

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. – USIMINAS
CNPJ/MF 60.894.730/0001-05
NIRE 313.000.1360-0
Publicly-Held Company

MINUTES OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

1) Time, Date and Place: The Meeting was held on February 11, 2019, at 01:00 p.m., at the Company's headquarters, at Rua Professor José Vieira de Mendonça, 3.011, bairro Engenho Nogueira, in this city of Belo Horizonte, capital of the State of Minas Gerais.

2) Call Notice and Publications: The Meeting was called according to the call notice published in the following newspapers: **Official Gazette of the State of Minas Gerais** on January 11, 18 and 25 of 2019 (pages 2, 6 and 4, respectively) and **Estado de Minas**, on January 11, 18 and 25 of 2019 (pages 14, 2 and 8, respectively).

3) Attendance: The works were installed with the attendance of shareholders representing **seventy five point sixty-six percent (75.66%)** of the voting capital of the Company and **two-point sixty five percent (2.65%)** of the preferred shares issued by the Company, as verified by the signatures contained in the book of attendance of the shareholders and of the information contained in the analytical maps prepared by the bookkeeping agent and by the Company itself, in the form of article 21-W, items I and II, of CVM Instruction nº 481/2009. The Chief Finance and Relations with Investors Officer, Mr. Alberto Ono, the members of the Board of Directors, Rita Rebelo Horta de Assis Fonseca, Guilherme Poggiali Almeida and Luiz Carlos de Miranda Faria, and the members of the Fiscal Council, Mr. Lucio de Lima Pires were also present.

4) Board: Chairman, Ruy Roberto Hirschheimer; First Secretary, Marcus de Freitas Henriques, Second Secretary, Gustavo Godinho Capanema Barbosa.

5) Agenda:

(i) deliberate on the following amendments to the Company's Bylaws, as detailed in the draft with revision marks included in the Management Proposal disclosed to the market: (a) wording adjustments to articles 1 to 3; (b) adjustments to articles 5 and 6, to clarify the wording of such statutory provisions; (c) wording adjustments to article 7 and new wording for article 8 and respective paragraphs, with the purpose of better detailing the rules for the installation and holding of the Company's General Meetings, including the election of the Chairman of the General Meetings, in the case of absence or impediment of the Chairman of the Board of Directors; (d) adjustments to articles 9 to 11 to make the wording of these statutory provisions clearer; (e)

amendments to article 12 and its paragraphs, especially as regards the rules for replacing the Chairman and other members of the Board of Directors in the event of absence, impediment or vacancy and excluding the possibility of the same person acting as Chairman of the Board of Directors and of Chief Executive Officer of the Company; (f) changes to article 13 and respective items and paragraphs, which deal with matters of competence of the Company's Board of Directors, among which the inclusion of the authority to resolve the composition of the Conduct Committee, to approve the Code of Ethics and Conduct and the additional policies that form the Company's Integrity Program, as well as to appoint and dismiss the individual in charge of the Integrity Department; (g) adjustments to article 14 and respective paragraphs, which deal with the procedures related to the functioning of the Company's Board of Directors; (h) adjustments to article 15 and respective paragraphs, including with regard to the attributions, composition and functioning of the Audit Committee; (i) amendments to articles 16 and 21, with the inclusion in the Bylaws of the names of all positions that comprise the Company's Board of Officers; (j) amendments to article 17 and its sole paragraph, which deal with the replacement of the Chief Executive Officer and other Officers of the Company in cases of absence, impediments and vacancy; (k) amendments to articles 18 to 20 and 22 and respective paragraphs, which deal with the powers of the Company's Board of Officers and the manner of its representation before third parties; (l) adjustments to article 23 and its paragraphs, in order to clarify the wording of the provisions relating to the functioning of the Fiscal Council; (m) adjustments to article 24 and respective paragraphs, to make the wording of these statutory provisions clearer; (n) wording adjustment to the sole paragraph of article 25; (o) adjustments to articles 26 and 27, to make the wording of these statutory provisions clearer, and exclusion of article 28 and its single paragraph, since it is a transitory provision that is no longer applicable; and

(ii) consolidate the Company's Bylaws with the approved amendments.

The documents relevant to the matters of the Agenda were previously made available to the Shareholders at the Company's headquarters, at Comissão de Valores Mobiliários – CVM and at B3 S.A. – Brasil, Bolsa, Balcão (“B3”), and also in the websites of the Company (www.usiminas.com), of CVM (www.cvm.gov.br) and of B3 (www.b3.com.br).

6) Deliberations: Installed the Meeting, the synthetic Voting Map consolidating the information contained in the analytical voting maps provided by the bookkeeping agent and the Company Meeting was read which had been made available for consultation by the shareholders during the holding of the Meeting. Following, the Chairman of the Board questioned if any of the shareholders attending in person the Meeting had presented vote by means of remote vote and if they wanted to manifest their vote in person

at the Meeting, for the purposes of not considering the remote vote, in the form of article 21-W, paragraph 5, item I, of CVM Instruction nº 481/2009. Giving continuity to the works, the shareholders present, after examining the documents and the proposal previously made available by the Company and the discussion of the matters of the Agenda, deliberated the following:

6.1) Initially, it was approved, by unanimous vote of the attendees, with 533,503,433 favorable votes, with no abstention, the drawing up of the minutes of the Meeting in summary form and its publication with the omission of the signatures of the shareholder, as provided in paragraphs 1 and 2 of article 130 of Law nº 6.404/1976.

6.2) Then, it was examined item 1 of the Agenda, having been informed to the shareholders that, in accordance with the summary of the deliberations of the previous meetings held on the date hereof delivered to the Chairman of the Meeting, the members of the controlling group approved all the amendments to the Bylaws proposed by the Company's administration, with the performance of four formal adjustments to the wording or cross reference indicated below: (i) On the second part of article 12, *caput* (beginning with the expression "Each shareholders or group of shareholders"), the inclusion of the expression "item (a)" after the mention of "Paragraph 6" of article 12 and the substitution of the expression "Paragraph 8 of this article 12" by "Paragraph 6, items (b) or (c), of this Article 12"; (ii) on the final part of Paragraph 1 of Article 13 (beginning with the expression "For purposes of this Bylaws"), the substitution of the expression "controlled" for "controlled by"; (iii) in the final part of Paragraph 2 of Article 13 substitute the expression "abstained themselves" for "abstained"; and (iv) on the second part of Paragraph 4 of Article 22 (beginning with the expression "All powers of attorney"), the substitutions of the expression "granted to the attorney in law appointed by this instrument" for "granted to the attorney in law appointed by such instrument". The Chairman of the Meeting also informed that, since the amendments proposed by the members of the controlling group constitute mere formal adjustments of wording and cross reference, would not influence the votes presented by means of remote vote.

6.3) After the necessary clarification were made, the voting began, having been approved the proposal of amendment to the Bylaws, in the terms of the Proposal of the Management disclosed to the market and with the formal adjustments of wording and cross reference proposed by the members of the controlling group of the Company, in the following terms:

6.3.1 – approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the wording adjustments to articles 1 to 3;

6.3.2 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the adjustments to articles 5 and 6, to make more precise the wording of the referred statutory provisions;

6.3.3 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the wording adjustment to article 7 and to the new wording of article 8 and respective paragraphs, with the purpose to detail the rules for the installation and the holding of General Meetings of the Company, including on what refers to the choice of the Chairman of the General Meetings, in the case of absence or impediment of the Chairman of the Board of Directors;

6.3.4 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the adjustments to articles 9 to 11, to make clearer the wording of the referred statutory provisions;

6.3.5 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the modifications to article 12 (observing the formal adjustments of wording and cross reference in the *caput* of article 12, according to clarifications provided in the form of item 6.2 of this Minutes) and respective paragraphs, especially on what refers to the rules of replacement of the Chairman, in case of absence, impediments or vacancy and to the exclusion of the possibility of the same individual to accumulate positions of Chairman of the Board of Directors and of Chief Executive Officer of the Company;

6.3.6 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the modifications to article 13 and respective subitems and paragraphs (observing the formal adjustments of wording in paragraphs 1 and 2 of article 13, according to the clarifications provided in the form of item 6.2 of this Minutes), that deal with the matters of competence of the Company's Board of Directors, among which is the inclusion of competence of the Board of Directors to deliberate the composition of the Conduct Committee, approve the Ethic and Conduct Code and the other policies that compose the Integrity Program of the Company, as well as to appoint and dismiss the responsible for the Integrity Department of the Company;

6.3.7 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the

Company's headquarters, the adjustment to article 14 and respective paragraphs, that deal with the procedures related to the functioning of the Company's Board of Directors;

6.3.8 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the adjustments to article 15 and respective paragraphs, including on what refers to the assignments, composition and functioning of the Audit Committee;

6.3.9 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the modifications to articles 16 and 21, with the inclusion in the Bylaws of the designations of all the positions that integrate the Company's Board of Executive Officers;

6.3.10 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the modifications to article 17 and its sole paragraph, that refer to the replacement of the Chief Executive Officer and of the other Officers of the Company in the cases of absence, impediments and vacancy;

6.3.11 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the modifications to articles 18 to 20 and 22 and respective paragraphs (observing the formal adjustments of writing in paragraph 4 of article 22, according to the clarification provided in the form of item 6.2 of this Minutes), that refer to the powers of the Board of Executive Officers of the Company and of the form of its representation before third parties;

6.3.12 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the adjustment to article 23 and respective paragraphs, to make more precise the wording of the dispositions related to the functioning of the Fiscal Council;

6.3.13 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the adjustments to article 24 and respective paragraphs, to make the wording of such provision clearer;

6.3.14 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the

Company's headquarters, the adjustment of the wording to the sole paragraph of article 25;

6.3.15 - approved by unanimous vote of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the adjustments to articles 26 and 27, to make the wording of such statutory dispositions clearer, and the exclusion of article 28 and its sole paragraph, as the transitory provision thereof is no longer applicable.

Given the approvals above, the articles amended of the Bylaws will become effective with the wording and number contained in the Proposal of the Management to the present Extraordinary Shareholders' Meeting (considering the formal adjustments of wording and cross reference indicated in item 6.2 above) and that are reflected in the consolidated version of the Bylaws contained as Attachment I to this Minutes.

6.4) Then, in view of the approval of the amendments proposed to the Bylaws, it was approved, by unanimous votes of the presents, with 533,631,776 favorable votes, with no abstention, according to the voting map filed at the Company's headquarters, the consolidation of the Company's Bylaws with the amendments approved thereto, which will become effective with the wording contained in Attachment I of this Minutes.

7) CLOSING: Nothing else to be discussed, the meeting was suspended for the drawing up of the Minutes containing the summary of the facts occurred, which, after approved, was signed by the Board of Directors and by the shareholders signed below.

Belo Horizonte, February 11, 2019.

Board:

Ruy Roberto Hirschheimer
Chairman

Marcus de Freitas Henriques /
Gustavo Godinho C. Barbosa
Secretaries

Shareholders:

ATTACHMENT I – CONSOLIDATED BY-LAWS

USINAS SIDERÚRGICAS DE MINAS GERAIS S/A – USIMINAS
CNPJ: 60.894.730/0001-05
NIRE: 313.000.1360-0

BYLAWS

CHAPTER I - Name, Purpose, Main Offices, Duration

Article 1 – Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS is a publicly traded company that shall be governed by the present Bylaws and by the legislation in force.

Sole Paragraph – The Company, its shareholders, managers and members of the Fiscal Council are also subject to the applicable provisions set forth by the Regulation of Corporate Governance Level 1 from B3 S.A. – *Brasil, Bolsa, Balcão*.

Article 2 – The corporate purpose of the Company is the development of steel industry and the commercialization of its products and byproducts, including developing port activities for itself or for third parties, importing and exporting and performing other industrial, commercial and service provision activities of any nature, whether correlated or not.

Sole Paragraph – The Company also may, at the discretion of the Board of Directors, hold equity interest in other companies or enterprises of any nature, whether in the country or abroad.

Article 3 – The Company has its main offices and venue in Belo Horizonte, capital of the State of Minas Gerais, and may, at the discretion and with the approval of the Board of Directors, from time to time, (i) open or set up branches, offices, representation offices and other temporary or permanent establishments of any other kind or nature, whether in Brazil or abroad, and/or (ii) close any such branches, offices, representation offices or establishments.

Article 4 – The Company shall have an indefinite duration.

CHAPTER II – Capital and Shares

Article 5 – The Company's capital stock is R\$ 13,200,294,935.04 (thirteen billion, two hundred million, two hundred and ninety-four thousand and nine hundred and thirty-five reais with four cents), and is divided into 1,253,079,108 (one billion, two hundred and fifty-three million, seventy-nine thousand, one hundred and eight) shares, of which 705,260,684 (seven

hundred and five million, two hundred and sixty thousand six hundred and eighty four) are common shares, 547,740,661 (five hundred and forty-seven million, seven hundred and forty thousand, six hundred and sixty one) are class A preferred shares and 77,763 (seventy seven thousand, seven hundred and sixty-three) are class B preferred shares, all of which are registered shares with no par value.

1st Paragraph – The Board of Directors is authorized to increase the Company’s capital stock through the issuance of up to 11,396,392 (eleven million, three hundred and ninety-six thousand, three hundred and ninety-two) preferred shares, without the need of amending these Bylaws or otherwise seek approval by the Shareholders Meeting. The preferred shares that the Board of Directors is authorized to issue under this 1st Paragraph of this Article 5 may be either class A preferred shares, class B preferred shares, or a combination of class A and class B preferred shares; it being understood that the aggregate number of preferred shares issued by the Board of Directors pursuant to this Article 5 (including, without limitation, any preferred shares issued in connection with or in exchange for any subscription warrants (*bônus de subscrição*) issued pursuant to the 3rd Paragraph of this Article 5 or any options issued pursuant to the 4th Paragraph of this Article 5) may in no event exceed, in the aggregate, the number of preferred shares set forth in this 1st Paragraph of this Article 5.

2nd Paragraph – When resolving on any issuance of preferred shares pursuant to the 1st Paragraph of this Article 5, the Board of Directors shall determine the issue price, the number and class of the preferred shares to be issued, and the term and conditions for their subscription and payment, with due regard for applicable legal requirements and provisions.

3rd Paragraph – The Board of Directors is further authorized to issue subscription warrants (*bônus de subscrição*) for the subscription of class A or class B preferred shares, provided that the total number of preferred shares that the Board of Directors is authorized to issue pursuant to the 1st Paragraph of this Article 5 is not exceeded.

4th Paragraph – Subject to and in accordance with any share option plans approved by the Shareholders Meeting, the Board of Directors may grant options to purchase or to subscribe class A or class B preferred shares to any directors, officers and employees of the Company or others companies controlled directly or indirectly by the Company, without granting preemptive right to the Company’s shareholders, provided that the total number of preferred shares that the Board of Directors is authorized to issue pursuant to the 1st Paragraph of this Article 5 is not exceeded.

5th Paragraph – The Company is prohibited from issuing participation certificates (*partes beneficiárias*).

Article 6 – Except for matters that Law No. 6,404/1976 expressly provides otherwise, each common share of the Company shall entitle the holder thereof the right to 1 (one) vote in connection with any matter submitted to a vote at any Shareholders Meetings.

1st Paragraph – Except for the matters in which the Law No. 6,404/1976 expressly grants voting rights to the holders of preferred shares, the Company's class A and class B preferred shares shall not entitle the holders thereof the right to vote at the Shareholders Meetings. The Company's class A and class B preferred shares, however, shall entitle the holders thereof the right to (i) dividends per share in an amount 10% (ten per cent) higher than any dividends per share declared in respect of the Company's common shares; and (ii) receive any bonus shares (*ações bonificadas*) as may be issued in connection with any capitalization of reserves of the Company, as may be periodically approved by the Shareholders Meeting, *pari passu* with the holders of the Company's common shares.

2nd Paragraph - In addition to the rights referred to in the 1st Paragraph of this Article 6, the holders of class B preferred shares shall have first priority in the reimbursement of capital, without the right to premium, in the event the Company goes into liquidation and, once the priority granted to the holders of class B preferred shares is satisfied, the holders of class A preferred shares shall have the same priority vis-à-vis the holders of common shares.

3rd Paragraph – Any holder of class B preferred shares may, at any time, request the Company to convert any class B preferred shares held by such holder into class A preferred shares. Neither the class A nor the class B preferred shares, however, may be converted into common shares.

4th Paragraph – In connection with any issuance of new shares, the Company shall not be obligated to preserve the existing proportions of any class or type of shares.

5th Paragraph – The institution that maintains the register of book-entry shares of the Company is authorized to charge shareholders the fees and costs applicable or incurred with the registration of any transfer of shares by such shareholders, subject to maximum limitations determined, from time to time, by the Brazilian Securities Commission (CVM).

CHAPTER III – Shareholders Meeting

Article 7 – The Shareholders Meeting will have the powers and attributions provided by the Law No. 6,404/1976 and in any other applicable laws, rules or regulations. The Ordinary Shareholders Meeting shall be convened and held within the first 4 (four) months after the end of each fiscal year, to resolve on the matters contemplated in article 132 of the Law No. 6,404/1976. Extraordinary Shareholders Meetings shall be convened and held whenever the interests of the Company so require.

1st Paragraph – An Extraordinary Shareholders Meeting may be convened and held together with an Ordinary Shareholders Meeting, at the same venue, date and time. The procedures of any such Ordinary and Extraordinary Shareholders Meeting shall be documented in a single minute.

2nd Paragraph – The Shareholders Meeting, whether Ordinary or Extraordinary, will be convened by resolution approved by the majority of the members of the Board of Directors, who shall approve the matters that will be the subject of the agenda and the place, time and date of the Shareholders Meeting. Shareholders Meetings shall also be convened in the circumstances and as provided in the sole paragraph to article 123 of the Law No. 6,404/1976.

3rd Paragraph – The call notices for any Shareholders Meeting shall be disclosed in the form and within the time limits required under applicable law and shall, in addition, satisfy the applicable and mandatory requirements as provided for in the applicable rules and regulations of the Brazilian Securities Commission (CVM) and the Regulation of Corporate Governance Level 1 from B3 S.A. – *Brasil, Bolsa, Balcão*. The documents pertaining to the matters to be resolved at the Shareholders Meeting shall be made available to the shareholders in the form and time limit required under applicable law, rule or regulation.

Article 8 – Shareholders Meetings may be validly installed only if and when the minimum attendance quorum required by applicable law shall have been reached and may only validly adopt or approve resolutions if the majority of votes required by applicable law for the adoption or approval of the matter at issue is reached or exceeded.

1st Paragraph - Except in the cases of the matters for which applicable law requires a higher attendance quorum, the Shareholders Meeting shall be installed and may validly deliberate, on first call, with the attendance of shareholders representing at least a quarter (1/4) of the total number of common shares of the Company; on second call, the Shareholders Meeting

shall be validly installed regardless of the percentage of common shares of the Company represented.

2nd Paragraph - Any Extraordinary Shareholders Meeting convened to resolve on any amendment to these Bylaws shall only be installed and may validly deliberate (i) on first call, if (and only if) at least two-thirds (2/3) of the total number of common shares of the Company is represented; and (ii) on second call, regardless of the number of common shares represented.

3rd Paragraph - To be admitted to a Shareholders Meeting, shareholders shall be required to evidence ownership of Company's shares. In the case of shareholders directly recorded in the Company's registered shares register, the Company shall confirm such shareholders' share ownership against a report issued by the depositary institution showing the most updated share ownership positions available recorded in the Company's registered shares register, in any case, not earlier than three (3) business days from the close of business on the business day immediately prior to the date of the relevant Shareholders Meeting. Any shareholder holding its shares through the fungible share custody system shall evidence ownership of its shares by presenting a certificate issued by the financial, custodian or depositary institution holding such shares for such shareholder, certifying the number of shares recorded in such shareholders' account, such certificate being issued not earlier than five (5) calendar days before the date of the relevant Shareholders Meeting. Share ownership certificates must be delivered to the Company at least two (2) business days before the date of the relevant Shareholders Meeting. Any shareholder may be represented at a Shareholders Meeting by appointing another person as its attorney-in-fact, through a written power of attorney that meets the requirements set forth in article 126 of the Law No. 6,404/1976. Written powers of attorney must be delivered to the Company at least two (2) business days before the date of the relevant Shareholders Meeting. Without prejudice to the foregoing requirements, the shareholders and attorneys-in-fact attending a Shareholders Meeting shall be asked to identify themselves at such Shareholders Meeting by presenting a valid identity document, and to sign the attendance book to evidence their attendance.

4th Paragraph - Shareholders Meetings shall be presided over by (i) the Chairperson of the Board of Directors, or (ii) in his/her absence or impediment, by the member of the Board of Directors appointed by the Chairperson to substitute him/her pursuant to the 7th Paragraph of Article 12, or (iii) if no member of the Board of Directors shall have been appointed in accordance with 7th Paragraph of Article 12 or if the member of the Board of Directors so appointed is not present, by the Vice President - Finance and Investor Relations or, alternatively, by the Vice-President - Corporate Planning, or (iv) if none of the officers indicated in item "iii" above attends

the meeting, by any person nominated and elected by the Shareholders Meeting itself to preside over it. The person chairing the Shareholders Meeting may appoint and invite one or more persons from among those present to act as secretaries of the Shareholders Meeting.

5th Paragraph – Except for the matters for which a qualified quorum is required under applicable law, resolutions on any matters at any Shareholders Meeting shall be adopted by a majority of votes of the shares represented in the Shareholders Meeting able to vote in the matter, provided that blank votes, or otherwise null votes, such as votes in violation of a shareholders' agreement duly filed at the Company's headquarters pursuant to Article 26, shall not be considered.

6th Paragraph – A Shareholders Meeting may only validly resolve on the matters contemplated in the agenda of the relevant Shareholders Meeting. The inclusion of matters under generic heading in the agenda of the call notice is prohibited.

7th Paragraph – The chairperson of the Shareholders Meeting shall cause minutes thereof to be prepared by the secretary(ies) to such Shareholders Meeting. Minutes of a Shareholders Meeting shall be signed by each of the chairperson, the secretary (secretaries), as well as by the attending shareholders (or their attorneys-in-fact). For the minutes to be valid, it will be sufficient for them to be signed by as many as necessary to reach the majority required for the resolutions taken at the Shareholders Meeting.

CHAPTER IV – Administration

Section I – General Provisions

Article 9 – The Company shall be managed by a Board of Directors and by a Board of Officers.

1st Paragraph – A person elected or appointed as member of any of the Board of Directors or the Board of Officers shall take office upon the signature of the instrument of investiture in the relevant book that the Company maintains for such purpose.

2nd Paragraph – Without prejudice to the foregoing, a person elected or appointed as member of any of the Board of Directors or the Board of Officers shall, prior to taking office, (i) sign and deliver the Management Consent Term in the form required by the Regulation of Corporate Governance Level 1 from B3 S.A. – *Brasil, Bolsa, Balcão*, and (ii) satisfy any requirements as may be imposed by law for the taking of the relevant office; provided, however, that a person elected or appointed as member of any of the Board of Directors or the Board of Officers shall not be obliged to post any guarantee

in connection with his or her performance of the office to which the person was so elected or appointed.

3rd Paragraph - The members of the Board of Directors and the Board of Officers shall remain in their positions until their replacements are effectively elected and take office, as contemplated in article 150, paragraph 4 of the Law No. 6,404/1976.

4th Paragraph – The members of the Board of Directors of the Company shall have an unblemished reputation, pursuant to the meaning of article 147, paragraph 4 of the Law No. 6,404/1976. Unless an express waiver is approved by the Shareholders Meeting, any person who either (i) holds positions in companies (other than companies members of the control group of the Company or companies controlled by, or subject to common control with, any of these companies) that could be considered competitors of the Company or (ii) has or represents conflicting interests with the Company, may not be elected to the Board of Directors.

Article 10 – The Shareholders Meeting will set the amount of the global annual compensation, including benefits of any nature, of the members of the Board of Directors and the Board of Officers, the allocation and distribution of which will be incumbent upon the Board of Directors. .

Article 11 – The meetings of any of the Board of Directors or the Board of Officers may only validly be installed and resolve, on a first call, if (and only if) at least two thirds (2/3) of its elected members are present and, on a second call, if (and only if) the majority (i.e., half plus one) of its members are present. In the event of a tie vote at the Board of Directors, the Chairperson of the Board of Directors shall have the tie-breaking vote. In case of a tie vote at the Board of Officers, the Chief Executive Officer shall have the tie-breaking vote.

Section II – Board of Directors

Article 12 – The Board of Directors shall be comprised of not more than 15 (fifteen) effective members, including the Board of Directors' member referred to in the 1st Paragraph of this Article 12, and up to an equal number of alternate members. The effective and alternate members of the Board of Directors shall be elected by the Shareholders Meeting and may be dismissed at any time, by resolution of the Shareholders Meeting. Each shareholder or group of shareholders that elects one or more effective members of the Board of Directors shall have the right to elect up to an equal number of alternates to replace the effective members elected by such shareholder or group of shareholders in case of any absence or impediments in accordance with the 6th Paragraph, item (a) of this Article 12 or in the case of a permanent

impediment or other vacancy event in accordance with the 6th Paragraph of this Article 12, items (b) or (c), as applicable. The shareholder or group of shareholders who is entitled to elect two or more effective members and their alternates shall also determine the order in which such alternates shall replace such effective members, provided, however, that in the absence of such a determination, any of those alternate members may replace any of the effective members appointed by such shareholder or group of shareholders.

1st Paragraph – Employees and retirees of the Company and of its subsidiary Usiminas Mecânica S.A. and the participants of Previdência Usiminas are guaranteed the right to elect, together, one effective member of the Board of Directors and his/her alternate pursuant to the terms of the 2nd Paragraph of this Article 12.

2nd Paragraph – The member of the Board of Directors (and his/her alternate) referred to in the 1st Paragraph of this Article 12 shall be chosen by the direct vote of the employees and retirees of the Company and of its subsidiary Usiminas Mecânica S.A. and the participants of Previdência Usiminas, in a voting that shall be organized by the Company, in the manner provided in the sole paragraph to article 140 of the Law No 6,404/1976, with due regard for the requirements and other rules set forth in the applicable regulation approved by the Board of Directors to conduct such election. The results of such election must be informed to the shareholders attending the Shareholders Meeting, or to the Board of Directors' meeting, as the case may be, which will declare approved the election of the member of the Board of Directors referred to in the 1st Paragraph of this Article 12. The election of the member of the Board of Directors (and his/her alternate) pursuant to the 1st Paragraph and the 2nd Paragraph of this Article 12 shall not need to be ratified or confirmed by the vote of the Shareholders Meeting or by the Board of Directors, as the case may be.

3rd Paragraph - The Shareholders Meeting shall choose one of the elected members of the Board of Directors as Chairperson of the Board of Directors.

4th Paragraph – Under no circumstances may the position of Chairperson of the Board of Directors and the position of Chief Executive Officer of the Company be held simultaneously by the same person.

5th Paragraph – The term of office of the members of the Board of Directors is two (2) years, ending at the Ordinary Shareholders Meeting that is second-next to that in which the Board of Directors was elected, with due regard for the provision in the 3rd Paragraph of Article 9. The members of the Board of Directors may be reelected indefinitely.

6th Paragraph – The following rules shall apply to the cases of impediment, absence or vacancy of the members of the Board of Directors (other than the Chairperson):

(a) At the meetings of the Board of Directors, if an effective member is absent or impeded for any reason, s/he shall be replaced by an alternate member appointed by the same shareholder or group of shareholders that appointed the impeded or absent effective member, with due regard, if applicable, for the substitution order determined by such shareholder or group of shareholders pursuant to the heading of Article 12;

(b) In case of a temporary absence or temporary impediment that extends for longer than three (3) consecutive months or in the event of a permanent impediment or a vacancy event affecting a member of the Board of Directors for whom one or more alternates have been elected, then the alternate of such member shall assume as effective member in lieu of such member for the remainder of the term of office of such member, pursuant to article 150 §3 of the Law No. 6,404/1976 (with due regard for the applicable substitution order, if any, with respect to such member pursuant to the heading of this Article 12); and

(c) In case of a temporary absence or temporary impediment that extends for longer than three (3) consecutive months or in the event of a permanent impediment or other vacancy event affecting a member of the Board of Directors, for whom there is no designated alternate, or for whom no alternate is willing to assume the position of effective member, then the Board of Directors shall temporarily elect a replacement until the next Shareholders Meeting, which may then either ratify the election of such replacement or elect another replacement pursuant to article 150 of the Law No. 6,404/1976; provided that any replacement so elected by the Shareholders Meeting shall hold office for the remainder of the term of office of the effective member who is being replaced.

7th Paragraph - The Chairperson of the Board of Directors shall appoint, among the other effective and alternate Directors, the one(s) to substitute him/her as Chairperson in his/her temporary absence or temporary impediment, through a written communication to the other effective and alternate members of the Board of Directors and to the Corporate Governance Secretary. Such appointment may be either done generally for a specific period, or for a specific meeting of the Board of Directors or Shareholders Meeting. The member of the Board of Directors so appointed shall exercise the roles and prerogatives of the office of the Chairperson of the Board of Directors (including without limitation the prerogative to issue the tie-breaking vote pursuant to Article 11) for the duration of such temporary absence or temporary impediment. If such temporary absence or temporary

impediment extends for longer than three (3) consecutive months, or in the event of a permanent impediment or other vacancy event, the Board of Directors will promptly convene a Shareholders Meeting to elect a new Chairperson in accordance with the 3rd Paragraph of this Article 12 to complete the term of office of the replaced Chairperson. The member of the Board of Directors appointed to replace the Chairperson in the cases provided for in Article 12, shall continue to exercise the functions and prerogatives of the Chairperson's position (including without limitation the tie-breaking vote pursuant to Article 11) until that such new Chairperson is effectively appointed and takes office. If no member of the Board of Directors have been appointed by the Chairperson to replace him/her, pursuant to this 7th Paragraph of this Article 12, the Board of Directors must temporarily elect a replacement among the other Directors (effective or alternate) until the following Shareholders Meeting that elects a new Chairperson of the Board of Directors.

Article 13 – Without prejudice to any other attributions, powers and prerogatives of the Board of Directors contemplated elsewhere in these Bylaws or by the Law No. 6,404/1976, the Board of Directors shall have the duty, power and authority to:

a) nominate, elect and remove the members of the Board of Officers of the Company and set their attributions (with due regard for the provisions in item "d" of Article 20), and to approve any nomination, appointment, removal or dismissal of any member of the board of directors, board of officers or comparable governing bodies that the Company (whether directly or through any controlled entities) may be entitled to nominate, appoint, remove or dismiss in any other entity;

b) monitor the management of the members of the Board of Officers and examine, at any time, the Company's books and records, and request information on any contracts, transactions or other acts that involves (or may involve) the Company or its controlled companies;

c) convene the Shareholders Meetings, as provided by the law and these Bylaws;

d) resolve on the Management Report and the accounts of the Board of Officers;

e) set the general business orientation for the Company and for its controlled companies, providing the basic guidelines for executive action, including with respect to expansion projects and technical aspects of management, production, sales, personnel and/or financial management, and oversee the strict compliance with such general business orientation;

f) set the criteria to monitor the performance of the Company and its controlled companies;

g) resolve on the annual and pluriannual budgets, expansion projects and investment programs for the Company and for its controlled companies, and monitor their execution and performance;

h) set the internal regulations of the Board of Officers of the Company taking into account the recommendations of the Board of Officers;

i) except as provided in the 4th Paragraph of this Article 13, resolve on any of the following actions or transactions by any of the companies in which the Company holds an equity interest that confers to Usiminas the right or the permission to (directly or indirectly) vote or to direct the vote for such matter at the decision-making body of such company:

(1) any acquisition, sale or encumbrance of equity interests in other companies, regardless of the value or amount involved in the transaction;

(2) any encumbrance or lien of fixed or other non-current assets the book value of which is equal to or exceeding (or foreseen to exceed) R\$ 50,000,000.00 (fifty million reais) or its equivalent in any other currency, either in a single transaction or in a series of combined or related transactions;

(3) any investments or capital expenditures in an amount equal to or exceeding (or foreseen to exceed) R\$ 50,000,000.00 (fifty million reais) or its equivalent in any other currency, either in a single transaction or in a series of combined or related transactions;

(4) any loan or the creation, incurrence or assumption of indebtedness of any kind in an amount equal to or exceeding (or foreseen to exceed) R\$ 50,000,000.00 (fifty million reais) or its equivalent in any other currency, either in a single transaction or in a series of combined or related transactions;

(5) any consolidation, spin-off, restructuring, merger, absorption of shares (*incorporação de ações*), acquisitions and other similar corporate transactions, regardless of the amount involved;

j) without prejudice to the provisions of item "k" below and except as provided for in the 4th Paragraph of this Article 13, resolve on any of the following actions or transactions by the Company:

(1) the acquisition (by purchase, subscription or otherwise) or transfer (by sale, exchange or otherwise dispose), by the Company, of equity interest in other companies, regardless of the amount involved in the transaction, and

(2) the entering into of any other transactions, obligations or commitments in an amount equal to or exceeding (or foreseen to exceed) R\$ 50,000,000.00 (fifty million reais) or its equivalent in any other currency, either in a single transaction or in a series of combined or related transactions, including without limitation the sale or encumbrance of fixed or other non-current assets or the acquisition of fixed or other non-current assets, procuring loans or the creation, incurrence or assumption of indebtedness of any kind, or the issuance of guarantees ;

k) resolve on any loan or otherwise the creation, incurrence or assumption of indebtedness of any kind, any issuance of guarantees, , or the entering into of any other transaction, obligation or commitment which would result in an increase in the Company 's aggregate liability for indebtedness and guarantees in an amount greater than two thirds (2/3) of the Company's net asset value, calculated based on its most recent annual or quarterly financial statements;

l) resolve on:

(1) any investment or capital expenditure by the Company in an amount equal to or exceeding (or foreseen to exceed) R\$ 50,000,000.00 (fifty million reais) or its equivalent in any other currency, whether in a single transaction or in a series of combined or related transactions, and

(2) any subsequent variation proposals resulting (or foreseen to result) in an increase of ten per cent (10%) or more of the amount authorized by the Board of Directors for such investment or expenditure;

m) resolve on the participation by the Company or any of its controlled companies in consortia of any nature or the entering into of any joint venture, association or other agreements having a similar nature;

n) except in the cases in which the applicable regulations require prior approval by the Shareholders Meeting, resolve on any share repurchase program, purchase, acquisition, sale or other disposal (in each case, direct or indirect) of shares (or other securities representing shares) issued by the Company;

o) resolve on any issuance of debentures non-convertible into shares and without *in rem* collateral (*garantia real*) and, with the prior approval and authorization of the Shareholders Meeting, the issuance of other types of debentures, in each case, setting the terms for their subscription and/or placement, the time and conditions for the payment of any interest, profit sharing and/or applicable reimbursement premium (if any); their maturity; and the terms and conditions for their amortization or redemption;

p) resolve on, and set the terms and conditions for, the issuance and placement of any "commercial papers" or other securities, the issuance of which does not require the approval of the Shareholders Meeting; provided that any such securities shall be issued and placed either through an initial or secondary public offering, either in Brazil or abroad, made in compliance with any applicable laws, rules and regulations. Except as permitted under Article 5, the Board of Directors may not, without the prior approval and authorization of the Shareholders Meeting, authorize or approve the issuance of any securities convertible in or exchangeable for shares, or otherwise grant any right to subscribe, acquire or receive any shares of the Company;

q) resolve on the internal audit plan;

r) resolve on the nomination, appointment, replacement and/or dismissal of the head of the Internal Audit Department, taking into account the recommendations of the Board of Officers, who must be hired as a full-time employee of the Company and shall report to the Audit Committee;

s) appoint and remove the external auditors, and authorize their engagement to provide any non-audit services, in each case, taking into consideration the recommendations of the Company's Audit Committee;

t) approve the adherence, termination or amendment of tax incentives granted to the Company or to its controlled companies;

u) resolve on the opening, set up, transfer or closure of any branches, offices, representation offices or other temporary or permanent establishments of the Company;

v) resolve on the engagement, nomination, appointment, replacement, removal and/or dismissal, of the Corporate Governance Secretary, who must be a full-time employee of the Company;

x) resolve on any interim dividend distribution based on profits stated in annual or interim financial statements, as applicable, and any distribution of interest on net equity;

y) resolve on any business or transaction involving, on the one hand, the Company or companies controlled by it, and, on the other hand, any Related Party (as defined in the 1st Paragraph of this Article 13);

z) resolve on the creation, amendment and/or extinction of any benefit plans that may affect Previdência Usiminas's actuarial calculation;

aa) resolve on the adoption, revocation, or any amendments, additions or other changes to the Code of Ethics and Conduct and the other policies forming part of the Company's Integrity Program, the Policy on Disclosure of Information and Negotiation with Securities, the Policy on Remuneration of the members of the Board of Officers, as well as any other policies as the Board of Directors may deem necessary or advisable, such as, without limitation, application of tax incentives' policies;

bb) resolve on internal regulations for the Board of Directors (and any subsequent amendments, additions or other changes thereto), which shall supplement and further regulate the provisions of these Bylaws relating to the procedures of the Board of Directors, provided that in the event of any discrepancies or other inconsistencies between the rules contained in such internal regulations and the provisions of these Bylaws, the Bylaws shall prevail;

(cc) resolve on the engagement, nomination, replacement, removal and/or dismissal of the members of the Conduct Committee referred to in the Company's Code of Ethics and Conduct, which shall be composed of a total of five (5) members (who shall not be part of the Audit Committee) and shall report to the Company's Audit Committee;

(dd) resolve on the engagement, nomination, appointment, replacement, removal and/or dismissal of the person in charge for the Integrity Department referred to in the Company's Code of Ethics and Conduct, who must be hired as a full-time employee of the Company, and who shall work in cooperation with the Conduct Committee, and report to the Audit Committee of the Company;

(ee) resolve on relevant strategic decisions outside the ordinary course of business of the Company, such as, without limitation, (i) building and shutting down large equipment of the reduction area, (ii) opening and closure of production lines or (iii) opening or closure of business lines.

1st Paragraph – For the purposes of these Bylaws (including, without limitation, for purposes of item "y" of the heading of this Article 13 and the 3rd Paragraph of this Article 13), the term "Related Parties" means and includes the following persons:

(a) any Company's shareholder member of the control group or that holds shares representing more than 5% (five per cent) of the voting or total capital;

(b) any members of the board of directors, board of officers or other similar or comparable management bodies (effective or alternates) of the Company or of its controlled companies, as well as their respective spouses and relatives up to the second degree;

(c) any members of the board of directors, board of officers or other similar or comparable management bodies (effective or alternates) of the shareholders members of the control group of the Company;

(d) any controlled, controlling or affiliated companies or companies under common control of any Company's shareholder member of the control group; and

(e) any controlled or affiliated companies of any members of the board of directors, board of officers or other similar or comparable management bodies (effective or alternates) of the Company or of its controlled companies;

For the purposes of these Bylaws (including for purposes of the above definition of the term "Related Parties"), the terms "control," "controls," "controlled" and "controlling" are used with the meaning given in article 243 paragraph 2 of the Law No. 6,404/1976 and the term "affiliate" is used with the meaning given in article 243 paragraph 1 of the Law No. 6,404/1976 (as supplemented by paragraphs 4 and 5 of that same article).

2nd Paragraph – In any transaction or other business within the scope of item "y" of the heading of this Article 13, if any member of the Board of Directors has a direct interest in the transaction or matter or receives any direct or indirect compensation (employment, contractual or otherwise) from the Related Party at issue (or from any entity that controls, is controlled by or is subject to common control with such Related Party), such member shall inform the Board of Directors thereof and abstain from discussing and voting on the approval of the matter at the relevant Board of Directors meeting. Any member of the Board of Directors who abstains from discussing and voting as per this 2nd Paragraph of this Article 13 shall be considered as present for purposes of determining the attendance quorum under Article 11 but shall not be considered for purposes of determining the voting majority required for the adoption of a resolution in connection with the transaction or matter at issue; therefore, a resolution shall be adopted if approved by a majority of the total number of members of the Board of Directors present at that

meeting excluding the member(s) of the Board of Directors who abstained from voting as per this 2nd Paragraph of this Article 13.

3rd Paragraph – The extension of loans by the Company, or by any entity controlled by the Company, to a Related Party is prohibited, it being understood that such prohibition shall not preclude the Company (or any of its controlled companies) from extending other forms of financing or credit to Related Parties in connection with any sale of products or other business transaction approved by the Board of Directors pursuant to item “y” of the heading of this Article 13.

4th Paragraph – As an exception to the provisions in item “j” of the heading of this Article 13, no prior approval and authorization from the Board of Directors shall be required in connection with any purchase or acquisition by the Company or its controlled companies of raw materials or other inputs necessary or required for, or in connection with, the manufacturing of its products, neither for any sale by the Company or its controlled companies of any goods, products and byproducts nor for the engagement of any maintenance services for the Company’s or for its controlled companies’ equipment or facilities, in each case, as long as each and every one of the following conditions are satisfied:

(i) any such transaction is performed in the ordinary course of business;

(ii) in the case of purchases, acquisitions or engagements by the Company or its controlled companies, any such transactions is preceded by competitive and transparent purchase or engagement procedures in accordance with applicable Company’s policies and practices;

(iii) no third party financing or bank financing is involved, except any credit or financing that may be offered or supplied by the counterparty itself in connection to the respective transaction;

(iv) any such transaction is submitted to the approval of the Board of Officers prior to its execution; and

(v) all transactions entered into pursuant to this 4th Paragraph of this Article 13 are reported monthly to the Board of Directors, accompanied by all necessary supporting documentation.

5th Paragraph - The exception described in the 4th Paragraph of this Article 13 shall not, however, apply to the following transactions, which, therefore, shall require prior approval and authorization from the Board of Directors:

(i) any transaction involving an amount that exceeds, in the aggregate, R\$ 400,000,000.00 (four hundred million reais) or its equivalent in any other currency, whether in a single transaction or in a series of combined or related transactions (including, by way of example but without limitation, transactions with related parties of a same contractor and/or involving subcontracting);

(ii) any transaction having a term longer than three (3) years; or

(iii) any transaction with or involving a Related Party.

Article 14 – The Board of Directors shall meet, ordinarily, four times a year, and, extraordinarily, whenever deemed necessary by its Chairperson or by at least three (3) other members of the Board of Directors. Without prejudice to the foregoing, the Board of Directors may, from time to time, approve (and thereafter supplement, amend or otherwise modify) a meetings calendar setting in advance the dates in which the Board of Directors shall hold its ordinary and/or extraordinary meetings in the following 12-month period.

1st Paragraph – The Chairperson of the Board of Directors shall be responsible for convening any ordinary or extraordinary meeting of the Board of Directors. Any one or more other members of the Board of Directors may submit a request for the Chairperson to convene a meeting of the Board of Directors, provided that if the Chairperson does not convene such meeting within 3 (three) calendar days after the receipt of such request, the meeting may be convened by any 3 (three) members of the Board of Directors in accordance with the applicable provisions of these Bylaws and the internal regulations of the Board of Directors.

2nd Paragraph – Meetings of the Board of Directors shall be convened by means of a written notice containing the time, date and venue of the meeting, as well as a brief description of the matters to be resolved at such meeting. Such call notice shall be sent to each member of the Board of Directors with a minimum advance notice of: (i) five (5) business days for extraordinary meetings, except for the cases in which there is a justified urgency as requested by the Board of Officers, in which case the call may be made within a shorter timeframe, at the sole discretion of the Chairperson of the Board of Directors; and (ii) ten (10) calendar days for the ordinary meetings; provided that, notwithstanding the provisions of sub-items (i) and (ii) of this 2nd Paragraph, the Board of Directors may, from time to time and with the unanimous consent of its members, waive any minimum advance notice period or agree to a shorter advance notice period with respect to one or more meetings.

3rd Paragraph – Annual or quarterly financial statements, management reports, external auditors draft opinion and any other materials relating to matters to be considered or resolved at any ordinary or extraordinary meetings of the Board of Directors shall be provided or made available to its members together with the call notice of the meeting.

4th Paragraph – Meetings of the Board of Directors shall be chaired by the Chairperson of the Board of Directors, and the Corporate Governance Secretary shall act as secretary to the meeting. In case of absence or impediment of the Corporate Governance Secretary, the Chairperson shall designate another person to act as secretary to the meeting. Except in the case of a resolution adopted pursuant to the 7th Paragraph of this Article 14, resolutions on any matters submitted to a vote at a Board of Directors meeting shall be adopted if approved by the vote of a majority of the members attending the relevant meeting, with due regard for the provisions in the 2nd Paragraph of Article 13.

5th Paragraph – When an effective member is impeded from attending or needs to be absent from a meeting of the Board of Directors, such effective member may submit to the other members of the Board of Directors and to the Corporate Governance Secretary his/her written vote in advance of such meeting, in which case his/her vote shall be as valid and effective as if it were casted by such effective member while present at such meeting.

6th Paragraph – Meetings of the Board of Directors may be held by a telephone conference, video conference or by any other means of communication which allows the identification of each person attending the meeting and the simultaneous communication with all the other persons attending the meeting. Any member of the Board of Directors attending a meeting of the Board of Directors by telephone conference, video conference or by any such other equivalent means of communication shall be considered for all purposes as present at such meeting.

7th Paragraph – In lieu of holding the meetings of the Board of Directors in person or by the means contemplated in the 6th Paragraph of this Article 14, the meetings of the Board of Directors may be held virtually, with each effective member of the Board of Directors submitting his or her written vote on the matters to be resolved at the relevant Board of Directors' meeting. Each effective member of the Board of Directors shall submit his/her written vote by e-mail (or other written communication means as the Board of Directors may approve) to each of the other effective members of the Board of Directors and to the Corporate Governance Secretary, on or prior to the date and time set forth to that effect in the call notice for such virtual meeting. Resolutions adopted pursuant to this 7th Paragraph of this Article 14 shall be as valid and effective as a resolution adopted at a meeting of the Board of

Directors held in person or by any of the means contemplated in the 6th Paragraph of this Article 14.

8th Paragraph – The Chairperson of the Board of Directors shall cause minutes of all meetings of the Board of Directors to be prepared by the Corporate Governance Secretary or any other person acting as secretary to such meeting, which minutes shall reflect the procedures and resolutions adopted thereat. Minutes of the Board of Directors meeting may be prepared in summary form and shall be signed by the Chairperson, the secretary to the meeting and the other members of the Board of Directors who attended the meeting. The minutes shall be valid if signed by as many Directors as are sufficient to achieve the majority required for the resolutions adopted at the meeting.

Article 15 – The Board of Directors may create one or more committees, each one composed of a number of members who may be members of the Board of Directors and/or any other persons (including, by way of example and without limitation, officers, employees, shareholder representatives or external consultants), and having such duties, powers and authority as the Board of Directors may determine.

1st Paragraph – The Board of Directors shall necessarily form an Audit Committee, which shall assist the Board of Directors in fulfilling its supervision responsibilities relating to:

(a) the supervision of the quality and consistency of the Company's financial statements, including by periodically reporting to the Board of Directors with regard to the adequacy of the Company's systems of internal controls over financial reports;

(b) the identification and assessment of legal or regulatory risks that may materially affect the Company or its business;

(c) the monitoring of internal and external audit activities;

(d) the monitoring of the effectiveness of the Company's Integrity Program; and

(e) the adoption of appropriate corporate governance standards.

2nd Paragraph – The Audit Committee shall be responsible for:

(a) proposing to the Board of Directors the adoption of measures meant to enhance the performance of the activities listed under the 1st Paragraph of this Article 15;

(b) reviewing the annual and quarterly financial statements prepared by the management, including the notes thereto, the management reports and external auditor's draft opinion on such financial statements, and making recommendations to the Board of Directors as it deems necessary with respect thereto;

(c) periodically assessing the adequacy of the Company's systems of internal controls over financial reports, and making improvement recommendations to the Board of Directors as it deems necessary;

(d) making recommendations for the appointment, compensation, engagement and supervision of, and evaluate the independence of, the Company's external auditors;

(e) reviewing and giving its opinion on the external auditor's annual audit plan, and on any proposed audit-related services and associated fees of external auditors;

(f) reviewing and giving its opinion on any permitted non-audit services proposed to be rendered by the external auditors and the fee proposal for such services;

(g) reviewing and making recommendations to the scope of the annual internal audit plan, follow up the results of the internal audit activities, including the review and presentation of recommendations to any preliminary or final internal audit reports issued.

(h) following up on, and monitoring the implementation of, any recommendations made by the Internal Audit Department or by the external auditors, and reporting the results to the Board of Directors;

(i) monitor the compliance with the Company's Code of Ethics and Conduct and the Policies forming part of the Company's Integrity Program; including by overseeing the activities of the Conduct Committee and the Integrity Department, and reporting the results to the Board of Directors; and

(j) ensuring that a system for the identification, assessment and management of the major legal and regulatory risks associated with the Company's activities is in place, and periodically assessing its adequacy.

3rd Paragraph – The Audit Committee shall be comprised of a maximum of 5 (five) members, all elected by the Board of Directors.

4th Paragraph – The members of the Audit Committee may be, but not necessarily need to be, members of the Board of Directors; provided, however, that no officer or other employee of the Company or of any of its controlled companies may be elected or appointed as member of the Audit Committee.

5th Paragraph – The members of the Audit Committee shall have a term of office of 2 (two) years and may be reelected indefinitely.

6th Paragraph – In case of a permanent impediment or other vacancy event in the Audit Committee, the Board of Directors shall elect a new member to such Committee to complete the term of office of the member subject to the permanent impediment or vacancy.

7th Paragraph – The Audit Committee shall approve, by majority of votes of its members, internal regulations regulating matters relating to its internal operation not provided for in these Bylaws. In case of discrepancies or other inconsistencies between such internal regulations and these Bylaws, the Bylaws shall prevail.

Section III – Board of Officers

Article 16 – The Board of Officers shall be composed of a Chief Executive Officer (*Diretor-Presidente*), a Vice-President – Corporate Planning (*Diretor Vice Presidente de Planejamento Corporativo*), a Vice-President – Finance and Investor Relations (*Diretor Vice Presidente de Finanças e Relações com Investidores*), a Vice-President – Industrial (*Diretor Vice Presidente Industrial*), a Vice-President – Commercial (*Diretor Vice Presidente Comercial*) and a Vice-President – Technology & Quality (*Diretor Vice Presidente de Tecnologia e Qualidade*). The members of the Board of Officers shall be nominated and appointed by the Board of Directors for a term of office of two (2) years, substantially coinciding with the term of office of the members of the Board of Directors, with due regard for the provisions in the 3rd Paragraph of Article 9. Members of the Board of Officers may be reelected indefinitely, and may be dismissed and replaced at any time, with or without cause, by resolution of the Board of Directors.

Article 17 – The Vice-President – Industrial (*Diretor Vice Presidente Industrial*) shall replace the Chief Executive Officer in his/her temporary absence or temporary impediment, and shall exercise the roles and prerogatives of the office of the Chief Executive Officer (including without limitation the tie-breaking vote pursuant to Article 11) for the duration of

such temporary absence or temporary impediment; provided that if such temporary absence or temporary impediment extends for longer than three (3) consecutive months, or in the event of a permanent impediment or other vacancy event, the Board of Directors will appoint a new Chief Executive Officer to complete the term of office of the Chief Executive Officer permanently impeded, absent for longer than three (3) consecutive months or who vacated his/her seat; and provided, further, that the Vice-President - Industrial shall continue to exercise the roles and prerogatives of the office of the Chief Executive Officer (including without limitation the tie-breaking vote pursuant to Article 11) until such new Chief Executive Officer is effectively appointed and takes office.

Sole Paragraph – In case of temporary absence or temporary impediment of Officers other than the Chief Executive Officer, the following rules shall be applied: (a) the Vice-President – Commercial and the Vice-President – Technology & Quality shall, each of them, designate another Statutory Officer to replace them; (b) the Vice-President – Corporate Planning will be replaced by the Vice-President – Finance and Investor Relations, and *vice versa*; and (c) the Vice-President – Industrial will be replaced by the Chief Executive Officer. In all cases referred to above, the substitute Officers so designated shall exercise the roles and prerogatives of the relevant office for the duration of such temporary absence or temporary impediment. If such temporary absence or temporary impediment extends for longer than three consecutive (3) months, or in the event of a permanent impediment or other vacancy event, the Board of Directors will appoint a new Statutory Officer to complete the term of office of the Statutory Officer subject to the permanent impediment, absence for longer than three (3) consecutive months or vacancy. The person designated to replace the relevant Statutory Officer in such office in his/her absence or impediment shall continue to exercise the roles and prerogatives of such office until the new Statutory Officer is effectively appointed and takes office.

Article 18 – With due regard to the provisions of these Bylaws and applicable law, the Board of Officers shall have full power and authority to carry out any and all actions as may be necessary or convenient to achieve the Company's corporate purposes, abiding by applicable legal and regulatory requirements and by the resolutions adopted, from time to time, by the Shareholders Meeting and by the Board of Directors.

Article 19 - Without prejudice to any other attributions, powers and prerogatives of the Board of Officers contemplated elsewhere in these Bylaws or by the Law No. 6,404/1976, the Board of Officers shall have the attributions, powers and authority to:

a) determine and implement the administrative structure of the non-statutory management positions of the Company;

b) monitor the execution and implementation of its decisions;

c) monitor and assess the Company's activities and performance;

d) except for contracts or transactions falling under items "i," "j," "k," "l" and "y" of the heading of Article 13 or under the 4th and 5th Paragraphs of Article 13, resolve on contracts or transactions proposed to be entered into by the Company for or in connection with the conduct of its business, including any purchase or acquisition of raw materials or other inputs, any sales of goods, products and byproducts, any engagement of services, any sale or encumbrance of fixed or other non-current assets, any investments or capital expenditures, any loans or other incurrence or assumption of indebtedness of any kind, ensuring that, in the case of purchases, acquisitions or engagements by the Company, any such transaction is preceded by competitive and transparent purchase or engagement procedures;

e) prepare, or cause to be prepared, annual and multi-annual budgets for the Company, and any expansion and modernization projects and investment plans, for submission to the Board of Directors;

f) approve the remuneration policy of the non-statutory personnel;

g) approve any hiring, promotion, dismissal, removal or disciplinary decision affecting any employee in a management position directly reporting to a Statutory Officer of the Company, provided that, in case of divergence resulting from the inability to reach the majority required pursuant to paragraph 2nd of this Article 19, the final decision will be taken by the Chief Executive Officer;

h) prepare, or cause to be prepared, the management's annual report, the Company's annual and quarterly financial statements and any other documents as may be required to be submitted for consideration and approval by the Board of Directors or by the Shareholders Meeting;

i) propose to the Board of Directors any opening, set up, transfer or closure of any branches, offices, representation offices or other temporary or permanent establishments of the Company as the Board of Officers may deem necessary or advisable;

j) propose to the Board of Directors the decisions subject to item "ee" of Article 13; and

k) in general, resolve on any other matters that are not included in the powers and prerogatives of the Board of Directors or of any of its members (or of the Audit Committee or any other Committee of the Board of Directors), the Shareholders Meeting, or within the scope of authority of any member of the Board of Officers.

1st Paragraph – The Board of Officers shall meet at least once a month to consider and resolve on any matters contemplated in the heading of this Article 19.

2nd Paragraph – The resolution of any Board of Officers meeting shall be adopted only if approved by the affirmative vote of an absolute majority (i.e., half plus one) of the members of the Board of Officers then in office, regardless of the number of members attending the meeting.

3rd Paragraph – To the extent not inconsistent with the provisions of this Article 19, the provisions in Article 14, including the provisions in its heading and in each of its 1st, 3rd, 4th, 5th, 6th, 7th and 8th Paragraphs, shall mutatis mutandis apply to the resolutions of the Board of Officers. In the event that the Board of Directors approves an internal regulation for the Board of Officers, the rules contained in such internal regulation shall prevail and replace, with respect to the Board of Officers' meetings, the application of the provisions of Article 14 referred to above.

Article 20 – Without prejudice to the duties, powers and prerogatives provided for elsewhere in these Bylaws or by the Law No. 6,404/1976, the Chief Executive Officer shall have the duty, power and authority to:

- a) chair all meetings of the Board of Officers;
- b) represent the Company, whether in or out of court;
- c) coordinate and guide the activities of the other members of the Board of Officers, within their respective areas of authority;
- d) from time to time and as deemed necessary, assign to one or more members of the Board of Officers special activities and tasks within their respective areas of authority, for them to perform others in addition to those corresponding to their respective ordinary attributions set by the Board of Directors; and
- e) ensure that the resolutions of the Board of Directors and of the Board of Officers are duly observed and carried out.

Article 21 – The Board of Directors shall set the ordinary attributions of each of the Vice-President – Corporate Planning, the Vice-President – Finance and Investor Relations, the Vice-President – Industrial, the Vice-President – Commercial and the Vice-President – Technology & Quality.

Article 22 – With due regard to the provisions in the 1st, 2nd, 3rd and 4th Paragraphs of this Article 22, the Company shall be validly bound when represented by any 2 (two) members of the Board of Officers acting jointly, or by 1 (one) member of the Board of Officers acting jointly with 1 (one) attorney-in-fact, or by 2 (two) attorneys-in-fact acting jointly, within the limits of their respective powers.

1st Paragraph – Any act or transaction that requires the prior approval or authorization by the Board of Directors or by the Board of Officers under these Bylaws, may only be carried out only if, and after, such preliminary condition is fulfilled.

2nd Paragraph – The acts and instruments resulting in liability for the Company in an amount equal to or greater than five-tenths of one per cent (0.5%) of the Company's capital stock shall require the joint signature by (i) the Chief Executive Officer and other member of the Board of Officers or (ii) two (2) Statutory Officers, provided that they are duly authorized by the Board of Directors to represent the Company on this particular matter. The signature by attorneys- in-fact shall not be allowed for these cases.

3rd Paragraph – The Company may be represented by just one member of the Board of Officers or attorney-in-fact:

a) in the case of obligations to be assumed abroad, as long as that such individual representation has been previously approved by the Board of Directors;

b) when it involves the performance of acts of simple administrative routine, including those related to the public authorities in general, such as, regulatory bodies, public companies, mixed capital companies, Boards of Trade, the Brazilian Social Security (INSS), Employees Compensation Fund (FGTS) and its collecting banks and others of identical nature;

c) in shareholders' meetings (ordinary or extraordinary) or any other shareholders' or quotaholders' meetings of any companies or entities in which the Company holds equity interest; and

d) in case of powers of attorney granted to one or more agents or attorneys to represent the Company in judicial, administrative or arbitration proceedings.

4th Paragraph – The Company’ powers of attorney must (a) be previously approved by the Board of Officers or, alternatively, (b) be executed by the Chief Executive Officer jointly with any other member of the Board of Officers or by the Chief Executive Officer jointly with one (1) attorney-in-fact named “General Attorney-in-Fact” appointed by a specific power of attorney drawn up by a public instrument and signed by four (4) Officers. All powers of attorney must specify (i) the powers (not to exceed the powers of the Board of Officers) conferred to the attorney(s)-in-fact appointed by such instrument, (ii) whether such attorney(s)-in-fact may act individually or if he/she must act jointly with another attorney-in-fact or with a member of the Board of Officers, (iii) the term for which such power of attorney is being granted, and (iv) whether the attorney(s)-in-fact may or may not delegate any powers granted to him/her. The powers of attorney for the performance of any action or the entering into of any transaction requiring the approval or authorization of any of the Board of Directors or the Board of Officers may only be granted after such approval or authorization is granted and must include an express reference to such approval or authorization. The powers of attorney shall be granted for limited period of time, not to exceed one year, except the powers of attorney for judicial representation or similar matters that may be granted for a longer or an indefinite term; provided, however, that the Company may, by resolution of the Board of Officers, revoke any and all powers of attorney at any time, with or without cause.

5th Paragraph – Any act of purported representation of the Company other than in accordance with the terms of the heading and the 1st, 2nd, 3rd and 4th Paragraphs of this Article 22 shall be null and void and shall not be binding upon the Company.

CHAPTER V – Fiscal Council

Article 23 – The Company shall have a permanent Fiscal Council, having the attributions and powers contemplated by the Law No. 6,404/1976. The Fiscal Council shall be composed of either three (3) or five (5) effective members and their respective alternates, all of whom shall be elected by the Shareholders Meeting.

1st Paragraph – The members of the Fiscal Council shall be elected at the Ordinary Shareholders Meeting, and their term of office shall end at the Ordinary Shareholders Meeting of the fiscal year following their election. The members of the Fiscal Council may be reelected indefinitely.

2nd Paragraph – The Fiscal Council shall elect its Chairperson from among its effective members. The Chairperson of the Fiscal Council, without prejudice to the individual powers and attributions granted by the Law No.

6,404/1976 to each member, shall have the authority to organize and coordinate the activities of the Fiscal Council and to represent it before other corporate bodies.

3rd Paragraph – Upon the election of the members of the Fiscal Council, the Shareholders Meeting shall also determine their remuneration.

4th Paragraph – The Fiscal Council shall approve, by a majority vote, internal regulations to govern and regulate its procedures.

CHAPTER VI –Fiscal Year

Article 24 –The Fiscal Year shall begin on January 1st and shall end on December 31st of each year.

1st Paragraph – At the end of each fiscal year, the Board of Officers will prepare, with due regard to the relevant legal requirements, the following financial statements: **I** –balance sheet; **II** – statement of net equity changes; **III** – statement of the year's results; **IV** – cash flow statement; and **V** – statement of added value.

2nd Paragraph – Along with the annual financial statements, the Board of Directors shall present to the Ordinary Shareholders Meeting its proposal for the destination of net profit, subject to the provisions of these Bylaws and applicable law.

3rd Paragraph – An amount equal to five per cent (5%) of the fiscal year net profit shall be allocated to Legal Reserve, until such legal reserve reaches an amount equal to twenty per cent (20%) of the Company's corporate capital.

4th Paragraph – The Board of Directors may propose and the Shareholders Meeting may approve to deduct from the net profit of the fiscal year, after the constitution of the legal reserve, an amount not to exceed fifty percent (50%) of such net profit to constitute a Reserve for Investments and Working Capital, which shall be subject to the following principles:

a) its constitution may not jeopardize the shareholders' right to receive payment of the mandatory dividend set forth in the 5th Paragraph of this Article 24;

b) its balance may not surpass ninety five per cent (95%) of the Company's corporate capital;

c) the reserve shall have the purpose of ensuring the availability of funds for investments in fixed assets, or increase the working capital,

including through amortization of the Company's debts, regardless of profit retentions bound to the capital budget, and its balance may be used:

- i) for the absorption of losses, whenever needed;
- ii) for dividend distribution, at any time;
- iii) for operations of redemption, reimbursement or repurchase of shares, as authorized by law;
- iv) for incorporation to the corporate capital, including through the issuance of bonus shares (*ações bonificadas*).

5th Paragraph - Of the net income of the fiscal year, as adjusted in accordance with the provisions in items "i" and "ii" below, twenty five per cent (25%) shall be allocated to the payment of dividends to the shareholders, provided that the holders of preferred shares shall receive dividends ten percent (10%) higher than those attributed to the common shares. For the purposes of this 5th Paragraph of this Article 24, the net income of the fiscal year shall be adjusted by the:

i) addition of any amounts resulting from the reversion, during the fiscal year, of contingency reserves previously created; and resulting from the realization, during the fiscal year, of profits that had been previously transferred to the reserve for realizable profits; and

ii) decrease in the amounts allocated, during the fiscal year, to the legal reserve, contingency reserve and reserve for realizable profits. Dividends determined in accordance with this 5th Paragraph of this Article 24 may be paid based on the profits for the fiscal year itself, on the basis of which the amount of such dividends was calculated, or based on preexisting profit reserves, at the discretion of either the Shareholders Meeting or the Board of Directors, as applicable.

6th Paragraph - As long as the allocations contemplated in the 3rd, 4th and 5th Paragraphs of this Article 24 are satisfied, the Shareholders Meeting may resolve retain part of the net profits of the fiscal year agreed in the capital budget approved by the Shareholders Meeting (*orçamento de capital*) in the form of article 196 of the Law No. 6,404/1976, with the remainder to be distributed to the shareholders as a supplemental dividend.

7th Paragraph - Any interest on net equity (*juros sobre capital próprio*) paid or credited as remuneration pursuant to item "x" of Article 13 may be credited against the amount of dividends to be distributed by the Company pursuant

to the provisions of this Article 24, in which case such interest on net equity will be deemed as an integral part of such dividends for all legal effects.

8th Paragraph – The Shareholders Meeting may grant to the management a profit sharing, subject to applicable legal limits. It is a condition for payment of such profit sharing the attribution to the shareholders of the mandatory dividend aforementioned in the 5th Paragraph of this Article 24. Whenever semiannual financial statements are prepared and interim dividends are paid based thereon in an amount equal to at least twenty-five per cent (25%) of the net income of the period, calculated as per the terms of the 5th Paragraph of this Article 24, a participation in the semiannual profit may be paid to the members of the Board of Officers, by resolution of the Board of Directors ratified by the Shareholders Meeting.

9th Paragraph – The Shareholders Meeting may resolve, at any time, to distribute dividends on account of pre-existing profit reserves.

10th Paragraph – The Company may prepare semiannual or shorter period financial statements. The Board of Directors may deliberate on the distribution of dividends on account of profit calculated within those statements. The Board of Directors may also declare interim dividends on account of profit within the last annual financial statement.

11th Paragraph – The Shareholders Meeting may resolve on the capitalization of reserves that are already formed.

12th Paragraph – Dividends not claimed within three (3) years of their approval shall be forfeited in favor of the Company.

CHAPTER VII - Liquidation

Article 25 – The Company shall go into liquidation in the cases prescribed by law or by decision of the Shareholders Meeting.

Sole Paragraph – It is within the Shareholders Meeting's authority to set the form of liquidation, appoint the liquidator and the members of the Fiscal Council, which shall function during the liquidation period, fixing their relevant fees.

CHAPTER VIII – Miscellaneous Provisions

Article 26 - The Company shall comply the shareholders agreements filed at its headquarters pursuant to article 118 of Law No. 6,404/1976. The Company shall not register any transfer of shares made in other than in strict compliance to the applicable terms of such shareholders agreement, and shall

disregard any votes cast in violation to such shareholders agreements in Shareholders Meetings and meetings of the Board of Directors.

Article 27 – As long as it holds at least ten percent (10%) of the Company's ordinary capital, the shareholder Nippon Usiminas Co. Ltd. has the right to fill one of the positions for effective members of the Board of Directors, referred to in Article 12, in which case the shareholder Nippon Usiminas Co. Ltd. may only participate in any election by cumulative voting if and to the extent of the shares exceeding the percentage defined above, and subject to the provisions of any shareholders agreements filed in the Company's headquarters.