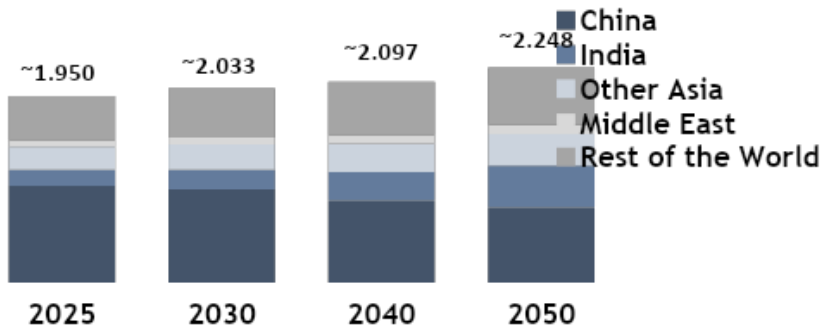


18th Arab Steel Summit & International Iron and Steel Exhibition

Muscat, 08th October 2025



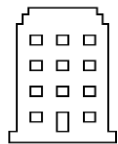
CRUDE STEEL PRODUCTION (Mt)



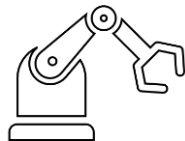
- As **steel production continues to grow in the coming years, so does the demand for high-quality iron ore products**, with a focus on increasing productivity and reducing emissions.
- **The path toward decarbonization** will lead to a greater share of pellets in blast furnaces (BFs) and increased demand for pellets to support the expansion of **new direct reduction (DRI) projects**.
- **Samarco** stands out for its ability to supply customers with **higher-quality products for both BF and DRI routes**.



Population Growth



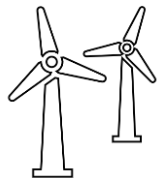
Urbanization



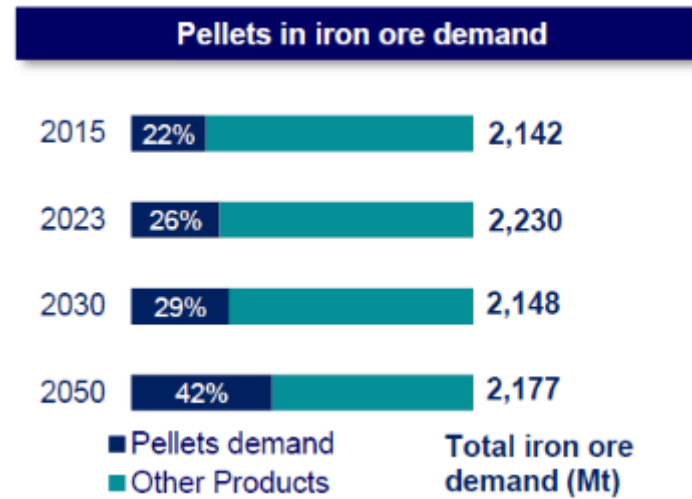
Technological Progress



Climate change and the environment



Energy Transition

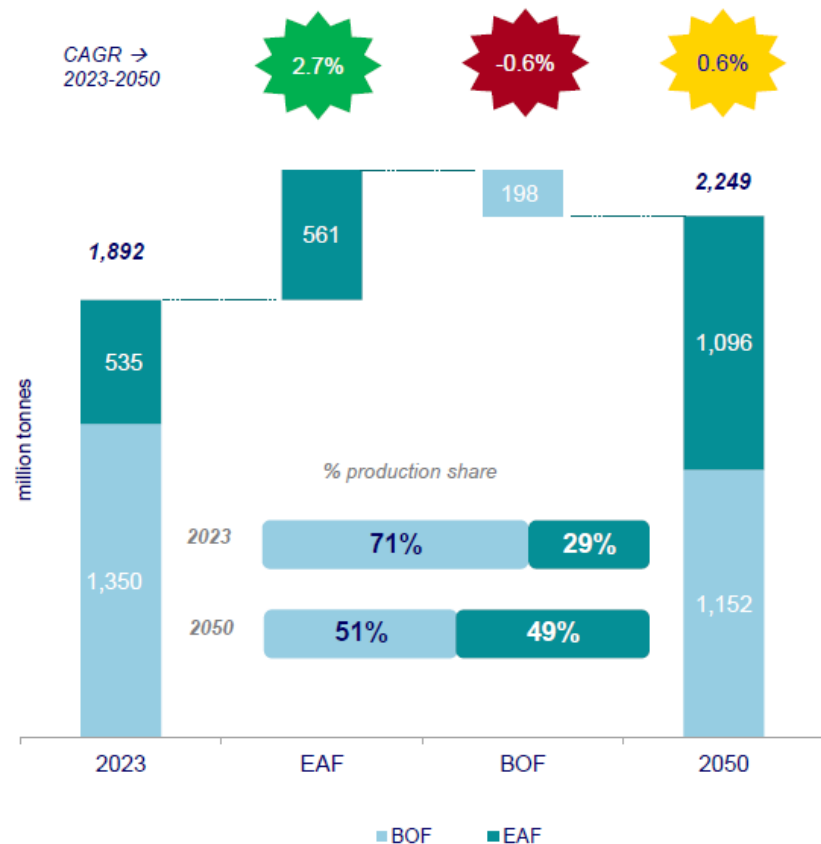




HOW THE
green transition

Is impacting the seaborne
market for high-grade
pellets

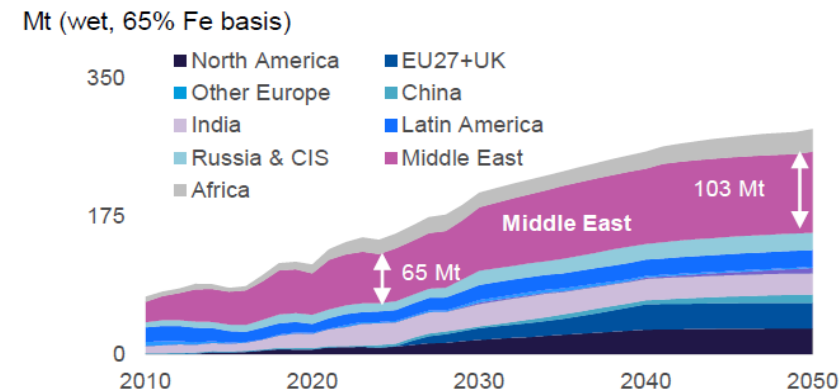
A strong pipeline of new DRI projects is expected to increase demand for DR pellets.



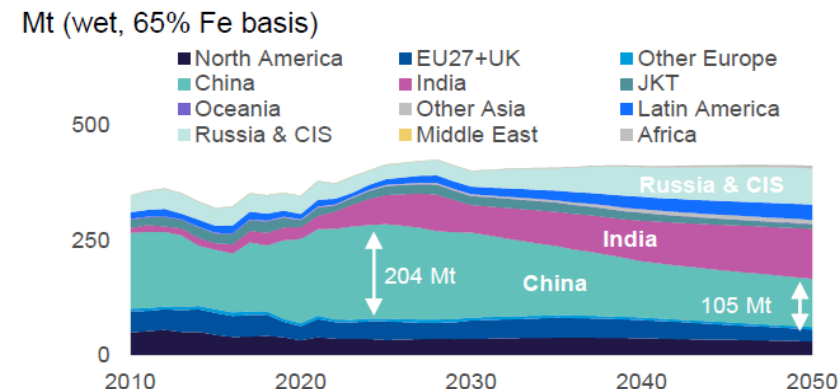
Decarbonization will lead the pursue for high grade materials in the metallic charge, as well as increased production via EAF.

+30Mt of additional seaborne pellet demand is expected in the coming years

DR pellet demand, 2010-2050

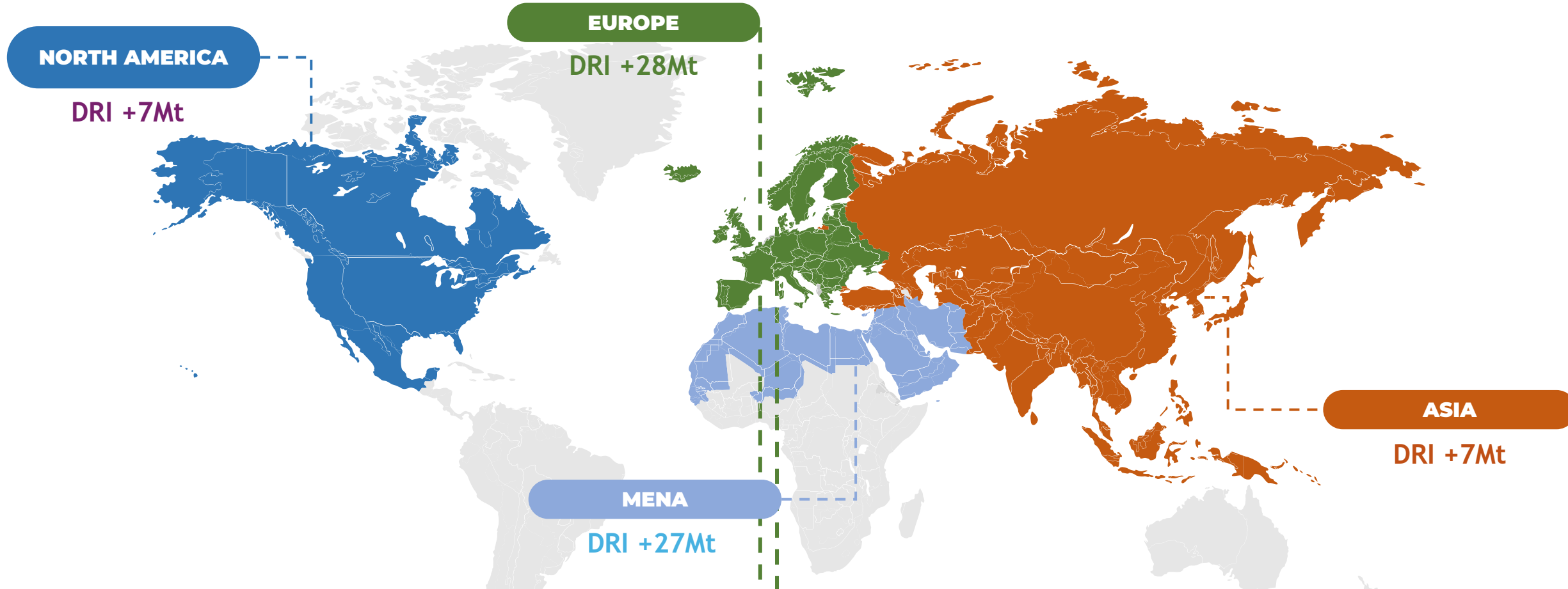


BF pellet demand, 2010-2050



A HUGE PIPELINE OF ANNOUNCED DR PROJECTS OVER THE COMING YEARS

The DRI-EAF route is currently considered the main solution for decarbonization. In Europe, several direct reduction (DR) modules will replace blast furnaces, while in the MENA region, new capacities will come from greenfield projects.

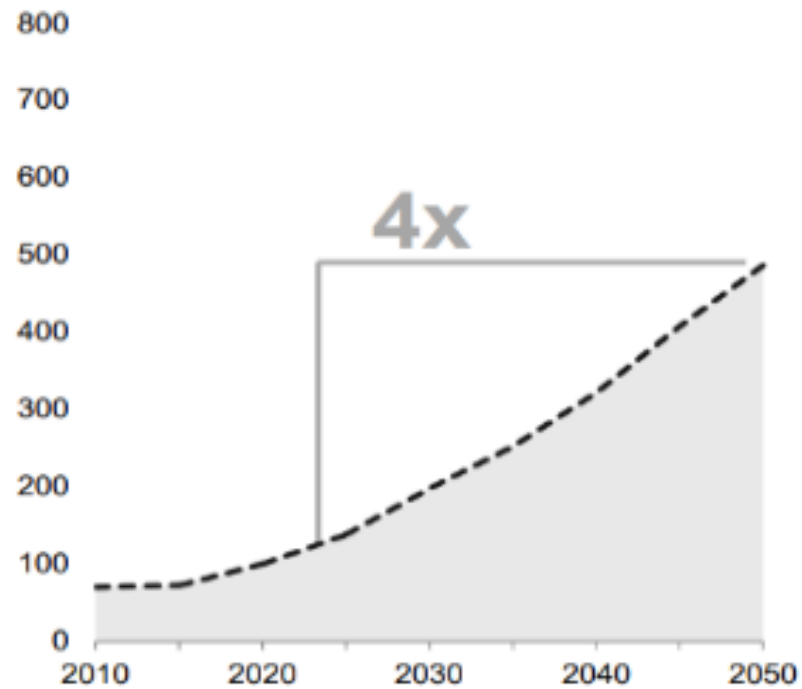


More than 70 Mt of DRI from new projects have already been announced through 2035; however, delays, changes, and cancellations are expected along the way.

DR GRADE PELLET SHORTAGE IN THE LONG TERM

Demand for high-grade pellets to surge with numerous DRI capacity additions in the coming years.

GLOBAL DRI PRODUCTION, Mt



- Majority of global seaborne supply comes from low to mid-grade quality pellets sources.
- Accelerated investments in DRI will add further pressure on pellet and pellet-feed supply.
- Scrap constraints: delayed investment in scrap systems results in stronger demand for iron ore.

DESPITE SEVERAL NEW MINE PROJECTS, MOST OF THEM ARE UNSUITABLE FOR DR GRADE PELLETT PRODUCTION

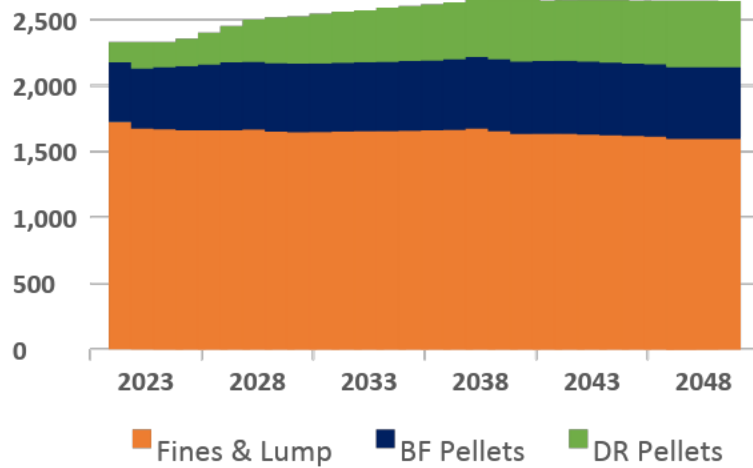
CHALLENGES FACED IN THE MINING INDUSTRY TO PRODUCE DR GRADE PELLETS

- Limited sources of DR grade pellet-feed.
- “Just 8% of current production of pellet feed is prime grade for green steel and another 15-20% can be beneficiated to become prime grade”.
(Wood Mackenzie, 2024)
- Increasing complexity to obtain environmental licenses.
- Lower productivity to produce DR grade compared to BF grade pellets.
- Higher operational costs to produce DR grade pellets.



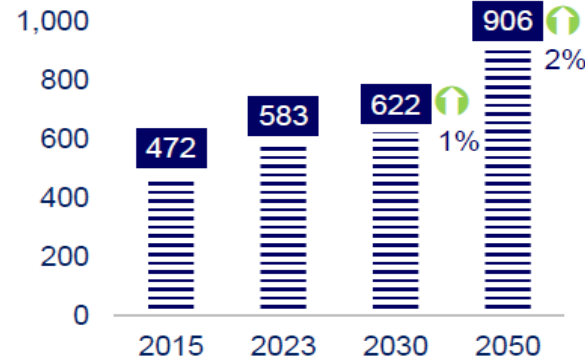
UNDERSTANDING THE
supply and demand
GLOBALLY

IRON ORE DEMAND

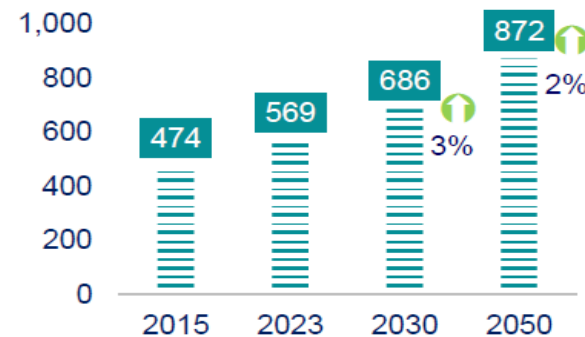


PELLET SXD CURVE - SEABORNE (Mt)

Global pellet demand (Mt)

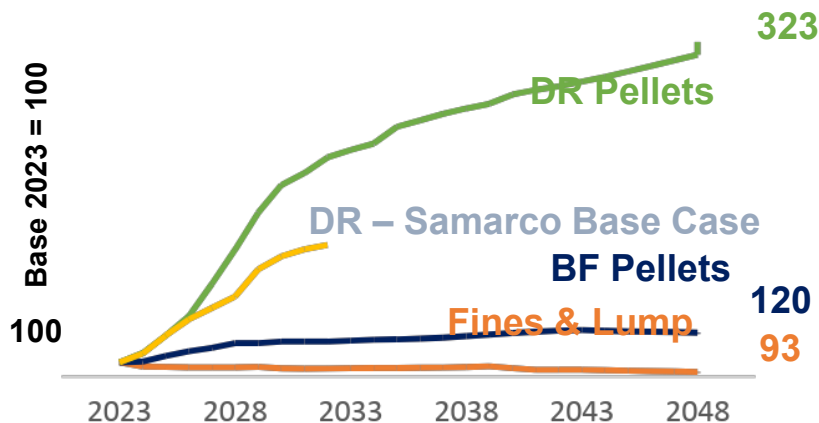


Global pellet supply (Mt)



Fonte: Wood Mackenzie

DEMAND CURVE BASE 100 = 2023



Sources: AME, GME Marketing

HIGHLIGHTS

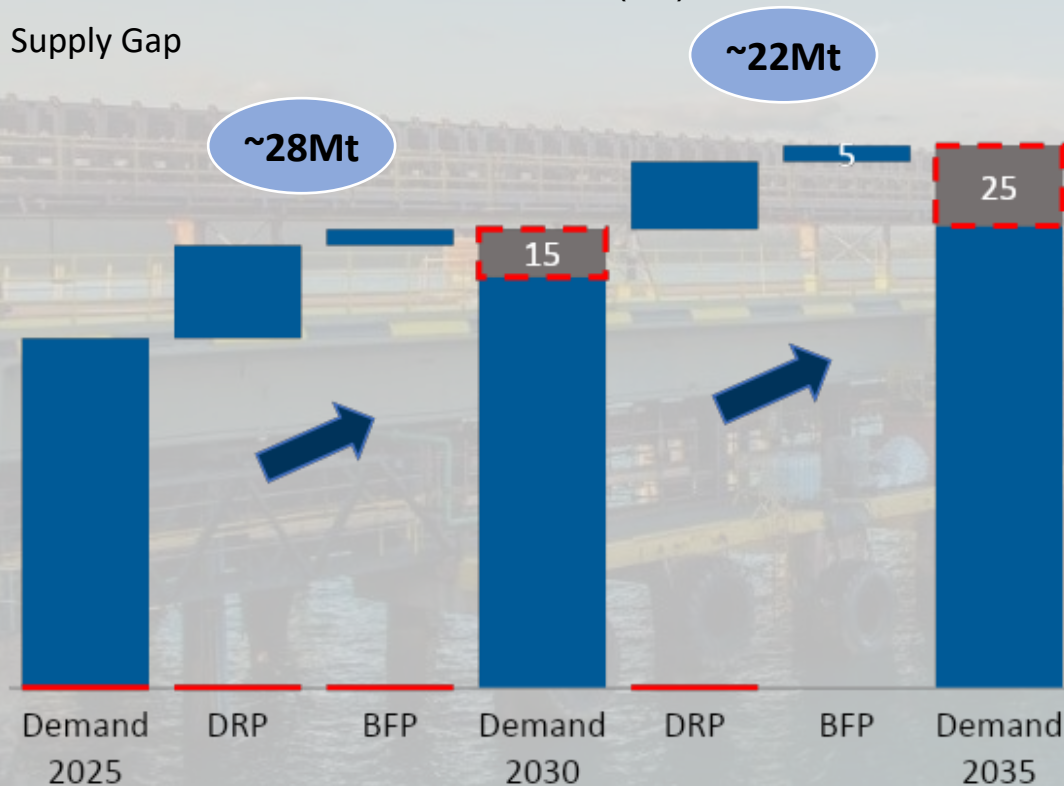
- New investments in DR modules, whether greenfield or blast furnace replacements, will boost demand for high-quality pellets and pellet feed.
- However, the market will remain oversupplied in the short term due to delays and postponements in new DRI projects and an increase in pellet supply.
- The mismatch between SXD will require greater flexibility in the sales portfolio with new products and increased volumes of pellet feed. Extending the start-up timelines of other pellet plants is an alternative.
- In the long run, the expected increase in demand should raise the spread of premiums for high-quality pellets.
- Availability of high-quality pellet feed will continue to be the main bottleneck for global pellet plants.

HIGH GRADE PELLELET SHORTAGE IN THE LONG TERM

Demand for high-grade pellets to surge with numerous DRI capacity additions in the coming years.

Seaborne Pellet Demand Evolution (Mt)

Supply Gap

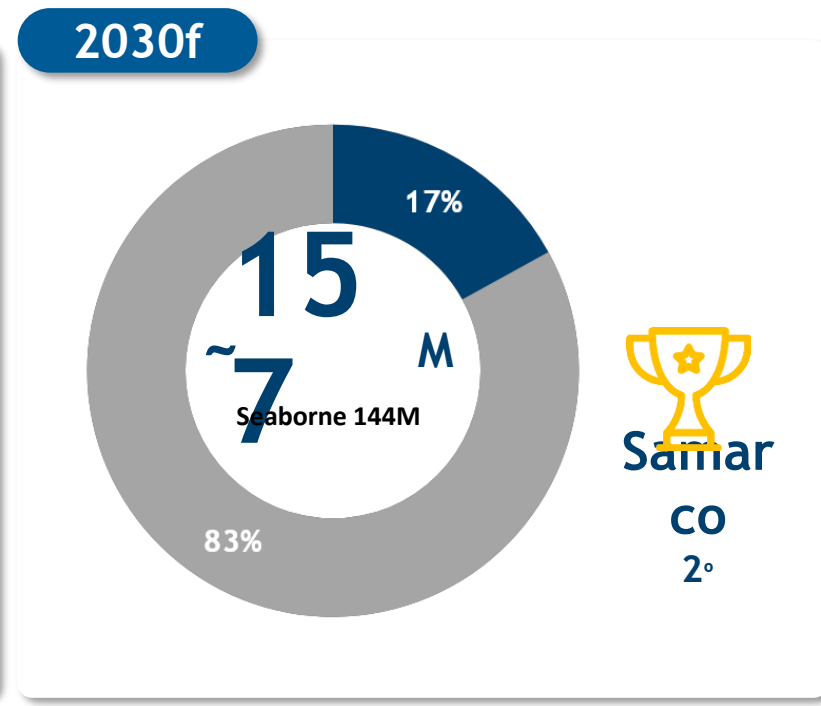
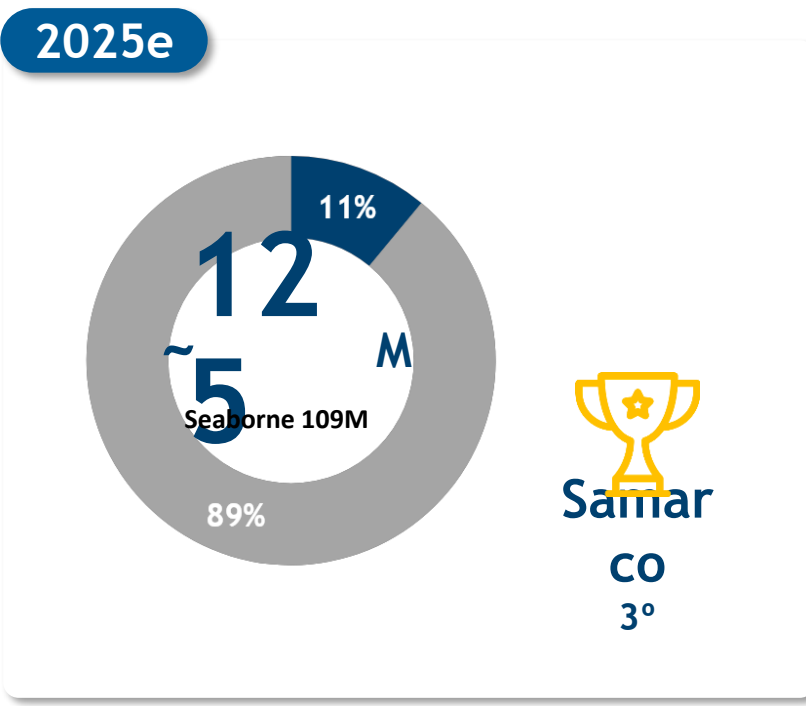
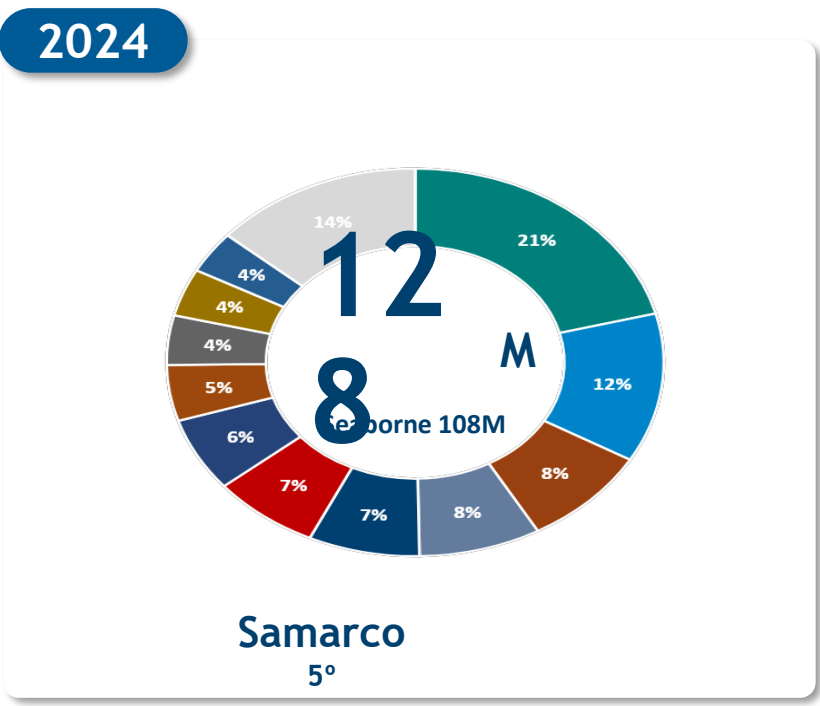
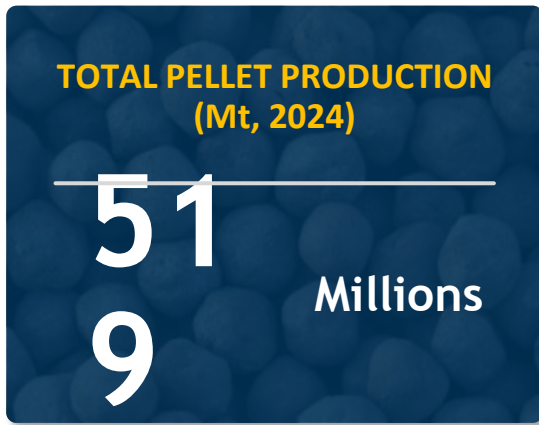


Source: Samarco analyses excluding captive projects

- Pellets as the low-hanging fruit for both BF and DR steel routes' decarbonization plans.
- Accelerated investments in DRI will add further pressure on pellet and pellet-feed supply.
- Steelmakers in the DR route will be exposed to supply risk and project delays.
- Majority of global seaborne supply comes from low to mid-grade quality pellets sources.

Samarco is investing to increase its capacity of high-grade pellets from 2025 in line with market needs

SAMARCO WILL INCREASE ITS SHARE IN THE GLOBAL PELLET MARKET



*Global Pellet Market includes Seaborne + Regional Pellets

SAMARCO AS YOUR LONG-TERM PARTNER

PRODUCTION RAMP-UP



PHASE 1	PHASE 2	PHASE 3
<ul style="list-style-type: none"> BENEFICIATION #3 <input checked="" type="checkbox"/> FILTERING PLANT #1 <input checked="" type="checkbox"/> PELLETIZING PLANT #4 <input checked="" type="checkbox"/> 	<ul style="list-style-type: none"> BENEFICIATION #2 <input checked="" type="checkbox"/> Dec.24 FILTERING PLANT #2 <input checked="" type="checkbox"/> Dec.24 PELLETIZING PLANT #3 <input checked="" type="checkbox"/> 	<ul style="list-style-type: none"> BENEFICIATION #1 <input type="checkbox"/> FILTERING PLANT #3 <input type="checkbox"/> PELLETIZING PLANT #2 <input type="checkbox"/> PELLETIZING PLANT #1 <input type="checkbox"/> Planned restart 2028

- Focus on the high-grade pellet niche market for both the DR and the BF technologies
- Flexibility to increase DR grade pellet production
- Top tier operational cost with great iron ore reserve
- World class assets with a unique logistics through pipeline from mine to port
- Reducing carbon footprint with zero emission for “Scope 2”

GERMANO (MG)
18 Mt/Year
 In 2025

BENEFICIATION PLANT III
 9.5 Mt/YEAR

BENEFICIATION PLANT II
 8.5 Mt/YEAR

BENEFICIATION PLANT I
 15.6 Mt/YEAR

33.6 Mt/YEAR CAPACITY

PIPELINE

PIPELINE III
 20 Mt/YEAR
MARCH 2023

PIPELINE II
 8.0 Mt/YEAR

PIPELINE I
 15.3 Mt/YEAR

43.3 Mt/YEAR CAPACITY

PONTA UBU (ES)
16.5 Mt/Year
 In 2025

PELLET PLANT IV
 8.4 Mt/YEAR

PELLET PLANT III
 8.1 Mt/YEAR

PELLET PLANT II
 7.1 Mt/YEAR

PELLET PLANT I
 6.4 Mt/YEAR

30 Mt/YEAR CAPACITY

GERMANO (MG)
28 Mt/Year

BENEFICIATION PLANT III
9.5 Mt/YEAR

BENEFICIATION PLANT II
8.5 Mt/YEAR

BENEFICIATION PLANT I
15.6 Mt/YEAR

33.6 Mt/YEAR CAPACITY

PIPELINE
28 Mt/Year

PIPELINE III
20 Mt/YEAR
MARCH 2023

PIPELINE II
8.0 Mt/YEAR

PIPELINE I
15.3 Mt/YEAR

43.3 Mt/YEAR CAPACITY

PONTA UBU (ES)
26 Mt/Year

PELLET PLANT IV
8.4 Mt/YEAR

PELLET PLANT III
8.1 Mt/YEAR

PELLET PLANT II
7.1 Mt/YEAR

PELLET PLANT I
6.4 Mt/YEAR

30 Mt/YEAR CAPACITY

SAMARCO - GHG EMISSIONS (kgCO_{2e}/t_{prod})

SCOPE 01



MINE

PIPELINE

PELLETIZING

PORT

3.583
kgCO_{2e}/tprod

0.003
kgCO_{2e}/tprod

70.844
kgCO_{2e}/tprod

0.737
kgCO_{2e}/tprod

SCOPE 02*



ZERO
kgCO_{2e}/tprod

SCOPE 03



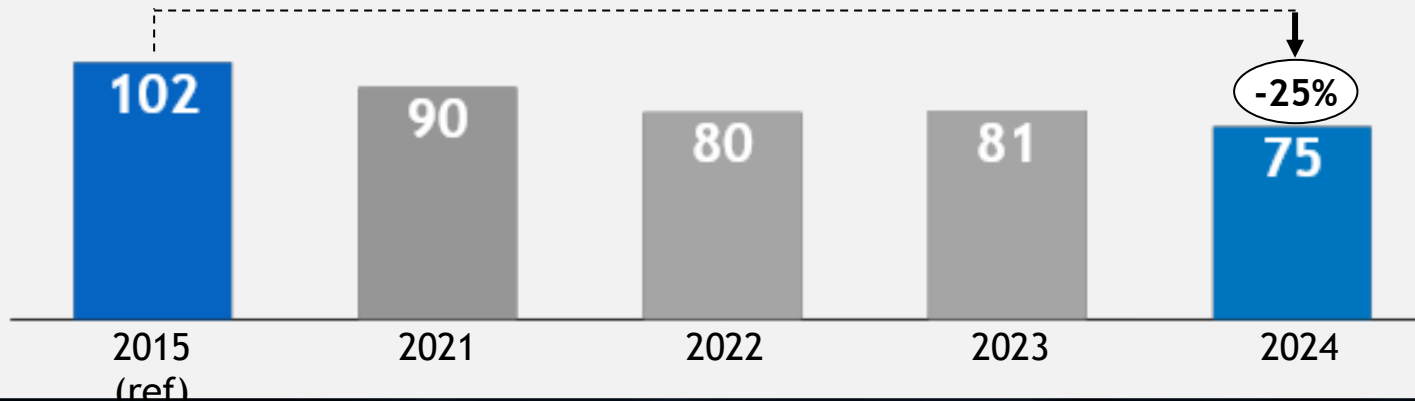
UPSTREAM:
26.061



DOWNSTREAM:
19.438

45.499
kgCO_{2e}/tprod

GHG EMISSIONS FOR SCOPE 1 & 2



67.4 Oct.24
GHG emission

Lower emission due to the usage of renewable sources and more efficiency in processes.

Follows GHG Protocol and 14064, limit till Clients's ports
(* Electric energy 100% from renewable sources, with I-RECs

DECARBONIZING SAMARCO'S INITIATIVES



SAMARCO'S DECARBONIZATION ROADMAP RELIES ON A COMBINATION OF TECHNOLOGIES THAT SPAN DIFFERENT READINESS LEVELS

ON GOING



Change in energy matrix from anthracite to pet coke



Use of granite by-products for coating



Use of marble by-product as fluxing agent



Use of charcoal in substitution for pet coke

NEW INITIATIVES



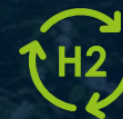
Low-carbon Haulage



Electrifying Heat



Biocarbon & Bio-oil



Green Hydrogen



CCUS

THANK YOU!



SAMARCO

| [samarco.com](https://www.samarco.com)