



Companhia Siderúrgica Nacional

CSN's Water Resources Policy

Establishing the water management guidelines of the CSN group, which ensures the commitment to conscientious and responsible use of water and the adoption of the best available practices, throughout the Company's production chain.

Comply with the precepts established in the “**Universal Declaration of Human Rights**”, in particular its article 3, which establishes that “every individual has the right to life...”; to item 9 of Performance Standard 3 on Resource Efficiency and Pollution Prevention published by the World Bank, specifically on water consumption which deals with “measures that avoid or reduce the use of water, so that consumption does not have impacts significant adverse effects on other people...” and Sustainable Development Goals 6 and 14 of UN global compact that “ensures the availability and sustainable management of water and sanitation, also the conservation and sustainable use of oceans, seas and marine resources for sustainable development”

This Policy covers the Steel, Mining, Cement, Logistics and Energy businesses with a view to promoting and strengthening best practices for the rational use of resources inherent to and associated with water resources, in accordance with the Company's Sustainability Policy.

Context

Water is an essential resource for our steelmaking, mining, and energy generation operations, while the other segments are dependent on a smaller scale, which does not exempt the importance of this natural resource. Management of water capture and consumption is systematically carried out through water balances at the units, water footprint studies, maintenance of operational controls and monitoring of consumption indicators in relation to manufactured products and other players in the Company's sectors.

Based on international risk assessment methodologies, from 2020 onwards, we assess the exposure of our businesses to water risks, from the perspective of both processes and hydrographic basins where our operations are located.

We verify the quality of the water collected, transcending legal requirements. We measure the efficiency of our treatment plants and ensure the quality of the water distributed and reused in production processes. We maintain a Research and Development Center with laboratories dedicated to the analysis of abstracted water and treated effluent, certified and accredited by the competent bodies. Effluents are constantly monitored to ensure the efficiency required by treatment plants and meet legal demands. The volume of water we capture and dispose of is verified through audits to ensure compliance with current legal standards.

CSN encourages open dialogue with civil society and the government, actively contributing to the management of water in the regions covered by its main units, effectively working with the river basin committees. The Company encourages internal public awareness of water management through training and corporate events dedicated to the water theme, covering the entire group, in addition to the theme being an integral part of the activity's booklet of the Company's Environmental Education Program.

To maintain itself as a reference in water recycling in the domestic industry, CSN adopts the principle of reuse in its operational processes, to achieve greater water autonomy, less extraction from water sources and, consequently, a reduction in the release of effluents. To this end, CSN continually maps reuse

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opportunities, prioritizing the use of recirculation systems and investment in technologies for water recovery, such as the pioneering project for the mining dry stacking of tailing process.

The implementation of CSN's Water Resources Policy will meet the expectations of Stakeholders who increasingly request information in a clear and objective way, in addition to sustainability certifications, including the need to evaluate suppliers and criteria for choosing partners in their supply chains.

CSN's Commitments in Water Management

- Maintain targets to reduce the water withdrawal or specific consumption of new water, such as surface and underground, for CSN's main operations, in line with the Sustainable Development Goals;
- Contribute to better water availability for current and future generations, in terms of quality standards and adequate for their respective uses. Having as a premise, whenever possible, supporting the surrounding communities to access and distribute drinking water, as well as the sanitation of their effluents, contributing to the maintenance and water security of the hydrographic region;
- Report CSN's water performance, clearly and accurately, adopting the requirements and methodologies applicable to each business;
- Periodically carry out a water stress assessment of the hydrographic basin where its operational units are located, analyzing the influences of climate change and future scenarios;
- Stimulate actions and set goals that contribute to reducing the use of new water, effluent discharge, waste and water consumption, especially in regions classified as water stress area;
- Periodically assess the Water Footprint of its operating units according to internationally recognized criteria and methodologies;
- Participate in technical discussions promoted by external entities, representatives of the productive segments, related to the management of water resources in the industry;
- Participate together with the Hydrographic Basin Committees and water concessionaires in the areas of influence of their main operations, supporting decentralized management decisions, aiming at the multiple use of water according to the instruments of the Política Nacional de Recursos Hídricos (National Water Resources Policy);
- Keep the water balance of its operating units up to date, in order to periodically monitor the water performance;
- Establish CSN's Water Management Technical Group, with the coverage and participation of representatives from the five business units, proposing the standardization and integration of water management methodologies, following up on objectives and goals, surveying opportunities to optimize the use and consumption of water, adoption of water management tools and sharing of best practices adopted. The relevant issues identified by the Technical Group will be reported periodically to CSN's ESG Committee;
- Search for new technologies and develop studies aimed at optimizing existing water resources, including marine and groundwater, for their conservation and future availability;
- Make water available in its facilities in adequate quantity and quality for consumption by CSN employees, service providers and visitors, respecting the established legal standards.

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CSN's Goals in Water Management

- Prevent or react to operational crises resulting from the unavailability, supply and/or quality of water;
- Assure investors and markets of CSN's efforts and commitment to ensure water availability for operations and reduce water-related costs;
- Confirm its corporate values based on sustainable and equitable development by contributing to the management of watersheds, ecosystems and communities in which the Company operates;
- Maintain a rigid system for measuring the quality of water for its return to the environment, so that the quality of the water returned meets legal limits and supports the framework of the receiving water body;
- Support the Company's senior management in the definition of goals and strategies for the material themes of its business and ambitions of environmental performance and sustainability;
- Integrate CSN's Water Management Policy with the Company's other policies.

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