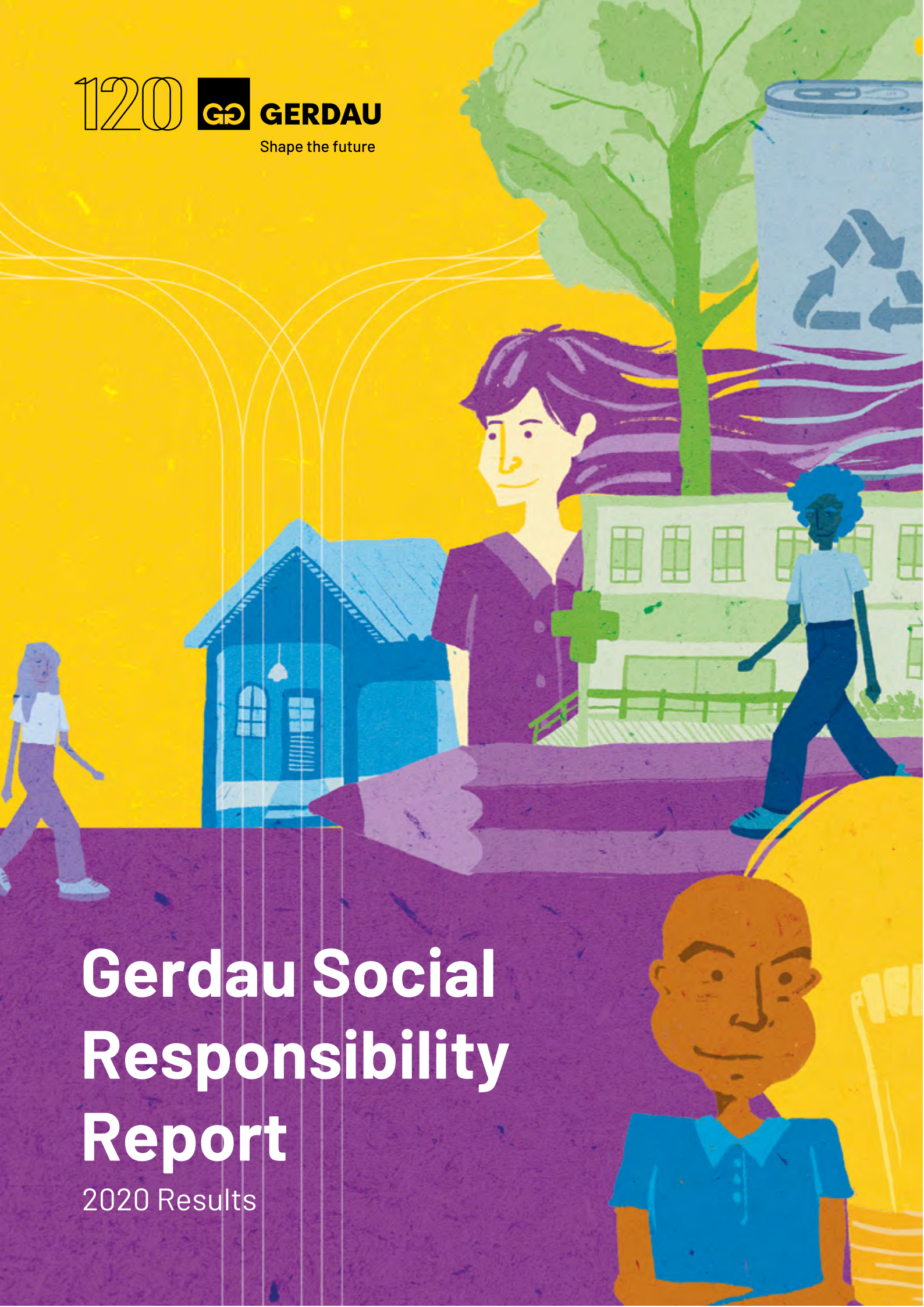


Gerda Social Responsibility Report

2020 Results



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contents

Respect for people. This is a strong principle that has guided Gerdau since its foundation 120 years ago and has set the tone for its Institute activities in 2020. Our concern for the health and safety of our employees and their families, the communities in which we operate, and, looking at the bigger picture, society itself, has guided our decisions regarding the initiatives we develop. Because of the pandemic, we have refocused our efforts to support the countries where we operate in tackling COVID-19.

We acted quickly to develop initiatives that would help meet people's urgent needs and that would continue after the pandemic. We did all of this without neglecting the actions already coordinated by the Gerdau Institute, which remained uninterrupted. This is why we approved an additional R\$20 million to the

existing budget in order to expand our activities and allocate this amount to specific actions to fight COVID-19.

Also in 2020, our work was intensely focused on expanding our social impact and legacy, which is why we are building our strategy for 2030. We want to make an even bigger difference in society in a more long-term and permanent way.

On the following pages, I invite you to know in detail about our initiatives in 2020 to fight COVID-19 and the other projects supported by the Gerdau Institute. We will continue working to make a difference in the lives of the people and communities where we operate and to serve as an agent of transformation for society in Brazil and in the countries where we operate.

Enjoy your reading!

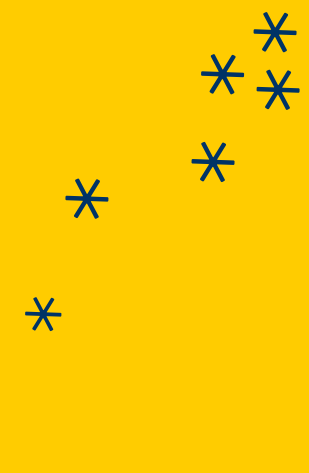
SOCIAL RESPONSIBILITY: ACTING IN THE PRESENT TO TRANSFORM THE

future



We want to make an even bigger difference in society in a more long-term and permanent way.

André Bier Gerdau
Johannpeter
Chairman of the Board
of the Gerdau Institute



Empower people who build the future

THROUGH ENTREPRENEURSHIP

Recycling cooperative (Brazil)



Gerdau's social responsibility strategy is focused on entrepreneurship in three areas: education, recycling, and housing. The company provides technical, financial, and volunteer support to people and organizations so they can transform themselves and their surroundings, generating positive changes in their communities.

Gerdau is aware of its responsibility for the social development of the regions where it operates, and throughout its history it has promoted initiatives and mobilized people to drive social transformation. In 2005, the company created the Gerdau Institute to manage its social responsibility policies and guidelines. The Institute has a board that defines the strategy of its operations and monitors project results, volunteer program, and social actions of the company's business divisions.

The Social Responsibility Committees are responsible for defining and implementing the social actions in their regions in accordance with the social strategy. The choice of entrepreneurship as a focus for the operation was inspired by the spirit of the company's founders and their successors. Entrepreneurship unleashes, channels and boosts the capacity of people committed to building a better future. It is an empowering force that leads to a more just society. Through its initiatives, Gerdau stimulates, trains and fosters entrepreneurship in the following three areas:



Start Gerdau

ENTREPRENEURIAL EDUCATION

Support for projects aimed at stimulating and training current and future entrepreneurs. The topic of education has always been present in Gerdau's social projects and is currently responsible for the high level of volunteer engagement from the company's employees.

HOUSING

Development of initiatives aimed at fostering entrepreneurship to find solutions to housing challenges. Gerdau believes that working as part of a network is better and more effective than conducting initiatives individually. This is why the company works in partnership with companies and social organizations that operate in the area of housing.



Housing LAB



Recycling Cooperative

RECYCLING

Participation in projects aimed at entrepreneurship to encourage recycling, reuse of materials and conscientious consumption. The company supports initiatives with the aim of fostering the recycling of materials, promoting the circular economy and at the same time improving the quality of life of the people who work in recycling.

MANIFESTO

Gerdau translates its social responsibility strategy in its manifesto:

At Gerdau we contribute to new realities not only through steel, but mainly through people. We believe in an industry that does more than produce; it can also transform resources and relationships. Therefore, we connect our social action to our purpose: to empower people who build the future. By providing technical, financial, and volunteer support, we invest in people, helping them so they can transform themselves and their surroundings. With a focus on education, housing, and recycling, we foster entrepreneurs who generate positive changes in the communities where we operate. We are the largest recycler in Latin America today, and we are working to become an even more sustainable company. A collaborative, inclusive, and sustainable tomorrow depends on the development of each one. Shaping this future starts with personal transformation. Gerdau shapes the future.

The company is part of B Movement Builders, composed of large publicly traded companies that support the movement of B Corporations around the world. Its purpose is to transform the global economy by contributing to the expectations of all its stakeholders and to long-term actions seeking to generate a positive impact on society.



SUSTAINABLE GERDAU

Just as important as the operations and concern for employees is working for the well-being of communities where we operate and contributing to a more sustainable future. In 2020, Gerdau expedited its preparation to undergo the B Corporation certification process — a recognition that the company is committed to the continuous improvement of its social and environmental practices and that it considers the impact of its decisions on its workers, customers, suppliers, communities and the environment.



Gerdau Germinar Biocenter,
Ouro Branco (Brazil)



GERDAU GERMINAR CELEBRATES 30 YEARS

Other initiatives are in line with the company's concern for the environment and sustainability, such as Gerdau Germinar.

This is the company's environmental education program in Minas Gerais (Brazil), which completed three decades in 2020 and reached the mark of 465,000 beneficiaries. Its goal is to promote sustainable development, contributing to the creation of an environmental culture, especially among children and young people. The program covers six municipalities in the Alto Paraopeba region: Congonhas, Conselheiro Lafaiete, Itabirito, Moeda, Ouro Branco and Ouro Preto. 100% of the schools in the region are involved, whether through technical visits, training, or the Gerdau Germinar award, which seeks to encourage and recognize the practice of environmental education.

One of the actions that marked the 30th anniversary of Gerdau Germinar was the launch of the book *Participatory Monitoring of Urban Rivers*, developed through a partnership between Gerdau Germinar and the laboratory of the Federal University of Minas Gerais.

The results in numbers reflect Gerda's social commitment in 2020 to people, communities and society:

Social responsibility

665,866
people benefited

1,538
volunteers

R\$ 59.1 million
in social investments



1,757
businesses developed

66
cities in 10 countries



SOCIAL ACTION IN RESPONSE TO COVID-19

The year 2020 also called for action focused on facing the impacts of the COVID-19 pandemic:

160 news hospital beds
were delivered in record time in Brazil

R\$ 19.1
million invested*

2 hospitals built
in record time

200,000+
personal protective
equipment items donated

8 hospitals
renovated

3 social funds
supported

*This investment is included in the total investments mentioned above.



Initiatives supported by Gerdau

HAD LASTING POSITIVE IMPACTS
IN THE POST-PANDEMIC PERIOD

The year 2020 was marked by the COVID-19 pandemic, which caused a global crisis in the social, economic and (especially) health areas. To face the crisis, various sectors of society mobilized, and companies created mechanisms to fight COVID-19 inside and outside their corporations in a cooperative movement.

Gerdau began to evaluate its positioning from the very beginning of the pandemic. In February 2020, the Board of the Gerdau Institute decided to put together a specific budget to respond to the demands brought on by the pandemic. In addition to the budget earmarked for the social responsibility strategy, already established to support entrepreneurial projects, an additional R\$ 20 million was set aside for initiatives supported by Gerdau aimed to fight COVID-19 and its effects on the most vulnerable populations.

INITIATIVES SUPPORTED

In assessing the investment of resources, Gerdau sought the best working partners and the best opportunities to deliver the greatest possible social impact and provide benefits to society even after the pandemic. The support went mainly to

improving hospital structures, increasing the number of ICU beds and **adapting them to accommodate COVID-19 patients**, donating personal protective equipment (PPE) and **food and hygiene kits**, which are so important to minimize the spread of the virus and to provide social assistance to vulnerable families. In addition, the company participated in **funds** that support entrepreneurs, as well as other segments, which suffered the economic impacts of the pandemic.



The Ouro Branco Foundation Hospital received new equipment and beds

COVID-19 Treatment Center in São Paulo (Brazil)



CONSTRUCTION AND RENOVATION OF HOSPITALS

Two hospitals were built, one in São Paulo and one in Porto Alegre. The project was conducted in partnership with other institutions (*read more in the box*) and was executed in record time by Brasil ao Cubo, a modular construction company specializing in metallic structures. In addition to the two new hospitals built, eight others have been remodeled: seven in Brazil and one in Argentina.

COVID-19 Treatment Center in Porto Alegre (Brazil)





COVID-19 Treatment Center
in São Paulo (Brazil)

COVID-19
Treatment
Center in Porto
Alegre (Brazil)



Brasil ao Cubo's modular
construction technique uses
steel as the main raw material.

PARTNERSHIP AND TECHNOLOGY FOR AGILE HOSPITAL CONSTRUCTION

The challenge of building a new hospital wing in time to fight the pandemic was overcome by using the technology of industrially produced building modules assembled on-site like a jigsaw puzzle, a method that reduces completion time by up to four times compared to conventional construction. This modular construction is a specialty of Brasil ao Cubo, an innovation company in civil construction, and was accelerated by the Gerdau Builders program in partnership with Endeavor. The steel used as raw material for Brasil ao Cubo is produced by Gerdau.

Using the available technology and the alliances formed, it was decided to build new hospitals in São Paulo and Porto Alegre, in the beginning it would serve COVID-19 patients through the

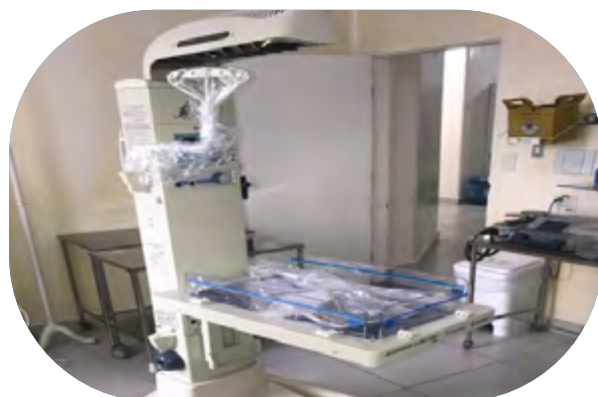
Unified Health System, expanding healthcare capacity at a critical time in the pandemic. Afterward, the beds will be incorporated into conventional healthcare.

In São Paulo, Gerdau joined forces with Ambev, Albert Einstein Israeli Hospital and city hall to expand the Moyses Deutsch Municipal Hospital. The new annex, with 100 ICU beds, was built in 33 days. In Porto Alegre, a new annex with 60 ICU beds was built at Independence Hospital in partnership with Ipiranga, Zaffari and the city hall, with Gerdau's investment and steel donation used in the modules construction. Construction was completed in 30 days, a record time in the history of hospital construction in Brazil.



CREATION AND IMPROVEMENT OF HOSPITALS INFRASTRUCTURE AND PPE DONATION

- ➡ Through the renovation of the São Camilo Hospital in Conselheiro Lafaiete (Brazil), Gerdau increased the number of beds five times—from 12 to 60—for treatment of COVID-19 patients. In Ouro Branco (Brazil), the Ouro Branco Foundation Hospital (FOB) received support for improvements and doubled the number of beds for patients with the virus, reaching 25 exclusive hospital beds, five of which were in the Intensive Care Unit (ICU). In the municipality of Divinópolis, the funds allocated to the São João de Deus Hospital made it possible to purchase essential supplies and equipment to serve the population, in addition to an ambulance made available by Gerdau for emergency cases during the most critical period of the health crisis.



Hospital equipment donation

- ➡ Gerdau donated more than 200,000 pieces of PPE—including masks, gloves, caps, face shields, coveralls and goggles—to public health and security forces organizations in all countries where it operates, benefiting professionals such as doctors, nurses, paramedics, firefighters and police officers.



EPP donation

- ➡ Approximately 400,000 liters of 70% alcohol were produced at the Gerdau mill in Charqueada (RS) and donated to the public health system, benefiting 200 families in the region.
- ➡ A total of 20,000 reusable face shields were produced and distributed by NIMA - Center for Innovation in Advanced Materials in partnership with the Women in 3D Printing Brazil group, benefiting professionals in at least six states in Brazil.



Face shields

- ➡ R\$1.5 million was donated to the recycling cooperative fund in the state of Minas Gerais (Brazil), for recycling workers. For Gerdau, recycling is a highly relevant social agenda due to its close relationship with scrap recyclers who supply is fundamental raw material for steel mills.

Donation of cleaning products baskets in Brazil



- ➡ Donation of more than 13,000 food and cleaning products baskets in Brazil, in partnership with UNICEF and the government of São Paulo.



Waste pickers in Brazil

- ➡ Participation in two entrepreneur funds: the **Covida-20 Fund**, led by Sistema B Brazil and the Councious Capitalism Brazil Institute, whose goal is to support small and medium business linked to the movements; and the **Volta por Cima Fund**, led by Artemisia and Anip, focused on impact businesses. The focus of the investment is to support entrepreneurs accelerated in the Housing Lab Program, a joint initiative with the companies Tigre, Vedacit and Votorantim Cimentos.



Volunteering at Gerdau:

A COMPANY FORCE TO EMPOWER PEOPLE
IN THE COMMUNITIES

The work performed by employees in the social projects developed by the company—sharing knowledge and seeking intelligent solutions to community

challenges—is among Gerdau's contributions toward greater equality of opportunities in the pursuit of fulfilling its purpose of Empowering People who Build the Future.

Gerdau volunteers
in Salvador (Brazil)



ACTIVE VOLUNTEERS
IN 2020:

1,538

VOLUNTEER
HOURS IN 2020:

5,834

By being volunteers, employees can exercise their citizenship and transform realities. Volunteering has the merit of being able to impact several areas and dimensions at the same time. The program's primary commitment is to generate social impacts in the communities where we operate, but for the company, it also has a positive effect on the organizational climate and stimulates a sense of pride in belonging to the company.

In 2020, given the COVID-19 pandemic and social distancing protocols, the program underwent a digital transformation with the creation of online projects that enabled the continuity of volunteer activities remotely.



"I have been a volunteer since I started at Gerdau about 5 years ago.

Last year presented a big challenge, which was to do the volunteering online. Due to the pandemic, we worked at a distance. It was difficult because we didn't have physical contact with the students, but it was a great learning experience for everyone. It is great to be a volunteer. I love it and it is a pleasure to be part of this team!"

Fábio Martins Fontoura
Ouro Branco Mill – Brazil

See below some of the project's achievements in 2020:

Digital Volunteering – together with partner organizations, the Gerdau Volunteer Program was adapted to the digital scenario. The actions were conducted online and focused on entrepreneurial education. Junior Achievement and the Ser+ Institute were two partners that supported the program in this transition by adapting its methodology and platform.

Volunteering with Family Members the first group of volunteers focus on supporting employees family members was formed. The JA Startup initiative, in partnership with Junior Achievement, brought together 86 children of employees in Brazil and Argentina.



Start Gerdau Project

"I want to express my thanks for the opportunity to participate as a volunteer. This is the second year I have participated, and in 2020 I was part of the Junior Achievement project. I have grown a lot as a person, I hope that every year more people will participate in the project. We don't have much extra time, but we can dedicate some minutes out of our day to prepare a class or some other volunteer activity!"

Orianna Pianzzola de Leon
Gerdau Uruguay

"Working with the social organization Big Brothers Big Sisters was very important to me. It made me grow personally and developed my skills. One of the main activities that contributed to this was mentoring."

James Leszczynski
Monroe Mill (USA)



5S project in schools

Digital Leadership – this project developed by Gerdau's volunteer team in Peru consists of mentoring sessions, in which volunteers share with students content about leadership, self-knowledge, ethics and purpose, among others. The project was developed with the students of the Chimbote Technical School, an organization that has been supported since 2006.

International Volunteering – the Shadow Entrepreneur program, conducted by Junior Achievement Latin America with Gerdau locations in Peru, Colombia and the Dominican Republic, included 48 students and 38 volunteers, promoting an opportunity for sharing between different cultures. Since the program was held online, it was possible to exchange volunteers and students from different countries.

Gerdau Projects

WORLDWIDE

Gerdau supports initiatives in all countries where it has industrial operations and seeks to encourage social projects in the communities where it operates. In addition to the actions to address COVID-19, social investments aligned to Gerdau's strategy were maintained, as were partnerships and projects. Some of the projects supported in the communities are listed below:



ARGENTINA

Volunteers: 42

PENSANDO EN ACERO CONTEST:

fosters innovative and sustainable solutions in metallic structures for social housing.

URUGUAY

Volunteers: 10

FUNDACIÓN TENIS: social organization focused on sports, generating social inclusion for socially vulnerable children.

PERU

Volunteers: 88

TECHNICAL SCHOOL:

technical school that works in the education of young people and prepares them for the job market. New actions were implemented in 2020, such as online mentorship to teach concepts such as leadership and careers.

COLOMBIA

Volunteers: 27

DOMINICAN REPUBLIC

Volunteers: 12

SOCIOS POR UN DÍA: project in partnership with Junior Achievement aimed at teaching high school students about the day-to-day of executives. The young people have the opportunity to spend a day shadowing these executives during their work routine.



KEY:

Industrial Locations

MEXICO

Volunteers: 49

JUNIOR ACHIEVEMENT INNOVA:

program in which young participants must develop projects that solve social problems, according to the UN 2030 agenda.

UNITED STATES

Volunteers: 232

BIZ TOWN: conducted by Junior Achievement, the project creates an experience where students learn about the complexities of being a professional and a member of the community and the wealth of opportunities available in their city.

CANADA

Volunteers: 145

HABITAT FOR HUMANITY:

company volunteers work in the construction of housing in partnership with a social organization.



BRAZIL

Volunteers: 84

START PROJECT: mentoring program intended to help young people make choices and manage professional and personal situations through conversations, using their experiences and background, as well as developing practical activities that can contribute to the students' education.

EDUCATING FOR SUSTAINABILITY:

the purpose of the project is to promote environmental education actions that provide changes in attitude regarding recycling and the community.

MM Gerdau – Museum of Mines and Metal

USES TECHNOLOGY TO
IMPLEMENT VIRTUAL VISITS

The world of mines, minerals and metal at MM Gerdau - Museum of Mines and Metal was presented to the public in 2020 through digital educational activities and virtual exhibitions.

IN-PERSON AUDIENCE 2020*

48,451
visitors, including:

1. Educational Audience:
31,342
participants
2. Audience In-person:
17,109
participants

*Due to the social distancing measures during the COVID-19 pandemic in 2020, the MM Gerdau Museum stopped its in-person activities on March 17.

DIGITAL MUSEUM

In 2020, due to the pandemic, the museum accelerated its plan to implement virtual activities. Through the Digital Museum initiative, it introduced a series of innovations, such as new attractions and adaptations of existing experiences. Initiatives taken:

- ➡ Online educational actions, with 52 virtual activities and 19,004 participants.
- ➡ Three virtual exhibitions were made available on the Google Arts & Culture platform and had a total of 4,025 visits.
- ➡ Creation of a podcast channel on the Spotify app, with 147 reproductions throughout the year.
- ➡ Launch of the Mediated Virtual Visit, an educational project in which museum visits are mediated through digital platforms for the public. Exclusive itineraries were developed for the visits and translated into Brazilian sign language (*Libras*). In all, there were 24 visits and 524 participants.

"Gerdau's partnership and support for the museum involves a daily, constructive relationship that is very important for quality programming and the democratization of access to culture that we offer. In 2020, it allowed us to face the challenges imposed by the new context, redesigning the paths to the virtual environment, as well as caring for the team and our historic pink building."

Márcia Guimarães
Managing Director of MM Gerdau

M M Gerdau Museum's science and technology collection is housed inside the Pink Building, which is the name of the building inaugurated in Belo Horizonte (Brazil) in 1897, located in the traditional Liberty Square in the capital city of Minas Gerais state. The exhibitions document two of the main economic activities in the State of Minas Gerais: mining and metallurgy. The museum is sponsored by Gerdau through the federal law of culture incentive, with the support of CBMM - Brazilian Metallurgy and Mining Company. It offers free admission, as well as scientific lectures and special programming for students and senior citizens. Through these, Gerdau seeks to continuously contribute to the sustainable development of Minas Gerais with initiatives and projects focused on education and the preservation of historical and cultural heritage.



HIGH IMPACT social projects

ARE SUPPORTED BY THE COMPANY

Gerdau understands that it has a special commitment to Brazilian society, the country where the company initiated its business and generated the energy necessary to drive its expansion into other regions. Based on this, Gerdau supports high-impact projects with the capacity for long-term social transformation in Brazil; these initiatives are classified as Projects for Society. The main projects and their results in 2020 are highlighted below.

GERDAU TRANSFORM

A Gerdau project focused on the development of people who are already entrepreneurs or who have business ideas. The main audiences are informal, freelance and individual entrepreneurs who participate in a short course (one week) and three-month remote consulting (incubation). Through an online methodology, 16 classes were conducted in 2020, focusing on people interested in creating or developing their businesses.

The online course is 15 hours long and has 10 learning modules: Dream definition; profile definition; Empowerment; Basics of Finance; Sales; Cash Flow; Brand; Communication and Action Plan. Each of the modules covered generates definitions and goals and the final product of the course is an action plan for improving or opening the business. The goal for 2021 is to have 25 classes in Brazil and Latin America, with 1,500 people having completed a business plan (incubation).

PROGRAM NUMBERS

Classes held: **16**

Enrolled:

5,503

(the course had a digital platform for registration)

Beneficiaries:

1,096

certified students ready for consulting; of these, 922 were incubated

25 cities benefited in Argentina, Brazil, Peru and Mexico.



"With Gerdau Transform we have been able to reach an audience that needs immediate income generation due to the high unemployment rate and the low estimate of economic improvement caused by the pandemic. The program aims to help improve the students' self-esteem and make them understand that they are capable of owning their own business and that this capacity, even if it doesn't come from technical knowledge, comes from knowledge of life. Besouro Social Development Agency is proud to be part of this partnership, which is so important to our society."

Vinícius Mendes Lima
Leader and Founder of Besouro
Social Development Agency



23/11 a 27/11
Curso online
18h às 21h

NOVA ESCOLA

A social organization that seeks to help teachers develop their careers and structure their daily classroom plans by providing quality products and services to educators.

In 2020, Gerdau sponsored the creation of 4 modules with entrepreneurship content for teachers to use in their middle school classrooms. Entrepreneurship is a structuring axis of the National Common Curricular Base (BNCC) and has a clear connection with the competencies mentioned in the BNCC.

Entrepreneurship Education is a tool for educators to inspire and motivate students to build innovative ideas, helping them to develop into critical, autonomous, transformative and entrepreneurial citizens. Through Nova Escola's existing platform, educators have free access to the material.

For 2021, the goal is to expand the entrepreneurship content for educators working in high school. A pilot initiative will also be conducted to support teachers in the classroom.



Partner:
**Lemann
Foundation**

Beneficiaries:
78,706
users accessed the
content in 3 months



GERANDO FALCÕES

Social organization that works on social development all over Brazil. With Falcons University, it fosters the technical development of social leaders and invests in technology and innovation.

In 2020, Gerdau supported an unit acceleration of the Gerando Falcões network in the city of Divinópolis (MG) by training the leadership of the NGO Acesa. The leader was trained, efficiency management was monitored and goals were defined for a period of four years (2023).

For 2021, the goal is to implement a new hub of the network in the city of Ouro Branco, Minas Gerais.

Beneficiaries:
720
children

Partners:
**Fundação Lemann, XP,
Cyrela, EMS, Wise Up,
among others**



"The organization has existed for some time, and we have been struggling to continue our actions. A lot has changed since we joined Falcons University, especially the knowledge and use of management tools in the administration of the organization. We realized that our greatest difficulty was related to the administration of the project. Today we have much more efficient management due to the knowledge we have acquired and a team that complements each other: educational, financial, communication and operations."

We want to grow further. The organization served 300 students. In 2020, even with the pandemic, we enrolled 500 students and now in 2021 we already have 900 enrollments.

Working with the network also allowed us to bring all the benefits that Gerando Falcões achieves for our organization. It was a transformation of life, of knowledge and of behavior that promotes quality management with quality actions."

Lenir Castro
Leader of the NGO Acesa

AMCHAM LAB

In partnership with American Chamber of Commerce Brazil, Gerdau supports Amcham LAB, a platform to bring companies closer to startups, stimulating the development of an entrepreneurship and innovation network. The goal is to map and accelerate startups nationwide, with innovative solutions and growth potential. The connection between Amcham members and agents of the new economy seeks to create a fertile environment for cooperation and training. With Gerdau's support, ten startups that focused on the recycling agenda were accelerated in 2020, in addition to others supported by other partners. Development actions and business rounds were conducted and organizations were included in the Amcham network.



"Amcham Lab was an enriching experience for Trashin. The connections provided by the program helped us gain agility, and we found a number of partners through the Amcham network. These were enriching moments with mentors, partners, and potential clients improving our services and boosting business. In a complicated year like 2020, it was instrumental to have the support of a program like this, which helped us build the foundation for the accelerated growth the company is experiencing."

Sergio Finger
CEO and founder of Trashin startup

Beneficiaries:
10
startups

Partners:
Citibank and P&G



INOVA EDUCAÇÃO

In partnership with Mais Unidos Group and the government of the state of São Paulo, the project aims to take robotics classes and computational activities to all public school students in the State of São Paulo by including the subject in the school curriculum.

In 2020, Gerdau supported the production of teaching materials such as the student's and teacher's books, the acquisition of robotics kit and the training teachers from all 3,808 public schools in state. Due to the pandemic, the schools did not offer robotics classes, but they will be able to do so as soon as the school schedule is back to normal.



HOUSING LAB

This is a program for accelerating early stage businesses that can propose innovative and scalable solutions to positively impact the dwellings of low-income people, mitigating the housing challenges of many Brazilians. The initiative is part of the coalition formed with the companies Tigre, Votorantim Cimentos and Vedacit, operated by Artemisia.

The 3rd edition of the LAB was held in 2020 and accelerated 18 startups. At the end, a panel of experts chose the four best performing startups: Akredito, Biosaneamento, Comuta Arquitetura and Isobloco. Each received an award of R\$30,000 plus three months of mentoring.



Beneficiaries:
3,195
educators

Partners:
Qualcomm and the U.S. Embassy in Brazil

Beneficiaries:
18
businesses and
27 entrepreneurs.

Partners:
Instituto Vedacit, Tigre, Votorantim Cimentos

Supporters:
CAU-BR, Caixa, Vivenda, Habitat for Humanity Brazil and Instituto Iguá

JUNIOR ACHIEVEMENT

Junior Achievement (JA), which turned 100 years old in 2020, is one of the largest social organizations of entrepreneurial education for young people in the world. It is present in 100 countries and is one of the first to provide entrepreneurship programs for this audience in Latin America. The purpose of the partnership between Junior Achievement and Gerdau is to contribute to the development of entrepreneurship in young people and make them better prepared for the job market. Company volunteers act as instructors for JA programs, dedicating hours of their time to collaborate on the education and future of young people.



Due to the pandemic, the project methodology was adapted for the online scenario. Four different projects were conducted: JA Startup, Connected with Tomorrow, The Future of Work and Online Mentoring. More than 20 program groups were formed in the regions where Gerdau operates, totaling 3,506 volunteer hours donated.

The partnership also included a JA Startup class exclusively for family members of Gerdau employees in Brazil, in which 38 students developed the skills required to transform their ideas into high-impact startups.

A Shadow Entrepreneur class was also held with youth and volunteers from the Dominican Republic, Peru and Colombia, with the participation of 48 students and 38 volunteers.



Beneficiaries:

796
students (up 56%
from 2019)

Volunteers:

304
(up 310% from 2019)

Countries:

**Argentina, Brazil,
United States, Mexico,
Peru, Dominican
Republic, Colombia
and Uruguay.**



"The year 2020 was extremely challenging for education in Brazil. For us at Junior Achievement, it wasn't different. We were forced to accelerate our organization's digital transformation process and learn new ways to reach the young people served. With the unconditional help and support of Gerdau and its volunteers, we were able to expand our activities, transcending territorial borders in a virtual way, maintaining entrepreneurial projects with young people who, more than ever, will need this knowledge after this is over."

Bety Tichauer
Junior Achievement Brazil director

START

In 2020, the Start project was launched in partnership with Ser+ Institute, with three classes and one hundred students benefited in the cities of São Paulo and Rio de Janeiro. The goal of the project is to develop skills and competencies through a methodology developed by Ser+ Institute, which fosters self-knowledge, self-esteem and the discovery of talent in a transdisciplinary way and explores young people's capacity to perform professional activities in the administrative and technology areas.

Students have 210 class hours. In addition, all participants prepare an end-of-term paper consisting of building a life and career project. Another important part of the training journey was mentoring by Gerdau volunteers, who helped the participants with their term papers.

The goal for 2021 is to expand the project to Minas Gerais and Rio Grande do Sul states, in Brazil.



"I would like to thank Gerdau and Ser+ Institute for all the resources, mentoring, support, and learning in the areas of technology and administration that we received in the Start project. Thanks to you, I decided what I want for my future. Today I feel like a new person, more mature, and I see the world in a different way. Thank you so much for the opportunity."

Izabel Nascimento De Melo
City of São Paulo (today Izabel works as a young apprentice in one of Ser+ Institute partner company)



"According to IBGE, in 2020, young people will account for 49% of the people who could not be inserted into the job market. The partnership with Gerdau allowed for the creation of opportunities for these young people to develop skills and competencies to access the job market and pursue their dreams, which have often been interrupted due to so many difficulties. At Ser+, Gerdau's support translates into boosting transformations in the lives of young people. We were very happy to see not only the institutional engagement, but also the dedication of each volunteer employee involved in mentoring and contributing to the development of these young people."

Ednalva Moura
Director of Education & Diversity at Ser+ Institute

Volunteers:
84

Beneficiaries:
100
students benefited,
of which 25 are
already employed



Partnerships for social and business impact

Gerdau develops social projects searching for positive impact on society and in the business, following the Shared Value concept. In this way, we seek partnerships with different players, both internal and external to the company. Below are the main initiatives conducted:

Oracle Next Education (ONE)

This is an educational project to train low-income youth in programming. ONE lasts for six months and offers courses to develop technical and behavioral skills, with a focus on programming and entrepreneurship. The goal is to train 3,000 low-income youth and help prepare them for the job market.

Gerdau's participation in the project is in supporting the training of 400 young people, with 100 spots being 100% funded. 30 spots were also opened for an online mentoring project as a complement to ONE. In the entire, more than 3,500 students have enrolled, 600 have graduated, and 56 young people have been hired.

The online mentoring project, conducted in partnership with Junior Achievement, covered the following topics with the students: communication, public speaking, social media, resums, behavior in the work environment and life plans.



Beneficiaries:

400
students

Partners:

Oracle, CIEE, Alura, Cognia, and Bayer

Habitat for Humanity

This is a partner organization of Gerdau in Brazil and in the United States, focused on the work of volunteers in the construction and renovation of homes for socially vulnerable populations.

Due to the pandemic, the focus in 2020 was to improve access to water and hygiene by building community sinks, reducing precarious conditions that can contribute to the transmission of the virus. The work was restricted to the teams of Habitat for Humanity, without the involvement of volunteers, and was done in Brazil.



Beneficiaries:

37
families

Countries:

Brazil and United States

"The year 2020 started off with a challenge and a new global pandemic. Habitat Brazil needed to reinvent itself to continue providing housing improvements to the most vulnerable families. We decided to focus on bathroom renovations, opening up ventilation areas, and access to water so that families could mitigate the spread of the novel coronavirus. Having the support of and dialogue with Gerdau on yet another journey has enabled us to assist families in four regions, leverage partners in the territory, and benefit the local economy by hiring labor and purchasing materials in the communities. Gerdau's partnership allows us to create a path to jointly solve part of the challenge."

Dênis Pacheco
Program Manager at Habitat
for Humanity Brazil



Teto

To guarantee the right to housing in the most unstable and invisible communities, Teto works in the construction of emergency homes and other actions to help structure the communities. In 2020, most of the projects undertaken were infrastructure projects to mitigate the impact of COVID-19 on the lives of vulnerable families. At the beginning of the pandemic, an emergency campaign was also carried out to deliver water, hygiene kits, and baskets of food staples to more than 20,000 people.

For eight years, Gerdau has donated nails for all Teto's construction in Brazil and the participation of volunteers in the construction of houses. In 2020, resources were donated to FunTeto, Teto's fund for building community projects with high social impact. Priority was given to solutions that mitigate the effects of COVID-19, such as community washbasins and toilets.

Beneficiaries:
283
people



Prolata

This initiative, together with the Abeaço - Brazilian Association of Steel Packaging, benefits recycling cooperatives that work with ferrous scrap throughout Brazil, fostering recycling in the country. In 2020, the program donated Personal Protective Equipment (PPE) to cooperative partners with the support of Gerdau. The PPE kits contained 15 items, including protective boots, caps, t-shirts, ear protectors, special gloves, and fabric masks.



Beneficiaries:
768
people



Beneficiaries:
2.000
people

Volunteers:
26
employees

Entrepreneur Development Program (PDE)

This program is a new initiative with SEBRAE, a partner for over a decade in the development of Gerdau's supply chain. The PDE develops small and medium business in Gerdau's value chain to become suppliers for the company's direct suppliers, aiming at full compliance with requirements in order to expand business, such as improvements in competitiveness and management. 67 small and medium business were developed in Brazil, totaling 158 hours of training.



Na Mão Certa Program

This program brings together companies that, by signing the Business Pact Against Sexual Exploitation of Children and Adolescents on Brazilian highway, make a public commitment to work to protect children and adolescents from sexual exploitation.

The main strategy of the program is to raise the truck drivers awareness to act as agents for the protection of the rights of children and adolescents. In partnership with Childhood Brazil, Gerdau supported training actions and conversations with truck drivers and transport companies focusing on raising awareness among drivers.



Beneficiaries:
67
micro and small enterprises

Partner:
Sebrae

Gerdau makes use of tax incentive laws

AND PROMOTES CULTURE, SPORTS,
AND CARE IN THE COMMUNITIES

Tax incentive laws allow companies and individuals to sponsor projects that have been approved by governments. Gerdau seeks to use the opportunities that are in line with its values and social responsibility strategy.

There are legislation for projects in the areas of culture, sports and health, as well as funds for the elderly and for children. By using these tax incentives in Brazil, Gerdau increases the amounts earmarked for actions in the communities where it operates. Learn about some of the supported initiatives:



São Pedro Theater (Brazil)

CULTURE

PORTO ALEGRE SYMPHONY ORCHESTRA

Ospa performs artistic presentations and teaches concert music free of charge to the public of Porto Alegre. With the pandemic, the orchestra had to adapt and held livestreaming and festivals online. In 2020, Ospa Live was launched, making it a pioneer in Brazil in concert programming, in addition to the continuation of the Music School. Gerdau's support has been aimed at physical improvements in the orchestra's structures.

Location:
Porto Alegre (Brazil)



Porto Alegre Symphony Orchestra

"The unexpected pandemic brought us a year with many difficulties and uncertainties. A new challenge emerged and adaptation became inevitable. Ospa managed, within the limitations imposed by the moment, to maintain its programming by performing 34 online concerts. The construction of the Ospa Complex, which is sponsored by Gerdau, could also be maintained. So, despite the difficult year, it was possible to make progress. For 2021, our wish is that humanity will be able to return to normal health and that Ospa will gradually expand its activities, taking concert music to all of society."

Evandro Matté
Artistic Director and Conductor
of the Ospa Foundation



OURO BRANCO MUSIC HOUSE

Gerdau is sponsoring the construction of the headquarters of the Ouro Branco Music House, in Minas Gerais. The space will be used for musical education activities, concert series, classical music festivals and as a space for orchestra and children's choir rehearsals. Construction will include a multipurpose structure, rehearsal rooms and classrooms. In 2020, the project had 220 students attending the Music House instrument and orchestra practice workshops, 100 students attending the Cello Festival, 100 students attending Music Week, and more than 10,000 people attending concerts and recitals online.

Beneficiaries about
400
students trained in
classical music

City:
Ouro Branco (Brazil)

METAL HOUSE

Gerdau is sponsoring the project for the installation of the Metallurgy, Materials, and Mining Memorial, which is being constructed with ABM - Brazilian Metallurgy, Materials and Mining Association, in the city of São Paulo. This space will include a permanent exhibition of art objects, old objects related to this topic, and collections of documents, photos, videos, books, and other publications. Metal House will be a source for studies and research on this topic, for art production, and as a historical and cultural space for society. Construction is expected to be completed in 2021.

Location:
São Paulo (Brazil)

"This year we have a lot to celebrate: Gerdau's 120th anniversary and Music House 20th anniversary. This is a partnership that has borne much fruit and has been essential to the cultural development of our region. Gerdau believed in our dream of transforming lives through music, and in 20 years we have built a successful partnership. Now this dream has become a reality in the new Music House that we are going to open soon."

Kênia Libânio
Music House Coordinator.

ELDERLY FUND

CEMAIS NETWORK

The purpose of the project is to improve the quality of life of elderly people living in Long-Term Care Institutions for the Elderly. To this end, it proposes to improve and support the management of charitable and private elderly homes in Minas Gerais, aiming to qualify the services offered.

Beneficiaries: **260**
managers

Location: **Brazil**

"Our commitment to the projects we develop to strengthen the third sector is amplified when we have companies of excellence such as Gerdau as partners. We greatly value the support we have received since 2018 and that, year after year, has been renewed and expanded, showing that the trust and credibility we have built in this partnership is mutual and capable of improving the quality of life of the elderly."

Marcela Giovanna
CEO of CeMAIS.

3D image of the new headquarters of the Ouro Branco Music House (Brazil)



SPORT

TENNIS FOUNDATION

The Tennis Foundation runs a social inclusion program through sports. Social distancing required an adaptation in the methodology so that the program would not be interrupted. The work was done through WhatsApp and Facebook groups. These groups developed content and created activities to be done at home, such as physical exercises and cognitive development games.

Beneficiaries:

890
people

Regions:

**São Paulo
and Rio
Grande do Sul
(Brazil)**

CHILDHOOD FUND

GERDAU PRO-CHILDHOOD FUND

Gerdau Pro-Childhood Fund is an initiative that has become a reference in the area of social responsibility. It was created in 1999 to encourage company employees to donate resources to organizations that help children and adolescents. They are invited to donate part of their income tax due to social organizations and can choose the organization to be benefited among the NGOs listed in the fund. Gerdau pledges to contribute the same amount through its income tax, thus doubling the amount donated by the employee.

Beneficiary
organizations: Donors:
27 149

Amount donated in 2020:
R\$ 2,931,353.18
(Employees + Gerdau)



**FUNDO PRÓ
INFÂNCIA**

SOL MAIOR

Sol Maior Association, located in Porto Alegre (RS) is one of the organizations benefited by Gerdau Pro-Childhood Fund. Since 2007, it has been dedicated to free music education for socially vulnerable children and adolescents because it believes in the transformative role of art. Music—instrumental and choir—and dance workshops are offered, as well as social and cultural activities.



Commitments and associations to shape the future

Some of the associations and commitments dedicated to discussing and fostering the role of companies as agents of social transformation in which Gerdau participates:



COMUNITAS | BISC

Held annually by Comunitas, the Social Investment Benchmarking is a tool that draws parameters and comparisons about the profile of private social investments in Brazil.



CIRCULAR ECONOMY HUB

The Hub is an initiative that brings together companies from different sectors that are committed to working together to drive the circular economy in the country, integrating their value chains, and creating collective intelligence.



GIFE

This is an association formed by private social investors from institutes or foundations of corporate, family, independent, community or company origin that invest in social, cultural and environmental projects with a public purpose in Brazil.



CONSCIOUS CAPITALISM

This is a global movement that brings together companies seeking a new way of investing and doing business. The pillars are purpose, stakeholder orientation, culture, and conscious leadership. Gerdau is associated with the movement in Brazil and Gerdau's CEO, Gustavo Werneck, is a emeritus board member of the organization.



BRAZILIAN COUNCIL FOR CORPORATE VOLUNTEERING (CBVE)

CBVE brings together companies, confederations, institutes, and business foundations that form a network for promoting and developing corporate volunteering.



Pacto Global Rede Brasil

UN GLOBAL COMPACT

It is the world's largest sustainability movement, with more than 13,000 members in 160 countries. It is responsible for creating and monitoring the Sustainable Development Goals (SDG). Gerdau's became an official member in 2019.



ETHOS INSTITUTE

This is a Brazilian organization that aims to help companies manage their business in a socially responsible way.



CHIEF EXECUTIVES FOR CORPORATE PURPOSE (CECP)

This is a coalition, based in the United States, led by companies that believe in the importance of social action. It is a space to share practices and learn.



CENTER FOR INTRAPRENEURSHIP

The League of Intrapreneurs and the Sustainability Center of Dom Cabral Foundation have joined forces to develop a stimulating environment for impact intrapreneurs in Brazil. Through the Center, they assist companies in organizational development aimed at intrapreneurs and the acceleration of projects focused on sustainability.



B MOVEMENT BUILDERS

The coalition brings together multinational publicly traded companies that aim to transform the global economy and drive the movement of B Corporations around the world.

Meet our main technical partners



CREDITS

Coordination and concept: **Corporate Social Responsibility and Corporate Communication**
Editorial project, writing, and production
supervision: **Quintal 22**
Graphic Design and Layout: **Adesign**
Photos: **Gerdau Archive**

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