 2021	Status
Safety and de-characterization of dams		2020	2030	Complete the de-characterization of all dams upstream of CSN Mineração by 2030	In 2021, work to de-characterize the Vigia Dam was completed and work began on the belt channel of Dam B4 (learn more on page 84)	Positive
						
						
Biodiversity		2020	2030	Present a measurable contribution to the conservation and restoration of biodiversity by 2030 (base year 2020)	In 2021, an important intermediate goal was defined for 2022, with the diagnosis of CSN Mineração conservation areas and a systematized database that will be the basis for strategic planning	Positive
						
Climate change		2019	2035	Reduce the intensity of GHG emissions by 30% per ton of ore produced by 2035 (base year 2019)	- Intensity in 2021: 6.6 kgCO2e/ton of ore produced - Performance compared to the base year: 14% increase (7% decrease compared to 2020)	Negative
		2019	2040	Net Zero by 2040 in scopes 1 and 2	In 2021, the Company achieved a 3% reduction in absolute emissions (scope 1 and 2) relative to 2019 (base year)	Positive
Health and safety		2020	2030	Reduce the accident frequency rate by 30% (CAF+SAF - own and third parties) by 2030 (number of accidents with lost time divided by total hours worked X 200,000)	In 2021, the frequency rate (CAF+SAF - own + third parties) grew compared to the previous year, from 0.23 to 0.39	Negative
		2021	2030	Reduce by 30% the number of days off work due to accidents with own employees compared to 2021	After the 12% reduction in the number of days off work per accident (own) compared to 2020, achieved in 2021, a new target was set of an additional 30% reduction by 2030	Neutral

CSN Mineração's engagement



The participation of CSN, controlling company, and CSN Mineração in sector and international initiatives to promote the sustainability agenda is deemed strategic so the company is able to understand the ESG risks associated to its business activities and develop mechanisms to maximize the positive impacts of its activities and products. Through corporate engagement with many different external platforms, the Company strives to continuously improve its socio-environmental performance and that of its governance platforms.

Since 2020, CSN, CSN Mineração's controlling company, has been a signatory of the Global Compact, an action promoted by the United Nations Organization (UN) dedicated to integrating the fundamental principles and Sustainable Development Goals (SDG's) into corporate strategies. Within the scope of the Global Compact Network Brazil, the CSN has joined the Climate Action platform, dedicated to driving the climate agenda in the strategic objectives of participating members.

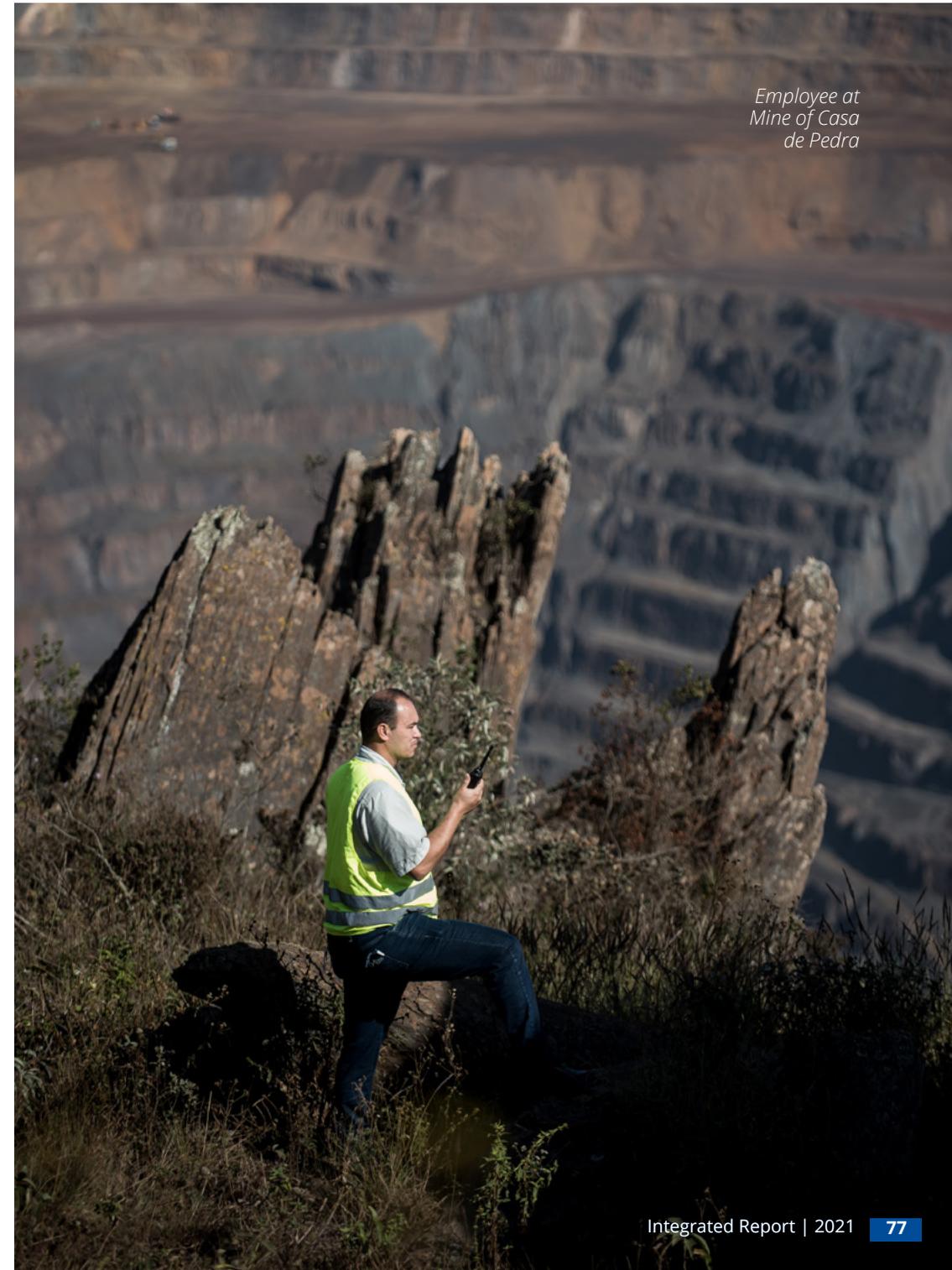
Being committed to transparency in its management practices, CSN Mineração has also joined the initiatives of the CDP (Disclosure Insight Action), an international organization dedicated to disseminating information on the governance of organizations' socio-environmental aspects to investors and market analysts. In 2021, CSN Mineração started to fill the CDP questionnaires and independently elaborated its first greenhouse gas emission (GHG) inventory. This inventory has been submitted to external verification, and has received a Golden Seal from the Brazilian GHG Protocol Program.

CSN Mineração's Evaluation in the CDP

Climate Change



Water Security



Employee at Mine of Casa de Pedra

Engagement for the decarbonization of the sector

17

Also in 2021, a Memorandum of Understanding (MOU) was signed with Itochu Corporation, a Japanese multinational and minority partner of the Company.

CSN Mineração obtained financing of US\$ 350 million insured by the Japanese government for improvements and expansion of the operation and efficiency of the mine Casa de Pedra (MG). With the investment, the forecast is to expand production capacity by 3.2 times by 2033, including dry stacking of tailings. The agreement signed also provides for digital transformation with a focus on increasing operational efficiency and contributing to the advancement of decarbonization in mining and steel at the CSN Group.

In addition, Itochu also plans to undertake a broader collaboration, including current decarbonization initiatives in the field of metals and minerals, as a way to further contribute to the decarbonization of CSN Group operations through iron fabrication technology. low carbon, use of hydrogen and ammonia and CCUS (carbon capture, use and storage).



Itochu considers the case as a model for initiatives, along with the implementation of business partnerships with companies in Japan and other countries that have excellent technologies, with the aim of promoting decarbonization and digital transformation in the area of mineral and metal resources.

As a result, in early 2022, CSN, the parent company of CSN Mineração, became a key member of the Net Zero Steel Initiative (NZSI), a zero GHG sectoral platform launched in 2019 at the UNSG's Climate Action Summit. NZSI is part of the Mission Possible Partnership (MPP), a coalition of climate leaders focused on decarbonizing heavy industries globally over the next 10 years.

Dam management



With investments amounting to R\$ 400 million in systems to filter tailings and magnetic ore concentration plants, CSN Mineração has pioneered and become the first large mining company not to depend on the use of dams. All generated tailings are filtered and dry stacked, according to the best safety and environmental impact mitigation practices. In addition to being a pioneer in getting rid of dams to dispose tailings, the Company counts on a history of zero accident in its dams.



CSN Mineração has managed safety conditions in tailings dams by taken the best international practices into consideration and in line with the recommendations and parameters established by international organisms – such as the International Council on Mining and Metals (ICMM). In addition to that, the company has complied with all the requirements and resolutions set in the applicable Brazilian ordinances and legislations.

The company has implemented a Dam Safety Plan and the Emergency Action Plans for Mining Dams (PAEBM), in each one of its structures, fully implemented according to the regulations forecasted by regulatory entity National Mining Agency (ANM) and the environmental body of the State of Minas Gerais (FEAM).



Tailings filtering process

Since 2020,
ZERO tailings
generated by CSN
Mineração have been
discharged into dams

In 2021, the National Mining Agency (ANM) classified all of CSN Mineração's dams as having a Zero emergency level, and their stability statements were renewed and certified by an independent company. The most recent report to renew that classification was issued in March 2022

In January 2022 the State of Minas Gerais suffered significant impacts due to intense rains in the region. This event directly affected mining operations in the region, and at CSN Mineração mining operations were temporarily suspended, a measure adopted to guarantee the safety of its employees and local surrounding communities.

After the event, all CSN Mineração's dams were evaluated by an independent audit company, and the result submitted to the National Mining Agency (ANM) and the State Environment Foundation (FEAM) concluded that all dams were stable, that is, without any emergency level, which demonstrates the robustness and high efficiency of the controls and monitoring performed in the Company's dams.

- 6
- 9
- 12
- 7
- 9



Company's dam monitoring room



In its operations, CSN Mineração's activities implemented to ensure dam safety include:

- Visual inspection** of dams and dykes every 15 days, by using drones and georeferencing;
- Half-yearly elaboration** of a Regular Safety Inspection Report (RISR);
- On-line and real time data collection** through automated instruments;
- Data reading and analysis**, counting on the support of software and data analytics to identify any alteration;
- Endoscopic inspection** to assess water pressure and levels in dams.



Integrated action

In 2021, CSN Mineração, together with other mining companies from the Iron Quadrangle, voluntarily adhered to the Municipal Dam Safety Plan (PMSB) of the city of Congonhas (Minas Gerais). This unprecedented initiative in Brazil is coordinated by the local City Hall.

CSM Mineração invested R\$ 6 million to enable the execution of the many actions proposed in the PMSB, among which we may mention:

- Unification of mining companies' evacuation plans;
- To overlay the flooding maps elaborated by each company;
- Establishment of the Community Protection and Civil Defense Nuclei (Nudecs);
- Construction of a Civil Defense command and operational center;
- Monitoring of the dam construction, operation, decommissioning, and de-characterization models;
- Acquisition of vehicles and equipment for Civil Defense;
- Signaling, awareness-building campaigns, and qualification of the Municipal Emergency Brigade.



Employees at Mine of Casa de Pedra





Visit program held in 2019

Visitation program

CSN Mineração resumed, in 2021, its Visitation Program “Family at the Mine” to the mine of Casa de Pedra. This initiative had been halted due to the Covid-19 pandemic, but has been resumed with the progress of immunization in the country.

That Program allows the family members of employees and dwellers of the local communities neighboring CSN Mineração’s operations to know the mine, its production process, the deactivated dams, and the tailings stacking process, as well as to monitor the safety actions implemented on a daily basis.

During the visits, participants have the chance to know the structures, attend lectures, and acquire knowledge on how the company acts to ensure the safety of local structures and workers and to prevent accidents.

Relatives of employees and residents of the communities can get to know the Casa de Pedra mine and attend lectures on safety and accident prevention



De-characterization of dams

As of Resolution nº 13/2019 issued by the National Mining Agency (ANM), it has been established that any and every tailings dam built under an upstream construction method must be de-characterized. Since 2020, CSN Mineração has been implementing a de-characterization program for its dams. A technical committee supervises the execution of these actions, and their progress is periodically reported to the competent authorities.

Between 2020 and 2021, the Company concluded the de-characterization of Dam B5 (Casa de Pedra) and of the Auxiliary Dam of Vigia (Complex of Pires). The de-characterization works at the Dam of Vigia are being concluded, with their end forecasted to year 2022.

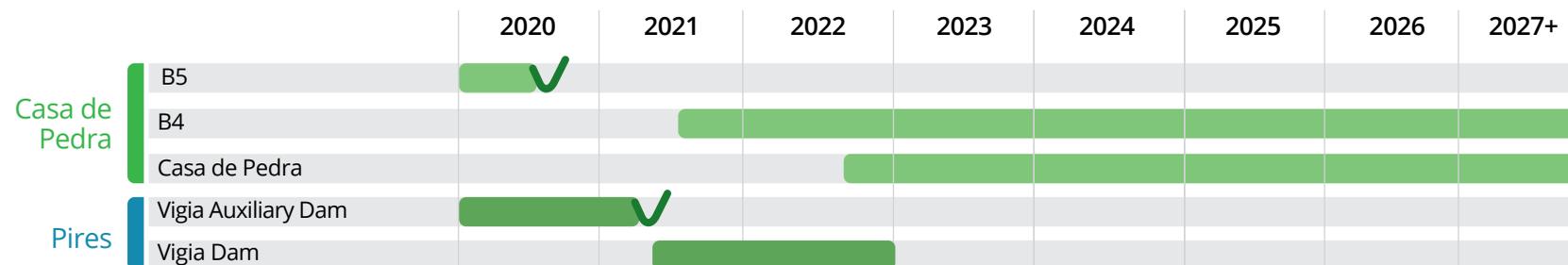
The works at Dam B4 were started in December 2021 with the construction of the channel belt. The remaining dams will be concluded according to the schedule approved by the Company's Board of Directors and already agreed with competent authorities, according to the diagram below.

The dam de-characterization plan also includes the de-characterization of CSN Mineração's main dam – the dam of Casa de Pedra. As a part of CSN Mineração's strategy to reprocess all the tailings contained in its dams, by de-characterizing all of their structures, the de-characterization works at the dam of Casa de Pedra, built under the downstream method and which is not subject to any legal de-characterization obligation, in 2022 the studies and projects will be started to carry out its de-characterization.



Employees at the Casa de Pedra dam

De-characterization of dams schedule



With the investments and technologies applied to filter and dry stack those tailings, the Company plans to extend the positive impacts of its activities, thus strengthening its leading position as regards the management of mine tailings



Climate change and **emission** management



With the new commitments announced at the end of 2021, CSN Mineração will neutralize the GHG emissions included in its scopes 1 and 2 until 2044. Before that, and until 2035, the Company will achieve a 30% reduction in the intensity of those emissions (2019 base year). CMIN already has one of the lowest emission intensity rates in the sector and, in 2021, reached a 6.6 kgCO₂e/ton index for produced ore, which accounted for a 7% reduction if compared to year 2020.



Since 2021, CSN Mineração has elaborated and disclosed its greenhouse gas emission (GHG) inventory independently from the CSN Group, its controlling company. The Company has followed the parameters set by the Brazilian GHG Protocol Program. A third party company audits the related data, and the Public Emission Register has awarded a Golden Seal to that document.

Total direct emissions amounted to 183,437 tCO₂e (tons of carbon equivalent) in 2021. If compared to the previous year, there was a 15% increase, due to a 24% increase in the production volume, however with a 7% reduction when related to the total value per ton of produced ore.

In 2021, CSN Mineração reached a 6.6-tCO₂e/ton index for produced ore, which accounted for a 7% reduction if compared to year 2020



The emissions mentioned in CSN Mineração's scope 3 amounted to 42.9 million tCO₂e in 2021, a 7% increase if compared to 2020. These emissions are annually calculated and verified by independent third parties. Around 95% of those emissions were derived from category 10 of scope 3 (according to the GHG Protocol's methodology), that is, they were derived from the processing of sold products. Therefore, the increase in emissions seen in 2021 was directly associated to an increase in the production and sale of iron ore by CSN Mineração and improvement in the management and collection of customer data.

In order to execute emission management in its value chain, and map the risks and opportunities, CSN Mineração implemented in 2021 a process to interact with its main downstream clients. Next year, an engagement program with main suppliers will be launched through CDP Supply Chain.

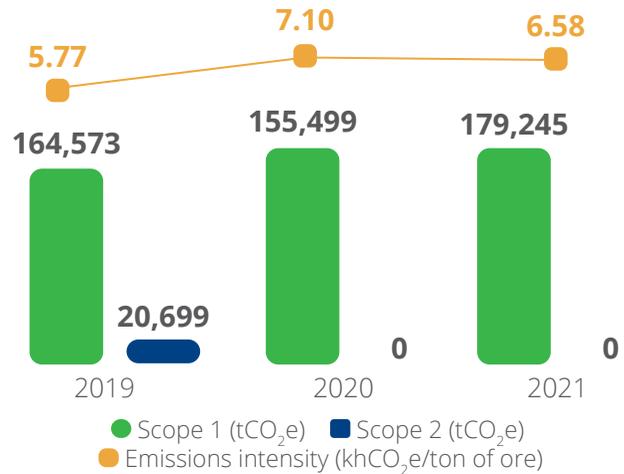
Quality ore with lesser emissions

CSN Mineração will play a strategic role in the global steel industry's decarbonization plan, by increasing emission reduction as set in scope 3. The decarbonization of the steel industry will value products and solutions with high-quality iron ore and lower emissions. CSN Mineração's current strategy already forecasts a portfolio of high-quality products, accounting for 90% of its production until 2025.

With the investments forecasted to expand CSN Mineração's projects, the Company will thenceforth make products with one of the highest levels of iron and the lowest percentage of impurities in the world.

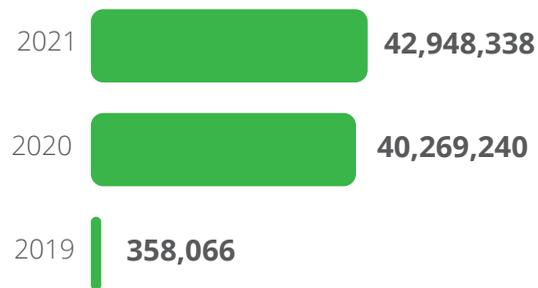
The use of such high-quality ore for primary iron production in blast furnaces, EAF or in direct reduction routes will lead to lower energy consumption, higher quality product, and lower specific emissions. CSN Mineração's ore will be a fundamental lever in the decarbonization strategies of steel mills, including in those that bet on the use of hydrogen in their production lines.

GHG Emissions (scopes 1 and 2)¹



1. It only considers emissions from the mining operations in the plants of Casa de Pedra and Pires. Scope 2 calculated according to market-based approach.

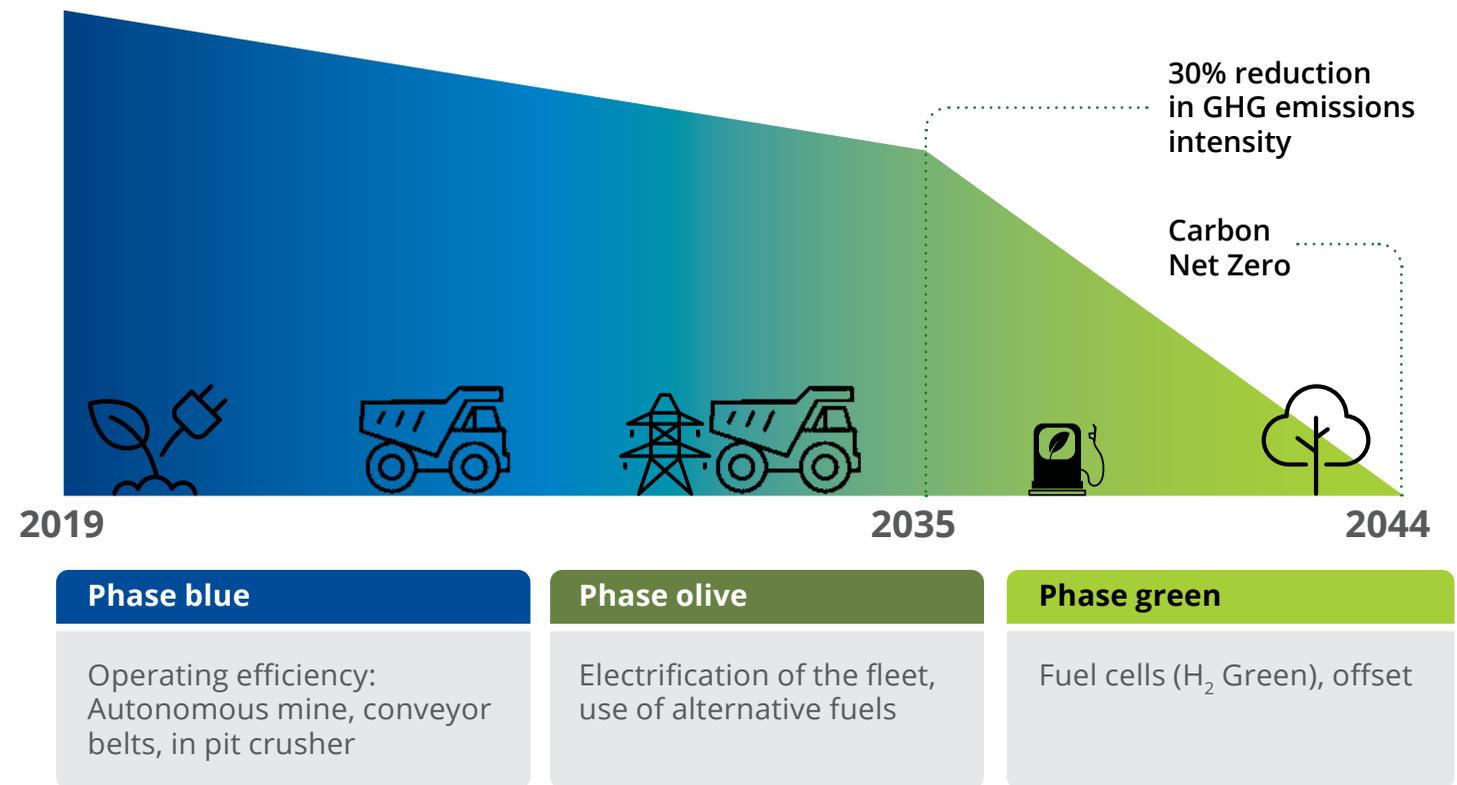
GHG Emissions of scope 3 (tCO₂e)²



2. This data considers the emissions from all of CMIN'S operations. the increase in the emissions of scope 3 between years 2019 and 2020 has been due to improved data collection and production increase.

In CSN Mineração's activities, 100% of the consumed electric power comes from renewable sources, so the opportunities to reduce emissions are directly linked to the emissions of scope 1. The strategy to reduce direct emissions involves an increased operational efficiency and the implementation of new technologies – such as the electrification of the vehicles used in the mine (to reduce the consumption of fossil fuels), and the

adoption of alternative fuels (such as biofuel or hydrogen injection into diesel) –, in addition to the use of already consolidated technologies, such as conveyor belts, in pit crusher, use of unmanned trucks – Autonomous Mining. The strategy to implement the projects will be conducted based on a roadmap of projects defined and divided into three phases (Blue, Olive, and Green) as shown in the chart below.



Projects under development

CSN Mineração strives to adapt its business to the low-carbon economy. It means investing in new technologies, improving processes, and promoting innovations that provide a reduction in CO₂ emissions.

Autonomous mining and trucks



The development of autonomous equipment started in 2021 and has reinforced the company's commitment to promoting the health and wellbeing of its employees, in addition to supporting the evolution and greater efficiency in the production process. With the implementation of 5 assets (crawler tractor, drill rigs, and other smaller machines) remotely or semi-remotely operated, the plan forecasted for the next six years includes the development of the infrastructure necessary to apply those solutions at large scale.

Until 2035, CSN Mineração plans to implement a fleet of autonomous trucks, controlled through computer systems, Global Navigation Satellite System (GNSS), radars, laser sensors and artificial intelligence. Each truck will have the capacity to transport up to 240 tons.

The new fleet will replace up to 20 trucks used in the mine of Casa de Pedra to move iron ore and barren rocks. It will enable for a significant operational cost reduction, while decreasing direct CO₂ emissions by at least 5% and minimizing waste and dust generation, and noise pollution.

Fleet electrification



One of the main advancements has been the partnership started with an international mining trucks supplier so that CSN Mineração can test new electric cargo trucks, driven by batteries. The first two vehicles, with a 60-ton capacity, will be tested as of 2022 in operations at the Casa de Pedra mine, thus dispensing with the use of fossil fuels.

Employee and off-road truck at Casa de Pedra mine



Operation on the mining front, Casa de Pedra unit



Teleoperation of tractors and conveyors

It is the remote operation of large tractors and conveyors, in an external operation cabin, which enables viewing the mine and equipment operation data in real time. The technology ensures greater production agility and efficiency and a reduction in machine downtimes and fuel consumption, thus helping lower CO₂ emissions.

Photovoltaic towers



In the quest for sustainable energy generation and greater safety on the mine roads and the Casa de Pedra operation, CSN Mineração replaced diesel lighting towers with solar-powered lighting towers, which currently light up the night-time operation areas.

This project made it possible to improve the team's knowledge, since all the development (design and manufacture) was carried out with engineers, technicians and in-house professionals. It also provided an improvement in the safety levels of employees who work in night operations, in addition to promoting sustainability, as it is possible to avoid the emission of 500 tons of CO₂e per year and achieve a reduction in the noise that was previously generated by the diesel towers, due to the need for generators – currently there is no more noise emission.

Air emissions and air quality

Through the Air Quality Monitoring Program, CSN Mineração has managed and followed up the legal parameters through four monitoring stations, two for the weather and two for air quality. These stations integrate the Optimized Air Quality Monitoring Network of Congonhas, of which other companies located in the region also take part.

The equipment used to measure air quality is installed in the neighborhoods of Novo Plataforma and Basílica, in the municipality of Congonhas, and the weather stations are located in the units of Casa de Pedra and Pires. Among the air quality parameters monitored at those stations, are Total Suspended Particles (PTS), Inhalable Particles (MP10 and MP2.5),

ozone (O3), sulfur dioxide (SO2), nitrogen oxide (NO), and nitrogen dioxide (NO2). As regards weather patterns, the monitored variables are wind speed and direction, temperature and relative air humidity, solar radiation, atmospheric pressure, and rainfall index.

The stations of the Optimized Air Quality Monitoring Network ("IQA") operate 24 hours a day, 7 days a week, and the monitored results are sent online to the supervision centers installed at the Municipal Secretariat of Environment of Congonhas (SEMMA) and to the State Environment Foundation (FEAM).

Such monitoring has allowed for an integrated analysis in space and time, as well as to verify the fulfillment



In 2021, the average Air Quality Index - IQAr at CSN Mineração was in the GOOD category throughout the year, the best category according to current legislation

of the particulate concentration standards on the air, which contributes to the decision-making process when applying operational controls, and to improve air quality in the areas surrounding CSN Mineração's operations.

In addition, there are four more Hi-Vol monitoring stations installed in neighborhoods located in the project's area of influence: Bairro Casa de Pedra Station, Bairro Cristo Rei Station and Bairro Esmeril Station.

Air Quality Monitoring - Annual average of 2021

Category	Total Suspended Particles (PTS)	Inhalable Particles (PM<10)	Inhalable Particles (PM<2.5)	IQA
CMIN - Novo Plataforma	50.1	29.0	9.4	Good
CMIN - Basílica	51.0	29.9	13.1	Good
CMIN - Neighborhood of Casa de Pedra	48.0	27.0	8.0	Good
CMIN - Neighborhood of Cristo Rei	48.0	29.0	8.0	Good
CMIN - Neighborhood of Esmeril	29.0	24.0	7.0	Good

TCFD

In 2021 we concluded the qualitative evaluation of the risks and opportunities associated to climate changes for all segments of CSN, including the mining segment, undertaken based on the guidelines set by the Task Force for Climate Related Financial Disclosures (TCFD).

Pillar: Governance

Recommendation	Detail	Evidence
<p>a) To describe the supervision by the council of the risks and opportunities associated to climate change</p>	<p>This Climate Change issue is considered material for CSN Mineração and is submitted on demand to the Board of Directors. All ESG risks, including those associated to climate changes, are presented and monitored by the Audit Committee and the Board of Directors. The Board of Directors is also responsible for approving and following up the achievement of the ESG goals that cover the climate change topic (ex. 30% reduction goal, until 2035, in tCO₂eq/ore emission intensity).</p>	<p>CSN Day, CDP 1.1b, page 61 of the current report</p>
<p>b) To describe the role of the Senior Management to evaluate and manage the risks and opportunities associated to climate change</p>	<p>The CSN Group counts on as Environment and Labor Safety Board that directly reports to the CSN Group's CEO, and this is the main area responsible for managing climate change issues in all of the Group's business segments, including its mining operations. This Board, in the decisions approved by the Company's Senior Management, has been responsible for defining the goal associated to energy consumption 100% sourced from renewable sources at CSN Mineração. Within the scope of the Board's performance, the main activities associated to this issue are: management of GHG emissions; evaluation and identification of climate risks; definition of emission reduction goals; and development of projects to leverage the low-carbon economy.</p> <p>In addition to that, the CSN Group counts on an ESG Committee, which supports the Group's and CSN Mineração's Board of Directors' deliberations on ESG risks, including a specific commission to deal with the climate change topic, including in its mining operations.</p> <p>The ESG Committee, on its turn, supports the Board of Directors' decision-making process. In addition to these governance elements, CSN counts on a Climate Group, which aims at providing weekly operational management to deal with the innovation and decarbonization topic in the company's different business units.</p>	<p>Page 58 of the current report</p>

Pillar: Strategy

Recommendation	Detail	Evidence
<p>a) To describe the risks and opportunities associated to climate changes the organization has identified in the short, medium and long terms</p>	<p>In the evaluation study on climate risks and opportunities undertaken in 2021, 3 time horizons characterized as of short, medium or long terms were considered. For the analysis the following was taken into consideration: short term, 1 to 3 years; medium term, 4 to 5 years; and long term, 6 years or more. Through that study, 4 risks have been identified according to their relevance and incidence horizon, which are indicated below together with the time horizon in which the risk is most likely to materialize.</p> <ul style="list-style-type: none"> • Short term: [1] Cost increase due to the worsening of water shortage associated to changes in weather patterns; [2] Landslides and floods associated to a higher frequency and intensity of storms; [3] Incidence of carbon pricing and taxation on the emissions from industrial operations and national and international road, railway, and seaborne transportation in Brazil; [4] Loss of investments due to restricted access to investors and banks with stricter socio-environmental and climate criteria. • Among the long-term risks, due to how the risk matrix has been elaborated, there isn't any critical risk. Nonetheless, it has been possible to identify risks that might be highly relevant in the long term, such as: the. Assets stranded due to the carbon criteria; b. Market share loss due to non-adherence of production technologies and more sustainable products or more adapted to the climate change scenario. <p>The 3 most relevant opportunities for the mining segment are described below, as well as the time horizon in which the opportunity is most likely to materialize:</p> <ul style="list-style-type: none"> • Short term: [1] Issuance of Green Bonds and Sustainability Linked Bonds; [2] Reutilization of tailings in mining operations; • Medium term: [3] Development of products and solutions with a lower negative impact - higher quality ore as the main raw material to manufacture steel, in order to build the infrastructure for a new low-carbon economy. <p>Medium- and short-term opportunities and highly relevant for mining operations have not been identified. Only the highly relevant ones are considered critical and that might occur in the short or medium terms, or those with a moderate relevance and that might occur in the short term.</p>	<p>Climate risk evaluation chart, on page 48 of the current report</p>
<p>b) To describe the impact of the risks and opportunities associated to climate changes on the organization's business, strategy, and financial planning</p>	<p>When evaluating climate risks, one of the critical risks for CSN Mineração has been monetized in order to dimension the magnitude of their financial impacts. The result of this evaluation has shown that the values are significant based on the Company's valuation, pointing to the consistency of the priority given to this issue in the study. However, the results have not been utilized yet in the decision-making process or financial planning.</p>	<p>Not applicable</p>
<p>c) To describe the resilience of the organization's strategy, taking into consideration different scenarios associated to climate changes, including a 2° C or lower scenario</p>	<p>The climate risk evaluation study of the physical type employed some climate scenario studies (RCP 4.5 and RCP 8.5) to identify the magnitude of the impact to which CSN Mineração would be susceptible. However, a climate scenario study using specific variables and decarbonization scenarios below the limits established in the Paris Agreement will be executed in the next 2 years.</p>	<p>Not applicable</p>

Pillar: Risk management

Recommendation	Detail	Evidence
<p>a) To describe the processes employed by the organization to identify and evaluate the risks associated to climate change</p>	<p>CSN Mineração's process to identify, evaluate and prioritize climate risks and opportunities is undertaken in 4 stages:</p> <ol style="list-style-type: none"> 1. Initial definitions 2. Analysis of physical risks 3. Analysis of transition risks 4. Identification of opportunities <p>Further details on these stages and on how the climate risk evaluation study has been undertaken can be found in chart Systemic Evaluation of Climate Risks and Opportunities on page 63 of CSN'S Integrated Report.</p>	<p>Climate risk evaluation chart, on page 48 of the current report</p>
<p>b) To describe the organization's processes to manage the risks associated to climate change</p>	<p>With the work undertaken in partnership with a specialized consultancy firm, CSN Mineração has taken the first steps to structure a process to systemically manage the risks and opportunities associated to climate changes. With the elaboration of a risks and opportunities matrix and the subsequent monetization of the risks, CSN Mineração plans, in the next 2 years, to further develop the climate risks and opportunities matrix, to elaborate a climate scenario study, and to monetize the Company's most relevant climate risks in order to verify business resilience in regard to the impacts of climate change.</p>	<p>Not applicable</p>
<p>c) To describe how the processes to identify, evaluate and manage the risks associated to climate changes are integrated into the organization's overall risk management</p>	<p>The Internal Audit, Risks and Compliance Board supports the business areas to identify, prioritize and convey the priority risks to the Senior Management. The Company's periodical risk evaluations, forecasted in its Risk Manual, contemplate the identification, evaluation, reporting and mitigation of the strategic, operational, financial and regulatory risks.</p> <p>An example of this process, the risk associated to the incidence of carbon pricing and taxation has already been incorporated into the Environmental Risk category in the Regulatory Compliance pillar. In case the mapped risks are identified as critical, they will be conveyed to and evaluated by the Audit Committee.</p>	<p>Presentation to the Audit Committee and Form of Reference</p>

Pillar: Metrics and goals

Recommendation	Detail	Evidence
<p>a) To disclose the metrics utilized by the organization to evaluate the risks and opportunities associated to climate changes according to its strategy and risk management process</p>	<p>Pages 74 and 76 present a compilation of the performance and goals associated to the ESG agenda that are directly or indirectly correlated to the fight against climate change.</p> <p>In addition to the abovementioned points, one of the important instruments to manage climate changes used by companies is the internal carbon price. In 2021, CSN Mineração developed a MAC Curve (Marginal Abatement Curve) with the purpose of identifying projects to reduce greenhouse gas emissions and establish consistent goals for the Group. The MAC Curve enables to work on the shadow price type carbon pricing approach, in which the price varies as more ambitious emission reduction goals are assumed/analyzed. Therefore, CSN Mineração will use the internal carbon price as an instrument to evaluate technological development and for possible decision-making.</p>	<p>Pages 74 and 49 of the current report, respectively on ESG Goals in the Integrated Report and MAC Curve</p>
<p>b) To disclose Scope 1, Scope 2 and, if appropriate, greenhouse gas emissions (GHG) of Scope 3 and related risks</p>	<p>The Company employs the sector's methodologies to establish goals and correctly compare sector operations and the GHG Protocol's methodology in order to disclose information in a comparative manner with other sectors and countries.</p> <p>Throughout the current document, values related to emissions and intensities, performance in view of the established goals, and the historical series have been presented for:</p> <ul style="list-style-type: none"> • Emissions of Scope 1 (page 87) • Emissions of Scope 2 (page 87) • Emissions of Scope 3 (page 87) • Intensity of emissions (page 87) <p>In order to calculate emissions and the intensity of the goals, the Company employs the following methodologies: Brazil GHG Protocol Program; IPCC Guidelines for National Greenhouse Gas Inventories, 2006; ISO 14064-1.</p>	<p>Page 87 of the current report</p>
<p>c) To describe the goals used by the organization to manage the risks and opportunities associated to climate changes and performance in relation to the established goals</p>	<p>Emission reduction goals:</p> <ul style="list-style-type: none"> • 30% in the intensity of emissions until 2035 • Net-Zero until 2044 <p>The year base, methodology, and performance are presented on page 87.</p>	<p>Page 87 of the current report</p>

Water management



Water is an essential natural resource for production processes, and so the quest for maximum water efficiency is a part of CSN Mineração's strategy. In its mines, water is collected according to the grants authorized by the environmental entities. After they have been used, the effluents undergo treatment and are primarily reused or returned to water bodies within legal standards.

GRI 103-1 | 103-2 | 103-3 | 303-1 | 303-2



One of CSN Mineração's priorities is to expand the projects to recover and reuse water in its production processes. The goal of reducing by 10% the consumption of new water per ton of ore produced by 2030 (base year 2018) was reached, with the result of 0.166 m³/ton of ore and a reduction of 27% compared to the water intensity of 2018, (0.226 m³/ton of ore). However, considering the new projects to be implemented by 2030, especially the Itabirito P15 plant, which requires a greater amount of water for its processing, the 10% reduction target was maintained and remains challenging.

New investments in the Central Ore Processing Plant intend to reduce, until 2024, by 45% – from 0.22 m³/t to 0.12 m³/t – the specific consumption of fresh water in the plant, by taking the year 2017 as reference. Consequently, there will also be a reduction in the generation of tailings and an increase in the efficiency of the existing solid-liquid separation operations in the processing plant.

**Water-use intensity
(m³ collected per produced ton)¹**



1. The water intensity is calculated based on the production of iron ore (wet + dry) and the abstraction of water destined only for the production process of the ore, considering the water collected at the central plant, the Pires process and drinking water.



Since 2018, CSN Mineração has promoted the recovery of water from the tailings generated in its Central Plant, thus allowing its reutilization in ore processing. In addition to that, this initiative has allowed stacking dry waste, instead of it being disposed into dams

Among the new projects, it is important to mention the Magnetic Concentrator Plant, HIMC LAMAS (know more about it on page 27), which will start operation in 2024 and will enable to process all the fine tailings currently generated by the central plant's operations, thus increasing the mass recovery of iron ore, and decreasing the generation of tailings by 700 thousand tons per annum, and providing an annual consumption reduction estimated at 56.9 thousand m³ of new water.

The Company has also been successfully implementing its existing dam de-characterization plan. In the process to withdraw tailings from the dams, the existing water is recovered in the tailings filtering process and destined to reutilization in the production processes. The lower disposal of tailings for filtering has as its benefit to ensure a better utilization of water resources. Increased water efficiency in mining operations is complemented by the monitoring of mine wells and spillways, which enables controlling the level of the water table and of water supply to industrial processes, in addition to maintaining the water course that supplies the surrounding communities. This monitoring system avoids the flooding of exploration areas and guarantees an efficient production process at the mine.

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In 2021, the water recirculation rate in the central plant at CSN Mineração amounted to 87%

GRI 103-1 | 103-2 | 103-3 | 303-1 | 303-2



Magnetic Concentrator Plant (HIMC)



Thickener in Casa de Pedra

In 2021, CSN Mineração undertook its first water footprint study, while adhering to the parameters set in the NBR ISO 14046:2017 norm. The design of the project had in its scope all the processes and activities undertaken in the operations at the Casa de Pedra unit, by measuring the volume of intakes, consumption and outtakes in all production processes and support areas. After concluding that study, with its update, it has been possible to verify an increase in the water reutilization and recirculation indexes. This performance has been a reflex of the improvement and higher precision of the premises and data measurement basis.

With the conclusion of its water footprint evaluation, CSN Mineração has achieved a greater ownership of the water monitoring and management indicators in its production processes. Therefore, it has been able to extend the identification of risks and opportunities in order to improve water management in the entire iron ore production cycle, and to seek a significant reduction in volume of collected water, in addition to establishing a more robust basis to evaluate its environmental, social, and economic impacts. In the next two years, the Company intends to invest in the optimization of its effluent treatment systems, by extending the useful life of the compact Effluent Treatment Stations (ETEs) to 8 years.



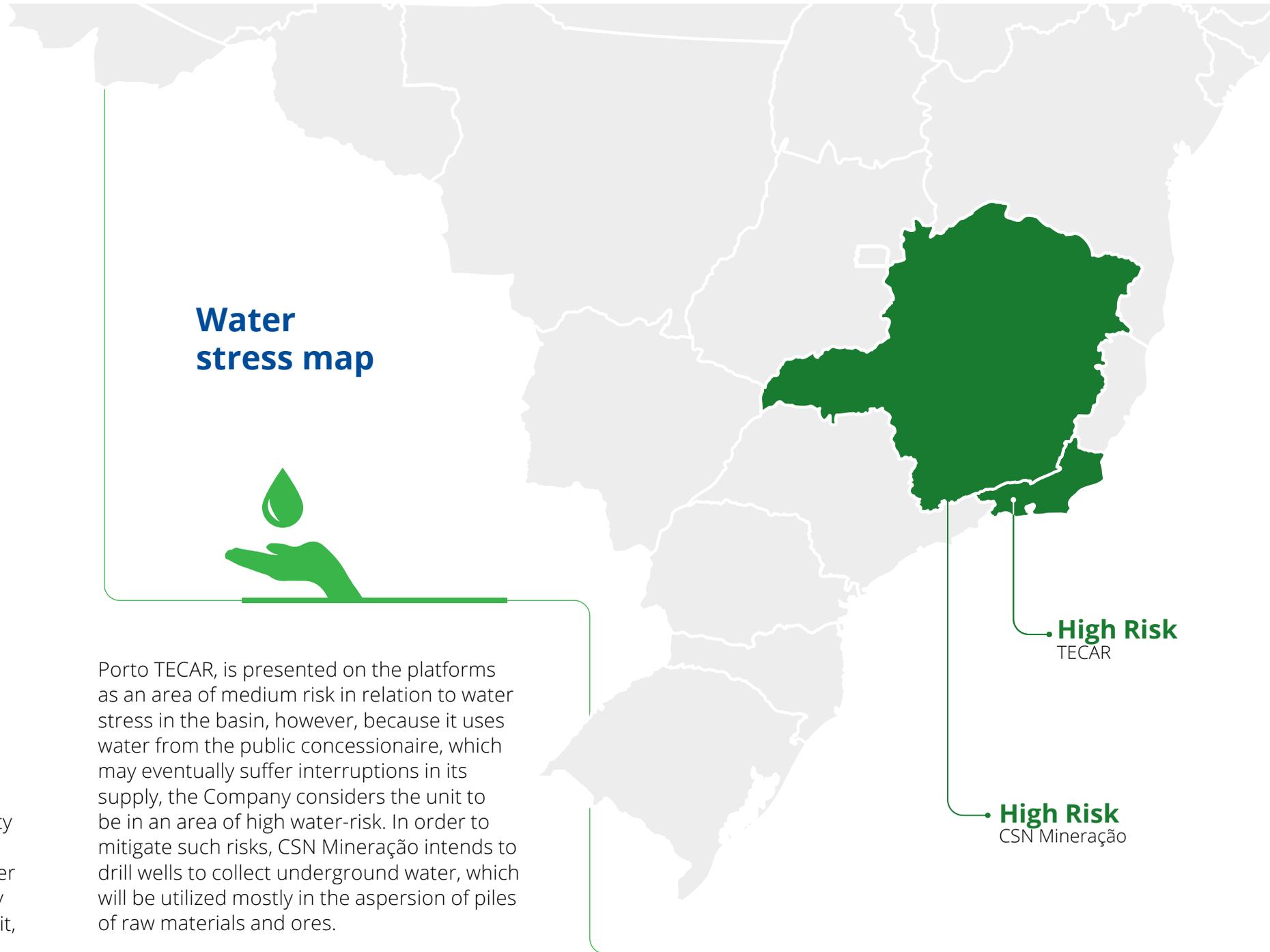
Water stress evaluation

In 2021, the Company started a climate risks and opportunities evaluation study to fulfill the recommendations made by the TCFD and evaluate potential impacts on its business. During the analysis of physical climate risks, some risks were mapped that CSN Mineração might face as regards the issue of water resources, especially the risks associated to water shortage. Thus, the Company has evaluated the vulnerability of water resources in the localities where it operates through the World Resources Institute's (WRI) Aqueduct Water Risk Atlas, and the World Wildlife Fund's (WWF) Water Risk Filter platforms.

CSN Mineração's units of Casa de Pedra and Pires are mentioned in the platforms as being in a medium risk area as regards water stress in the basin, however since it considers that water is an essential resource for its mining production process, the Company has preventively considered those units as a priority when managing water resources, and has strategically defined their management so water resources are utilized efficiently and as a highly critical component. The Company's logistics unit,

Porto TECAR, is presented on the platforms as an area of medium risk in relation to water stress in the basin, however, because it uses water from the public concessionaire, which may eventually suffer interruptions in its supply, the Company considers the unit to be in an area of high water-risk. In order to mitigate such risks, CSN Mineração intends to drill wells to collect underground water, which will be utilized mostly in the aspersion of piles of raw materials and ores.

Water stress map



Water Basin Committees

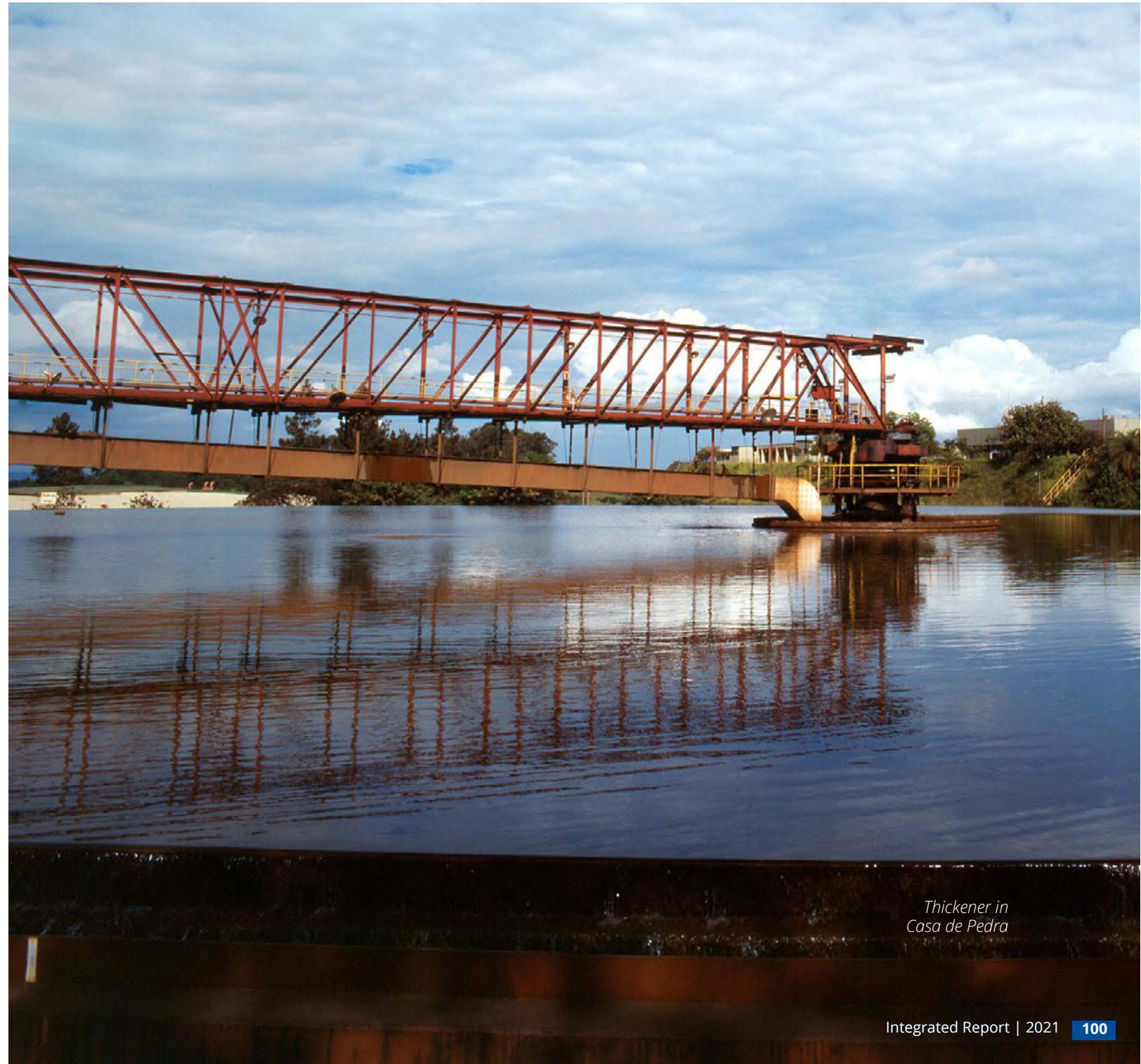
CSN Mineração operates together with society to evaluate the impacts and opportunities for water management and the shared use of water resources. That is why the Company has actively taken part in the Water Basin Committee of the regions where it owns production units.

In Minas Gerais, the company has joined the Water Basin Committee of the Paraopeba River, and is a member of the Technical Chamber to Integrate Procedures, Grant Actions, and Regulatory Actions (CTIOAR). Through these entities, it has collaborated to the participative management of the waters collected from the Paraopeba River and its tributaries, and has contributed to promote continuous improvement practices to protect biodiversity in the surrounding areas and ensure better water quality.



By engaging in local forums, the Company strengthens the dialogue on the shared use of water

GRI 103-1 | 103-2 | 103-3 | 303-1 | 303-2



Thickener in Casa de Pedra



Filtering of tailings

CSN Mineração invested more than R\$ 400 million in a new technology to filter the tailings generated in its operations. The filtering plant started its operations in 2018 and currently has the capacity to filter 9 million tons of tailings. This technology, which is an alternative to the utilization of dams, filter tailings thus enabling to recover 92% of the water contained in the filtered material. Currently, the pulp generated by the process, comprising 70% of water and 30% of solid tailings, is previously submitted to a densification stage (thickening). After that, tailings – still containing around 50% of water– are introduced under pressure into the filtering chambers of the filter presses where, after being filtered, its humidity percentage is lowered to 16%. The water, recovered in the filtering process, is then reutilized in ore processing operations.

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Tailings filtration process at Casa de Pedra

Waste management



The waste generated during the mining process is of two kinds, mainly: barren rocks (soil withdrawn without any economic use), and tailings (material disposed after ore has been processed). CSN Mineração disposes those materials through stacking, continuously administered by a management system and inspections to ensure the safety and stability of those formations.

GRI 103-1 | 103-2 | 103-3 | 306-1 | 306-2



Since 2020, the company has not used anymore any dam in its production processes, with 100% of the disposal of tailings being performed under the dry method

The Company has invested, since 2018, in equipment to filter tailings and recover the used water. Thus, the generated waste has a higher concentration of solids and can be stacked, thus avoiding the utilization of dams. In 2020 and 2021, as a consequence of the already implemented projects, CSN Mineração did not discharge any tailing into dams.

In addition to this initiative, CSN Mineração has invested in projects to increase the efficiency of its ore processing operations, and consequently to reduce the generation of tailings. The Magnetic Concentrator Plants (HIMC) are solutions that expand the recovery of the processed ore from the existing dams by around 700 thousand tons per annum.



1st stage of the dry tailings stacking process



Waste from mining operations (tons)

	2019	2020	2021
Barren rocks	na	22,532,916	26,095,919
Tailings	na	5,870,789	4,486,492
Total	33,877,703	28,403,705	30,582,411

In addition to the waste from mining operations, the operational activities in mines and at the Tecar Port also generate waste classified as of class II (non-hazardous), derived from the operation and maintenance activities of its structures, and of class I (hazardous) with the potential to contaminate the soil and water bodies if they are not properly managed. This category includes, for example, materials contaminated with oils and greases from washing and maintenance works for the equipment and vehicles utilized in the mine and in the port. The Company counts on protocols and mechanisms to treat, store, and dispose such waste in a correct and environmentally adequate manner, in order to avoid any type of harmful impact on biodiversity.

In 2021, the generated waste added up to 17.8 thousand tons, a 16% reduction if compared to the previous year, especially due to the incentives and engagement seen in projects “Repensar/ Rethink” and the internal awareness-building campaigns. Last year, 13.5% of the total generated waste was hazardous. In relation to the disposal methods, it is worth mentioning recycling, which accounted for 43% of the disposed volume in that period.

The “Repensar/Rethink” project has been created to look for continuous improvement in the waste management practices in our enterprise. The project is developed according to the “5Rs” axis (rethink, refuse, reduce, reuse and recycle), and has as its purpose to develop a culture in the Company in which each employee understands the importance of their actions to correctly segregate waste and the positive impact of the process until final waste disposal/treatment.



GRI 103-1 | 103-2 | 103-3 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5



NHPR of CSN Mineração

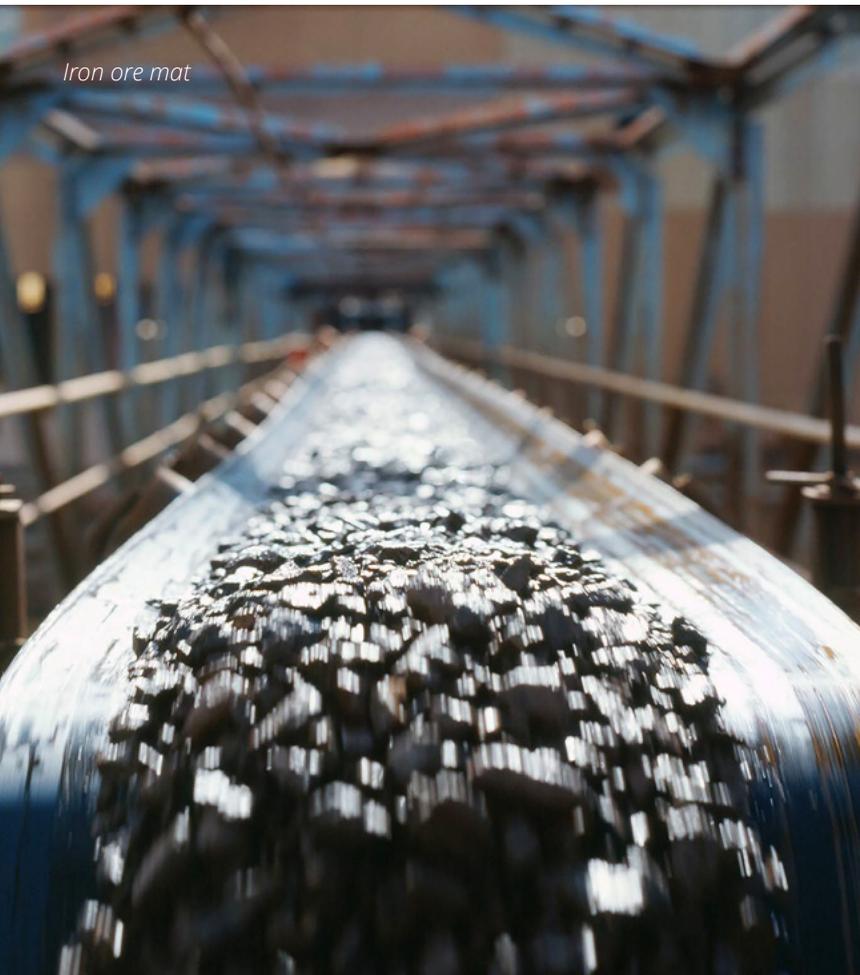


Waste management is based on actions aimed at avoiding generating, and reducing, reutilizing, recycling, treating, and ensuring adequate final disposal. This is a collective responsibility, at all hierarchical levels in the enterprise.

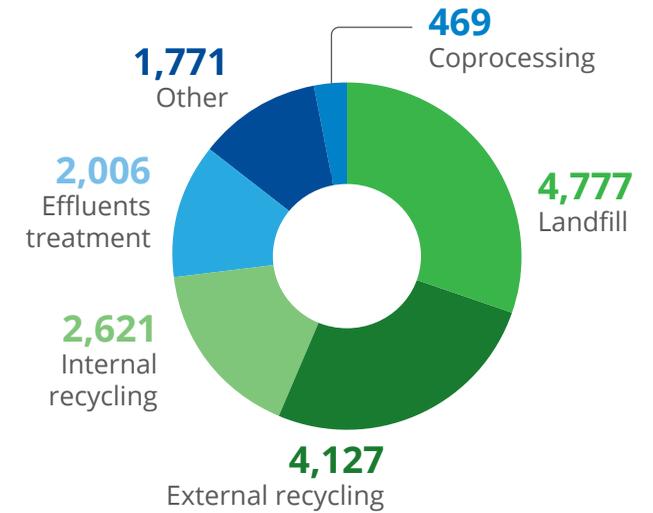
Within the scope this project, many actions have been executed in order to ensure the reduction objectives are achieved, thus minimizing the impacts generated by waste generation. In addition to the

supervision of direct employees, subcontractors are also involved with building awareness so we can all fulfill the proposed programs.

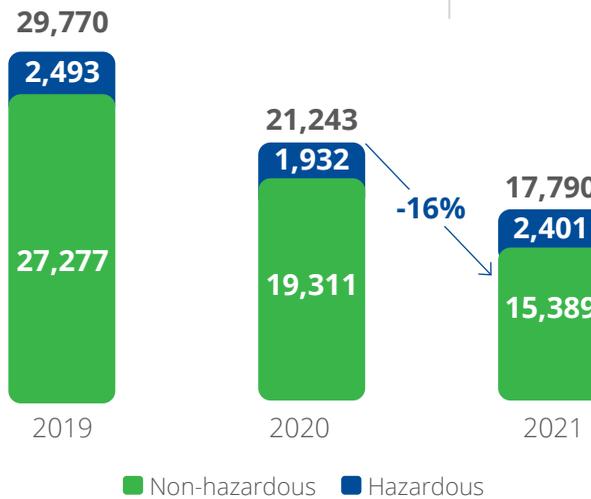
In addition to the “Rethink/Rethink” project, the Company counts on internal communication channels (CHAMA, *Ação Sustentável*/Sustainable Action, DSMS, and the Sustainability Committees), as well as activities within the scope of the Environmental Education Program to build awareness among of our employees as regards waste management, by promoting lower waste generation and enhancing the reutilization and recycling practices. The prevention of the deviations and negative impacts caused by incorrect waste management makes sure correct segregation and packaging is the main focus in our internal actions.



Non-hazardous waste generated in 2021 as per disposal method (t)

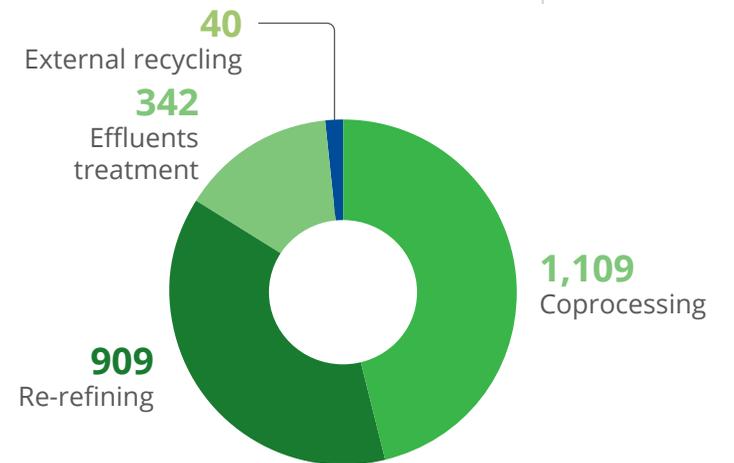


Generated waste as per type (t)*



*Solid waste of Class I and II generated by mining and port activities.

Hazardous waste generated in 2021 as per disposal method (t)





Biodiversity



Mining activities are those with the highest potential to impact biodiversity, due to their locational rigidity and to the need of suppressing local vegetation and changing natural habitats, and so measures have been adopted to prevent, mitigate, recover and compensate for the environmental impacts. CSN Mineração has a history of almost 20 years of fauna and flora studies and monitoring actions in the areas surrounding its operations, with more than 500 identified animal species.



NHPR of
CSN Mineração

The Company counts on the Privately Owned Natural Reserve (NHPR) of Jurema, with 436 hectares, and a Legal Reserve Area in the Complex of Casa de Pedra, with 1,213.07 hectares, of which 736.61 hectares are located in the complex itself, 417.28 hectares in the State Park of Serra do Ouro Branco, and 59.17 hectares in Itabirito (MG), which include a Seasonal Semideciduous Forest with remnants of the Atlantic Forest with a high degree of preservation.

The activities and investments directed to preserve biodiversity, in all of its business enterprises, are undertaken according to the directives and parameters established in the environmental impact studies (“EIA”), and according to the constraints of the environmental licenses. Through a partnership with society and public powers, CSN Mineração strives to allocate financial resources to develop initiatives with the highest positive impact to protect and recover biodiversity.

All the issues associated to biodiversity are evaluated during the entire life cycle of enterprises, by initially defining a locational alternative with a lower socio-environmental impact, the elaboration of an Environmental Impact Study (EIA) before the installation of a project – with the analysis of fauna, flora, water resources, soil, air, and social analyses are undertaken in local communities through surveys and public hearings – and the implementation of environmental control, monitoring, compensation, and mitigation programs during the entire useful life of an enterprise.

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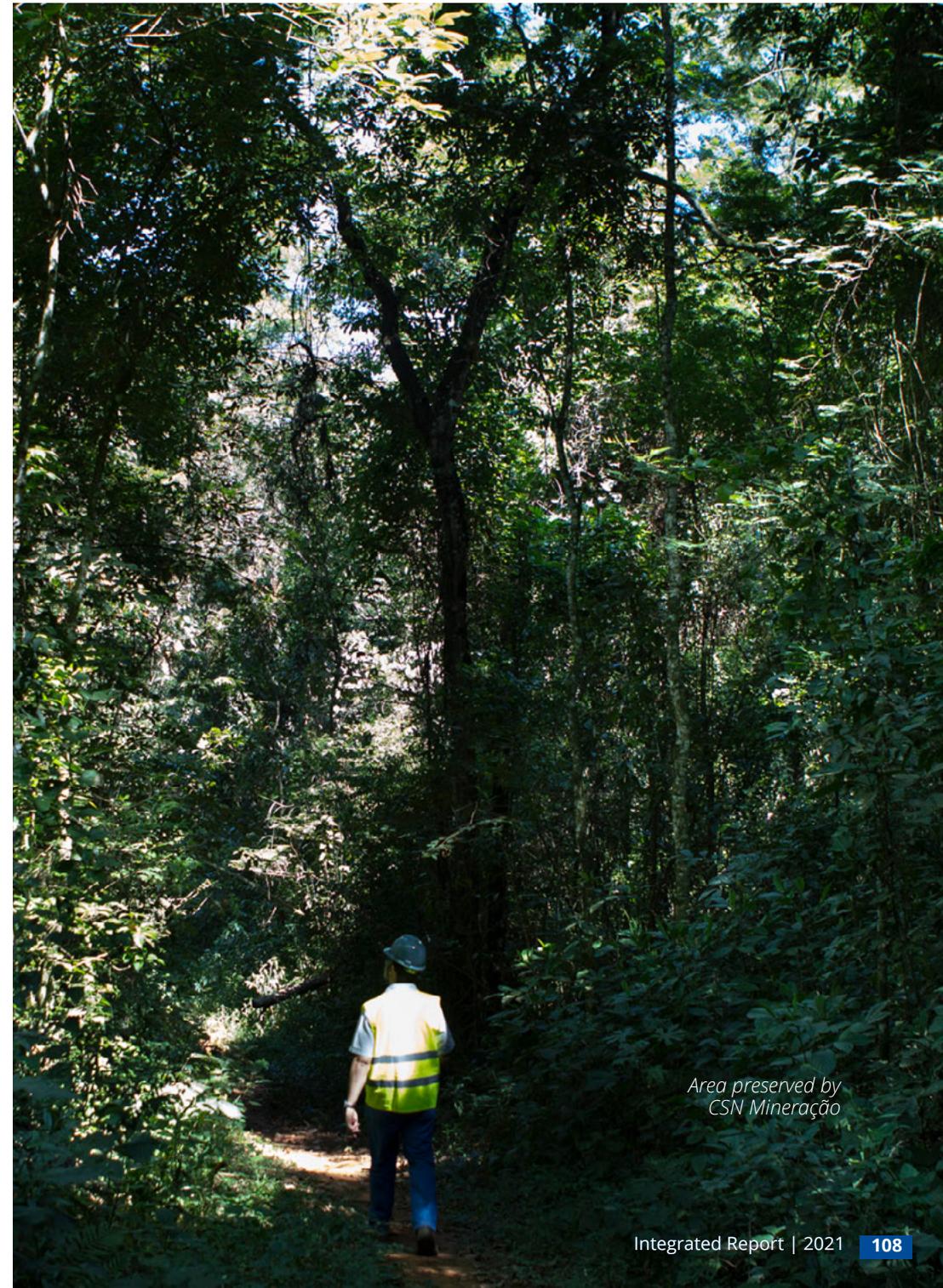


Activities and investments aimed at the preservation of biodiversity are carried out in accordance with the guidelines and parameters established in the environmental impact studies and with the conditions of environmental licenses, aiming to minimize as much as possible any impact resulting from the activities. Through a partnership with society and the public authorities, CSN Mineração seeks to direct financial resources towards the development of initiatives with greater positive impact for the protection and recovery of local biodiversity, maintaining agreements with the public authorities and with some associations of small farmers, with investment in expansion works and improvements to nurseries that produce seedlings of native species used in the Company's projects for the recovery of degraded areas and environmental compensation, thus benefiting the municipalities in which they are located and ensuring the maintenance of biodiversity place.

In 2021, the areas directly affected by the activities of CSN Mineração, duly licensed, totaled 226.9 hectares, of which 77.79 hectares of vegetation had to be removed, the remainder is an area already anthropized, as follows:

- **Atlantic Forest Compensation:** 16.99 hectares of environmental easement, 58.622 hectares of donation in conservation units and 16.99 hectares of forest restoration.
- **APP Compensation:** 14.1882 hectares of forest restoration.
- **Compensation for threatened species:** 6.155 hectares of forest restoration
- **Mining compensation:** 65.02 hectares of area donation in a Conservation Unit

In the year, seven more projects were approved, three for intervention in the Atlantic Forest biome, two for intervention in Permanent Preservation Areas (APP), one for mining activities and one for suppression of endangered species. These projects generated the following compensation obligations: (i) creation of environmental easements on 89.41 hectares; (ii) land tenure regularization and donation to the Chico Mendes Institute (ICMbio) of 185.52 hectares located in the Semper Vivas National Park, both already carried out by CSN Mineração; and (iii) forest recovery through the planting of native seedlings on 96.07 hectares, of which 4.70 hectares have already been recovered through the planting and maintenance of tree seedlings and the remainder will be carried out in 2022.



Area preserved by CSN Mineração

CSN Mineração's operations can generate impacts on biodiversity, such as:

- **Alteration or loss of habitat**

The cutting of native vegetation to implement enterprises may lead to an alteration or loss of the physical and geographic conditions for life and to fauna and flora development. This loss of habitat might indirectly occur by compromising the conditions necessary for the survival of native species, considering local soil and water resources.

- **Loss of biota specimen**

The vegetation cutting and suppression actions compromise the smaller fauna and their locomotion capacity, since larger specimens with a greater displacement capacity can disperse into the surrounding sites away from the area affected by the enterprise. The removal of ground cover may compromise life and shelter for the crawling fauna and adapted to digging and living underground. The generation of sediments and liquid effluents may compromise the quality of waters, and consequently the aquatic biota and related fauna. The intensification of road traffic may lead to an increase in the trampling of land fauna specimens. Also, the use of internal

access roads to transport equipment, materials, inputs, and workforce may be responsible for the generation of sediments and liquid effluents.

- **Alteration of biota communities**

Vegetation suppression is the main activity responsible for such alteration and is immediately observed after local flora has been suppressed in a directly affected area, and when a part of the fauna that has not been lost has been eventually chased away. This movement generates an increase in the competition for niches in the remaining areas and to an alteration in predation patterns and reproduction rates. It may also happen that pioneering species are favored to the detriment of shade species (climate). It is also known that high levels of noise and vibrations may chase the fauna away and change the behavioral patterns of animals, thus also affecting their reproductive and foraging behaviors, while subjecting them to a higher exposition and risk of trampling.



NHPR of CSN Mineração





CSN Mineração does not operate in Unesco natural world heritage sites, nor holds operations in protected areas, with the exception of eventual interventions in permanent preservation areas, which are properly compensated, however any operation that has any impact on biodiversity requires a management program, which has been executed for almost two decades and improved every year (see some examples in the box to the right).

The Company has also invested in the revitalization and recovery of topographic profiles in the tailing and barren rock stacking areas. The activities include soil reconstruction and the implementation of vegetation cover with preferably native herbaceous and arboreal species, by extending the areas destined to expand fauna and flora biodiversity. In 2021, approximately 30 hectares were recovered.

In 2021, the area affected by CSN Mineração's activities was 226.9 hectares, of which 77.79 hectares have already been recovered or compensated



Programs to manage impacts on biodiversity

- Flora **rescue**
- Phenological **monitoring**
- Seed **collection**
- Fauna **chasing and rescue**
- Environmental **compensation**
- **Reforestation** of exposed grounds
- Fauna and flora **monitoring** in the areas surrounding the operations with more than 500 already identified species
- **Prevention** of forest fires
- **Execution** of drainage projects
- **Implementation** of sediment contention devices
- Road **signaling** to avoid fauna trampling
- Environmental education **programs**

NHPR of
CSN Mineração

7,826 thousand
planted seedlings

30 hectares
of tailings and barren rock
stacking areas planted with
grasses and legumes

R\$ 11.7 million
allocated to environmental
compensation in CSN Mineração's
new Plant of Itabirite

R\$ 1.2 million
invested in works to renovate
municipal nurseries in the State
of Minas Gerais to produce
native seedlings

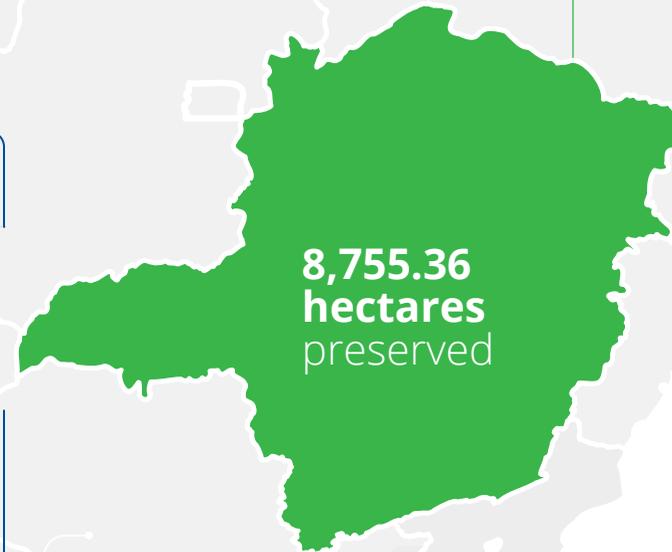


Preserved areas in Minas Gerais



5,180.36 hectares of areas preserved outside conservation units

	Own area (ha)	Third-party area (ha)	Total area (ha)	Location
Permanent Preservation Area (APP)	638.86	107.70	746.56	Jeceaba Congonhas Queluzito
Legal reserve	1,243.00	194.37	1,437.37	São Brás do Suaçuí Conselheiro Lafaiete Ouro Preto Gouveia
Other areas with native vegetation	2,885.27	111.16	2,996.43	Belo Vale Casa Grande Entre Rios de Minas Itabirito



3,575.00 hectares of areas preserved inside conservation units

National Parks

- **2,506.01 hectares** hectares of own areas
- National Park Sempre-Vivas (Buenópolis)
- National Park Cavernas do Peruaçu (Itacarambi)

State Park Serra de Ouro Branco (Ouro Branco)

- **632.99 hectares** of total area

Private Reserve of Natural Heritage (NHPR)

- **436.00 hectares** of own area

6



14



15



8

Environmental Protection Areas located in the vicinities of operations (within a radius of up to 5 km)



Rio de Janeiro (port operations)

- Seafront of Sepetiba Bay
- APA Itaguaí Itingussú Espigão Taquara
- APA do Saco de Coroa Grande



Minas Gerais (mining)

- Municipal Park Cachoeira de Santo Antônio
- NHPR Poço Fundo
- Natural Monument Serra da Moeda

Planting and compensation

In 2021, CSN Mineração planted 7,826 seedlings of native species in Atlantic Forest compensation areas. This activity enabled the Company to conclude its vegetation recovery and environmental compensation actions in its properties in the municipalities of Itabirito and Queluzito.

The Company also undertook vegetation cover on 30 hectares in tailings and barren rock stacking areas. This practice has significantly contributed to minimize the carriage of sediments to watercourses, to reduce the dispersion of particulates, and to improve air quality in the mining area.

Also, last year, the Technical Biodiversity Protection Chamber (CPB COPAM) approved its environmental compensation plan for the installation of the 10-Mtpa Plant of Itabiritos. A total of R\$ 11.7 million will be allocated in the state of Minas Gerais to invest in Conservation Units, focusing on infrastructure improvement and biodiversity preservation actions.



Seedling nursery



Health and safety

People's safety is a fundamental value for CSN Mineração. The Company holds, through its leadership, every organizational line employee responsible and accountable for their labor safety and health performance, to which must be given the same priority as production, costs and deadlines, it being an employability condition for all employees and service providers. Through the Safety and Health Management System (SGSS), the Company has developed programs focused on preventing accidents, mitigating risks, and qualifying leaders to strengthen its safety culture among all teams and employees. The SGSS covers 100% of its own and subcontracted employees who work at all CSN Mineração's units.



The guidelines for by the SGSS are established in the Sustainability, Environment, and Labor Health and Safety Policy and in the Labor Health and Safety Management Manual. These norms reinforce the role of corporate leaders to manage all safety aspects and establish performance-monitoring mechanisms and for the action plans elaborated by the Executive Board and the Board of Directors.

Accident prevention at CSN Mineração involves efforts in the management, forecasting, and planning areas, and the commitment of the entire workforce, while focusing on risk evaluation and the implementation of mitigation actions. This dynamics includes:

1

Knowledge sharing, in each CSN Group's business segment and between Group companies, especially regarding risks and the materialization of accidents.

2

Risk evaluation and management, which includes prevention and control tools, complemented by strategies conceived to anticipate and control the risks posed by process changes.

3

Promotion of safety and health in work places, through a strong performance at all leadership levels in work fronts.



The 10 Strategic Elements of the SGSS

EL 01 Commitment and Leadership

To reinforce the engagement and commitment of all employees, own or subcontracted, to face the daily challenge of making our work environment increasingly safer and healthier.

EL 02 Communication

It aims at reducing the Health and Safety risks through an efficient communication with all stakeholders.

EL 03 Standards and Procedures

To standardize neat, safe and healthy work practices through standards and procedures, involving routine or non-routine works, in operational and administrative activities.

EL 04 Behavioral Development

It aims at establishing requirements for the behavioral development of own and suppliers' employees, focused on prevention and on the continuous improvement of OHS practices.

EL 05 Risk Management

It aims at establishing a systematic to identify, evaluate, control, minimize or eliminate the risks and impacts associated to processes, activities, facilities, services and products and their possible consequences to people's health and physical integrity.

EL 06 Change Management

It aims at ensuring that every change made in the facilities, technologies, processes, work environments and staff are undertaken in a controlled fashion, so we are able to keep the risks or impacts at acceptable levels and improve our OHS performance.

EL 07 Legal Requirements

It aims at ensuring the identification, analysis and adaptation to the legal requirements related to Labor Health and Safety.

EL 08 Planning

It aims at establishing a systematic to ensure that the strategic, operational and routine actions are planned in order to minimize the impacts and keep the hazards and risks of our processes under control.

EL 09 Management of Service Providers

It aims at ensuring that service providers are committed to the practices and procedures and have a performance in line with the Organization's values and principles.

EL 10 Management of Competences and Skills

It aims at systematizing a continuous formation, qualification, habilitation, and onboarding process, so that own and subcontracted employees are able to perform their activities in a neat, safe, and healthy manner.



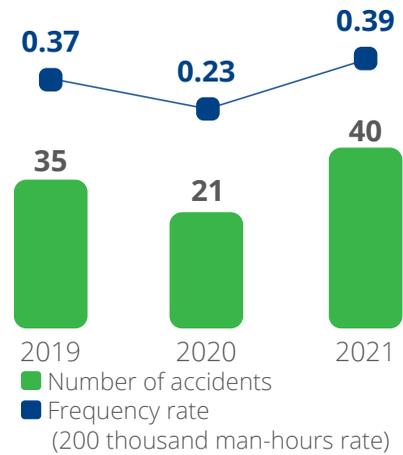
Employee of Casa de Pedra

In 2021, the accident severity rate registered a reduction of 7.6% in the annual comparison

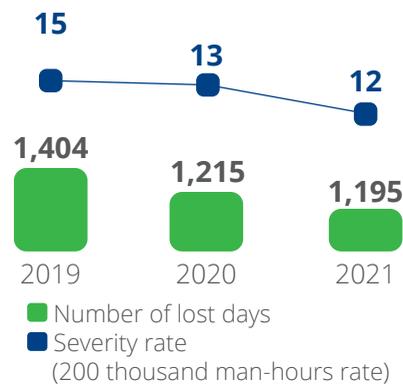
Being integrated into the CSN Group's Sustainability Board, the management of safety aspects has evolved when evaluating the practices of all business areas and standardizing the risk management procedures, monitoring indicators, and investigating accidents. These standards are customized for each type of business activity, ensuring full adequacy with the specific activities and routines of all corporate operations.

A multidisciplinary team undertakes the health and safety risk analysis using qualitative and quantitative internationally recognized methodologies and adhering to the NBR ISO 31000:2018 norms. Formalized in the LHS Risk Management corporate procedure, these evaluations take all the life cycle of an enterprise into consideration.

Accidents with and without lost-time (own and subcontracted employees)



Severity of accidents (own and subcontracted employees)



As one of the strategic elements of SGSS, workers' behavioral development promotes risk prevention in our daily operations. All of them are continuously trained and informed on the preliminary risk evaluation procedures and stimulated to contribute to the designation unsafe behaviors or facilities. In addition to that, the company ensures their right of refusal, through which a worker may not start or may interrupt an activity in case he/she identifies a hazardous situation.

At CSN Mineração, this procedure led, in 2021, to a 13% fall in the accident severity rate (200 thousand man-hours rate). The accident indicators have started to be submitted in the current report considering the factor of 200 thousand man-hours of exposition to risk, instead of 1 million man-hours. This change has as its purpose to facilitate comparing CSN Mineração's performance to other sector companies, in Brazil and abroad.

Labor health and safety indicators (own and subcontracted employees)¹

	2019	2020	2021
Total worked hours-man	19,109,913	18,046,215	20,408,756
Number of labor accidents that must be communicated (with and without lost-time)	35	21	40
Number of labor accidents with severe consequences (except fatalities) – lost-time of at least six months	3	2	1
Number of fatalities resulting from labor accidents	0	0	0
Total number of lost and debited days	1,404	1,215	1,195
Frequency rate of labor accidents that must be communicated (200 thousand WMH factor)	0.37	0.23	0.39
Frequency rate of labor accidents with severe consequences (except fatalities) (200 thousand WMH factor)	0.03	0.02	0.01
Frequency rate of fatalities resulting from labor accidents (200 thousand WMH factor)	0.00	0.00	0.00
Accident severity rate (200 thousand WMH factor)	15	13	12

1. Types of work accidents can include death, limb amputation, laceration, fracture, burns, among others. The greatest risks of high-consequence injuries are related to the critical activities mapped and addressed in the SSO Management Manual. Critical activities are the movement of vehicles and mobile equipment, electrical service, cargo handling, work at height, confined space, hot work, chemicals, flammable gases and liquids. The identification of health and safety risks is carried out based on internationally recognized qualitative and quantitative methodologies (NBR ISO 31000:2018) and appropriate for each situation.

One of the elements in the Health and Safety Management Manual establishes the principles and procedures the units must adopt to evaluate and investigate accidents in their operations. The directives deal with the implementation of the minimum requirements to report and investigate

occurrences, by adopting methodologies compatible with the severity of events, and the mechanisms to share the learned lessons, focusing on prevention and staff protection. The results of the investigations must be documented and archived for years.

Health and safety training is one of the fundamental elements to promote a culture of safety and awareness among leaders and their teams. In 2021, more than 110 thousand hours of qualification courses dedicated to this issue were provided.

The participation of the Committees that represent our own and subcontracted employees in the management of safety aspects contributes to the improvement of the practices and procedures adopted in each business unit and to the engagement of all professionals. These committees cover 100% of the workforce (own and subcontracted employees) and have a pre-defined frequency according to the annual calendar.

Central Safety Committee – Business Unit

Corporate and Directive Labor Health and Safety Committee

Leadership Committee

Contracts Committee

Workgroups for NRs (10, 12, 13, 20, 33 and 35)



Health promotion

In order to promote the health of our employees and subcontracted personnel at the work environment, CSN Mineração counts on a Medical Control and Occupational Health Program (PCMSO), developed according to the Risk Management Program (PGR). The PCMSO establishes the routines and periodicities to evaluate workers' health conditions, according to their performed functions and the mapped occupational risks.

In addition to that tool, our own employees have access to CSN 10+, a support and incentive program to improve their quality of life. CSN 10+ includes a series of initiatives and subprograms dedicated to preventing and reducing medical conditions, increasing wellbeing, and preventing labor accidents.

Employees of Casa de Pedra



The services offered by CSN 10+ are provided through the labor medicine team and may be provided due to on demand medical evaluations or by the initiative of employees themselves.

Another highlight is Viva+/Live+, a quality of life program that contributes to the physical, mental and social health of employees. Implemented in partnership with a network of gyms, it offers benefits to employees and their first-degree family members, such as children, stepchildren, spouses, parents and siblings. As for the Personal Support Program (PAP), it is a free assistance service, which provides support by phone to deal with personal and professional issues, including psychological, financial and legal guidance.

Initiatives such as CSN 10+ and Viva+ promote employee access to occupational health services and the adoption of healthy lifestyle habits



Employee of Casa de Pedra

Initiatives of CSN 10+

- 1** Viva+/Live+ Program
- 2** Alcohol and Drug Consumption Prevention Program
- 3** Despertar/Awaken Program
- 4** Ergonomic Management Program
- 5** Labor Gymnastics Program
- 6** Quality of Life Program
- 7** Traveling Medicine
- 8** Hearing Preservation Program
- 9** Skin Health Program
- 10** Anti-Smoking Program
- 11** Social Assistance and Social Security
- 12** Personal Support Program

Employee of Casa de Pedra



Covid-19

The care for employees' health and actions to prevent Covid-19 were maintained throughout the year 2021, in all operations of CSN Mineração. An increase in the incidence of that illness in the first half of the year made it necessary to maintain the efforts and protocols implemented in 2020 to protect people and ensure the continuity of essential operations.

The Crisis Committee continued to operate all along the year 2021. Through periodical meetings, the group was responsible for evaluating the pandemic evolution scenarios and devising measures to protect the business and our staff.

The home office work system for employees from the administrative and service support areas included in the risk groups was adopted throughout the year. In the second half, with the progress of vaccination in Brazil, on-site activities at offices were resumed, albeit with restrictions to travels, meetings, and on-site training.

The medical teams continued to monitor positive diagnostics and follow the health conditions of employees and their family members. The company also reinforced the campaigns to stimulate immunization among its professionals.



Until the end of 2021, 92% of CSN Mineração's workforce had taken at least the first dose of the vaccine



Diversity and **inclusion**



Staff diversity is a lever for innovation and business growth at CSN Mineração's. In addition to not tolerating and curbing cases of discrimination in its business, the company has strived to increase the presence of women, disabled people (DP's) and underrepresented groups in operational functions and leadership positions, by improving its recruitment, evaluation, and talent recognition processes.

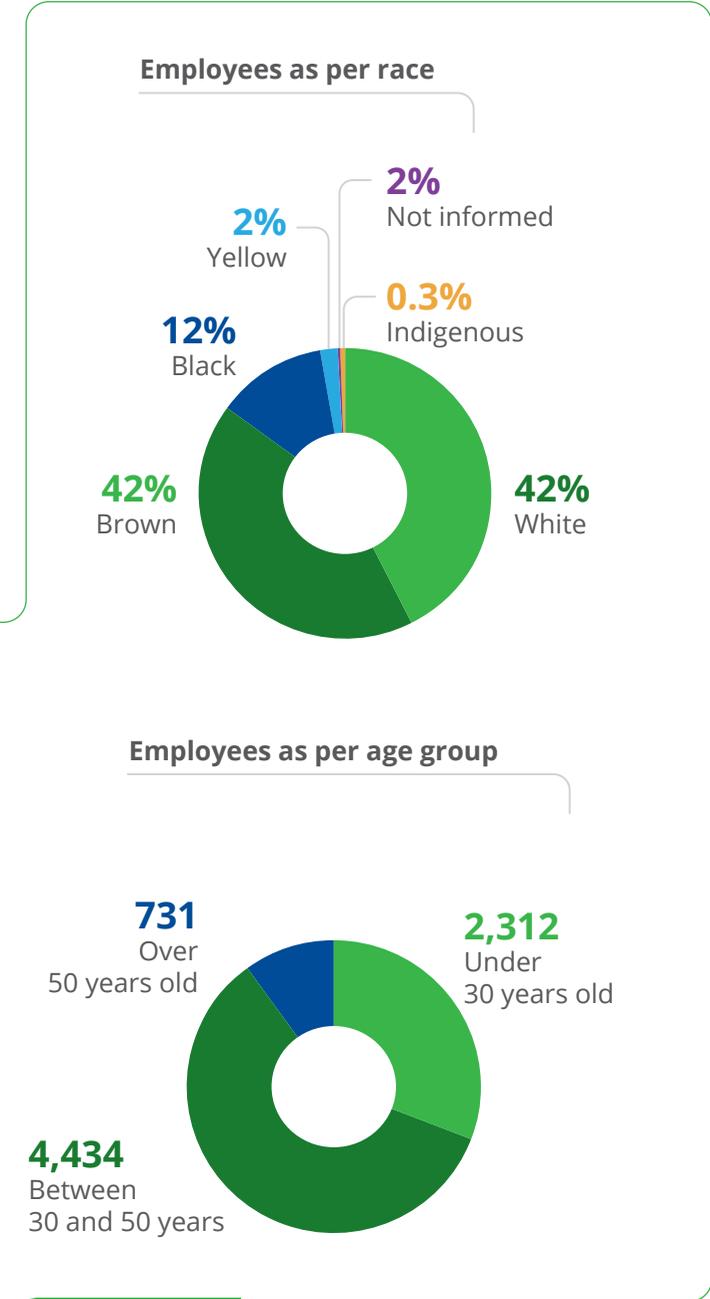
In 2021, governance of this issue was strengthened with the creation of the Corporate Diversity and Inclusion Management Office, responsible for developing engagement and qualification actions and projects at all CSN Group companies, including CSN Mineração. One of the first actions of this new office was to establish goals on workforce diversity. In that

year, 85% of leaders were qualified on Diversity & Inclusion, which helped increase Female Gender Representation at CSN Mineração with a 25% growth if compared to year 2020.

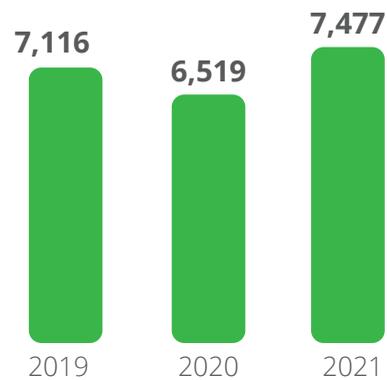
Together with a mapping of opportunities to diversity among its staff, the Company also organized a series of meetings and discussions with administrative and operational leaders. Their purpose was to promote greater awareness and knowledge among leaders on the importance of an even more inclusive and diverse work environment, as an inductor of innovation and business growth.



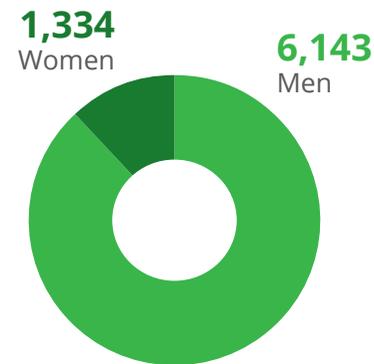
Women account for 18% of CSN Mineração's workforce, a 36% increase in relation to 2019 (goal's base year)



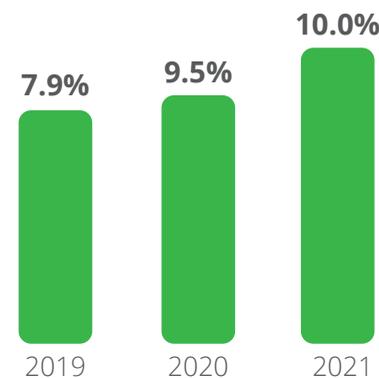
Total number of employees



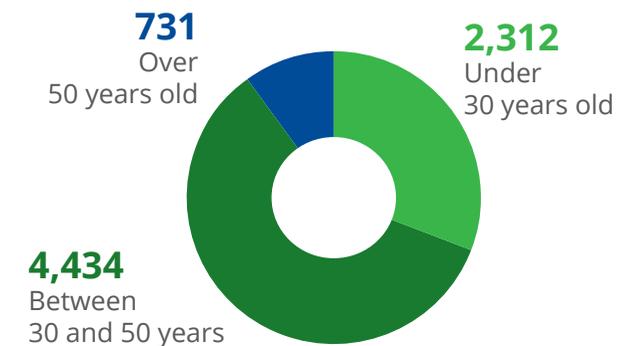
Employees as per gender in 2021



Percentage of women holding leadership positions



Employees as per age group





Mentoria Cidadã/ Citizen Mentorship

One of the first projects created in 2021 to promote diversity was Mentoria Cidadã/Citizen Mentorship. This initiative promotes integration between corporate leaders and youngsters taking part in the Garoto Cidadão/Kid Citizen program, developed by the CSN Foundation to promote the sociocultural development of vulnerable young people.

During their formation, participants attend professional mentoring sessions administered by corporate CSN leaders, to develop behavioral competences and new skills so they can more quickly develop themselves at the start of their professional careers. The program's first class included 18 young participants recruited in the city of Congonhas, and 94% of them have been hired.

In addition, CSN Leaders, Mentoring, also receive specific training, offered by specialists in Human Resources from the CSN Group, in four topics: Self-knowledge, Job Market and Career, Professions, Skills and Competencies and Recruitment and Selection.

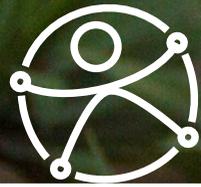


230 women
have been hired and trained through the Capacitar/Qualify Program for Women in 2021

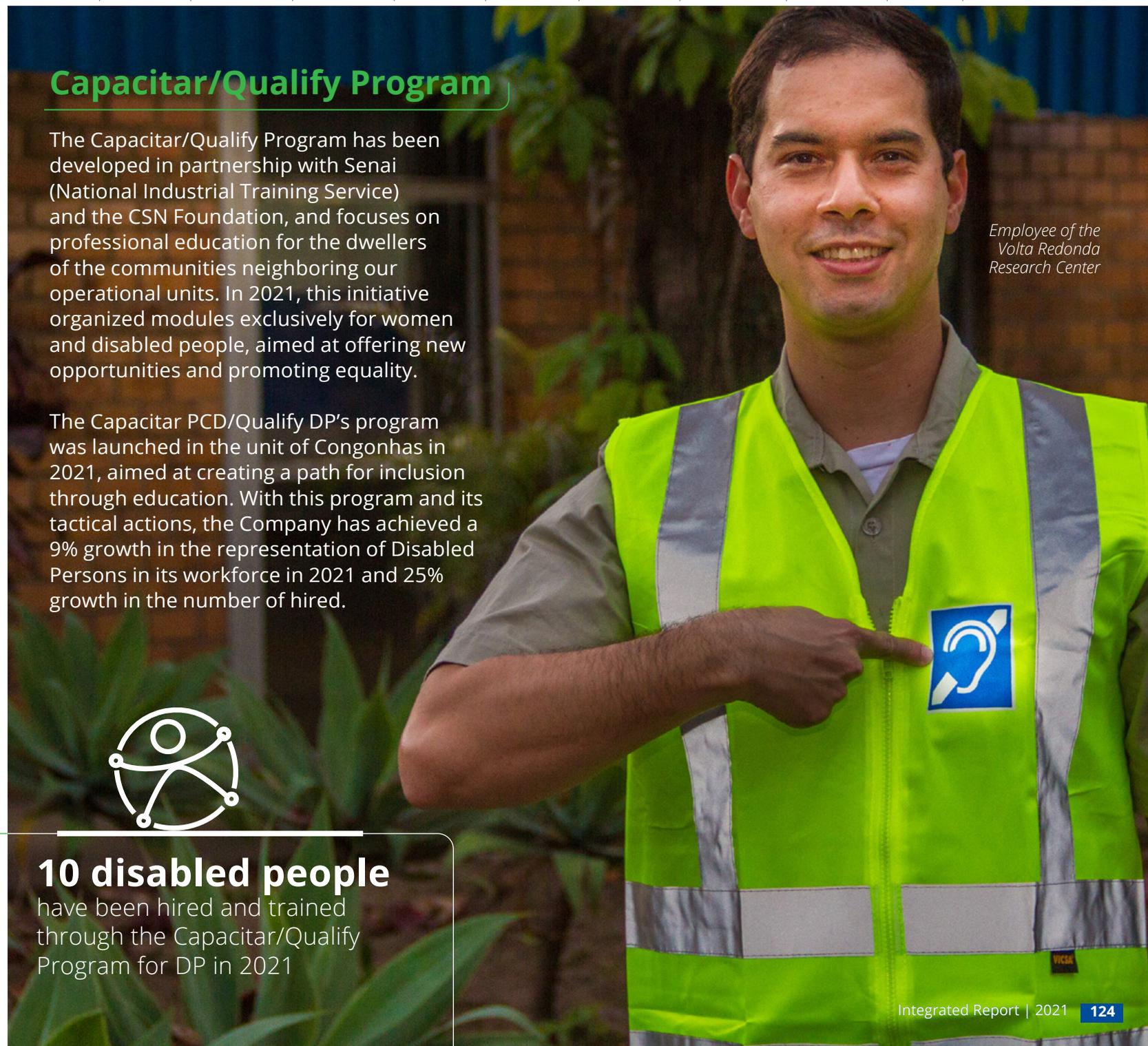
Capacitar/Qualify Program

The Capacitar/Qualify Program has been developed in partnership with Senai (National Industrial Training Service) and the CSN Foundation, and focuses on professional education for the dwellers of the communities neighboring our operational units. In 2021, this initiative organized modules exclusively for women and disabled people, aimed at offering new opportunities and promoting equality.

The Capacitar PCD/Qualify DP's program was launched in the unit of Congonhas in 2021, aimed at creating a path for inclusion through education. With this program and its tactical actions, the Company has achieved a 9% growth in the representation of Disabled Persons in its workforce in 2021 and 25% growth in the number of hired.



10 disabled people
have been hired and trained through the Capacitar/Qualify Program for DP in 2021



Employee of the Volta Redonda Research Center



Employee of Casa de Pedra

MOVER

CSN, the Company's controlling company, has been one of the founding companies of MOVER – Movement for Racial Equality, created in 2021. This coalition of business organizations has as its purpose to expand opportunities and promote the inclusion of black people in leadership positions and functions.

The companies engaged with the MOVER initiative are committed to achieving three main objectives:

- 1** To create **10 thousand leadership** positions for black persons until 2030.
- 2** **To employ and qualify** through opportunities to drive and equalize the visibility of **black professionals**.
- 3** **To build awareness** about this issue, by offering diverse and relevant contents.





MasterClass

Qualification courses have been offered to 100% of our employees on many issues related to Diversity and Inclusion, as follows: Inclusion of Disabled Persons, Debates on Gender Equality and the path to be followed, Fight Against Racism and our role in this journey. In 2021, more than 4 thousand employees watched lives about such relevant issues.

We are Diversity. We are CSN.

This series of videos was launched in 2021, because we have always believed the CSN Group has been naturally built with several singularities. This series has been devised so that some of our employees are able to share real stories from their personal and professional lives, so we can foster a more inclusive work environment. In the year 2022, 5 more videos will be released.



Employee of Casa de Pedra

Women account for
18% of the Company's workforce

Women hold **29%** of the seats in CSN Mineração's Board of Directors

25% growth in the number of hired **disabled people** (2021 x 2020)

Staff management



The “Staff & Management” model of CSN Group, the controlling company, and applicable to CSN Mineração, is based on five pillars: Attract, Align and Engage, Evaluate, Develop, and Recognize and Reward. The Company believes human capital is its main competitive differential. Through this model, knowledge is turned into a trajectory of success, based on passion, dedication and skills that generate opportunities, achievements and recognition.

The Company closed the year 2021 with a total of 7,477 employees, 14% above the previous year (6,519). As in 2020, the year 2021 was a period during which the Staff Management area gave priority to the health and safety of all employees. Due to the Covid-19 pandemic, measures were adopted in regard to Staff & Management practices aimed at making employees’ experience even more uplifting. A digital platform has been implemented to provide documents on hiring and onboarding, with the purpose of optimizing and speeding the process up.

The Traineeship Program has been reformulated with the implementation of the on-line initiative Blind Recruitment, which includes group dynamics and assessments of applicants by performing behavioral evaluations and logical thinking tests. Applicants have been able to follow each stage of the recruitment process, using a QR Code. A satisfaction survey was undertaken on trainees’ and applicants’ adherence to the new process, which respectively gave a 95% and 90% grade to the program.

5 pillars of the “Staff & Management” model

- 1 Attract**
- 2 Align and Engage**
- 3 Evaluate**
- 4 Develop**
- 5 Recognize and Reward**



Casa de Pedra employees in the tailings filtering process



Employees in shift exchange at Casa de Pedra

Unions and collective bargaining

CSN Mineração acknowledges the importance of the role played by labor unions, and has kept a relationship with them in conformity with the applicable legislation. Its employees are mostly represented by the Workers Union of the Iron Ore and Basic Metals Extraction Industries of the Cities of Congonhas, Belo Vale and Ouro Preto – and the Company respects the right to free association to labor unions, and the professionals who work for subcontracted companies are represented as well by their respective entities. The collective labor agreements are directly negotiated with labor unions, covering 100% of unionized employees. All operational changes are explained to employees through their direct leaders, newsletters and assemblies. In the last three years, no halt have in the Company's activities has been reported due to strikes and/or other labor rallies.





Employees of Casa de Pedra

Remuneration and benefits to employees

- 8
- 3
- 4
- 5

The Company's remuneration policy has as its purpose to ensure internal (between employees) and external (to be competitive in relation to the market) balance, aiming at aligning the offered remuneration with the responsibility implied by a position, in order to attract, retain, and motivate its employees. All employees receive a fixed and a variable remuneration. The fixed remuneration is composed of a nominal wage, vacations and a thirteenth wage, as established by CLT (the Consolidation Brazilian of Labor Laws). The variable one, paid annually, offers the opportunity of an additional remuneration according to the results in terms of achieving the Company's goals, as well as for the fulfillment of individual or collective goals after an evaluation of competences, all that in compliance with the rules and agreements entered into by the Company. CSN Mineração enforces the collective agreements or covenants applicable to its employees. In addition to that, it offers pay rises according to their compliance and merits, and promotions as well according to employees' performance and engagement level.

CSN Mineração sponsors, together with CSN, the pension plans offered to all of their employees. These plans are managed by the Welfare Plan for the Employees of CSN ("CBS"), a private and non-profit pension fund established in July 1960, whose members include those employees (and former employees) who have joined the fund through an adhesion agreement, in addition to CBS' own employees. The Program supports employees when planning their retirement on issues related to this change and to elaborate a new plan for their lives, including knowledge transfer and preparation of the leadership to guide and provide support to its personnel. Currently, the retirement plans offered by CBS count on more than 33 thousand participants.

In addition to a private pension fund, CSN Mineração offers to all full- and part-time employees higher benefits if compared to the applicable legislation, according to the agreements entered to with their respective labor unions, such as day care center aid, food vouchers, health care plan and dental plan.

Benefits provided by CMIN

- Day Care Center Aid
- Health Plan
- Dental Plan
- Complimentary Pension Plan
- Life Insurance
- Food Voucher
- Meal Voucher or Refectory

Staff development

Employees are the cornerstone of the growth and increased efficiency strategy at CSN Mineração. The company directly employs a total of 7.5 thousand people, and the management mechanisms to evaluate, develop and recognize professionals are deemed extremely important.

In 2021, 6,360 employees were assessed in the Competences evaluation process. After the evaluation, the Company's 9Box was undertaken and calibration was implemented in the Staff, Management, Career and Succession Committee – with the result of an “inverted L” and the mapping of talents and potentials.

The performance of its employees counts is evaluated at a multidimensional level, based on the following methodology:

360° EVALUATION	EVALUATION 180°	EVALUATION 90°
Executive Directors; Directors; General Managers and Managers: They perform a self-evaluation and are evaluated by their immediate manager, peers, team and internal clients/suppliers	Coordinators and Supervisors: They perform a self-evaluation and are evaluated by their immediate manager and team	Experts; Higher Level; Administrative and Operational Levels: They perform a self-evaluation and are evaluated by their immediate manager

Employees evaluated in 2021*

	Number of evaluated professionals	Percentage over the total number of employees at the end of the period
As per gender		
Men	5,322	86.64%
Women	1,038	77.81%
As per functional level		
Executive	279	96.54%
Leadership	40	95.24%
Expert	266	88.08%
Engineering	181	89.60%
Higher Level	1,402	90.28%
Technical	85	85.86%
Administrative	3,969	84.61%
Operational	138	54.55%
Capacitar/Qualify Program	279	96.54%
Total	6,360	85.06%

*Only own employees are considered.



Through the Ciclo de Gente/People's Cycle program, leaders and their teams establish a transparent and constructive dialogue, focused on professional development and alignment with the strategic objectives. At the end of Ciclo de Gente/People's Cycle, employees establish individual goals together with their leaders, and are evaluated as regards the achievement of objectives and their alignment with the corporate competences.

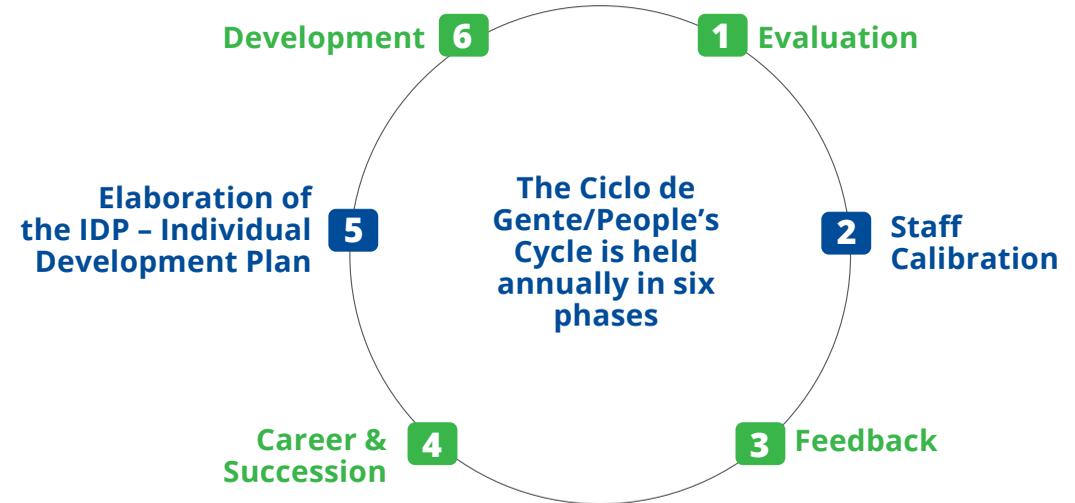
The evolution of this process has also enabled to map potential leaders for strategic positions. This work has allowed to defining the parameters to recognize talents, up to the supervision level, and to assess leaders so they can orientate the development of those employees in their daily business activities.

CSN Mineração's objective is to boost the internal movement of employees, by expanding growth opportunities so professionals aligned with the corporate culture are recognized and strengthen its business.

In order to do that, in addition to the Ciclo de Gente/ People's Cycle program and the reformulation of the evaluation process, the company has also started to restructure the e-learning platform used to qualify its staff. The new platform will also enable segmenting the training courses, with the purpose of filling the technical and behavioral competence gaps according to employees' individual demands.



Employees of Casa de Pedra





Employees of Casa de Pedra

Outstanding initiatives in 2021

In 2021, other initiatives and projects were carried out aimed at developing the Company's workforce, including:

The **Trainee Development Program**, with internal actions focused on behavior, including self-knowledge, financial planning, life and career planning, and inclusion and diversity, in addition to the formation of Young Apprentices. Both initiatives provide an important entry door into the Company.

The partnership with **BRASA Summer Journey**, whose mission is to qualify, connect and engage Brazilian talents, during the vacation period of foreign Universities. This four-week program's objective has been to enable students to develop high-impact projects for the Company, while learning its corporate culture.

The **Acculturation Diagnostic** for hired Corporate Officers and Experts was also undertaken, aimed at surveying their perceptions in relation to the corporate culture, its essence, the work environment, relationship with managers and peers, and also if their expectations have been fulfilled considering what was agreed during the selection process.

The 2022 Trainee program "**Trainee #VemSerCSN**", has also been launched, with the purpose of attracting, retaining and developing young talents with a high potential to hold strategic positions, in the medium and long terms, and aimed at adding value to the business enterprises of the CSN Group, the controlling company. The program counted on 20,008 applicants for the 50 available openings.

Mandatory Training Update: CSN Mineração has reinvented itself and many actions have been restructured to make sure can employees safely develop themselves.

In order to keep a high-performance and qualified team, CSN Mineração has been able to recycle its mandatory training for employees, in compliance with all safety protocols: social distancing, a lower workload, open and well-ventilated spaces, the use of masks, and frequent sanitation, and many courses have been administered online.

In 2021, the CSN Mineração's investment in staff qualification amounted to R\$ 1.7 million, which accounted for R\$ 232.50 per employee





Remote operator cabin training

Training administered in 2021

	Number of hours of training	Average hours of training per employee
As per gender		
Men	133,161	21.19
Women	19,433	14.45
As per functional level		
Executive	21	10.50
Leadership	2,995	10.26
Expert	391	9.31
Engineering	4,078	13.46
Higher Level	1,664	8.20
Technical	27,048	17.11
Administrative	842	8.42
Operational	110,569	22.99
Capacitar/Qualify Program	4,858	19.20
Apprentice Program	128	2.84
Total	152,594	20.00



The **Corporate Education**, program, which will evolve in the future to become a Corporate College, is focused on:

1. Structuring a learning trail at all Company levels;
2. Managing the mandatory training courses;
3. Stimulating knowledge management;
4. Decreasing training costs, promoting the activities of internal multipliers, and
5. Boosting technological and technical research and upgrade at CSN Mineração.

Consequently, the Organizational Drivers have been defined – Organizational Competences, Behavioral Competences and Technical Competences, which will support the Corporate College and Corporate Governance –; the roles and responsibilities; the College's Mission, Vision and Purpose, as well as its schools: Leadership School; Business School; School for Excellence in Outcomes, and the ESG School. A platform has also been

contracted to host all those contents and manage the acquired knowledge.

In 2021, this new vision on how to develop teams has already started to guide the actions and investments made in qualification courses. The average hours of training provided to CSN Mineração's employees went up by 48% last year if compared to 2020 (103 thousand hours).

Local communities



In its relationship with local communities, CSN Mineração has established a schedule of routine meetings held every two months with representatives from the public/private sectors and local communities, with the purpose of debating their demands, critical remarks, and suggestions to improve and minimize or mitigate the socio-environmental impacts inherent to its enterprises.

GRI 103-1 | 103-2 | 103-3





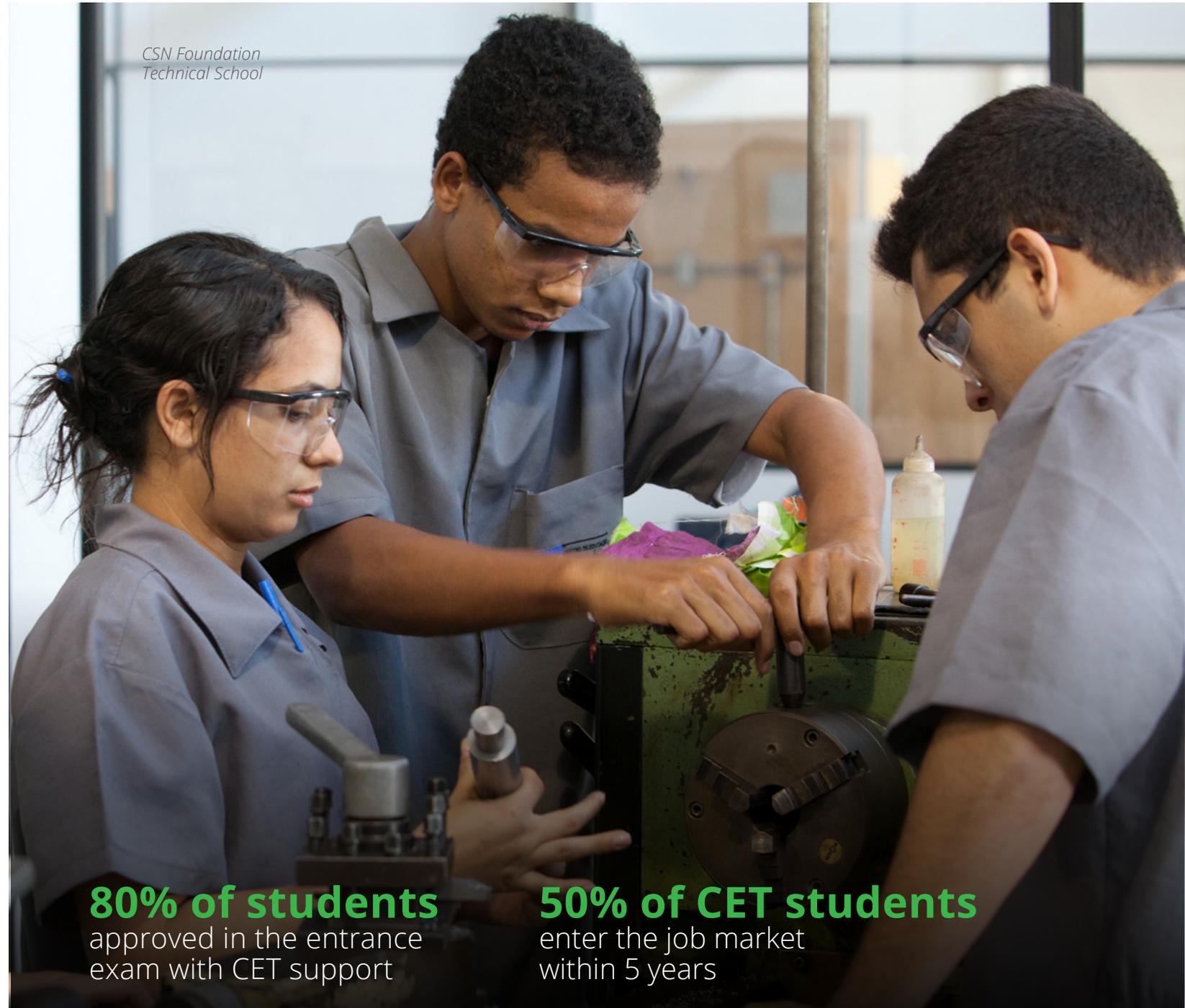
In that sense, the “CSN Mineração Support Home Community Space,” located in the neighborhood of Residencial, in the city of Congonhas (MG), has also been an important communication channel with local communities. With the proper health protocols due to the pandemic, CSN Mineração, in 2021, used that place to disclose job openings and receive resumes. Through this action it has been possible to hire professionals from the local community, thus offering opportunities to transform local reality through the job and income generation.

Having that same purpose in mind, the CSN Foundation's Center for Technological Education (CET) in Congonhas-MG, in partnership with the Education Secretariat of the State Government of Minas Gerais, has expanded its study grant program through the Trilhas de Futuro/ Trails into the Future Program, offering additional 160 grants for technical courses, thus contributing to further qualify High School students. In 2021, classes and extracurricular activities continued in a hybrid format, the Congonhas school had a total of 676 students, 398 of which were scholarship holders, for Elementary and High School and Technical Courses.

With social actions, in conformity with UN'S Sustainable Development Goals, CSN Mineração has contributed to transform lives, families and communities, thus reinforcing its commitment to the cities where it operates.

The CSN Foundation has been the main vehicle to build these relations, which celebrated its 60th anniversary in 2021 with an expansion of its operations and of the reach of its initiatives.

CSN Foundation
Technical School



80% of students approved in the entrance exam with CET support

50% of CET students enter the job market within 5 years



Employee of Congonhas laboratory

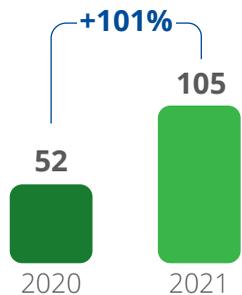
Despite the challenges posed by the Covid-19 pandemic, which continued to affect the development of on-site projects, this institution has increased by 101% the total amount of its investments in social responsibility initiatives, including through tax incentive laws and projects with partner institutions.

CSN Foundation's purpose is to promote a transformation of local communities through social, educational and cultural development. Its activities are based on providing education and promoting culture, articulation, and curatorship. As regards the curatorship pillar, the Foundation previously selects the projects developed by other institutions, so CSN can sponsor them through tax incentives, thus extending its social actions and contributing to transform lives, families, and cities. This articulation is fundamental in the quest for a harmonious relationship with local communities, public powers, local businessmen, institutions, and CSN.

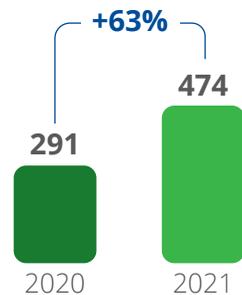
In the city of Congonhas (MG), the CSN Foundation manages the CSN Espaço Comunidade/Community Space support home to help develop CSN Mineração's relationship with the local community.



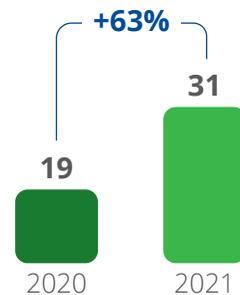
Investments (R\$ million)



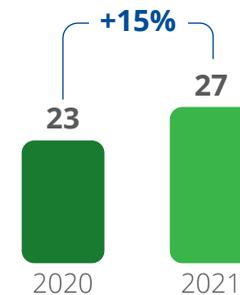
Scholarships



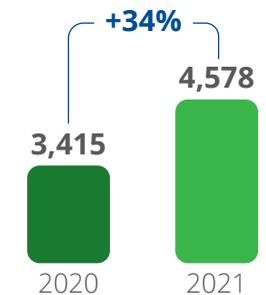
Direct Action - CSN Foundation*



Cities benefited



Young people benefited



*Refers to the cities where CSN Foundation operates.

CSN Foundation's highlights in 2021

- 1
- 4
- 5
- 8
- 10
- 17
- 1
- 2



452 cultural actions organized, reaching 215,227 views

The CSN Group invested more than **R\$ 105 million** in social responsibility actions by supporting 104 projects in 27 cities

4,578 young people touched by the projects implemented by the CSN Foundation

Art Gallery of the Cultural Center of the CSN Foundation in Volta Redonda

The CSN Foundation is present in **31 cities** with direct actions



474 students contemplated by its Study Grant Programs, 88% of which were allocated in Congonhas

Know more about the CSN Foundation's projects in CSN Group's Integrated Report CSN



Environmental Education Program (EEP)

The CSN Foundation executes CSN Mineração's EEP in the cities of Belo Vale, Congonhas, Ouro Preto, Pains, and Rio Acima, in the State of Minas Gerais, through socio-environmental activities, including lectures, events, and workshops at public network schools and for CSN Mineração's employees. In 2021, following all the health protocols, the EEP resumed its activities in local communities.

4,424 people have been reached by environmental education initiatives in 153 activities organized during the year

NHPR of Casa de Pedra





Value chain management



CSN Mineração's commitment to an ethical and transparent performance, in regard to human rights and to the best market practices, also applies to its entire supply chain – in all business segments. This commitment is assured through the corporate policies and norms that guide the supplier evaluation and selection processes, and the proactive management of service provision and material supply contracts.

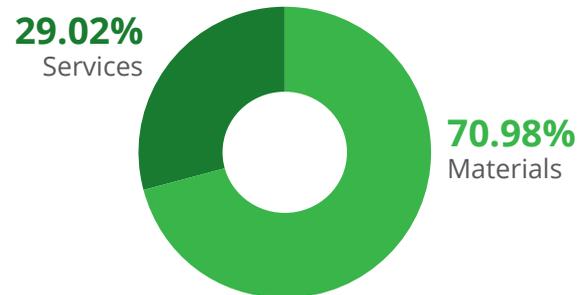
In 2021, CSN Mineração's operations involved a chain gathering 2,198 suppliers, with expenses amounting to R\$ 9.7 billion. The contracting of local suppliers is a practice stimulated by the company, which provides benefits such as agility, reduction of delivery terms, closer relationship, and income generation in the areas surrounding its operations. Some business demands, however, require the contracting of global partners or specialized companies that are not installed close to its units. In 2021, the percentage of local purchases made by CSN Mineração amounted to 39.1%.



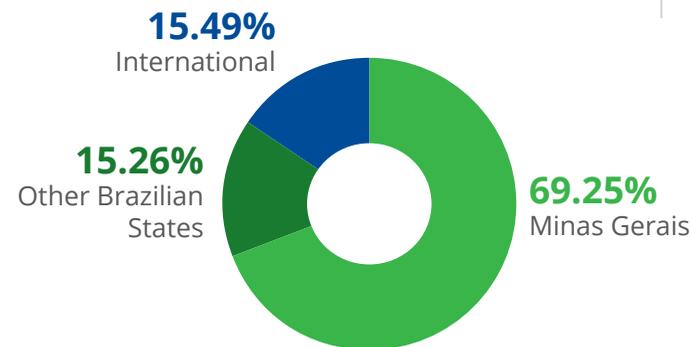
Employee of Casa de Pedra

X-ray of CSN Mineração's suppliers in 2021

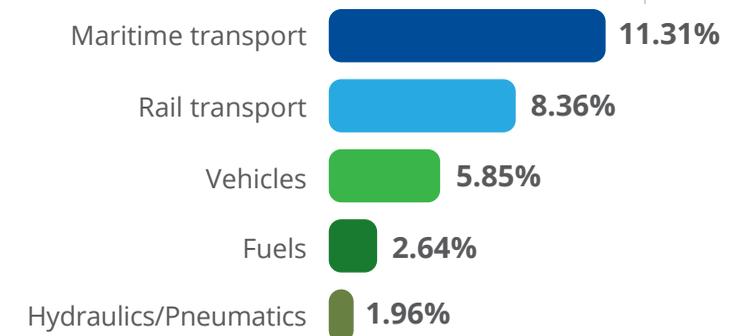
Expenses as per category of supply



Expenses as per geographic location



TOP 5 types of contracted products/services



Respect for human rights and ESG compliance among suppliers



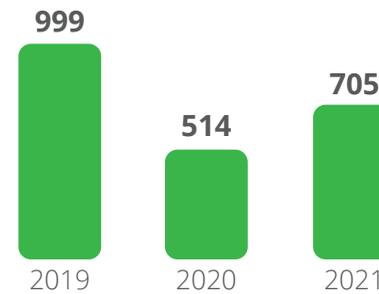
Through its supplier evaluation and homologation processes, CSN Mineração strives to mitigate risks in its value chain. The company requires that all business partners adhere to its Code of Conduct and Anticorruption Policy.

Those companies evaluated as highly critical are submitted to an evaluation process (due diligence) undertaken by the Compliance area, which ensures their conformity with the legislation, that they do not employ child or forced and adopt good socio-environmental management practices, among other ESG aspects.

Through the Third-Party Management Nucleus (NGT), currently located in the Integrated Management Center (CIG) that serves CSN Mineração, compliance with labor obligations, such as the levying of taxes, payment of employees, and transfer of collective and social security agreements by suppliers are all monitored, among other issues. This area also identifies companies' respect for and alignment with human rights rules.

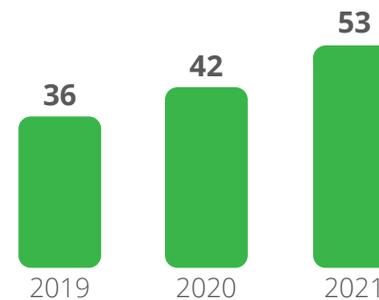
12.87% of the suppliers contracted by CSN Mineração are submitted to a socio-environmental criteria evaluation

Number of performed diligences*



**Data related to the CSN Group, since this is a corporate process and it is not possible to segregate the specific number of due diligences performed by CSN Mineração.*

Monthly average of analyzed contracts*



**Data related to the CSN Group, since this is a corporate process and it is not possible to segregate the specific number of contracts analyzed by CSN Mineração.*

Employee of Casa de Pedra





Annexes

Complement to the GRI disclosures

102-8 and 102-41 | Information on employees and other workers and Collective bargaining agreements

Workforce¹

	2020			2021		
	Men	Women	Total	Men	Women	Total
Indefinite period of time	5,231	740	5,971	6,064	1,063	7,127
Definite period of time	250	130	380	1	3	4
Definite period of time (Capacitar and Apprentice Programs)	107	61	168	78	268	346
Total	5,588	931	6,519	6,143	1,334	7,477

1. All professionals work in the Southeastern Region and are covered by collective labor agreements. It considers full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs. The Company has a working day policy for operations in Brazil, which establishes respect for the 8-hour working day, as established in the CLT. Employees cannot work more than 2 overtime hours per day in order to ensure compliance with labor legislation.

102-38 | Annual total compensation ratio

In 2021, the remuneration of the better-paid individual in the Company was equivalent to 32.4* times the average remuneration of the remaining employees.

*Data from CSN, controlling company.

102-48 | Restatements of information

The indicators pertaining the workforce have been revised, by adjusting some calculation and consolidation premises. In order to enable comparability, the data related to year 2020 have been restated (data from 2019 is not available under the new defined premises). Environmental indicators related to water (303), biodiversity (304) and waste (306) were also re-presented due to improved consolidation methodologies.

102-13 | Membership of associations

CSN Mineração's participation in sector entities strengthens the promotion of a collective sector agenda, their articulation around public policies, and the exchange of good practices and knowledge with other sector companies. Among the associations the company has joined, we can mention:

- Federation of the Industries of the State of Minas Gerais (FIEMG) | Presence in the Governing Board and in the entity's work groups
- Brazilian Association of Port Terminals (ABTP) | Participation in work groups
- Brazilian Mining Institute (IBRAM) | Involvement until December 2021, having taken part in the entity's work groups
- Workers Union of the Extractive Industries of Itaúna and Itatiaiuçu (Sindiextra) | Presence in the Governing Board and in the entity's work groups
- Technical Chamber to Integrate Procedures, Grant Actions, and Regulatory Actions (CTIOAR) | Participation through IBRAM until December 2021
- Water Basin Committee of the Paraopeba River | Participation through IBRAM and Sindiextra until December 2021

205-2 | Communication and training about anti-corruption policies and procedures

Training against corruption in 2021¹

	Number of trained employees	Percentage over the headcount on 12/31
Executive	2	100.0%
Leadership	244	84.4%
Engineering and Expert	240	69.8%
Higher Level	176	87.1%
Technical	1,243	80.0%
Administrative	100	100.0%
Operational	3,790	80.8%
Capacitar and Apprentice Programs	383	100.0%
Consolidated	6,178	82.6%

1. It considers full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs.

206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

CSN Mineração has no pending lawsuit related to anticompetitive practices.

301-1 | Materials used by weight or volume

Consumption of materials (tons)

	2019	2020	2021
Non-renewable materials	6,304	6,427	10,562
Renewable materials	0	0	0
Total	6,304	6,427	10,562

302-1 | Energy consumption within the organization

Energy consumption (GJ)¹

	2019	2020	2021
Non-renewable fuels			
Diesel/Brazil	2,330,981	2,162,203	2,604,852
Liquefied petroleum gas (LPG)	2,699	2,563	2,660
Gasoline/Brazil	15,089	7,699	6,466
Non-renewable fuels (total)	2,348,770	2,172,466	2,613,978
Renewable fuels			
Renewable fuels (total)	0	0	0
Electricity			
Electricity/Brazil	1,276,828	0	0
Electricity/Renewable electricity	0	1,211,857	1,242,045
Electricity (total)	1,276,828	1,211,857	1,242,045
Overall total	3,625,597	3,384,322	3,856,024

1. There is no acquisition of other types of energy, nor the sale of energy. Conversion factors: National Energy Balance and GHG Protocol and specific data from CSN.

302-2 | Energy consumption outside of the organization

Energy consumption outside of the Company in 2021 (GJ)¹

Total	4,670,944.92
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1. Refers to diesel consumption. Monitoring for reporting started in 2021.

302-3 | Energy intensity

Energy intensity¹

	2019	2020	2021
Energy consumption (GJ) divided by ton of iron ore produced	0.173	0.166	0.142

1. Considers all energy consumed within the organization (Scope 1 +2) and the total production of the Casa de Pedra unit.

303-2 | Management of water discharge-related impacts

Standards and norms

	Monitored parameters and limits
Normative Deliberation COPAM/ CERH-MG No. 01 of May 5, 2008: classification of bodies of water and environmental guidelines for their classification and conditions and standards for effluent discharge in the State of Minas Gerais.	<p>Casa de Pedra Dam: pH (6.0 - 9.0 [H]⁺); Mineral Oils (20 max. mg/L); Vegetable Oils/Animal Fats (50 max. mg/L); BOD (60 max. mg/L O₂); COD (180 max. mg/L O₂); Surfactants (2.0 max. mg/L); Total Suspended Solids (100 max. mg/L); Soluble Iron (15.0 max. mg/L); Soluble Manganese (1.0 max. mg/L); Phenols (0.5 max. mg/L).</p> <p>Vigia Dam: pH (6.0 - 9.0 [H]⁺); Sample Temperature (40 max. °C); BOD (60 max. mg/L O₂); COD (180 max. mg/L O₂); Sedimentable Solids (mL/L); Total Suspended Solids (100 max. mg/L); Soluble Iron (15.0 max. mg/L); Soluble Manganese (1.0 max. mg/L); Ammoniacal Nitrogen (20 max. mg/L).</p>

303-3, 303-4 and 303-5 | Water withdrawal, Water discharge and Water consumption

Water consumption (megalitres)¹

	2019	2020	2021
Underground collection	6,437.0	7,988.4	10,505.6
Pluvial collection	5,115.8	6,662.3	4,981.4
Surface collection	953.4	207.7	367.9
Water from third parties	101.6	123.5	107.40
A. Water collection (total)	12,607.7	14,981.9	15,962.3
B. Water disposal²	6,234.8	8,496.0	7,008.0
Water consumption (A - B)	6,271.4	6,485.9	8,954.3

1. All CSN Mineração units are located in water stress areas. All the collected and disposed water has a concentration of total dissolved solids lower or equal to 1 g/l.
2. 100% of the water is disposed in surface receiving bodies.
3. The data from 2019 and 2020 have been updated based on an adjustment of the calculation methodology and on evaluation of the water balance.

Intensity of water collection (megalitres / R\$ million DVA)

	2019	2020	2021
DVA CMIN (million)	6,338,139	7,391,553	11,616,385
Total collection (megalitres)	12,607.74	14,981.92	15,962.28
Intensity of Water collection/ DVA (ML/million R\$ DVA)	0.0019	0.0020	0.0014

304-4 | IUCN Red List species and national conservation list species with habitats in areas affected by operations

Species (flora)	CNCFlora
<i>Accara elegans</i> (DC.) Landrum	EN
<i>Anemopaegma arvense</i> (Vell.) Stellfeld ex de Souza	EN
<i>Anthurium megapetiolatum</i>	EN
<i>Apuleia leiocarpa</i>	VU
<i>Araucaria angustifolia</i>	EN
<i>Arthrocerus glaziovii</i>	EN
<i>Aspilia reticulata</i>	VU
<i>Baccharis cf concinna</i> G.M.Barroso	VU
<i>Calibrachoa elegans</i>	EN
<i>Cedrela fissilis</i> Vell.	VU
<i>Cedrela odorata</i>	VU
<i>Cinnamomum erythropus</i>	EN
<i>Cipocereus minensis</i> (Werderm.) Ritter	VU
<i>Comanthera elegans</i> (Bong.) L.R.Parra & Giul.	EN
<i>Dalbergia nigra</i>	VU
<i>Eremanthus elaeagnus</i> (Mart. ex DC.) Sch.Bip.	VU
<i>Esterhazyia nanuzae</i> V.C.Souza	EN
<i>Euplassa incana</i>	VU
<i>Euplassa semicostata</i>	EN
<i>Euterpe edulis</i> Mart.	VU
<i>Hoffmannseggella ghillanyi</i> (Pabst) H.G.Jones	EN
<i>Lepidaploa spixiana</i> (Mart. ex DC.) H.Rob.	EN
<i>Luxemburgia damazioana</i> Beauverd	VU
<i>Lychnophora syncephala</i>	EN
<i>Lychnophora tomentosa</i> (Mart. ex DC.) Sch.Bip.	VU
<i>Lychnophora villosissima</i> Mart.	EN

Species (flora)	CNCFlora
<i>Melanoxylon brauna</i>	VU
<i>Mikania argyreia</i>	VU
<i>Mikania glauca</i>	EN
<i>Mikania neurocaula</i> DC.	EN
<i>Minaria cf. refractifolia</i>	VU
<i>Minasia alpestris</i> (Gardner) H.Rob.	EN
<i>Ocotea odorifera</i>	EN
<i>Paralychnophora glaziouana</i> Loeuille	EN
<i>Pilosocereus aurisetus</i> (Werderm.) Byles & G.D.Rowley	EN
<i>Plinia nana</i> Sobral	VU
<i>Richterago arenaria</i> (Baker) Roque	VU
<i>Richterago polyphylla</i> (Baker) Ferreyra	EN
<i>Rudgea jasminoides</i> (Cham.) Müll.Arg.	VU
<i>Setaria sp.1</i> P. Beauv.	CR
<i>Sinningia rupicola</i>	EN
<i>Smilax lutescens</i>	EN
<i>Syagrus glaucescens</i> Glaz. ex Becc.	VU
<i>Symplocos glaberrima</i> Gontsch.	EN
<i>Uebelmannia pectinifera</i> Buining	EN
<i>Vellozia cf tillandsioides</i> Mello-Silva	CR
<i>Vellozia glabra</i> J.C.Mikan	EN
<i>Vellozia tillandsioides</i> Mello-Silva	CR
<i>Vriesea minarum</i>	EN
<i>Wunderlichia senae</i> Glaz. ex Maguire & G.M.Barroso	EN
<i>Xyris paradisiaca</i> Wand. EN	EN
<i>Zeyheria tuberculosa</i> VU	VU

Species (flora)	IUCN Category	Group
<i>Coryphaspiza melanotis</i>	VU	EN
<i>Culicivora caudacuta</i>	VU	EN
<i>Jacamaralcyon tridactyla</i>	VU	EN
<i>Microspingus cinereus</i>	VU	VU
<i>Scytalopus iraiensis</i>	EN	EN
<i>Spizaetus tyrannus</i>	-	EN
<i>Hydromedusa maximiliani</i>	VU	VU
<i>Pithecopus ayeaye</i>	CR	VU
<i>Alouatta guariba</i>	LC	EN
<i>Chrysocyon brachyurus</i>	NT	VU
<i>Herpailurus yagouaroundi</i>	LC	VU
<i>Leopardus guttulus</i>	VU	EN
<i>Leopardus wiedii</i>	NT	EN
<i>Myrmecophaga tridactyla</i>	VU	VU
<i>Puma concolor</i>	LC	EN

Label (CNCFlora, IUCN and Group): CR – Critically endangered | EN - Endangered | VU - Vulnerable | NT – Nearly threatened | LC – Safe or least concern

305-1, 305-2 and 305-3 | Direct (Scope 1) GHG emissions, Energy indirect (Scope 2) GHG emissions and Other indirect (Scope 3) GHG emissions

GHG Emissions of CSN Mineração (tCO₂e)¹

	2019	2020	2021
Scope 1	165,211	156,115	183,437
Scope 2	26,601	-	-
Scope 3	358,066	40,269.240	42,948,338

¹ Gases included in the calculation of Scopes 1, 2 and 3: CO₂, CH₄, N₂O, HFCs and SF₆.

Biogenic emissions (tCO₂e)

	2019	2020	2021
Scope 1	16,005.98	18,024.37	20,470.87
Scope 3	39,011.80	37,129.17	38,639.45

¹ Gases included in the calculation of Scopes 1, 2 and 3: CO₂, CH₄, N₂O, HFCs and SF₆.

305-7 | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions

Air emissions in 2021¹

	Total Suspended Particles (PTS) - Annual average	Inhalable Particles (PM<10) - Annual average	Inhalable Particles (PM<2.5) - Annual average	IQA
Novo Plataforma	50.1	29.0	9.4	Good
Basílica	51.0	29.9	13.1	Good
Neighborhood of Casa de Pedra	48.0	27.0	8.0	Good
Neighborhood of Cristo Rei	48.0	29.0	8.0	Good
Neighborhood of Esmeril	29.0	24.0	7.0	Good

Air emissions in 2020¹

	Total Suspended Particles (PTS) - Annual average	Inhalable Particles (PM<10) - Annual average	Inhalable Particles (PM<2.5) - Annual average	IQA
Novo Plataforma	42.4	26.3	7.6	Good
Basílica	46.9	26.3	11.1	Good
Neighborhood of Casa de Pedra	44.0	25.0	13.0	Good
Neighborhood of Cristo Rei	42.0	27.0	15.0	Good
Neighborhood of Esmeril	35.0	24.0	14.0	Good

Air emissions in 2019¹

	Total Suspended Particles (PTS) - Annual average	Inhalable Particles (PM<10) - Annual average	Inhalable Particles (PM<2.5) - Annual average	IQA
Novo Plataforma	44.3	31.1	8.6	Good
Basílica	57.0	27.8	16.6	Good
Neighborhood of Casa de Pedra	55.0	31.0	19.0	Good
Neighborhood of Cristo Rei	43.0	28.0	22.0	Good
Neighborhood of Esmeril	52.0	35.0	24.0	Good

1. Monitoring undertaken by CSN Mineração to fulfill Conama Resolution n° 491/2018 shows air quality in the communities surrounding its enterprises. Impact on the territory of influence, including the dispersion of particulates derived from other enterprises and from the municipality itself.

306-3, 306-4 and 306-5 | Waste generated, Waste diverted from disposal and Waste directed to disposal

Waste generated and disposed as per disposal method (t)¹

	2020	2021
Hazardous		
Coprocessing ²	952.85	1,108.90
Re-refining ²	893.34	909.12
Effluent treatment ³	60.63	342.42
External recycling ²	48.68	39.95
Incineration	0.18	0.10
Other ³	0.08	0.72
Subtotal for hazardous waste	1,955.75	2,401.16
Non-hazardous		
External recycling ²	241.74	4,127.37
Landfill ³	10,949.90	4,777.40
Effluent treatment ³	1,933.83	2,006.53
Internal recycling ²	4,007.66	2,621.27
Coprocessing ²	2.19	469.40
Incineration	16.64	0.00
Other ³	1,700.70	1,771.40
Subtotal for non-hazardous waste	18,397.60	15,773.41
Overall total	20,353.40	18,174.60

1. 100% of the generated waste is disposed.

2. Treatment methods (GRI 306-4).

3. Final disposal methods (GRI 306-5). The "Other" categories have been included as final disposal, by adopting a conservative premise to measure the environmental impacts associated to waste.

Waste generated and disposed as per type (t)

	2019	2020	2021
Hazardous			
Oily waste	na	38.2	1,161.7
Used oil	na	893.3	498.0
Contaminated waste	na	270.3	302.6
Lamps	na	1.6	0.8
Other	na	729	438.0
Subtotal for hazardous waste	2,493	1,932.5	2,401.2
Non-hazardous			
Scrap from works	na	1,178.6	2,363.3
Oily waste	na	11.0	0.0
Wood	na	611.4	1,521.2
Scrap metal	na	5,066.6	2,280.5
Biological waste	na	1,929.1	558.5
Effluents	na	80.2	1,328.5
Recyclable	na	113.2	151.2
Used oil	na	37.1	123.6
Rubber	na	1,327.7	19.2
Other	na	8,955.7	7,043.4
Subtotal for non-hazardous waste	27,277	19,310.6	15,389.4
Overall total	29,770	21,243.1	1,790.6

307-1 | Non-compliance with environmental laws and regulations

Period	Total number of fines for non-compliance with environmental laws and/or regulations	Total monetary value of significant fines (R\$ million) ¹	Total number of non-monetary sanctions
2019	2	3,285.00	-
2020	1	2,190.00	-
2021	2	6,496.90	-

1. Significant monetary fines: over R\$ 1 million.

404-1 | Average hours of training per year per employee Average hours of training per employee¹

	2020	2021
As per gender		
Men	16.8	21.2
Women	6.5	14.4
As per functional level		
Executive	0.0	10.5
Leadership	10.9	10.3
Expert	2.6	9.3
Engineering	10.6	13.5
Higher Level	4.4	8.2
Technical	14.2	17.1
Administrative	7.6	8.4
Operational	16.7	23.0
Capacitar/Qualify Program	2,018.1	19.2
Apprentice Program	0.0	2.8
Consolidated	15.3	20.00

1. It considers full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs. The average is calculated as the total hours of training promoted in the year divided by the headcount on 12/31.

401-1 | New employee hires and employee turnover

Hirings and turnover in 2020¹

	Number of hirings	Hiring rate ²	Number of dismissals	Turnover rate ³
As per gender				
Men	480	8.4%	799	14.0%
Women	192	18.9%	191	19.9%
As per age group				
Less than 30 years old	456	20.9%	454	22.0%
Between 30 and 50 years old	201	5.1%	490	12.4%
More than 50 years old	15	2.4%	46	7.6%
Total	672	10.0%	990	14.8%

Hirings and turnover in 2021¹

	Number of hirings	Hiring rate ²	Number of dismissals	Turnover rate ³
As per gender				
Men	1,404	23.3%	874	14.4%
Women	711	56.6%	326	24.9%
As per age group				
Less than 30 years old	1,205	51.6%	561	23.8%
Between 30 and 50 years old	849	19.9%	576	13.4%
More than 50 years old	61	8.9%	63	9.0%
Total	2,115	29.1%	1,200	16.3%

1. All hirings and dismissals undertaken in the Southeastern Region, where CSN Mineração's employees work. It considers full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs.

2. The hiring rate is calculated as the number of workers hired in the month over the actual headcount in that month. For the annual data, the monthly rates have been added up.

3. The turnover rate is calculated as the number of workers dismissed over the headcount in that month. For the annual data, the monthly rates have been added up.

403-9 | Work-related injuries

Health and safety indicators for employees

	2019	2020	2021
Number of deaths resulting from work accidents	0	0	0
Number of work accidents with serious consequences (except deaths)	2	2	1
Number of mandatory reporting work accidents	22	14	18
Total man-hours worked	11,600,852	10,988,422	11,880,492
Total number of days lost or debited	1,205	851	746
Rate of deaths resulting from work accidents	0.00	0.00	0.00
Rate of accidents at work with serious consequences (except deaths)	0.03	0.04	0.02
Mandatory reporting work accident rate	0.38	0.25	0.30
Accident severity rate	21	15	13

Health and safety indicators for third parties

	2019	2020	2021
Number of deaths resulting from work accidents	0	0	0
Number of work accidents with serious consequences (except deaths)	1	0	0
Number of mandatory reporting work accidents	13	7	22
Total man-hours worked	7,509,062	7,057,793	8,528,265
Total number of days lost or debited	199	364	449
Rate of deaths resulting from work accidents	0.00	0.00	0.00
Rate of accidents at work with serious consequences (except deaths)	0.03	0.00	0.00
Mandatory reporting work accident rate	0.35	0.20	0.52
Mandatory reporting work accident rate	5	10	11

403-10 | Work-related ill health

The hazards related to the development of occupational diseases are identified through internal audits at the operational units, which allows for the early identification of situations or deviations that may trigger risks to the health of employees. Among the risks listed are: noise, dust, oil and grease, vibration and ergonomic hazards. In 2021, 6 confirmed cases of occupational diseases were identified at CSN Mineração, related to musculoskeletal disorders in own employees. To mitigate risks, collective protection measures (EPC) and personal protective equipment (PPE) are available when necessary. In addition, collective and individual training and educational campaigns.

405-1 | Diversity of governance bodies and employees

Race diversity as per functional level in 2021

	2021					
	Yellow	White	Indigenous	Black	Brown	Not informed
Executive	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Leadership	1.4%	68.9%	0.0%	4.2%	24.9%	0.7%
Expert	2.4%	83.3%	0.0%	0.0%	11.9%	2.4%
Engineering	0.3%	68.5%	0.0%	6.0%	24.2%	1.0%
Higher Level	3.0%	72.3%	0.5%	4.0%	18.3%	2.0%
Technical	3.0%	53.8%	0.3%	9.2%	33.3%	0.4%
Administrative	4.0%	48.5%	0.0%	8.1%	35.4%	4.0%
Operational	2.6%	33.4%	0.4%	13.1%	48.3%	2.2%
Capacitar/Qualify Program	0.8%	28.9%	0.0%	19.0%	49.4%	2.0%
Apprentice Program	2.2%	26.7%	0.0%	17.8%	53.3%	0.0%
Total	2.5%	41.7%	0.3%	11.5%	42.2%	1.7%

405-1 | Diversity of governance bodies and employees

Gender diversity as per functional level

	2020		2021	
	Men	Women	Men	Women
Executive	0.0%	0.0%	100.0%	0.0%
Leadership	90.4%	9.6%	89.6%	10.4%
Expert	62.8%	37.2%	66.7%	33.3%
Engineering	83.8%	16.2%	82.8%	17.2%
Higher Level	39.0%	61.0%	42.6%	57.4%
Technical	80.0%	20.0%	80.0%	20.0%
Administrative	53.0%	47.0%	56.6%	43.4%
Operational	90.8%	9.2%	89.0%	11.0%
Capacitar/Qualify Program	0.0%	100.0%	9.1%	90.9%
Apprentice Program	50.0%	50.0%	46.7%	53.3%
Consolidated	85.7%	14.3%	82.2%	17.8%

1. It considers full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs.

Age group diversity as per functional level¹

	2020			2021		
	Less than 30 years old	Between 30 and 50 years old	More than 50 years old	Less than 30 years old	Between 30 and 50 years old	More than 50 years old
Executive	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Leadership	2.9%	80.0%	17.1%	2.1%	78.9%	19.0%
Expert	4.7%	74.4%	20.9%	0.0%	81.0%	19.0%
Engineering	12.1%	82.2%	5.7%	13.2%	82.1%	4.6%
Higher Level	17.5%	75.0%	7.5%	16.3%	75.7%	7.9%
Technical	28.1%	65.5%	6.4%	26.3%	67.2%	6.4%
Administrative	39.0%	52.0%	9.0%	34.3%	57.6%	8.1%
Operational	33.4%	56.0%	10.6%	33.3%	55.4%	11.3%
Capacitar/Qualify Program	100.0%	0.0%	0.0%	72.3%	27.7%	0.0%
Apprentice Program	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Consolidated	29.8%	60.5%	9.7%	30.9%	59.3%	9.8%

1. It considers full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs.

405-2 | Ratio of basic salary and remuneration of women to men

Ratio between the average wage paid to women if compared to men as per functional level¹

	2020	2021
Executive	na	na
Leadership	117.7%	115.39%
Expert	101.2%	91.69%
Engineering	89.7%	84.49%
Higher Level	82.6%	81.32%
Technical	83.2%	83.70%
Administrative	94.7%	89.90%
Operational	91.6%	89.30%
Capacitar/Qualify Program	na	100.00%
Apprentice Program	100.0%	100.00%
Consolidated	110.4%	91.25%

1. It considers the basic salary paid to full-time employees hired under the CLT regime and through the Capacitar/Qualify and Aprendiz/Apprentice Programs. This indicator has been calculated without considering factors such as seniority, area of expertise, and the collective agreements applicable to specific categories, and that is why it points to some wage differences. The remuneration paid to each function in the company is defined based on market surveys, following the Hay Group's methodology, and does not consider gender as a criterion to define remuneration.

411-1 | Incidents of violations involving rights of indigenous peoples

CSN Mineração does not operate any unit located less than 5 km away from indigenous communities, but fully complies with the Brazilian legislation and the requirements set by the National Indian Foundation (Funai) and the Brazilian Institute of Environment and Renewable Natural Resources (Ibama). There is no record of any violation of the rights of indigenous peoples by the company's operations.

412-1 | Operations that have been subject to human rights reviews or impact assessments

CSN Mineração guides its operations according to the United Nations Guiding Principles on Enterprises and Human Rights, and has formalized its commitment to promote this issue in its Integrated Sustainability, Environment, Labor Health and Safety Policy, and by adhering, since 2020, as a signatory of the Global Compact. As part of the internal management and compliance processes, all units are monitored with the support of compliance ambassadors who seek to comply with the guidelines of the Company's Code of Ethics. In 2022, the Company will develop a pilot project to evaluate human rights issues according to the AIDH methodology at the Mine of Casa de Pedra (Congonhas, MG), in partnership with the Getúlio Vargas Foundation. The project forecasts the realization of a diagnostic in order to understand the local context, the company's capacity to influence other local players, and the main risks and opportunities associated to corporate operations on this matter. Based on the results, it will be possible to define actions to improve corporate performance.

419-1 | Non-compliance with laws and regulations in the social and economic area

No legal notice of a relevant socio-economic nature was reported in that period.

GRI content index

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
GRI 101 Foundation 2016							
General disclosures							
Organizational profile							
GRI 102 General disclosures 2016	102-1 Name of the organization	3	-	-	-	-	-
	102-2 Activities, brands, products, and services	19, 20, 21, 23, 25 and 26	-	-	-	-	-
	102-3 Location of headquarters	167	-	-	-	-	-
	102-4 Location of operations	20 and 25	-	-	-	-	-
	102-5 Ownership and legal form	30 and 31	-	-	-	-	-
	102-6 Markets served	19 and 23	-	-	-	-	-
	102-7 Scale of the organization	14 and 130	-	-	-	-	-
	102-8 Information on employees and other workers	123 and 143	-	-	-	6	8 and 10
	102-9 Supply chain	140	-	-	-	-	-
	102-10 Significant changes to the organization and its supply chain	30 and 31	-	-	-	-	-
	102-11 Precautionary Principle or approach	43, 62, 63, 64 and 114	-	-	-	-	-
	102-12 External initiatives	77 and 78	-	-	-	-	-
	102-13 Membership of associations	143	-	-	-	-	-
Strategy							
102-14 Statement from senior decision-maker	11 and 12	-	-	-	-	-	
102-15 Key impacts, risks, and opportunities	24, 43, 44, 45, 46, 74, 75 and 76	-	-	-	-	-	
Ethics and integrity							
102-16 Values, principles, standards, and norms of behavior	22 and 50	-	-	-	10	16	
102-17 Mechanisms for advice and concerns about ethics	51 and 52	-	-	-	10	16	

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Governance							
GRI 102 General disclosures 2016	102-18 Governance structure	32, 33 and 34	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-19 Delegating authority	33, 34, 37, 58 and 60	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-22 Composition of the highest governance body and its committees	33	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	5 and 16
	102-23 Chair of the highest governance body	33	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-24 Nominating and selecting the highest governance body	32	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	5 and 16
	102-25 Conflicts of interest	36 and 51	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-28 Evaluating the highest governance body's performance	36	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-30 Effectiveness of risk management processes	43 and 44	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-35 Remuneration policies	35	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
	102-38 Annual total compensation ratio	143	-	-	-	1, 2, 3, 4, 5, 6, 7, 8, 9 and 10	16
Stakeholder engagement							
	102-40 List of stakeholder groups	7	-	-	-	-	17
	102-41 Collective bargaining agreements	128 and 143	-	-	-	3	8
	102-42 Identifying and selecting stakeholders	7	-	-	-	-	17
	102-43 Approach to stakeholder engagement	7	-	-	-	-	17
	102-44 Key topics and concerns raised	8	-	-	-	-	17

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
	Reporting practice						
GRI 102 General disclosures 2016	102-45 Entities included in the consolidated financial statements	4	-	-	-	-	-
	102-46 Defining report content and topic Boundaries	7	-	-	-	-	-
	102-47 List of material topics	8	-	-	-	-	-
	102-48 Restatements of information	143	-	-	-	-	-
	102-49 Changes in reporting	7	-	-	-	-	-
	102-50 Reporting period	5	-	-	-	-	-
	102-51 Date of most recent report	5	-	-	-	-	-
	102-52 Reporting cycle	5	-	-	-	-	-
	102-53 Contact point for questions regarding the report	5	-	-	-	-	-
	102-54 Claims of reporting in accordance with the GRI Standards	4	-	-	-	-	-
	102-55 GRI content index	154, 155, 156, 157, 158, 159, 160, 161, 162 and 163	-	-	-	-	-
102-56 External assurance	3, 164, 165 and 166	-	-	-	-	-	

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Material topic Climate change							
GRI 103 Management approach 2016 ¹	103-1 Explanation of the material topic and its Boundary	8, 47, 48, 49, 85, 86, 87, 88, 89, 91, 92, 93 and 94	-	-	-	-	-
	103-2 The management approach and its components	47, 48, 49, 85, 86, 87, 88, 89, 91, 92, 93 and 94	-	-	-	-	-
	103-3 Evaluation of the management approach	47, 48, 49, 85, 86, 87, 88, 89, 91, 92, 93 and 94	-	-	-	-	-
GRI 201 Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	47, 48, 49, 86, 87, 88, 89, 91, 92, 93 and 94	-	-	-	7, 8 and 9	12 and 13
GRI 302 Energy 2016	302-1 Energy consumption within the organization	144	-	EM-MM-130a.1	B.5.1	7, 8 and 9	3, 7, 11, 13 and 17
	302-2 Energy consumption outside of the organization	144	-	-	-	7, 8 and 9	3, 7, 11, 13 and 17
	302-3 Energy intensity	145	-	-	-	7, 8 and 9	3, 7, 11, 13 and 17
	302-4 Reduction of energy consumption	88 and 89	-	-	-	7, 8 and 9	3, 7, 11, 13 and 17
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	86, 87 and 147	-	EM-MM-110a.1	B.3.1	7, 8 and 9	12, 13, 14 and 15
	305-2 Energy indirect (Scope 2) GHG emissions	86, 87 and 147	-	-	B.3.2	7, 8 and 9	12, 13, 14 and 15
	305-3 Other indirect (Scope 3) GHG emissions	86, 87 and 147	-	-	-	7, 8 and 9	12, 13, 14 and 15
	305-4 GHG emissions intensity	86 and 87	-	-	-	7, 8 and 9	12, 13, 14 and 15
	305-5 Reduction of GHG emissions	88 and 89	-	-	-	7, 8 and 9	12, 13, 14 and 15

1. The management approach covers all GRI topics of the material topic "Climate change."

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Material topic Labor health and safety							
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	8, 114, 115, 116, 117, 118, 119, 120 and 121	-	-	-	-	-
	103-2 The management approach and its components	114, 115, 116, 117, 118, 119, 120 and 121	-	-	-	-	-
	103-3 Evaluation of the management approach	114, 115, 116, 117, 118, 119, 120 and 121	-	-	-	-	-
GRI 403 Occupational health and safety 2018	403-1 Occupational health and safety management system	114	-	-	-	-	8
	403-2 Hazard identification, risk assessment, and incident investigation	115, 117 and 118	-	-	-	3, 4, 5 and 6	3 and 8
	403-3 Occupational health services	119, 120 and 121	-	-	-	3, 4, 5 and 6	3 and 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	117 and 118	-	EM-MM-320a.1	-	3, 4, 5 and 6	3 and 8
	403-5 Worker training on occupational health and safety	117 and 118	-	-	-	3, 4, 5 and 6	3 and 8
	403-6 Promotion of worker health	119, 120 and 121	-	-	-	3, 4, 5 and 6	3 and 8
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	121	-	-	-	3, 4, 5 and 6	3 and 8
	403-8 Workers covered by an occupational health and safety management system	114	-	-	-	3, 4, 5 and 6	3 and 8
	403-9 Work-related injuries	117, 118 and 151	-	EM-MM-320a.1	-	3, 4, 5 and 6	3 and 8
	403-10 Work-related ill health	118 and 151	-	-	-	3, 4, 5 and 6	3 and 8

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Material topic Safety and de-characterization of dams							
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	8, 79, 80, 81, 82, 83 and 84	-	-	-	-	-
	103-2 The management approach and its components	79, 80, 81, 82, 83 and 84	-	-	-	7, 8 and 9	12, 15 and 16
	103-3 Evaluation of the management approach	79, 80, 81, 82, 83 and 84	-	-	-	-	-
Material topic Waste management, responsible use and circular economy							
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	8, 102, 103, 104 and 105	-	-	-	-	-
	103-2 The management approach and its components	102, 103, 104 and 105	-	-	-	-	-
	103-3 Evaluation of the management approach	102, 103, 104 and 105	-	-	-	-	-
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	102, 103, 104 and 105	-	-	-	7, 8 and 9	3, 11, 12 and 17
	306-2 Management of significant waste-related impacts	102, 103, 104 and 105	-	-	-	7, 8 and 9	3, 11, 12 and 17
	306-3 Waste generated	104, 105 and 149	-	-	B.2.1 B.2.3	7, 8 and 9	3, 11, 12 and 17
	306-4 Waste diverted from disposal	104, 105 and 149	-	-	B.2.2	7, 8 and 9	3, 11, 12 and 17
	306-5 Waste directed to disposal	104, 105 and 149	-	-	-	7, 8 and 9	3, 11, 12 and 17
Material topic Biodiversity							
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	8, 106, 107, 108, 109, 110, 111, 112 and 113	-	-	-	-	-
	103-2 The management approach and its components	106, 107, 108, 109, 110, 111, 112 and 113	-	-	-	-	-
	103-3 Evaluation of the management approach	106, 107, 108, 109, 110, 111, 112 and 113	-	-	-	-	-
GRI 304 Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	112	-	-	-	7, 8 and 9	3, 15 and 17
	304-2 Significant impacts of activities, products, and services on biodiversity	106, 107, 108, 109, 110 and 113	-	-	-	7, 8 and 9	3, 15 and 17
	304-3 Habitats protected or restored	107, 108, 112 and 113	-	-	-	7, 8 and 9	3, 15 and 17
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	146	-	-	-	7, 8 and 9	3, 15 and 17

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Material topic Innovation and technology							
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	8, 65, 66, 67, 68, 69, 70, 71 and 72	-	-	-	-	-
	103-2 The management approach and its components	65, 66, 67, 68, 69, 70, 71 and 72	-	-	-	9	7, 9 and 12
	103-3 Evaluation of the management approach	65, 66, 67, 68, 69, 70, 71 and 72	-	-	-	-	-
Material topic Governance, ethics and transparency							
GRI 103 Management approach 2016 ²	103-1 Explanation of the material topic and its Boundary	8, 30, 31, 32, 33, 34, 35, 36, 37, 42, 50, 51, 52, 53, 54, 55, 56 and 57	-	-	-	-	-
	103-2 The management approach and its components	30, 31, 32, 33, 34, 35, 36, 37, 42, 50, 51, 52, 53, 54, 55, 56 and 57	-	-	-	-	-
	103-3 Evaluation of the management approach	30, 31, 32, 33, 34, 35, 36, 37, 42, 50, 51, 52, 53, 54, 55, 56 and 57	-	-	-	-	-
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	51, 55 and 56	-	EM-MM-510a.1	-	10	16
	205-2 Communication and training about anti-corruption policies and procedures	55, 56 and 144	-	-	-	10	16
	205-3 Confirmed incidents of corruption and actions taken	52	-	-	-	10	16
GRI 207 Tax 2019	207-1 Approach to tax	42	-	-	-	-	1, 10 and 17
	207-2 Tax governance, control, and risk management	42	-	-	-	-	1, 10 and 17
	207-3 Stakeholder engagement and management of concerns related to tax	42	-	-	-	-	1, 10 and 17
	207-4 Country-by-country reporting	42	-	-	-	-	1, 10 and 17
GRI 307 Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	150	-	-	-	7, 8 and 9	12, 15 and 16
GRI 408 Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	57 and 141	-	-	-	1, 2, 3, 4, 5 and 6	5, 8 and 16
GRI 409 Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	57 and 141	-	-	-	1, 2, 3, 4, 5 and 6	5, 8 and 16
GRI 419 Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	153	-	-	-	-	16

2. The management approach covers all GRI topics of the material topic "Governance, ethics and transparency."

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Material topic Local communities							
GRI 103 Management approach 2016 ³	103-1 Explanation of the material topic and its Boundary	8, 134, 135, 136, 137 and 138	-	-	-	-	-
	103-2 The management approach and its components	134, 135, 136, 137 and 138	-	-	-	-	-
	103-3 Evaluation of the management approach	134, 135, 136, 137 and 138	-	-	-	-	-
GRI 203 Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	41 and 135	-	-	-	8 and 10	9
GRI 411 Rights of indigenous peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	153	-	-	-	-	1 and 2
GRI 412 Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	153	-	-	-	1, 2, 3, 4, 5 and 6	5, 8 and 16
GRI 413 Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	135 and 136	-	-	-	-	1, 2, 4, 5 and 10
	413-2 Operations with significant actual and potential negative impacts on local communities	90, 107 and 108	-	-	-	-	1, 2, 4, 5 and 10
Material topic Diversity and inclusion							
GRI 103 Management approach 2016 ⁴	103-1 Explanation of the material topic and its Boundary	8, 122, 123, 124, 125 and 126	-	-	-	-	-
	103-2 The management approach and its components	122, 123, 124, 125 and 126	-	-	-	-	-
	103-3 Evaluation of the management approach	122, 123, 124, 125 and 126	-	-	-	-	-
GRI 405 Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	123, 151 and 152	-	-	-	6	5 and 10
	405-2 Ratio of basic salary and remuneration of women to men	153	-	-	-	6	5 and 10
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	52	-	-	-	6	5 and 10

3. The management approach covers all GRI topics of the material topic "Local communities."

4. The management approach covers all GRI topics of the material topic "Diversity and inclusion."

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Material topic Efficient water use and effluent management practices							
GRI 103 Management approach 2016	103-1 Explanation of the material topic and its Boundary	8, 95, 96, 97, 98, 99, 100 and 101	-	-	-	-	-
	103-2 The management approach and its components	95, 96, 97, 98, 99, 100 and 101	-	-	-	-	-
	103-3 Evaluation of the management approach	95, 96, 97, 98, 99, 100 and 101	-	-	-	-	-
GRI 303 Water and effluents 2018	303-1 Interactions with water as a shared resource	95, 96, 97, 98, 99, 100 and 101	-	-	-	7, 8 and 9	3, 6, 11, 14 and 17
	303-2 Management of water discharge-related impacts	95, 96, 97, 98, 99, 100, 101 and 145	-	-	-	7, 8 and 9	3, 6, 11, 14 and 17
	303-3 Water withdrawal	145	-	EM-MM-140a.1	-	7, 8 and 9	3, 6, 11, 14 and 17
	303-4 Water discharge	145	-	EM-MM-140a.1	-	7, 8 and 9	3, 6, 11, 14 and 17
	303-5 Water consumption	145	-	EM-MM-140a.1	B.1.1 B.1.2	7, 8 and 9	3, 6, 11, 14 and 17
Material topic Supplier management							
GRI 103 Management approach 2016 ⁵	103-1 Explanation of the material topic and its Boundary	8, 139, 140 and 141	-	-	-	-	-
	103-2 The management approach and its components	139, 140 and 141	-	-	-	-	-
	103-3 Evaluation of the management approach	139, 140 and 141	-	-	-	-	-
GRI 308 Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	141	-	-	-	7, 8 and 9	17
GRI 414 Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	141	-	-	-	-	-
Material topic Staff management							
GRI 103 Management approach 2016 ⁶	103-1 Explanation of the material topic and its Boundary	8, 127, 128, 129, 130, 131, 132 and 133	-	-	-	-	-
	103-2 The management approach and its components	127, 128, 129, 130, 131, 132 and 133	-	-	-	-	-
	103-3 Evaluation of the management approach	127, 128, 129, 130, 131, 132 and 133	-	-	-	-	-
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	150	-	-	-	1, 2 and 3	8
GRI 404 Training and education 2016	404-1 Average hours of training per year per employee	133 and 150	-	-	-	-	-
	404-3 Percentage of employees receiving regular performance and career development reviews	130	-	-	-	-	-

5. The management approach covers all GRI topics of the material topic "Supplier management."

6. The management approach covers all GRI topics of the material topic "Staff management."

GRI Standard	Disclosure	Page	Comments	SASB Indicators	UNCTAD	Global Compact	SDG
Additional content - not included in materiality, but kept in the report for transparency and comparability							
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed	39	-	-	-	8 and 10	1 and 8
GRI 204 Procurement practices 2016	204-1 Proportion of spending on local suppliers	140	-	-	-	-	-
GRI 206 Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	144	-	-	-	10	16
GRI 301 Materials 2016	301-1 Materials used by weight or volume	144	-	-	-	7, 8 and 9	3, 11, 12 and 17
GRI 305 Emissions 2016	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	90 and 148	-	-	-	7, 8 and 9	3, 12, 13, 14 and 15
GRI 401 Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	129	-	-	-	-	3, 5 and 8
GRI 407 Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	57, 128 and 141	-	-	-	3	-

Assurance report

Independent Auditor's Limited Assurance Report

To Board of Directors, the directors and other interested parties
of the CSN MINERAÇÃO S.A.
São Paulo – SP

Introduction

We have been hired by the management of CSN Mineração S. A. (“CSN Mineração” or “CMIN” or “company”) to present our limited assurance report on the information contained in its Integrated Report and annexes for the year ended December 31, 2021, prepared based on the guidelines of the Global Reporting Initiative (“GRI”), Standards version, an essential option, and in accordance with the basic conceptual framework for Integrated Reporting, elaborated by International Integrated Reporting Council (IIRC) and guidance issued by the accounting pronouncements Committee through CPC 09, approved by the Securities and Exchange Commission on December 9, 2020 through CVM Resolution No. 14. Information related to greenhouse gas emissions for 2021 have been prepared in accordance with the guidelines of the The Greenhouse Gas (GHG) Protocol ISO 14064-3:2007, and were verified by the independent auditors of Green Domus Desenvolvimento Sustentável (“Green Domus”).

CSN management responsibilities

CSMIN's management is responsible for preparing and presenting in an appropriate manner the sustainability information disclosed in the Integrated Report and annexes 2021, using as a reference the Standards for Sustainability Report of Global Reporting Initiative-GRI, essential option, and in accordance with the internal controls that it has determined to be necessary to allow the preparation of this information free of material distortion, regardless of whether caused by fraud or error.

CMIN's management is also responsible for the preparation and proper presentation of information related to greenhouse gas emissions, indicators GRI 305-1 (direct greenhouse gas emissions - Scope 1), GRI 305-2 (indirect greenhouse gas emissions - Scope 2) and GRI 305-3 (other indirect greenhouse gas emissions - Scope 3) contained in the Integrated Report and Annexes of 2021, in accordance with the specifications of the Brazilian greenhouse gas program (GHG) Protocol, with the ABNT NBR ISO 14064-3:2007 standard and with the internal controls that it has determined as necessary to allow the preparation of this information free of material distortion, regardless of whether caused by fraud or error.

Independent auditor's responsibilities

Our responsibility is to express a conclusion on the information contained in the Integrated Report and Annexes of 2021, based on the limited assurance work conducted in accordance with the Ibracon (CT) Technical Communication 07/2012, approved by the Federal Accounting Council and prepared on the basis of NBC TO 3000 (assurance work other than Audit and review), issued by the Federal Accounting Council - CFC, which is equivalent to the international standard ISAE 3000, issued by the International Federation of accountants, applicable to non-historical information.

These standards require compliance with ethical requirements, including requirements for independence and that work be performed with the aim of obtaining limited assurance that the information in the 2021 Integrated Report and annexes, taken together, is free from material misstatement.

Assurance report (continued)

A limited assurance work conducted in accordance with the NBC TO 3000 (ISAE 3000) consists mainly in inquiries to the management of CMIN and other CMIN's professionals who are involved in the preparation of the information contained in the Integrated Report and Annexes of 2021, as well as in the review of the Verification Statement prepared by Green Domus on greenhouse gas emissions, and also by the application of analytical procedures and substantive tests, by sampling, to obtain evidence that allows us to conclude, in the form of limited assurance, on the sustainability information taken together. A limited assurance engagement also requires the execution of additional procedures when the independent auditor becomes aware of matters that lead him or her to believe that the information in the 2021 Integrated Report and annexes, taken together, may present material misstatements.

The procedures selected were based on our understanding of the aspects related to the compilation, materiality and presentation of the information contained in the Integrated Report and annexes 2021 and other circumstances of the work and our consideration of areas and processes associated with the material sustainability information disclosed in the Integrated Report and annexes 2021, in which material misstatements could exist. The procedures included:

a) The planning of the work, considering the materiality of the aspects for the activities of CSN Mineração, the relevance of the information disclosed, the volume of quantitative and qualitative information and the operating systems and internal controls that served as the basis for the preparation of the information contained in the Integrated Report and Annexes of 2021 of CSN Mineração;

- b)** Understand and analyze the information disclosed in relation to the form of management of material aspects;
- c)** The analysis of the processes for the preparation of the Integrated Report and Annexes of 2021 and its structure and content, using as a reference the principles of content and quality of Standards the Sustainability Report of Global Reporting Initiative - GRI (GRI-Standards).
- d)** The evaluation of the sampled non-financial indicators:
 - understanding of calculation methodologies and procedures for the compilation of indicators through interviews with managers responsible for the preparation of information;
 - application of analytical procedures on quantitative information and inquiries about qualitative information and its correlation with the indicators disclosed in the Integrated Report and Annexes of 2021;
 - analysis of evidence supporting the information disclosed;
- e)** The confrontation of indicators of a financial nature with financial statements and/ or accounting records.

We believe that the information, evidence and results obtained in our work are sufficient and appropriate to substantiate our conclusion in the limited form.

Assurance report (continued)

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less extensive than those applied in a reasonable assurance engagement. Consequently, they do not enable us to obtain assurance that we are aware of all matters that would be identified in a reasonable assurance engagement that is intended to provide an opinion. Had we carried out reasonable assurance work, we could have identified other matters and possible distortions that may exist in the information contained in the 2021 Integrated Report and annexes.

Non-financial data is subject to more inherent limitations than financial data, given the nature and diversity of the methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality, relevance, and accuracy of data are subject to individual assumptions and judgments. In addition, we do not perform any work on data reported for the previous periods, to assess the adequacy of its policies, practices and performance in sustainability, nor in relation to future projections.

Our work aimed to apply limited assurance procedures on the sustainability information disclosed in the Integrated Report and Annexes of CSN Mineração de 2021, not including the assessment of the adequacy of its policies, practices, and performance in sustainability.

Conclusion

Based on the procedures carried out, described in this report, and in the Green Domus Verification Statement, with regard to greenhouse gas emissions, nothing has come to our knowledge that leads us to believe that the information contained in the Integrated Report and Annexes of the CMIN of 2021, have not been compiled, in all relevant aspects, in accordance with the records and files that served as the basis for its preparation, following the guidelines of the CMIN of 2021. Global Reporting Initiative - GRI, Standards version, essential option.

Barueri, June 30, 2022

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AUDITORES INDEPENDENTES S/S
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Corporate information

GENERAL DATA

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08.902.291/0001-15
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PICTURES

CSN image database

