

BUSINESS MODEL

KEY INPUTS

Raw material resources



IRON ORE MINING  
**64.2MT**  
**>250%<sup>1</sup>**



RAW COAL EXTRACTION  
**7.0MT**  
**~40%<sup>1</sup>**

Energy resources



NATURAL GAS  
**1,132MCM**



ELECTRICITY  
**7,648GW**

Human resources



EMPLOYEE HEADCOUNT  
**66,000**



CUSTOMERS AND SUPPLIERS  
**>10,000**

Natural resources



AIR AND WATER



SOIL AND LAND

Financial resources

TOTAL ASSETS  
**US\$11,178M**

TOTAL DEBT  
**US\$2,743M**

CAPEX  
**US\$898M**

RESOURCES AND CAPITAL

# GOAL: SUSTAINABLE GROWTH OF VALUE

CORE PRINCIPLES

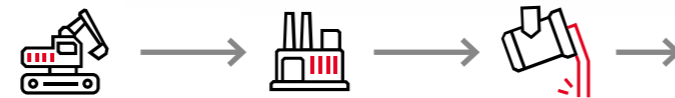
Adherence to strategic goals

- Sustain competitive advantages in steelmaking through vertical integration
- Strengthen positions in strategic markets
- Achieve business excellence through best practices

Adherence to governance principles

- |                              |                          |
|------------------------------|--------------------------|
| Specialisation               | Global best practices    |
| Vertical integration         | Tradition and innovation |
| Unified strategic management | Commitment to leadership |
| Centralisation               | Personal commitment      |
| Growth and investments       |                          |

OPERATING MODEL



Mining of raw materials

Processing of raw materials

Production of steel



Casting of semi-finished products

Rolling of finished products

Sales and logistics

KEY INSTRUMENTS

Identifying opportunities

- Continuous improvement system
- Investment process
- Benchmarking
- External experts

Planning

- Long-term planning
- S&OP process
- Investment programmes

Execution

- Implementation of plans, investment projects and business system development projects

Control

- Goals tree
- KPIs
- Credit ratings

KEY OUTPUTS

Sales and resales



STEEL PRODUCTS  
**15.0MT**



COKE  
**2.0MT**



IRON ORE CONCENTRATE  
**8.0MT**



PELLETS  
**7.5MT**

Human capital



MANAGEMENT TRAININGS  
**14,497**



LOST-TIME INJURY FREQUENCY RATE  
**0.802**



LABOUR COSTS  
**US\$719M**



HEALTH & SAFETY SPENDING  
**US\$95M**

Natural capital



ENVIRONMENTAL SPENDING  
**US\$263M**



ISO 14001 CERTIFICATION  
**10 ASSETS**

Financial capital

EBITDA  
**US\$2,513M**

FREE CASH FLOW  
**US\$673M**

INTEREST PAID  
**US\$288M**

TAXES PAID  
**US\$700M**

REVENUES: US\$11,880M

<sup>1</sup> Self-sufficiency.