



2Q23 ESG Performance



CSN
MINERAÇÃO

Leadership in ESG themes

With joy and a commitment to transparency with our stakeholders, we present CSN Mineração's ESG 2Q23 Release, in an independent format from financial reports, entirely dedicated to tracking relevant indicators for our investors and other stakeholders.

ESG commitments have been an integral part of CSN Mineração's essence for several years, with the principles of "Doing well, Doing more, Doing forever." We are committed to acting responsibly and efficiently, taking care of our people, and developing our country in a sustainable manner.

One of the highlights of this quarter is the publication of the 2022 Integrated Report, in April of this year. The report, assured by a third party, was prepared in accordance with GRI, IIRC, TCFD, and SASB standards, and provides detailed results of our efforts in 2022.

Some of the results to be celebrated in this quarter include achieving a 22.2% female representation in our workforce - a 71% growth compared to 2019, and a 30% reduction in the accident frequency rate compared to the first half of 2022, and an accumulated total of 3,500 days since the last fatality in our operations.

Another highlight was the start of the implementation of the Biodiversity Index for Operations - BIO, an indicator that will allow us to rank the level of biodiversity preservation in our operations, enabling comparison between them and setting specific targets.

For the first time, CSN Mineração was invited to be independently evaluated from the CSN Group by the S&P rating agency, demonstrating the growth and significance of our business in the Metals & Mining sector. This milestone was only possible due to the engagement and commitment of the entire CMIN team to the ESG agenda, as well as the awareness that we still have much to build.


These and other highlights, along with our ESG performance in the last quarter, can be found in the following pages of this release.

We wish you a great reading,




Helena Brennand Guerra
Member of CSN Mineração's Board of Directors

ESG Commitments

AXIS	ESG Goals
Natural Capital 	Climate Change <ul style="list-style-type: none"> ✓ Reduce 30% of CO2e emissions per ton of ore produced by 2035 (scopes 1 and 2), based on the 2019 baseline. ✓ Achieve carbon neutrality by 2044 for scopes 1 and 2 emissions of CSN Mineração. ✓ Continuously maintain the consumption of 100% renewable energy sources.
	Efficient Water Use and Effluent Management <ul style="list-style-type: none"> ✓ Reduce new water withdrawn per ton iron ore production by at least 10%, by 2030 compared to 2018 base year.¹
	Management and Decharacterization of Dams <ul style="list-style-type: none"> ✓ Complete decharacterization of the upstream constructed dams of the CSN Group by 2030

¹Considers the water collection carried out in the production process of the Casa de Pedra central plant, the production process of Pires and drinking water

AXIS	ESG Goals
Human and Social Capital 	Occupational Health and Safety <ul style="list-style-type: none"> ✓ Reduce the accident frequency rate (CAF+SAF - own and third parties) by 30% until 2030 in the CSN Group, compared to 2020. (1 million HHT factor) ✓ Reduce by 30% the number of days of absence due to accidents involving own employees in relation to 2021.
	Diversity and Inclusion <ul style="list-style-type: none"> ✓ To double the percentage of women in CSN Mineração by 2025, compared to the 2019 baseline..



ESG Report 1Q23

Starting in 2023, CSN Mineração initiates a new format for disclosing its ESG actions and performance, providing individualized and independent access to its ESG indicators. The new model allows stakeholders to access the main results and indicators on a quarterly basis and follow them effectively and even more efficiently.

The information included in this release has been selected based on relevance and materiality for the company. The quantitative indicators are presented in comparison with the period that best represents the metric for tracking them. Some are compared with the same period of the previous year, and others will be compared with the average of the previous year, ensuring a comparison based on seasonality and periodicity.

More detailed historical data on CSN Mineração's performance and initiatives can be found in the 2022 Integrated Report, released in April 2023 (www.esg.csn.com.br/nossa-empresa/relatorio-integrado-gri). ESG indicators are audited annually for the Integrated Report, so the information contained in quarterly releases is subject to adjustments resulting from this process.

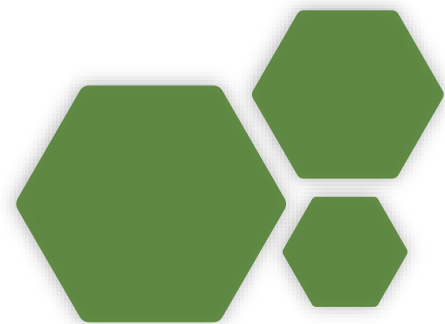
You can also track CSN Mineração's ESG performance on our website: www.esg.csn.com.br.

ESG Ratings







External recognitions in indices and ratings, demonstrate that the Company is constantly evolving, committed to transparency, and reporting on key ESG actions and indicators, in line with sustainable development.

Starting in 2023, CMIN has been independently assessed by some ESG rating agencies, separate from its parent company, CSN Group. In the first quarter, CMIN received a Sustainalytics score of 23.1 related to ESG risks. Among the 156 globally evaluated companies in the steel and iron ore sector, CSN Mineração achieved the 4th best score in the industry. In the second quarter, CMIN was independently requested to report to S&P and is awaiting the agency's final evaluation.

	2021	2022	2023
 CDP Water <small>DISCLOSURE INSIGHT ACTION</small>	C	B	-
 CDP Climate <small>DISCLOSURE INSIGHT ACTION</small>	B-	B	-
 Programa Brasileiro GHG Protocol	✓	✓	-
 SUSTAINALYTICS	-	-	23.1
 Índice Carbono Eficiente ICO2	-	✓	✓
 S&P Global Ratings	-	-	-



Performance on Key ESG Goals

	Indicator	Unit	Base Year Indicator	6M23	Δ%	Status	Goal	Target Year
Environmental 	Greenhouse gas (GHG) emissions intensity ^{1 and 2}	kgCO ₂ e / ton ore	5.7 (base year 2019)	7.34	29		4.04	2035
	Water intensity	m ³ / ton ore	0.23 (base year 2018)	0.26	13		0.20	2030
Social 	Accident Frequency Rate ³	CAF+SAF	1.96 (base year 2021)	1.18	-40		1.37	2030
Governance 	Diversity (women in the workforce)	%	13% (base year 2019)	22.2	70.7		26%	2025

1 Consider the emissions from scopes 1 and 2 divided by ton of iron ore produced by CSN Mineração, according to the methodology of the Brazilian GHG Protocol Program.

2 Considers emissions only from the mobile combustion category of Scope 1 of CSN Mineração, which represent 95% of Scope 1 emissions of CSN Mineração, noting that Scope 2 emissions are zero because the electricity consumption is 100% from renewable sources.

3 The rate considers lost-time injuries and without lost-time injuries of employees and third parties/1 million hours worked.



DAMS

- ✓ All dams of CSN Mineração are classified by the National Mining Agency at **Zero emergency level**

GOVERNANÇA

- ✓ **Integrated Report 2022**, released in April 2023
- ✓ **CMIN** is independently required to **report to the S&P**
- ✓ CMIN renewed its certification in **ISO 9001**.
- ✓ Integration of **CMIN's Quality Policy** with CSN Group's Sustainability Policy

HEALTH AND SAFETY

- ✓ 3,500 days of **ZERO fatalities**
- ✓ **-84% in Accident Severity Rate** compared to 6M22
- ✓ **-30% in the Accident Frequency Rate (LTI+ WLTl, own employees and third parties)** in relation to 6M22
- ✓ **H1N1 vaccination** campaign reaching more than **5,9 Thousand people**

ESG

SOCIAL AND DIVERSITY

- ✓ **+71% representation of women in the CSN Group** in relation to 2019 (base-year))
- ✓ **Integrated Emergency Simulation** in Congonhas (MG) mobilized more than **10,000 residents**
- ✓ EEP initiative carried out to celebrate **World Environment Day**, reaching over **4,015 people**

ENVIRONMENTAL MANAGEMENT

- ✓ **99%** of the air quality monitoring in compliance with legal parameters
- ✓ **+7%** of waste destined for sustainable treatment compared to 6M22
- ✓ Implementation of the **Biodiversity Index for Operations (BIO)**
- ✓ **Climate Adaptation Plan** completed of CSN Mineração



Environmental Performance

Ar Quality	Unit	6M22	6M23	Air Quality Index
CSN Mineração – Novo Plataforma	µg/m ³	28	38	94% GOOD 6% Moderate
CSN Mineração - Basílica	µg/m ³	23	25	98% GOOD 2% Moderate
CSN Mineração – Plataforma neighborhood	µg/m ³	28	24	100% GOOD
CSN Mineração - Casa de Pedra neighborhood	µg/m ³	23	20	100% GOOD
CSN Mineração - Cristo Rei neighborhood	µg/m ³	25	20	100% GOOD
CSN Mineração – Esmeril neighborhood	µg/m ³	18	17	100% GOOD
TECAR - Vila Califórnia	µg/m ³	24	28	100% GOOD
TECAR - Vila Aparecida	µg/m ³	22	14	100% GOOD
TECAR – Brisamar	µg/m ³	25	16	100% GOOD
TECAR - Sítio Terezinha	µg/m ³	26	5	100% GOOD

Water Management ¹	Unit	2022	6M23	Δ%
Water withdraw	M ³	6,272,200	3,340,536	-
Intensity per iron ore production	M ³ / ton ore	0.26	0,26	-

Waste Management CSN	Unit	6M22	6M23	Δ%
Waste destined - Classe 1	Ton	1,678	1,146	-32
Waste destined - Classe 2	Ton	8,624	7,511	-13
Percentage sent for sustainable treatment ²	%	68%	73%	7

² This considers waste destined for coprocessing, recycling, re-refining, and land restoration.

AQI in the **GOOD** category during 99% of the period.



Dams Management

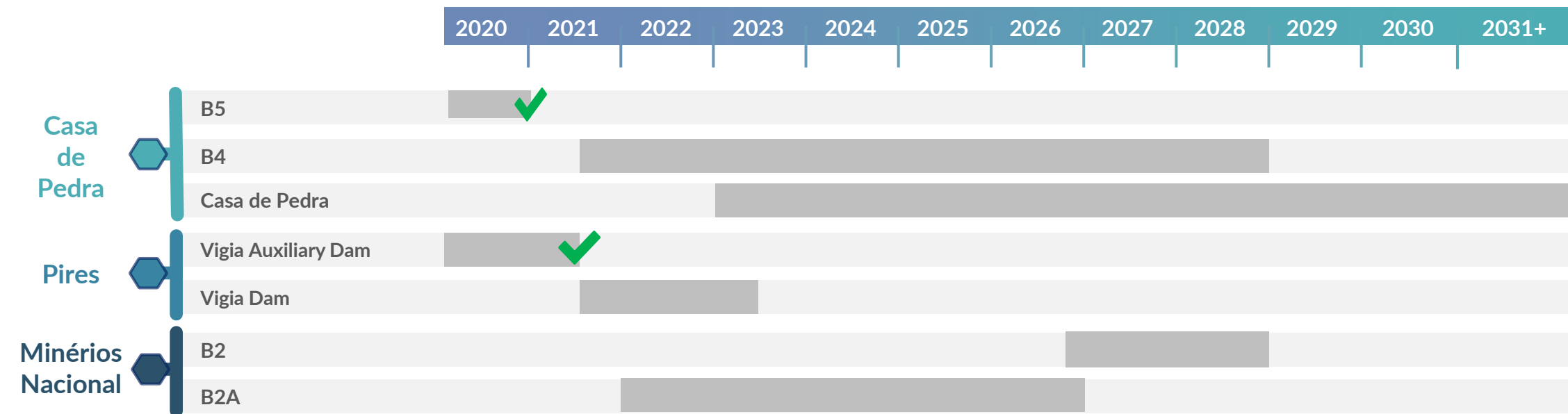
In March 2023, all the dams of CSN Mineração, a company controlled by CSN, had their stability verified and guaranteed by an external independent auditor, as required by the current national legislation.

As part of the company's ongoing dam de-characterization schedule, the Vigia Auxiliary and B5 dams de-characterization has been completed. The process of the Vigia Dam is currently underway, with civil works already finished and the request for dam deregistration submitted to regulatory authorities. According to the schedule, the B4 dam de-characterization works are still in progress, with expected completion by 2028.

RENEWED STABILITY DECLARATIONS

All dams of CSN Mineração classified by ANM in ZERO emergency level and declaration of stability renewed in March/2023

100% of tailings disposal done by dry method



External audits carried out twice a year

Cross-checking (peer review) of audits and projects

New projects in progress for the reuse of mining waste



Dams Management

Stakeholder Engagement: CSN Mineração initiates a communication plan about the start of the new phase of slope maintenance

CSN Mineração starts a new phase of maintenance work on the natural slopes near the sealing dike of the Casa de Pedra dam, taking preventive measures and adhering to the best safety practices. Through this initiative, CSN Mineração is preparing its structures for a potential period of intense rainfall, taking advantage of the current dry season to continue the work initiated in 2022, with an expected conclusion date in October 2023.

The stability report for the Casa de Pedra dam was renewed in March 2023 by the independent engineering firm SAFF Engenharia, and is registered on the website of the National Mining Agency (ANM). This indicates that the dam is safe and stable, not under any level of emergency.

The company invited relevant authorities, such as the Civil Defense of Congonhas and the department of Environment, to visit the structure and learn about the ongoing process. Additionally, CSN Mineração maintains active communication with the community to continuously awareness and engage the population about the maintenance work. This proactive approach is highly valued by CSN, aiming to reassure the community. To reach as many people as possible, CSN Mineração communicated through various means, such as local radio broadcasts, social media, and the distribution of leaflets, expecting to reach approximately 20,000 people.



Governance and Transparency Dimension

MAIN ADVANCES

2022 Integrated Report

- The publication **deadline was advanced from June to April**, in line with the best market practices and to ensure transparency with our stakeholders.
- **A comprehensive reporting of SASB** (Sustainability Accounting Standards Board) indicators for the sector of Metals and Mining
- The data has been **verified by third party** to ensure transparency and accuracy.



HIGHLIGHTS OF 2022 REPORT

ENVIRONMENT

- **Biodiversity strategy defined** with a commitment to aligning with the TNFD and presenting the impacts and dependencies on ecosystem services
- Disclosure of **Studies of Climate Scenarios** and a decarbonization journey for each segment
- Start of fleet electrification with two **100% electric off-road trucks** in testing.
- **100% of the tailings** stacked in dry stacks.



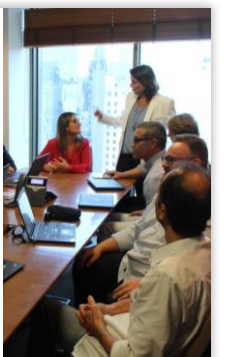
SOCIAL

- **+67% in female representation** compared to 2019 (target base year)
- **-33% in accident frequency¹** rate compared to 2021
- Human Rights Due Diligence in Congonhas (MG)
- Publication of the Theory of Change: The Company's Territorial Development Strategy
- **More than 11,000 people** reached by the Environmental Education Project (EEP)



GOVERNANCE

- **28,5% of female representation** on Board of Directors
- Disclosure of the new **Code of Conduct**



¹Lost-time injuries and without lost-time injuries of employees and third parties.

Environment Dimension

Biodiversity Index for Operations (BIO)

In 2023, the CSN Group set as a challenge the implementation of a **Biodiversity Index** for all its operations that have the highest potential impact on biodiversity. This practice, which is already adopted by most of the Cement operations, will be extended to other segments within the Group. In the years 2023 and 2024, this methodology will be replicated in seven more units from other segments of the Group.

The **Biodiversity Index for Operations (BIO)** consists of a set of diagnostics and indicators that guide operations in adopting a standardized system for biodiversity monitoring and encouraging the preparation of regular monitoring reports. The methodology is based on the "Biodiversity Indicator and Reporting System (BIRS)" guide from the IUCN (International Union for Conservation of Nature).

In the second quarter of 2023, the application of BIO began in the mining sector, specifically at Casa de Pedra in Minas Gerais (MG). The project involves the participation of fifteen multidisciplinary professionals from the Cement, Mining, Logistics, and Corporate areas. Implementing the index will allow the comparison of relevant aspects of biodiversity under the same metrics, enabling the identification and ranking of operations with more or less preserved biodiversity areas.

Implementation Benefits

- Improve the measurement of progress or degradation of the existing biodiversity
- Standardization of numerical expression for the adequacy of biodiversity
- Possibility of historical comparison of operating units
- Possibility of consolidating results at national, regional, and global levels
- Set goals



Environment Dimension

LAB Week – Continuous Improvement Program

During this quarter, CSN Mineração conducted the Week Lab, a biannual event where the best projects and continuous improvement practices in the methodologies of Kaizen, CCQ, and Lean Six Sigma are presented and recognized. The focus is on the pillars of Productivity, Quality, Costs, and ESG (Environmental, Social, and Governance).

To be selected as finalists, these projects undergo a selection process among the leadership to choose the best practices that will represent each area in the convention.

The sharing of practices throughout the company enhances engagement and generates new opportunities for continuous improvement. The event provides visibility to initiatives that have an impact on the ESG pillars, becoming a differential for the business and leading to increased efficiency. In this edition alone, the projects presented resulted in a cost reduction of R\$ 44 million for the Company.

The program involved more than 2,400 employees, with over 1,300 improvements implemented.

Climate Adaption Plan

During this quarter, CSN Mineração completed its climate adaptation plan in line with the Equator Principles and the requirements set out in ISO 14.090:2019 - Adaptation to climate change.

The document presents the Adaptation Plan for the Casa de Pedra/MG unit, with a focus on the expansion of the future Itabiritos plant (P-15). The main objective of the plan is to address the key vulnerabilities identified in the operation and provide measures/actions to reduce the company's exposure to the identified risks.

The document includes a report on the climate risk management process, an assessment of the impacts of climate change with a risk and opportunity matrix, climate scenarios, and a study of climate vulnerability with an adaptation plan to be followed and actions to be monitored. Additionally, the document guides the long-term expansion projects of CSN Mineração.

By developing and implementing this adaptation plan, CSN has taken the first step in integrating climate risk considerations into its operations and enhancing the company's resilience to climate-related challenges.



Social Performance

Health and Workplace Safety	Unit	6M22	6M23	Δ%
Number of injuries with and without lost time (own employees)	-	10	5	-50
Number of injuries with and without lost time (third parties)	-	7	8	14
Fatality (Own employees)	-	0	0	-
Fatality (Third Parties)	-	0	0	-
Mandatory reportable work injury frequency rate (factor of 200k HHT)	Ratio	0.34	0.24	-30
Frequency rate of mandatory reporting accidents at work (factor 1 MM HHT)	Ratio	1.68	1.18	-30
Accident severity rate (factor of 200k HHT)	Ratio	18	3	-84
Accident severity rate (1MM HHT factor)	Ratio	90	14	-84
Sustainable Value Chain	Unit	6M22	6M23	Δ%
Purchases from local suppliers	%	38.7	38.1	-2
Purchases from local suppliers (Services)	%	38.6	46.3	20
Purchases from local suppliers (Materials)	%	39.0	23.8	-39
Training	Unit	6M22	6M23	Δ%
Training hours	Hours	100,794	84,978	-16
Trained employees	Number	7,240	6,459	-11
Investment in training	BRL	305,368	649,628	113
Employment ¹	Unit	6M22	6M23	Δ%
Women in the workforce	%	19.6	22.2	13
Women in leadership positions	%	10.9	11.1	2
People with disabilities	%	0.97	1.1	11
Racial Diversity				
• Yellow	%	2.5	2.3	-8
• White	%	41.2	40.8	-1
• Native	%	0.3	0.2	-17
• Black	%	11.9	11.9	-
• Mixed-race	%	42.6	43.2	1
• Not specified	%	1.5	1.5	1
Turnover ²	%	6.7	4.4	-35



Social Dimension

Health and Safety



Faça ultrapassagem apenas quando for permitido.



Avalie, os riscos antes de iniciar suas atividades.



Fique atento ao atravessar a linha férrea.



Integrated Simulation in Congonhas/MG

The Civil Defense of Congonhas, Minas Gerais, in partnership with CSN Mineração, Gerdau, and Vale, conducted the 1st emergency simulation of registered dams under the Municipal Dam Safety Plan - PMSB. The simulation involved the mobilization of more than 10,000 residents from 32 neighborhoods located in the Self-Salvation Zone (Zona de Autossalvamento - ZAS). The community-focused action is managed by the Economic and Social Development Agency of Inconfidentes and Alto Paraopeba and is monitored by the Public Prosecution Office of the State of Minas Gerais (MPMG).

During the simulation, upon the activation of the real siren, 592 people followed the closest escape route to their location and gathered at one of the 65 meeting points. The scenario planned for this simulation by the Dam Safety Municipal Plan was Level 2 emergency, indicating that the structure requires repairs.

Health Programs

During April and May, actions focused on emotional and mental health were carried out to prevent accidents and improve the quality of life for employees.

The period also marked the announcement of the renewal of the Alcohol and Narcotics Prevention Program (PPAE) in ports and units of Cement, Steel, and Mining. The program's objective is to raise awareness among employees and ensure a safe work environment free from the influence of these substances.

In preparation for the winter season, the H1N1 vaccination campaign was conducted with high anticipation. The campaign reached all 81 units and was completed in April, benefiting more than 19,000 people.

The high participation rate of 90% of employees in the Casa de Pedra unit of CSN Mineração was particularly noteworthy. In May, additional services were also provided, including assistance from social workers, nurses, and local lectures and dialogues on the topic.

Safe Behavior

The **Safety Day**, an event held in April for all company employees featured a lecture from a professor and researcher specializing in cognition, human behavior, accident prevention, and leadership development. The event was a success in raising awareness and providing insights related to a safe work environment, reaching over 700 employees online of CSN Group, the parent company of CMIN.

In May, the company celebrated "**Maio Amarelo**," the month dedicated to traffic safety awareness. With a focus on raising awareness among all employees, the company engaged all business units through communications led by health and safety teams. Training sessions were provided for drivers and operators, and campaigns to prevent alcohol and drug use while driving.

The ongoing #Faça sempre o Certo (**#AlwaysDotheRightThing**) campaign emphasizes continuous awareness of worker safety and those around them. The operational plants address different topics, and this year, the campaign has covered themes such as "Safe Behavior," "If it's not safe, stop and make it safe," and "Crossing Area - stop, look, and listen."



Social Dimension

Developing Our People

Universidade corporativa



At the beginning of 2023, the Corporate University became the cornerstone of people development initiatives within the CSN Group, parent company. In this second quarter, the first round of the Leadership School visited various locations within the Group. With a focus on ESG (Environmental, Social, and Governance), an activity was conducted to enhance knowledge regarding the Integrated Report 2022. Nearly 1,300 leaders participated in this action, aimed at reinforcing the alignment of ESG themes with the business strategy.

Intern Program

The CSN Group, launched the "Super Interns" training track, designed specifically for new professionals at the beginning of their careers. The training program covers various topics, including Diversity and Inclusion, Sustainability, Teamwork, Communication, and Networking. Over 600 interns participated in the training process during this period.

“Mentoria Cidadã” Program

The Company's voluntary mentoring program has started accepting mentor applications for its third cycle. One hundred fifty employees applied to fill 49 mentor positions for young people aged 14 to 20, spread across six Brazilian cities (Araucária, Arcos, Congonhas, Itaguaí, São Paulo, and Volta Redonda). The young mentees were selected through the Garoto Cidadão Program promoted by the CSN Foundation.

The main objective of this program is to provide better employment opportunities for young people in vulnerable social situations. Of the 49 selected mentees, 78% are of African descent, and 47% are female.



Social Dimension

Social Responsibility

In the second quarter of 2023, with the commitment to guaranteeing rights and combating sexual abuse and exploitation, the CSN Foundation recognizes the importance of establishing partnerships with civil society, public authorities, and local entrepreneurs to ensure a fairer and more equal society. As a result, in May 2023, the CSN Foundation held the 1st Intersectoral Seminar in the city of Congonhas (MG). The seminar aimed to train Child Guardians and present the research "Knowledge for Prevention," developed by the participants of the "Garoto Cidadão" (Citizen Boy) program. This research involved listening to children and adolescents to understand their perceptions about sexual abuse and exploitation. The event was attended by 100 people from the cities of Congonhas, Jeceaba, Belo Vale, Moeda, Rio Acima, Conselheiro Lafaiete, and Barroso.

	1T23	2T23
Young people impacted¹	4,111	4,609
Audience of cultural initiatives²	10,878	43,674

¹ Number of young people impacted by the projects Garoto Cidadão, Capacitar, Jovem Aprendiz, Estágio, Tambores de Aço, and Futebol.

² Audience present in public presentations held by the projects: Garoto Cidadão, Caminhão, Tambores de Aço, Centro Cultural, and Histórias que Ficam.

In line with SDG 15, raising awareness about the preservation of terrestrial ecosystems, forests, and biodiversity, in June, the Environmental Education Programs (EEP) in Congonhas enjoyed a special program to mark World Environment Day. The program included the inauguration of the exhibition "Gesture/Form: A Connection with Nature," guided visits to public facilities, interventions by the assets, and campaigns for the collection of recyclable materials. A highlight was the interventions in Congonhas, for both internal and external audiences, with an exhibition on circular economy processes in managing waste generated by the company's activities, aimed at promoting awareness and adopting sustainable habits. A total of 780 people participated in this event. Through its interventions, the CSN Foundation reached a total of 4,015 people.

The CSN Community Support House, responsible for fostering the relationship between CSN Mineração and the community of Congonhas (MG), initiated the "Digital Action" project. This project aims to provide IT training to children and adolescents in the Residential neighborhood. Also, in this second quarter, the Support House (Casa de Apoio) organized the "Cultural Wednesday," a day when children and adolescents from the neighborhood were taken to experience the central and historical zone of the city of Congonhas. During the visit, the children had the opportunity to visit the Museum and watch a dance performance on-site.

For more information, visit the website: www.fundacaocsn.org.br.

