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Mr. Verbeeck, sustainability is a word that, in the past years, has become extremely popular. Many companies, big or small, have been using it to describe the way they work, their approach to the company's strategy. What do you, as the chairman of ArcelorMittal Poland, think of sustainability and its true meaning?

It is true that the use of the word has recently been on the rise. But to me it is more than just a word; it is an obligation – to society, to company's stakeholders: employees, local communities, authorities, customers, suppliers. I am glad that this is something that has become very important and discussed broadly in today's business world.

At ArcelorMittal Poland we treat sustainability and transparency with the utmost seriousness. This is our ninth Sustainability Report, most of them have been prepared in line with GRI reporting standards.

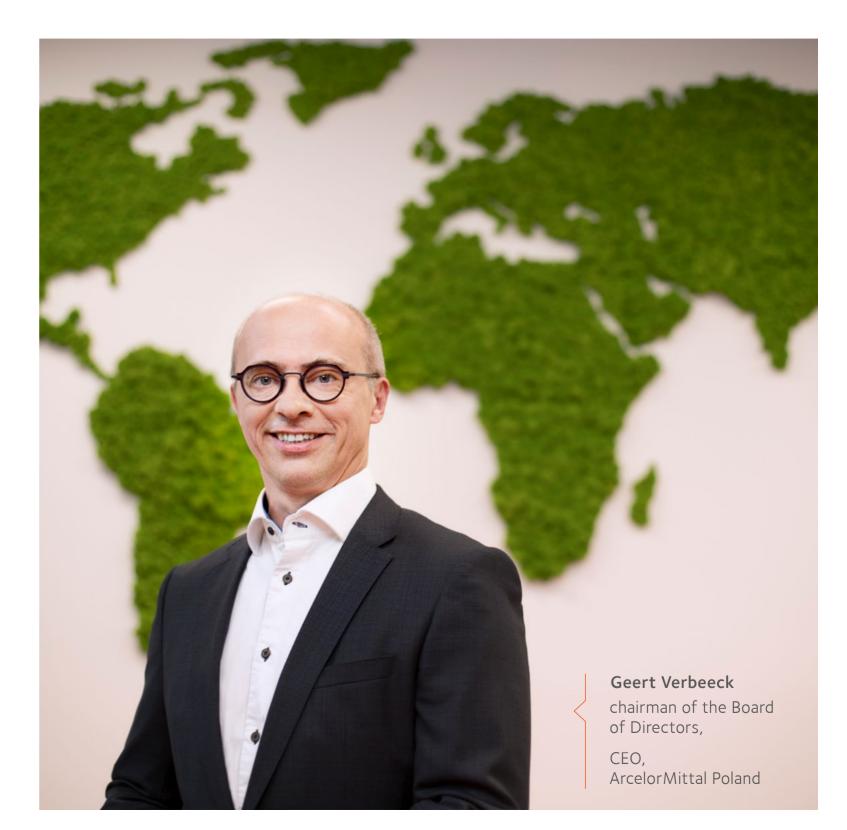
Our reports focus on local and business environment: on our priority which is safety, our operations, environment, people and local communities. Sustainability is embedded in ArcelorMittal's 10 Sustainable Outcomes.

You have mentioned the company's priorities and sustainable outcomes. Safety is one of them. Can you please elaborate on this?

Of course. It is not a secret to anyone who knows us that safety always comes first. It is the ambition of the entire ArcelorMittal Group to be the safest steel and mining company in the world. Over the past years we have launched many safety programmes, workshops and initiatives and recently the new approach to safety trainings: Take care.

We can see that there is progress – changing the mentality and approach of the people is the most difficult challenge in terms of safety. Bringing it home to them that safety rules are there to protect them so that they return to their nearest and dearest after each shift.

Helping them realise that shared vigilance is of paramount importance – we need to take care of not only ourselves but also of our co-workers.



ArcelorMittal Poland operates in a manufacturing sector and its processes are energy intensive. What challenges are you dealing with currently?

First of all - the economic challenge. The European economy has recorded six consecutive years of growth. Unfortunately, we are currently experiencing a slowdown in global trade that is affecting European growth, and especially steel demand, which in the EU is expected to shrink by 0.4 per cent this year, compared with 3.3 per cent growth last year. The numbers are very worrying and we can already see an impact of this on our operations.

Secondly - worldwide overcapacity in steel production. It amounted to 425 m tonnes at the end of last year. Consequently, the US introduced tariffs on steel and aluminium, which means that the steel previously sold to the US, is being deflected into the EU's open market.

Currently, for every 3 tonnes of steel deflected from the US, 2 tonnes arrive in the EU's open market. In 2018, there was a 12 per cent rise in European imports of finished steel products, following a record year in 2017.

Looking specifically at hot rolled coil, imports into Europe have risen by 37 per cent since 2017, and 16 per cent since 2018, on an annualised basis. There is another factor behind this sharp rise in import figures: safeguarding – which has proven to be too weak to do its job.

Thirdly – Emissions Trading System. We at ArcelorMittal are more than supporting the idea of counteracting the global warming. But this must be done at a global level, not only European. It will not do us much good if those actions are limited only to EU – carbon leakage is already happening. Steel is being produced outside of Europe – where no CO₂ costs are imposed on steel producers.

You have painted a rather gloomy picture.

It does not look too bright indeed. But there is a future for steel in Poland and in Europe. Steel will continue to be used. There is no world without steel – which is the basis of so many products that surround us every day and make our life easier. Can you imagine a world with no phones, cars, planes, refrigerators, bridges, buildings, train stations, rails, etc? I cannot.

The steel sector in Europe and in Poland just needs the right legislative framework, which will allow for a level playing field so that steel demand in Europe is not satisfied by third country imports. This refers to energy prices, the necessity to purchase carbon credits and the need to come up with efficient safeguard measures.

Following the divestment in the Czech Republic and Romania, ArcelorMittal Poland the most important ArcelorMittal's plant in Central Europe and we want to stay where we are. We have already, since privatization in 2004 spent PLN 7 bn on investments at our plants.

Only last year we invested PLN 700 m in our installations in Dąbrowa Górnicza – we have modernized the dedusting system at the steel shop and at the sinter plant. At the power plant of TAMEH (JV between ArcelorMittal and TAURON), we constructed a denitrification and desulphurization installation that will reduce emissions of dust, nitrogen oxides and sulphur dioxides.

We completed a repair of our blast furnace no. 2, which will allow the unit to operate for the next few years, also increasing the efficiency of its dedusting. Our coke plant in Zdzieszowice, thanks to investments worth PLN 90 m, has also reduced its environmental footprint. Those actions result not only from more stringent environmental regulations, but also are in line of the expectations of our direct neighbourhood.

At our plant in Sosnowiec, that produces wire rod used to make bolts, fences, shopping trolleys and metal shelves for fridges we modernized the rolling mill in order to improve the quality of the product and develop wire rod for new application, an investment worth PLN 120 m. And we invested another PLN 120 m in development of organic coating capacity at our cold rolling mill in Kraków.

Steel production is not only the reliability of our installations. Nowadays steel production is more high-tech. Last year we implemented numerous projects under the umbrella of Industry 4.0 – which I believe is key for maintaining steel production in today's more and more demanding world.

I also think that thanks to this more digitalized concept of our industry we remain an attractive employer despite the challenging market conditions in which we are currently operating.

We are committed to our presence in Poland. We take numerous actions aimed at production of safe sustainable steel, people development and community engagement.

As we are the largest steelmaker in Poland, the scale of our actions is significant. We want our stakeholders to get this information first hand, hence yet another issue of our Sustainability Report. I hope it will be well received.

Happy reading!

Interviewed by Monika Olech July 2019 Priorities and management

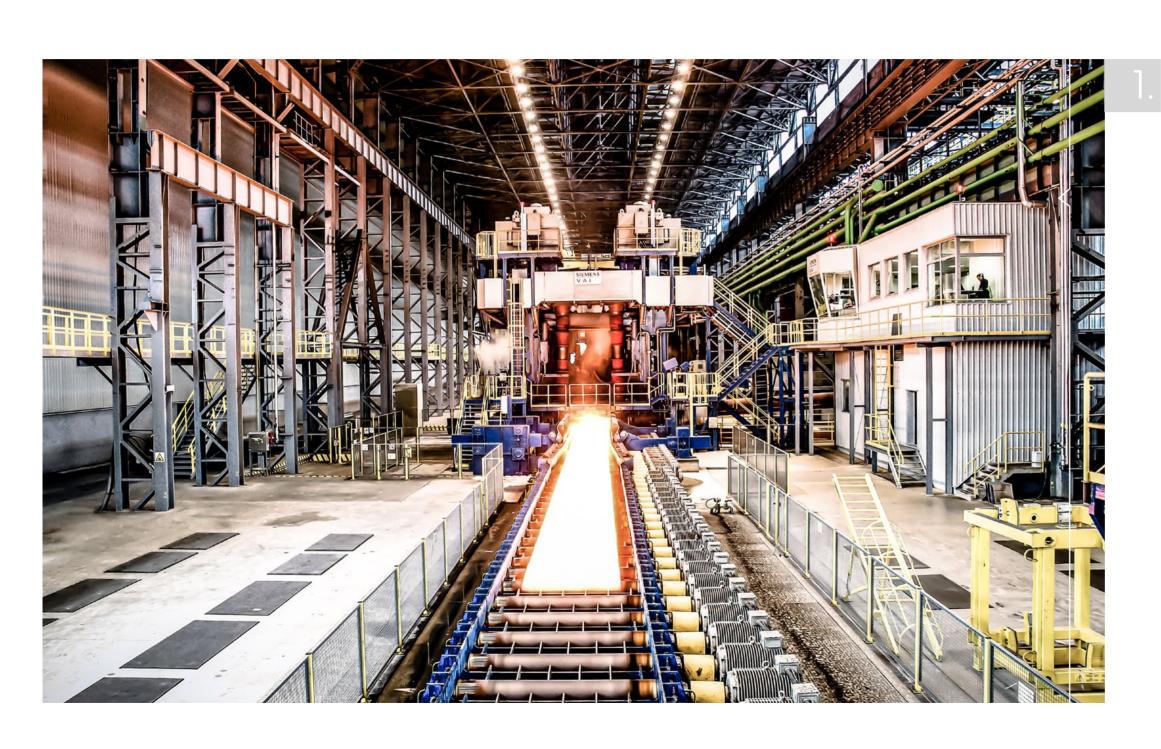
Safe workplace

Environmental protection investments

Steel of the highest quality

Social engagement

How we report



Priorities and management

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- 1.5. Awards and recognitions

1.1. Who we are



70 per cent

of Polish steel market's production potential

5.3m tonnes p.a.

the level of steel production

PLN 7 bn

invested in the modernization of our plants

11,000 employees

in the province of Silesia, Opole and Małopolska

ArcelorMittal Poland is the largest steel producer in Poland and a leading coke producer in both Poland and Europe.

It is our ambition and commitment to continuously improve our processes and products so that we operate in a safe and responsible manner. We want our activity to serve communities and the Polish economy, to contribute to their development.

While achieving these goals we take advantage of the expertise of the ArcelorMittal Group, which operates in 60 countries and to which we belong.

ArcelorMittal S.A., seated in Luxembourg, is the owner of 100 per cent of our shares.

One of ArcelorMittal Group's priorities are investments in research and development, in line with sustainability principles.

1.1. Who we are

Our production units are located in 6 cities:



ArcelorMittal Poland's operations in numbers:

5,272,748 tonnes steel production

2,190,527 tonnes steel export

4,343,831 tonnes coke production

1,902,846 tonnes coke export

Priorities and management

Safe workplace

Environmental protection investments Steel of the highest quality Social engagement

How we report

1.1. Who we are

	2018	2017	2016	2015	2015	
Steel production	5,272,748 tonnes	5,583,426	tonnes 4,806,339	tonnes 5,203,897	tonnes	
Coke production	4,343,831 tonnes	4,530,494	tonnes 4,630,855	tonnes 4,476,655	tonnes	
CIT ¹	PLN 67,794,744	PLN 30,968,096	PLN 90,860,871	PLN 71,647,728		
Excise tax for electric energy, gas and coal products	PLN 12,388,738	PLN 14,740,770	PLN 14,376,171	PLN 49,606,056		
Real estate tax	PLN 137,126,552	PLN 135,574,976	PLN 139,617,484	PLN 139,028,483		
Perpetual usufruct	PLN 17,280,036 ²	PLN 14,678,678	PLN 12,230,000	PLN 12,232,153		
Community	PLN 3,017,226	PLN 1,765,000	PLN 1,214,000	PLN 1,062,637		



¹ Similarly to previous years, we are reporting the amounts of prepayment for CIT for a given year. Prepayment for 2018 amounted to PLN 67,794,744 and the total CIT due amounted to PLN 168,609,473. The payment of the outstanding amount was made on April 1.

² This amount includes the additional payment made in 2018 for the years of 2016 and 2017 in the amount of PLN 248,139.74.

1.2. What matters most to us

We are the largest and the most modern steel producer in Poland. We have six production units, including the largest coke plant in Europe.

Thus, our contribution to the Polish economy is significant, we impact the quality of social lives and the environment.

- We employ over 11,000 persons on the basis of employment contract
- o— We cooperate with almost 3,000 suppliers per annum
- •— We are part of the local communities and their direct neighbour in six locations large cities and smaller towns

 In our production processes the key role is assigned to our investments in modernizations and new technologies. The future of steelmaking in Poland depends on the scale and effectiveness of those actions.

Our priorities are directly related to the scale and profile of the business activity of ArcelorMittal Poland.

Our approach to the principles of corporate responsibility is in line with the Sustainable Development Goals 2030 (SDGs) of the United Nations Organization, and in particular:









Sourcing of raw materials, products and services



Steel and coke production



Sales and the use of our products by our customers



Key challenges of business activity:

- o— improving our environmental footprint, adjusting to more and more stringent EU requirements - technical capacity and costs
- qrowing competition resulting from steel imports from third countries, whose production is not burdened with so many environmental restrictions
- ensuring continuity of production, reliability of supplies and the highest quality of products on offer

Aspects to which we pay particular attention:

- transparent and responsible principles of supplier selection and supplier cooperation
- o— implementation of Responsible Sourcing Code
- o— work safety
- •— the scale of employment, work conditions
- monitoring and reducing environmental impact, particularly in terms of emissions into the air
- o— offering a wide range of high quality products
- taking care of customer satisfaction and continuous improvement of service levels

- o— impact on national economy, the role of our presence on the Polish and European market
- ensuring the continuity of production and product quality
- energy, water and raw material efficiency
- o— compliance with Polish and international law regulations
- responding to customer needs, including the demand for steel now and in the future

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1.2. What matters most to us

ArcelorMittal's 10 sustainable outcomes – our strategy and roadmap

Products that accelerate more sustainable lifestyles Products that create sustainable infrastructure

Steel supports the development of sustainable infrastructure in construction and the public transport network, including trains and trams.

Efficient use of resources and high recycling rates

Steel can be recycled endlessly.

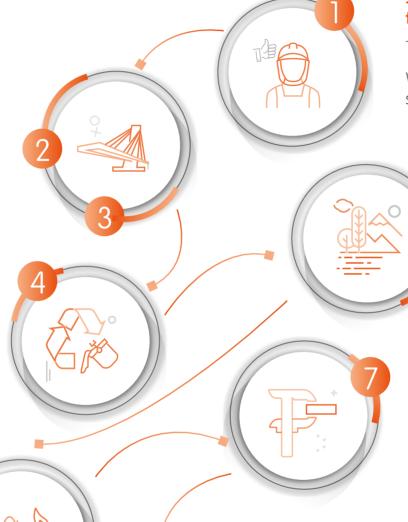
We use scrap in our production processes.

We use 100% of scales (iron oxide) that is a by-product from our plants in Świętochłowice, Sosnowiec and Chorzów.

Responsible energy user that helps create a lower carbon future

Modernization of TAMEH power plant shall reduce dust emissions by 90 per cent.

Steelmaking gases, which constitute a byproduct, will now be used for production of heat and energy.



Safe, healthy, quality working lives for our people

The safety of our employees is our priority.

We implement complex projects related to safety and counteracting accidents.

Trusted user of air, land and water

Since 2004 we have invested PLN 7 bn. in modernizations and new technologies, thanks to which we have significantly reduced the emissions of dust and greenhouse gases into the air.

Supply chains that our customers trust

Focusing on quality of our production and the products we offer to our customers we have implemented and continuously perfect the Code for Responsible Sourcing, World Class Manufacturing method and the Integrated Mangement System.

Active and welcomed member of the community

Pipeline of talented scientists and engineers for tomorrow

Our contribution to society measured, shared and valued

We cooperate with local communities and together with them achieve important community goals.

We implement long-term grant programmes for talented youth, we cooperate with schools and universities.

We are particularly proud of the engagement of our employees in volunteering work and social activity in their direct surroundings.

1.2. What matters most to us

In 2018:

- We continued our extensive programme of investments, modernizations and implementation of new technologies in Dabrowa Górnicza, whose value amounted to PLN 700 m
- Thus, our focus was reducing emissions into the air, ensuring the continuity of production and increasing the efficiency of use of water, energy and raw materials.
- We worked on educational processes and projects, whose objective is to prevent all accidents at a workplace.

The impact of the steel sector on the Polish economy¹

- o— In 2018 as many as 10.2 m tonnes of crude steel were produced and the Polish economy consumed or processed ca. 14.9 m tonnes of steel products.
- The largest recipient (ca. 43 per cent) was the construction sector with the steel demand in the region of 6.4 m tonnes used for construction of i.a. buildings, roads, pipelines, cable networks and steel structures.
- The sold production of the steel industry amounted to ca. PLN 35.7 bn (3 per cent of industrial production) and the export sales accounted for ca. 50 per cent of this amount.
- Employment in the steelmaking companies at the end of 2018 amounted to ca. 24,700 persons.
- o— Remuneration in the steelmaking sector was on the average 13 per cent higher than the industrial average and 20 per cent higher than the average remuneration in the Polish economy.

¹ Source: Polish Steel Association





ArcelorMittal is a leader in the process of drawing up the global standard on ResponsibleSteel™, whose objective is to determine the principles of responsible steel production for the entire sector.

The steel certified in this manner will give confidence to customers all over the world that the steel used by them was produced in a responsible way, with respect for the principles of ethics and responsible business at each step of the value chain – from raw material sourcing to production processes and managing the environmental impact. ResponsibleSteel™ is the first initiative of this kind for our industry.

The following areas will be subject to certification:

- o— climate change and greenhouse gas emissions
- o— responsible use of water resources and biodiversity
- human rights and labour law
- community engagement and business integration

For more information visit www.responsiblesteel.org Interview with the chairman Priorities and of the Board of Directors Priorities and protection investments Steel of the Social engagement How we report

1.3. Our stakeholders

Our everyday operations connect us to numerous people and organizations.

In those relationships we care about:

- proper recognition of their needs and standing,
- understanding expectations against us and our mutual relations,
- ensuring friendly methods of communication with us,
- considering the opinions of our stakeholders in the decision making processes and the roadmap for ArcelorMittal's 10 sustainable outcomes.

A stakeholder is someone who impacts us and who is impacted by us.

In 2017 and 2018 we organized:

- two stakeholder panels

 (in Dąbrowa Górnicza and Kraków),
- feedback sessions for participants of stakeholder panels,
- Participants of these panels worked out recommendations for our company, which we try to incorporate in our business and social operations.

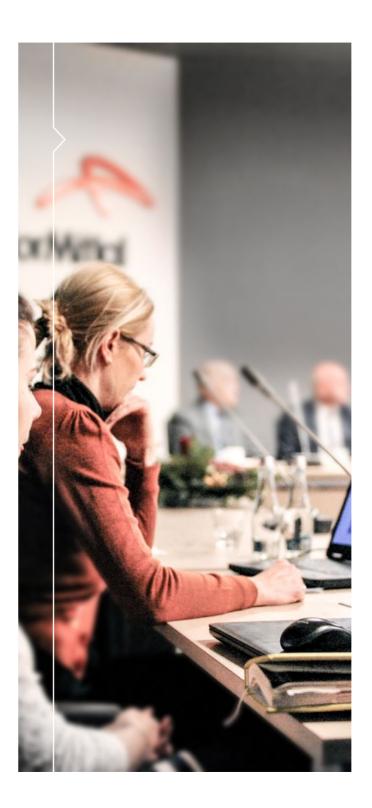


Stakeholder relations management model

Nurturing the relations with our social and business partners constitutes an important goal for us. We analyse our stakeholder map on a regular basis, assessing the strength of our mutual impact and the topics which bring us together.

We try to find out, on a regular basis, what the most important needs of our neighbours are and what the potential for cooperation is.

Example: Thanks to direct consultations with our neighbours we have established, i.a. what new forms of communication will facilitate our contact with the local communities. In response to the expectation related to smooth information flow, we have developed communication by means of social media channels (Facebook, Twitter, YouTube).



We use various forms of direct meetings with persons and entities we impact. The form of dialogue which we value most are consultation meetings prepared and carried out based on the principles of international stakeholder engagement standard AA1000SES¹:

Step 1

Stakeholder panels – meetings, during which we get to know expectations from us and recommendations in terms of future actions

Step 2

Analysis of conclusions from stakeholder panels carried out by the Board of Directors, decisions taken on whether to take them into account in the company strategy

Step 3

Feedback session, during which participants are informed about the decisions taken and future actions

AA1000SES is the first international stakeholder engagement standard, which can be used by all types of entities. This standard defines in a very detailed manner how the stakeholder engagement process should look in terms of development or improvement of the strategy or operational goals.

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1.3. Our stakeholders

The most important forms of communicating with our stakeholders

- Direct meetings and reports shared
- ArcelorMittal Poland's Sustainability Report

- \circ Regular contact and direct meetings
- Meetings of key suppliers with the Board of Directors
- Brochures and our website
- ○— ArcelorMittal Poland's Sustainability Report

- Meetings and press releases
- Direct regular contact
- Meetings for journalists at our plants
- o— Our website
- ○— Social media: Twitter, Facebook, YouTube
- ArcelorMittal Poland's Sustainability Report













- o— 1 magazine
- Intranet and newsletter
- Regular meetings, including those of the CEO with employees and his regular visits on the shop floor
- Notice boards
- Internal TV and radio network
- Direct communication information cascaded by shift leaders
- o— Our website
- ArcelorMittal Poland's Sustainability Report

- Regular contact, direct meetings and cooperation
- Customer satisfaction surveys and opinion surveys
- Meetings of key customers with the Board of Directors
- SteelUser Internet platform
- Brochures and our website
- ArcelorMittal Poland's Sustainability Report

- Direct meetings with local authorities, social partners and residents of areas neighbouring our plants
- Consultation sessions (stakeholder panels) in line with the AA1000SES standard
- •— Regular contact and cooperation e.g. with schools and universities
- Open Days at our units in Kraków, Dąbrowa Górnicza, Zdzieszowice, Chorzów and Świętochłowice
- Family picnics on the occasion of Steelworker's Day and Children's Day, open to local communities
- Brochures and our website
- Social media: Twitter, Facebook, YouTube
- ArcelorMittal Poland's Sustainability Report

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1.3. Our stakeholders

We are a member of and we support numerous associations and organizations:



Polish Steel Association in Katowice



Business Centre Club



Polskie Towarzystwo Ekonomiczne

Polish Economic Society



Academic and Economic Association for Metallurgy



The Polish Chamber of Railway Equipment Producers and Railway Service Providers



Polish Association of Metallurgical Engineers and Technicians



Chamber of Commerce and Industry in Kraków



Association for the Development of Nowa Huta



Steel Industry Employers' Association



Regional Economic Chamber in Katowice



Indo Polish Chambers of Commerce & Industries



British Polish chamber of commerce

1.4. Managerial approach

The Board of Directors of ArcelorMittal Poland (as of February 27, 2019)















Geert Verbeeck chairman of the Board of Directors, CEO

Czesław Sikorski deputy chairman of the Board of Directors, COO Safety, Coke making and Special projects

Tomasz Dziwniel COO Flats and Quality, member of the Board of Directors

Bogdan Mikołajczyk COO Longs and Logistics, member of the Board of Directors

Hervé Mouille COO Primary, member of the Board of Directors

Adam Preiss CFO, member of the Board of Directors

Tomasz Ślęzak Energy and Environment director, member of the Board of Directors in charge of relations with the public sector

1.4. Managerial approach

On February 26, 2019 Sanjay Samaddar was appointed head of Human Resources, Information Technology and Information Systems at Arcelor Mittal Europe – Flat Products and the chairman of the Supervisory Board of ArcelorMittal Poland.

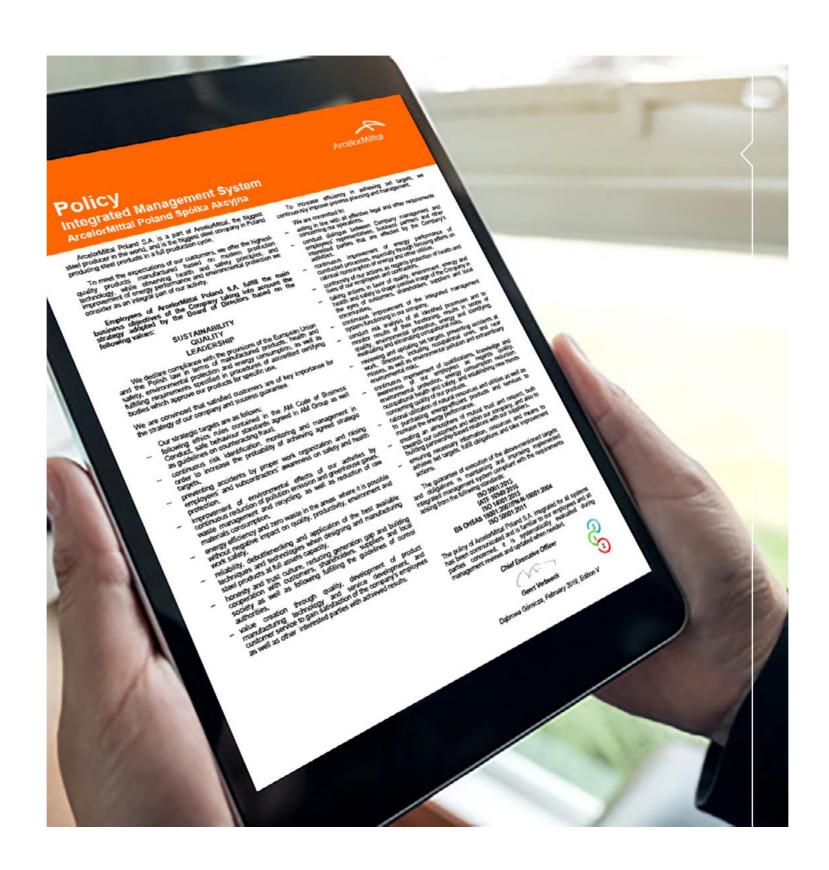
Geert Verbeeck, the CEO and deputy chairman of the Board of Directors was appointed chairman of the Board of Directors. On the very same day COOs in charge of three production segments: primary, flats and longs were appointed members of the Board of Directors.

Supervisory Board composition

(as of February 27, 2019)

- Sanjay Samaddar
- Władysław Kielian
- Augustine Kochuparampil
- Ramesh Kothari
- o— Andrzej Wypych
- o— Jacek Zub

Among the members of ArcelorMittal Poland's Supervisory Board are trade union representatives.





Integrated Management Systems

ArcelorMittal Poland holds certificates confirming the functioning of the Integrated Management System, which consists of the following:

- Quality Management System in accordance with ISO 9001:2015 and. in selected areas, Quality Management System for automotive in accordance with IATF 16949:2016
- Environmental Management System in accordance with ISO 14001:2015
- Occupational Health and Safety Management System in accordance with PN-N 18001:2004 and BS OHSAS 18001:2007
- Energy Management System in accordance with ISO 50001:2011
- Process Safety Management System (in areas related to high risk plants) in line with Environmental Protection Law
- Environmental protection laboratories and quality tests laboratories accredited for compliance with norm ISO/IEC 17025:2005

By putting emphasis on quality and development-driven management, we also implement the continuous improvement system based on WCM (World Class Manufacturing) method.

1.4. Compliance Programme at ArcelorMittal Poland



Compliance Programme at ArcelorMittal Poland

We care about counteracting all noncompliance and practices which are not in line with business ethics and several other regulations which we consistently implement at ArcelorMittal Poland.

We do not accept any fraud, we explain to our employees any business partners what our principles are. We also organize regular trainings in this scope.

"Transforming tomorrow. As the world's leading steel and mining company, we have unique responsibilities. With the needs of future generations in mind, we continue to expand the potential of steel. Our brand values are sustainability, quality and leadership. They describe how we will 'transform tomorrow'.

They are simple, and taken one by one, not unique in themselves. It's the combination, and the way we apply them, that makes our brand values unique. Each of our values are built on a foundation of health and safety. Arcelor Mittal commits to operating in a responsible way with respect to the health, safety and well-being of its employees, contractors and the communities in which it operates."

> ArcelorMittal's Code of Business Conduct

The so-called Compliance Programme implemented at ArcelorMittal Poland, consists of the following policies and documents:

- ArcelorMittal's Code of Business Conduct
- ArcelorMittal's Anti-Fraud Policy
- ArcelorMittal's Anti-Corruption Guidelines
- Receiving and Giving Gifts & Entertainment Procedure
- Arcelor Mittal's Anti-Trust Compliance Guidelines for Europe
- ArcelorMittal's Insider Dealing Regulations
- ArcelorMittal's Whistleblower Policy

- Arcelor Mittal's Dawn Raid Guidelines
- ArcelorMittal's Human Rights Policy
- ArcelorMittal's Economic Sanctions Overview (and ArcelorMittal's Economic Sanctions Guidelines)
- Arcelor Mittal's Data Protection Procedure

It is the compliance officer who takes care of the implementation of the Compliance Programme and building employee awareness in this scope. The compliance officer reports to the chairman of the Board of Directors.

Each Arcelor Mittal Poland's employee is obliged to take part in a training in the scope of business conduct at least every 3 years.



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1.4. Compliance Programme at ArcelorMittal Poland

Priorities and

management

	2018	2017	2016
Total number of employees who got acquainted with procedures	413	994	In 2016 8,764 employees took part in trainings on business conduct and 1,141 were trained on counteracting fraud.
Out of which employees in positions of managers and above	142	280	
Out of which employees in positions below manager	271	664	
% of all employees who got acquainted with procedures	4.19 %	9,57 %	
Out of which % of employees in positions of managers and above	1.44 %	2,84 %	
Out of which % employees in positions below manager	2.75 %	6,73 %	

The number and percentage of employees who got acquainted with anti-fraud principles and procedures in our company, as well as were trained in this scope (obligatory training, to be attended every three years).

In 2018:

- O We organized i.a. an additional training for the white-collar employees of ArcelorMittal Poland. Its objective was to increase the awareness in the scope of business ethics and counteracting fraud. The trainings were organized upon the request of the then deputy, and now the chairman of the Board of Directors, Mr Geert Verbeeck.
- At the same time, the compliance officer organized individual and group trainings for employees, including 28 trainings in the scope of counteracting fraud and the gifts and entertainment procedure.
- We also organized the "Fraud Awareness Week", and under its framework reminded all employees the principles of business conduct and the ways of reporting possible non-compliance.

100 per cent of ArcelorMittal Poland's units have been subjected to analyses in the scope of fraud risk.

Also, the members of Arcelor Mittal Poland's Supervisory Board are informed about antifraud procedures and principles on a regular basis. The standards and requirements in the scope of business conduct and counteracting fraud are also an integral part of the stipulations of contracts we sign with our suppliers.

Every person who would like to report fraud or non-compliance in a confidential manner, can do so by using a freephone line or a special website: www.arcelormittal.alertline.eu, available in Polish and English (a web page of ArcelorMittal's Workplace Alert).



1.5. Awards and recognitions

Awards and recognitions which we received for 2018:



Fthical company

Title granted by the experts of "Puls Biznesu" daily to reliable and socially responsible companies.



Gold medal for Granite® Ultramat

Granite® Ultramat is produced in our unit in Świętochłowice. This recognition was received by a representative of ArcelorMittal FCE Poland Sp. z o. o.

An award granted to the most innovative product at the largest construction trade fair in Poland - BUDMA.



Polityka's Golden

A distinction for the most responsible and socially engaged companies.



Contributors to the City of Kraków

Honoris Gratia title granted by the mayor of the City of Kraków to the then chairman of the Board of Directors Mr Sanjay Samaddar and to the head of the blast furnace and steel shop at our Unit in Kraków, Mr Grzegorz Maracha. The mayor thanked our company for cooperation with the city in combating smog, supporting the Nowa Huta of the Future initiative, enhancing the greenery in Kraków and social initiatives completed to the benefit of the residents of Nowa Huta.





Saint Christopher's medal

Awarded by the Historic Museum of the City of Kraków to our former chairman of the Board of Directors and currently the chairman of the Supervisory Board, Mr Sanjay Samaddar for supporting the museum in various fields of its activity.

Our actions were described in the nationwide report "Responsible Business in Poland. Good practices"

Three of our good practices found their way into the "Responsible Business in Poland. Good practices" report issued in 2018 by the Responsible Business Forum. The following initiatives were appreciated: Work-life balance days, local minigrants and support for homeless animals.

Priorities and management

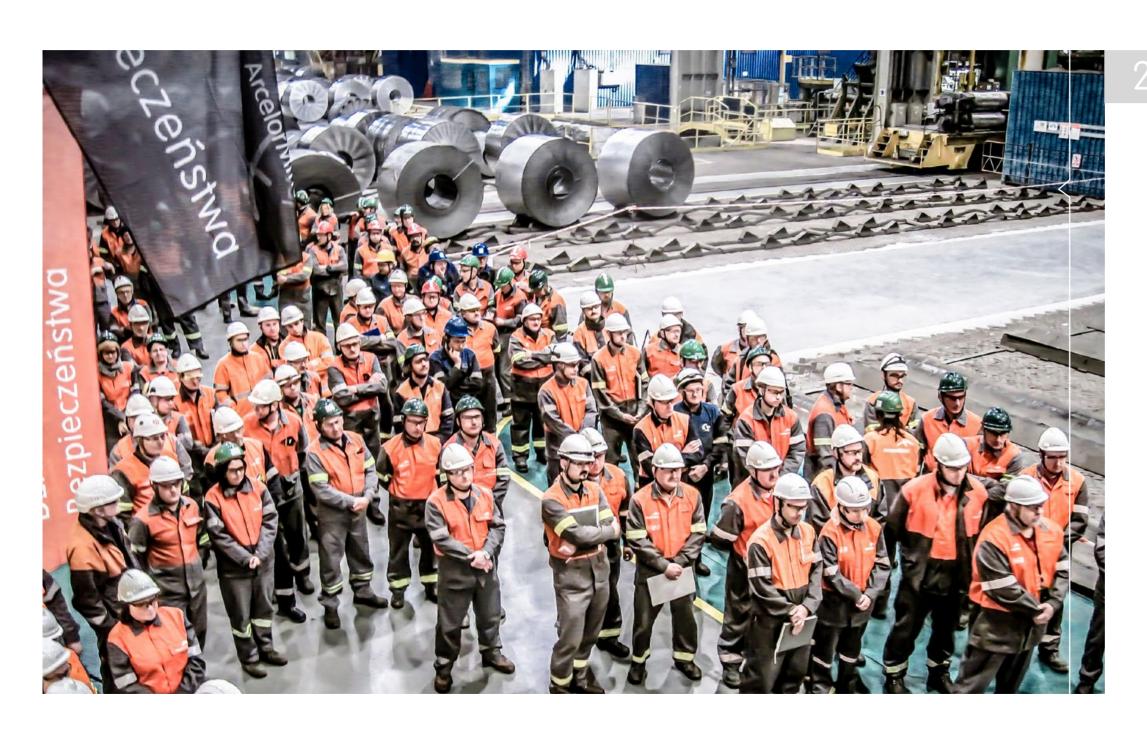
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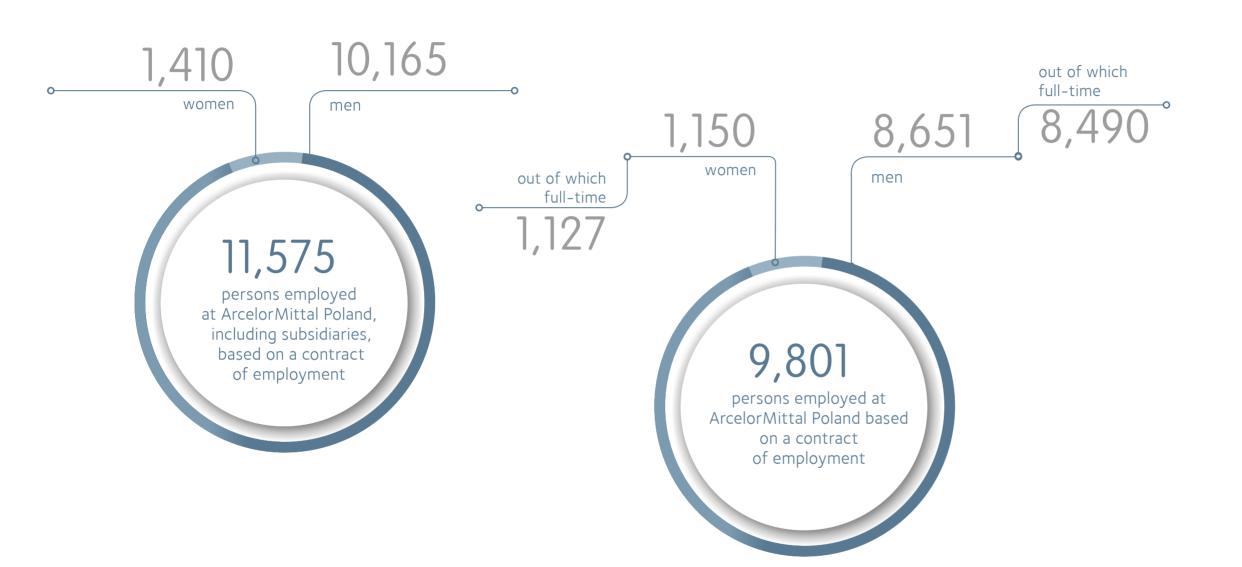
How we report



Safe workplace

- 2.1. Scale of employment
- 2.2. Safety as our priority
- 2.3. Training and development
- 2.4. Benefits and terms of employment
- 2.5. Supporting education for the future of our industry

2.1. Scale of employment



Two ArcelorMittal's sustainable outcomes refer directly to workplace management:

- Safe, healthy, quality working lives for our people
- Pipeline of talented scientists and engineers for tomorrow.



Safety and numerous training programmes

Our absolute priority is safety and accident prevention. We implement numerous training programmes, which bring us closer to our ultimate goal: **O accidents** at ArcelorMittal Poland.



Development

We take care of development of steelmaking expertise and skills of our employees, we make efforts to develop their potential, we appreciate their work experience and engagement they demonstrate in their everyday work.

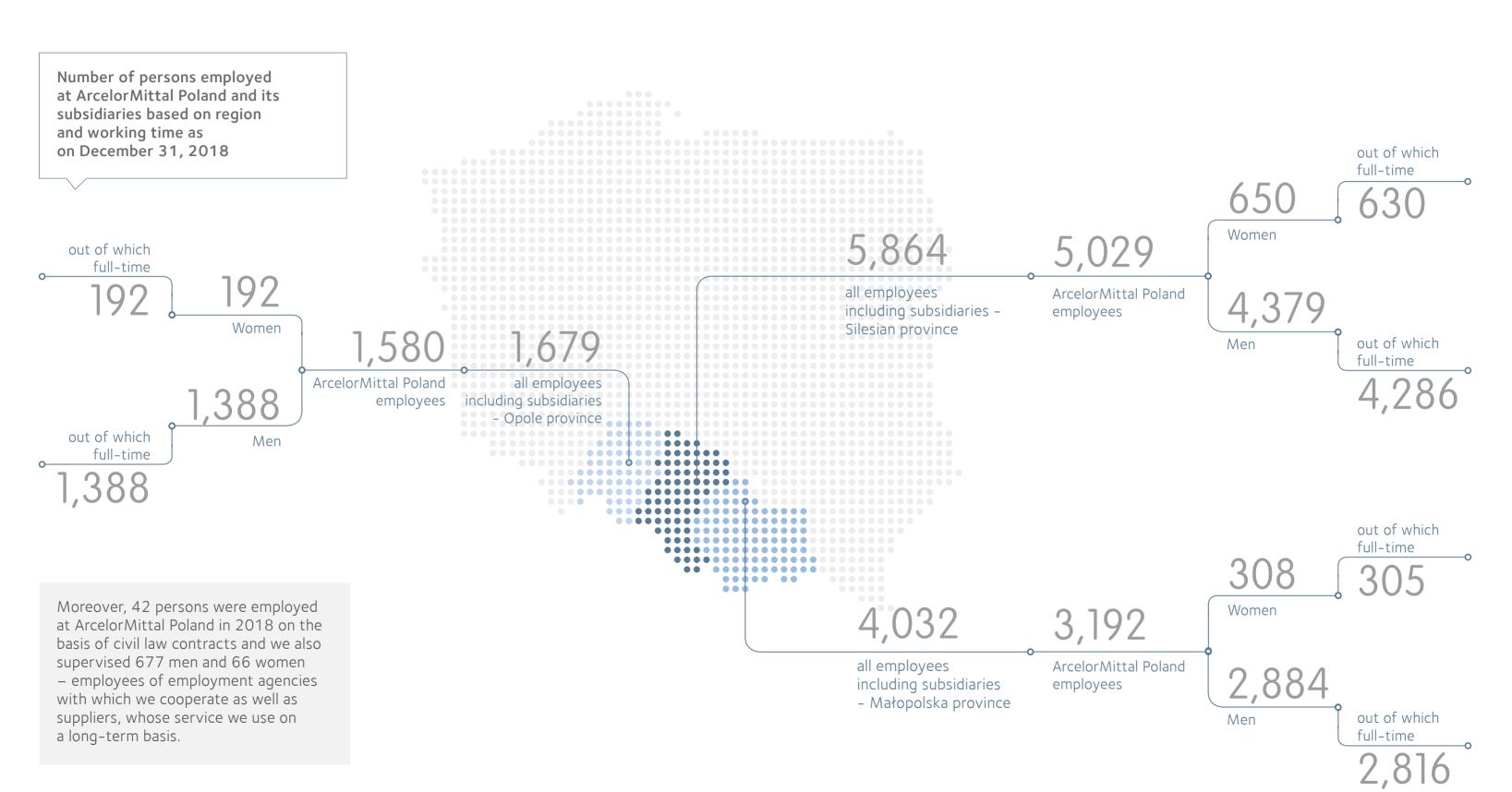


Company regular events

With safety, health and development of our employees in mind, we organize in our company regular events such as Health Awareness Week, Work-life balance days, Learning Week and WCM Day. Interview with the chairman Priorities and Safe workplace Environmental Steel of the Social engagement How we of the Board of Directors management protection investments highest quality report

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2.1. Scale of employment



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2.1. Scale of employment

		Total	Persons employed on the basis of indefinite employment contract	Persons employed on the basis of definite employment contract	Persons employed on the basis of employment contract for trial period
Total number of	Women	1,410	1,370	29	11
employees at ArcelorMittal Poland and	Men	10,165	9,953	182	30
subsidiaries	Total	11,575	11,323	211	41
Number of	Women	1,150	1,116	23	11
employees at ArcelorMittal	Men	8,651	8,460	161	30
Poland	Total	9,801	9,576	184	411

The number of departures amounted to 767: 138 women and 629 men. Majority of them (549 persons) were employees above 50 years of age.

In December 2018 the number of persons employed at our company for a period shorter than a year amounted to 5.6 per cent of total employment.

Number of persons employed at ArcelorMittal Poland and its subsidiaries based on gender and type of employment contract as on December 31, 2018

¹ Including 17 students

					New hires in 2017				New hires in 2018
		below the beage of 29	etween 30 and 50	above 51	Total	below the age of 29	between 30 and 50	above 51	Total
Number of	Women	12	19	1	32	24	30	2	56
new hires at ArcelorMittal	Men	170	158	20	348	199	258	36	493
Poland	Total	182	177	21	380	223	288	38	549

Number of new hires at ArcelorMittal Poland in 2017 and 2018 on the basis of a contract of employment, based on gender and age

In 2018 as many as 549 persons joined the group of Arcelor Mittal Poland's employees: 493 men and 56 women.

2.1. Scale of employment

Number of employees constituting the Board of Directors based on gender and age categories, as on December 31, 2018

ArcelorMittal Poland

- o 1 male between 30-50
- o— 4 males above 50

Subsidiaries

- o— 3 females above 50
- o— 4 males between 30-50
- o— 11 males above 50

Composition of employment of ArcelorMittal Poland based on employment category, age and gender as on December 31, 2018

		Below 30	Between 30 and 50	Above 50	Total	
	Women	0	3	3	6	14%
Board members and directors	Men	0	21	17	38	86%
		0	24	20	44	
Employees in higher and lower managerial	Women	1	57	43	101	9%
	Men	22	571	435	1,028	91%
positions ¹		23	628	478	1,129	
0.1	Women	32	240	302	574	8%
Other administrative employees	Men	368	3,176	2,996	6,540	92%
employees		400	3416	3,298	7,114	
	Women	8	149	312	469	6,70%
Line employees	Men	368	3,176	2,996	6,540	93,70%
		376	3,325	3,308	7,009	



Our objective is to create a friendly workplace, where everyone has equal development opportunities and is treated in line with the same principles. We believe that the strength of teams lies in their diversity. The common ground for all our employees is mutual respect and acceptance of differences between us.

Since 2013 we have been a signatory of the Diversity Charter, which is a written obligation to have a policy of equal treatment and diversity management, as well as to actively counteract discrimination and mobbing at a workplace.

Women constitute 11.7 per cent of our employees. In 2018 five women belonged to the top management of ArcelorMittal Poland and 101 women were managers of higher or lower level. They constituted 9 per cent of all persons in such positions.

We employ persons of different ages. 48.1 per cent of us are persons between 30 and 50 years of age; 5.4 per cent is below 30 and 46.4 per cent over 50.

¹ The following positions belong to this group: head, manager, leader, senior foreman

2.1. Scale of employment

		Below 30	Between 30 and 50	Above 50	Total	
total number of	Women	50	560	800	1,410	12.2%
employees at ArcelorMittal Poland	Men	529	5,015	4,558	10,165	81,8%
and subsidiaries	Total	579	5,575	5,358	11,575	
	Women	41	449	660	1,150	11,7%
number of employees at ArcelorMittal Poland	Men	489	4,271	3,891	8,651	82,3%
AICEIOI MILLAI FOIAIIU	Total	530	4,720	4,551	9,801	

Composition of employment of Arcelor Mittal Poland based on employment category, age and gender as on Dec ember 31, 2018





We appreciate the role of women

Women continue to constitute a minority in our company as historically men were more frequently interested in a steelmaking career. But they are a welcome minority, which is appreciated for its contribution into building the values of our organization.

With women development in mind, we organize on an annual basis a series of events under the name of Alumni Women@ArcelorMittal.

It is an initiative of women who previously took part in our development programmes (both local and corporate, organized at an international level). The objective of this project is further strengthening of the role of women and enabling them to build broader business relations. We want to inspire the ladies working at Our company to undertake the next challenges, both in private and professional life. To this end, in 2018 we organized i.a. a workshop on communication and establishing new business contacts.

> Currently the group of Alumni of Women@ArcelorMittal consists of ca. 70 ladies working at various positions in our organization.



We support cooperation between employees with different years' experience

We have already completed four editions of **Talent Academy** – a development programme which assumes cooperation in diverse teams as far as age is concerned.

Within the framework of this project mentors (employees with significant experience, experts in their areas) worked together with young engineers (employed at our company no longer than 3 years) on process improvement or a solution to a real problem.

The decision to launch the next edition of the programme will be taken in autumn 2019.

2.2. Safety as our priority

Our main objective in our employment policy is ensuring a safe workplace for each and every employee. Our ultimate goal is "zero fatalities and zero severe accidents". We make a lot of effort to improve safety at our plants and increase the awareness in this area.

Our goal is the highest level of safety a tour steel plants and coke plants.

We Take Care of each other.

In 2018 in the scope of accident prevention we focussed on so-called human factor, on road safety and on safety at work involving vehicles, as well as so-called three-way-communication.

Accidents can be prevented primarily when our employees are alerted and they notice potentially serious hazards.

This is why, during trainings, we teach how to effectively recognize hazards, inform about them and counteract them.



Our main actions in 2018:

- We reduced the number of serious incidents and lost time injuries.
- O We openly talked about hazards and analysed serious occurrences. Thanks to this we recorded more reports on potential hazards from our employees than from external auditors. This is a positive trend, which improves our safety.
- O— We celebrated 12th Health and Safety Day under the theme of "We choose the safest way". Its focus was the role of communication in the area of safety.
- We continued Take Care programme.
- We conducted cross safety audits in two of our plants and our unit in Kraków was visited by Arcelor Mittal's Global H&S Committee.



Complex approach to safety – key regulations and procedures

The complex approach to safety management assumes taking actions in line with internal procedures, with high self-awareness of employees.

We act in accordance with norms PN-N-18001:2004 and BS OHSAS 18001:2007.

The key elements of our internal procedures include:

- hazard identification and risk assessment (PS/S2/B.003)
- reaction to anomalies, hazards and near misses (PS/S2/B.015)
- reaction to accidents at ArcelorMittal Poland (PO/S2/B.002)
- o— organization of pre-medical aid at ArcelorMittal Poland (PO/S2/B.003)
- o— procedure on property risk management (PO/S2/B.009)

Within the framework of our central H&S department, there are teams in charge of work safety, fire protection and property risk management, as well as the support office taking care of i.a. drawing up safety rules for large investment projects, railway safety, accident analysis and labour medicine.

At ArcelorMittal Poland we also have the **Main Safety Committee**, which consists of trade union representatives, H&S team members, Plant Social Labour Inspector and directors managing key company operations.

The committee is in session once per quarter. During the meeting current H&S issues are discussed and long-term safety improvement initiatives are developed.

In 2018 the formula of the committee was changed – its direction shall be set by the so-called H&S information forum (a body appointed based on our agreement with trade unions).







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Number of severe and light incidents



1.13
Lost Time
Injury Rate¹

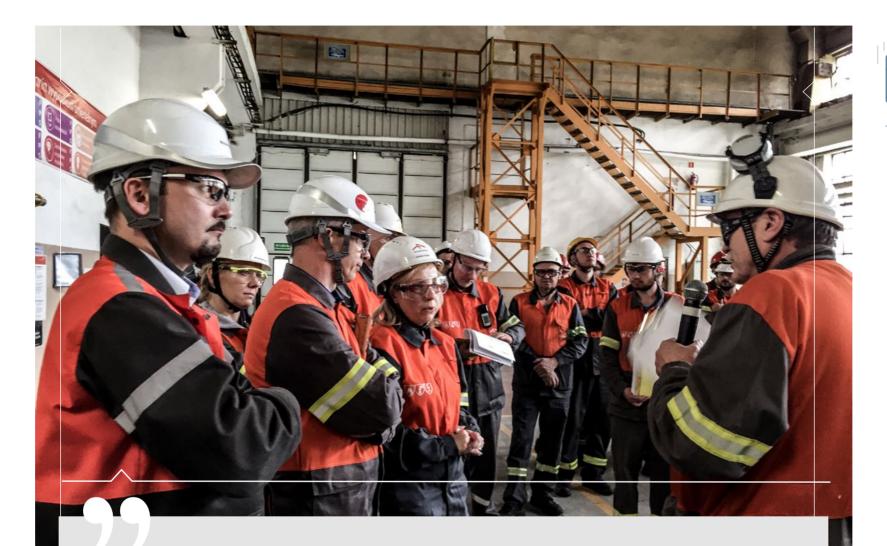
2.2. Safety as our priority



Take Care

A series of workshops which we started in 2016. Its first stage, entitled "Start with yourself" was completed in 2018. The project is run based on a 5-day cycle. The first four days are open-formula workshops. They gather employees from various departments and age groups. The teams work with a trainer who moderates the discussion. The fifth day of the workshops is dedicated to safety training required by the Polish law.

- o— Within the framework of Take Care programme we are planning to train all persons working on the shop floor; both at ArcelorMittal Poland and in our subsidiaries, i.e. over 10,000 persons. So far, the first stage of the project was completed by 98 per cent of our staff.
- Take Care workshops were positively assessed by their participants: 99.4 per cent of attendees would recommend them to others.



Safety shall always be our priority. In order to change bad habits we have spent over one and a half years on carrying out an impressive training programme entitled "Take Care". Our solution is to use shared vigilance. When we know what to do, we can protect each other.

Everyone can get distracted and believe that a given action is not hazardous but thanks to shared vigilance people will react in a spontaneous manner and thus avoid a potential tragedy.

> Geert Verbeeck chairman of the Board of Directors.

> > CEO ArcelorMittal Poland



Health and Safety Day

At all our units on April 26th we celebrated the 12th Health and Safety Day. The theme of the event was "We choose the safest way". During the course of the day we carried out so-called cross audits, during which employees from various plants were able to exchange good practices and together come up with solutions eliminating the most serious hazards identified at plants.

We also organized communication exercises, rescue shows and a field game entitled The Choice is Yours, in which 21 teams participated. The game was based on the four pillars of the Take Care programme, so the application of Golden Rules, hazard identification, reacting to things going wrong and taking responsibility, i.e. proposing a change.

2.3. Training and development





Learning Week 2018

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In 2018 we organized i.a. Learning Week. At our units in Dąbrowa Gornicza, Kraków and Zdzieszowice our employees were able to take part in a series of practical and theoretical trainings, whose leitmotiv was digitalization. The theme was selected due to the fact that we are now implementing Industry 4.0 standards.

Learning Week 2018 consisted of:

- Meeting with the digital officer and conversations on mobile inspections as well as the application of digitalization in logistics
- Meeting with Miłosz Brzeziński a coach and business psychologist, who presented social trends resulting from the development of new media and superfast information flow
- "Personal branding in social media" and "Virtual team, real cooperation" workshops
- o— "Perfect your English" workshop
- City game with the use of mobile technologies.

¹ The list includes all types of trainings, also those resulting from the Labour Code. The data does not include foreign language courses.

Interview with the chairman of the Board of Directors

Priorities and management

Safe workplace

Environmental protection investments

Steel of the highest quality

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2.4. Benefits and terms of employment

We do our best to create a friendly workplace, by supporting our employees in maintaining good health and well-being, as well as a work-life balance.

We want working for us to be a source of satisfaction and we want it to be financially attractive.

PLN 3,268.47

The average gross monthly salary of the lowest level of ArcelorMittal Poland's employees. It accounted for 156 per cent of the minimum wage in Poland

90 per cent

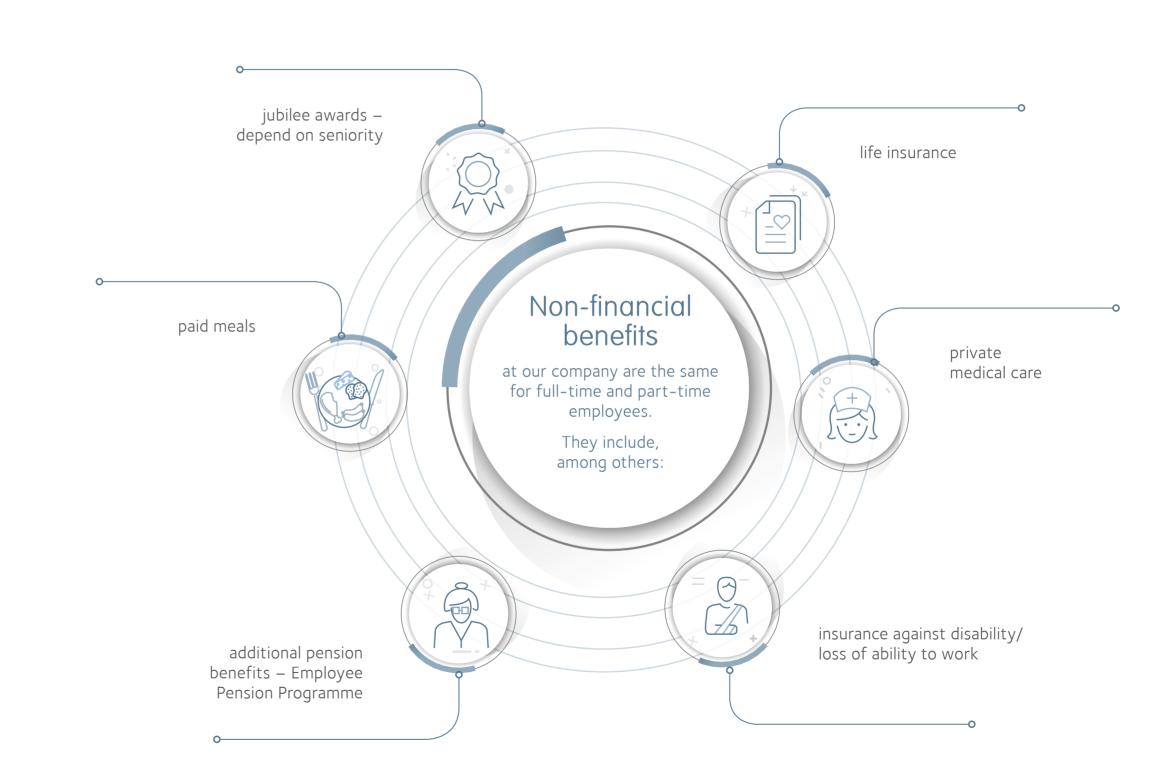
of ArcelorMittal Poland's employees participate in a voluntary Employee Pension Programme. The company transfers the equivalent of 1.5 per cent of gross remuneration and the employees can make additional contributions.

99 per cent

of our employees are covered by collective agreements.

100 per cent

of women returned to work after maternity leave in 2018.



2.4. Benefits and terms of employment





Work-Life Balance Days

Employees in Kraków, Zdzieszowice and Dąbrowa Górnicza took part in workshops and meetings dedicated to balancing three aspects of human life, which for the purpose of the event were called "gardens".

- "The garden of family" covered meetings on building relations in a family. The participants concentrated on the principles for appropriate communication with their nearest ones and on emotions in private and professional life.
- o— The practical character of "the garden of hobby" enabled the employees to find out about self-defence techniques of krav maga. During the workshops they were also able to try another potential hobby: creating small forests in jars.
- O In "the garden of work" we concentrated on the ability to build trust in a team. The employees also practiced the ability to reduce stress by means of appropriate breathing.



Health Awareness Week

In 2018 we focussed on six pillars: "Joint run for health", "A day without (e-) cigarette", "Healthy rather than digital heart", "Real, not virtual diet", "Go for a body inspection" and "E-assistance". We offered our employees medical tests recommended for smokers, overweight persons and those suffering from blood circulation problems. We also vaccinated our employees and their families against flu.



On the premises of our production plants we organized workshops with a dietician and a psychologist and their participants learnt how to combat stress and design a healthy diet. There was an opportunity for everyone of taking advantage of a free psychologist consultation offered by Droga Foundation.

The Health Awareness Week also offered a series of sports events such as the Steelworker's Run in Dąbrowa Górnicza, Sports Academy, tennis tournament in Będzin and a football match between our rolling mills in Nowa Huta.



Family Friendly Employer

We received the Małopolska Labour Market Award, particularly for the best employer actions aimed at facilitating the work-life balance among employees in the category of "company employing over 250 persons".

2.5. Supporting education for the future of our industry

We are the largest company in our sector in Poland and we feel responsible for the development of the steelmaking industry. By our actions we try to prevent the negative consequences of the economic and demographic changes. We take care of the desired competences and expertise. We try to support the research and academic potential of universities and educational facilities. We jointly work on long-term projects, which facilitates an open exchange of experiences and offers the graduates a good start into their careers.

We emphasised how important this topic is to us, by making it one of our 10 sustainable outcomes:

 Pipeline of talented scientists and engineers for tomorrow.

We are increasing our presence in vocational schools so that we can affect the quality of the learning process of our future employees. We support the new dual educational model, which allows for combining of learning theory with practice and providing paid apprenticeships. This model was widely used in the past. This model also foresees the participation of instructors of practical occupational teaching as well as caretakers for the youth in the process. We hope that the cooperation with vocational and technical schools in the form of apprenticeships and practical occupational learning may encourage youth to take up education in occupations related to steelmaking as well as repair and maintenance.



Our actions in 2018:

- We signed a letter of intent with the Teaching Supervision Authority in Katowice on the cooperation in the scope of vocational education (as a member of the Association of Steel Industry Employers).
- We took part in works over the vocational subject teaching programme together with the Ministry of National Education.
- •— We took part in an ESSA EU project on creating a new competency matrix for education in metallurgical faculties.
- We organized 114 apprenticeships, including 33 for technical school students.

- We cooperated with numerous educational centres, i.a. AGH University of Technology in Kraków, the University of Technology in Katowice and in Kraków, the Tadeusz Sendzimir Vocational School Complex in Kraków, the Technical Science School in Dabrowa Górnicza, the Technical School Complex in Dabrowa Górnicza, the Technical and General Education School Complex in Zdzieszowice and the Electrical School Complex no. 2 in Kraków.
- •— We continued our cooperation with the HTS Vocational School Complex – students from two classes of electricians practice as young employees of Arcelor Mittal Poland. Moreover, the students of the first grade learn mechanics at the workshop of our Central Repair and Maintenance department, and in the second grade they are offered apprenticeships in our plants, where they perform works on our production lines during repairs.

The occupation of a steelmaker, which used to be a traditional vocation, transferred from one generation onto the next one, has lost its attractiveness in the eyes of the young generation. Our objective is to ensure that a job in steelmaking is desired again and perceived as attractive. Young people should know that we as steelmakers use modern technologies and innovations and that a job in steel offers both professional and financial satisfaction.

> Monika Roznerska HR director ArcelorMittal Poland





Environmental protection investments

- 3.1. Our priorities and the environmental footprint management system
- 3.2. Reducing emissions into the air
- 3.3. Energy efficiency
- 3.4. Water and waste

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3.1. Our priorities and the environmental footprint management system

While making efforts in order to reduce the environmental impact of coke and steel production, we go by ArcelorMittal's Sustainable Outcomes:

- Efficient use of resources and high recycling rates
- ○— Trusted user of air, land and water
- Responsible energy user that helps create a lower carbon future

While managing our environmental footprint, we aim to meet UN's two Sustainable Development Goals 2030:





In our industry the topic of environmental footprint is of great significance as far as our strategy and the licence to operate are concerned.

Steel production, even with the application of the most recent solutions, is highly energy intensive and results in emissions of greenhouse gases. A great challenge are also high costs of implementing new technological solutions.

Increasing the consumption efficiency of water, energy and raw materials allows, in a long term, financial savings, however, it does not balance the high costs of modernization and innovations of our production processes or the costs of EU Emissions Trading System (ETS).

While taking care about the future of economy and the role of our industry in achieving the global Sustainable Development Goals, the entire ArcelorMittal Group focusses on strategic development areas:



creating sustainable value







supply chain



In each of those areas the centre of our attention are issues of environmental protection and the development of environmental innovations.

We take actions based on the following principles:

- Integrated Management System policies in the scope of environment, quality, energy and health & safety
- •— Environmental Management System in line with ISO 14001
- Energy Management System in line with ISO 50001
- Health and Safety Management System in line with PN-N 18001 and BS OHSAS 18001
- Quality Management System in line with ISO 9001 and IATF 16949 technical specification
- Moreover, in Kraków, Dąbrowa Górnicza and Zdzieszowice – in line with the Process Safety Management System set out in the Environmental Protection Act

In order to meet the requirements of the ISO 14001 environmental management system and fulfil all obligations resulting from law, every year we subject ourselves to a series of audits and environmental inspections: audits carried out by independent external certification units as well as inspections by environmental protection bodies.

We carry out internal audits with reference to ISO 14001 and we monitor, in a detailed manner, the compliance of our activities with current regulations of the EU and Polish law as well as all changes planned therein.

We consistently work on achieving the goals related to improving our environmental footprint via a multi-year programme of investing in new technologies and modernization of our plants.

Those investments serve two major purposes: ensuring the reliability of efficient production processes and lowering our environmental impact.

We completed very important undertakings improving our environmental footprint at our coke plant in Zdzieszowice:

PLN 21.5 m

Repair of coke oven battery no. 5 in the scope of refractory material (the heating walls zone) and modernization of furnace equipment and machines

PLN 8.3 m

Repair of dedusting system of coke oven batteries no. 5 and 6

3.1. Our priorities and the environmental footprint management system

2017-2019

Modernization of electrostatic precipitators on distribution node and silencing of fans

installation of sinter belt no. 1 2017-2019

PLN 9.5 m 2017-2019 Modernization of electrostatic precipitators of sinter cooling

Modernization of electrostatic precipitators of sinter cooling installation of sinter belt no. 3

PLN 78 m 2016-2018

PLN 61 m 2017-2019

on sinter belt no. 3 in Dabrowa Górnicza

Construction of hybrid filters on sinter belt no. 1 in Dabrowa Górnicza

- Construction of hybrid filters o— For the first time in the sinter making process a hybrid dedusting technology of sinter belt is applied. It combines dedusting via electrostatic precipitators and dedusting via bag filters.
 - This lowers dust emissions from the sinter belt from the level of 100 mg/Nm³ to ca. 10 mg/Nm³.

PLN 92.8 m 2017-2019

Repair of blast furnace no. 2 in Dabrowa Górnicza

- Blast furnace no. 2 is one of two such units operating in Dabrowa Górnicza and one of three operating at Arcelor Mittal Poland. It is a key piece of equipment in the steel production process.
- Thanks to the completion of this project the life cycle of this installation was extended by the next 3-5 years and the efficiency of its dedusting system was increased.

Six out of nine largest modernization investments carried out in 2018 had a target to lower significantly our environment footprint.



Environmental fees

In 2017 for the use of environment, i.e. emissions into the air, water intake and waste water disposal as well as waste storage we paid the amount of PLN 36,490,223

In 2018 those fees amounted to PLN 34,432,725



In 2018 in Dabrowa Górnicza alone we financed environmental investments whose total value exceeded PLN 700 m.



Modernization of sinter plant dedusting system



Modernization of steel shop dedusting



Construction of desulphurization and denitrification installation at the TAMEH Polska power plant **New hybrid filters** at our sinter plant in Dabrowa Górnicza lower the emissions from our 250 m high smoke stack over six times.

The modernization also covers the dedusting system of lower smoke stacks of the sinter plant. Two out of three new electrostatic precipitators are to dedust the unloading operations and the cooling belts of sinter belts no. 1 and 3. The third electrostatic precipitator dedusts the reloading point of coke and iron ore.

Electrostatic precipitators (ESPs) are homogenous installations, similar in size to blocks of flats. Their dedusting efficiency reaches even 99.95 per cent. Two out of them, destined for the cooling belts, are 24 m long, 10 m wide and almost 24 m high. ESP for the reloading point of coke and iron ore is 18 m long.

3.1. Our priorities and the environmental footprint management system

Direction -> circular economy

Each of us has an impact on the pace of transition of economy from the model predominant so far "production – use – disposal" to a far more environmentally friendly one: "production – use – reuse as raw material and limit all waste".

Circular economy is based on the principle of treating each waste as a potentially valuable raw material, which may, and should be used in the next production processes.

Thanks to its exceptional properties steel plays a significant role in this approach.

- o— Steel is an exceptionally sustainable raw material, which may be subjected to numerous recycling processes in 100 per cent. Compared to other metallic elements, e.g. aluminium, steel contains less pollutants, which unintentionally are transferred into alloys during the production process. Thanks to this it is easier to recycle steel while preserving its primary quality.
- O— The world will be needing more steel. Forecasts show that by 2050 1.5 time more steel will be consumed than currently. (Source: https://www.worldsteel.org/about-steel/steel-facts.html)
- Our objective is to analyse and maximise the life cycle of ArcelorMittal products and to cooperate with experts of numerous industries on implementation of new innovative solutions in line with sustainable development and circular economy principles.
- Our contribution into circular economy is also optimization of coke and steel production processes, searching for new solutions increasing recycling rates, reducing all unused waste and developing ways to retrieve waste as raw material for new markets.



Water

3.1. Our priorities and the environmental footprint management system

The new water treatment installation in Kraków reduced water consumption from Dłubnia River by ca. 190m³/h.

 Construction of central compressor room in Kraków reduced the consumption of industrial water by ca. 500m³/h.

Slag

- 100% of steelmaking slag in Kraków and Dąbrowa Górnicza is processed into metallurgical fractions and reused in steel production, or, following a necessary seasoning period, transferred to other entities in the form of construction aggregate.
- O— In 2018 our unit in Dąbrowa Górnicza transferred 344,458 tonnes of steelmaking slag in the form of construction aggregate and 307,120 tonnes of recovered metallurgical fraction into our production processes.
- 99% of granulated slag produced in 2018 in Dąbrowa Górnicza was used by cement plants.
- In 2018 we transferred 1.204 m tonnes of granulated slag from our unit in Dąbrowa Górnicza to cement plants.

Scrap

• We use scrap in steel production. In 2018 we used over 1,141,271 tonnes of scrap at our unit in Dąbrowa Górnicza and 347,864 tonnes in Kraków.

- At our plant in Chorzów as much as
 6.5 m m³ of water circulates within a closed circuit.
- O In Kraków, thanks to a significant closed water circuit, in 2018 we reduced the water intake from the Vistula River by 44,201,790 m³.
- In Sosnowiec 95% of water used circulates in a semi-open circuit.
- At the by-products department in Zdzieszowice 74% of water used for cooling purposes circulates in a closed circuit.
- \circ We apply closed water circuits.

The coke plant in Zdzieszowice uses treated waste water retrieved from the waste water treatment plant for coke quenching, thus saving surface water. In 2018 we saved 719 thousand m³ of water thanks to this process.

Blast furnace gas

- Thanks to modern technologies we use blast furnace gas recovered during hot metal production to produce energy at our units in Kraków and Dąbrowa Górnicza.
- In Kraków only 1% of blast furnace gas is flared. The rest is used to produce energy and heat.

Sludge and scales put back into circulation

- We use 100% of sludge from the biological waste water treatment plant at our unit in Kraków and the coke plant in Zdzieszowice, as well as 100% of scales (iron oxide), which is a by-product at our units in Sosnowiec and Chorzów.
- In Dąbrowa Górnicza in 2018 over 164,212 tonnes of scales were recovered (and redirected into sintering process).



- 1 Semi-open circuit: water circulates in a circuit and when needed additional water is taken in from a river and in case of water oversupply in the circuit, the water is sent back to the river.
- ² Scales: a by-product of steel production processes, it is produced as a result of charge storage and heating for the blast furnace, rolling, cooling and finishing of steel products.

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3.2. Reducing emissions into the air

Thanks to our significant investments in modernizations, over the past 10 years we have significantly reduced CO₂ emissions at all our production plants – by nearly 37 per cent.

Examples of investments significantly reducing emissions into the air and their results:

Kraków

- For a few years, thanks to an investment worth PLN 100 m, a modern coke gas cleaning installation has been operating at our coke plant in Kraków, which allowed us to limit energy consumption and consequently reduce the emissions of greenhouse gases.
- o— In 2018 block no. 2 of the coke dry quenching installation was subject to repair. In this technology coke is quenched with heat recovery, with minimal water consumption. Thanks to this project we have increased the efficiency of dedusting and reduced the amount of dust circulating with gas.
- ○— Since 2019 at the TAMEH power plant in Kraków steelmaking gases are used to produce electricity, heat and blast. This investment, worth over PLN 300 m. allowed us to reduce dust emissions into the air and emissions of greenhouse gases by:
 - ▼ dust 90 per cent
 - ▼ nitrogen oxides (NOx) 83 per cent
 - ▼ sulphur dioxide (SO₂) **80 per cent**
 - ▼ oxygen monoxide (CO) 40 per cent
 - ▼ carbon dioxide (CO₂) **20 per cent**

At our unit in Kraków CO₂ emissions in 2018 were over 70 per cent lower than in 2008. We make each and every effort to adjust our production processes to new very stringent EU and Polish regulations in this respect.



Modernization of TAMEH power plant in Kraków – steelmaking gases, which are a by-product in steelmaking processes, i.e. blast furnace and coke oven gas will be used for production of heat, electricity and blast in new boilers. This will limit emissions into the air, noise and water consumption. Dust emissions will go down by 90 per cent. This investment also means that the ash will no longer be stored at the storage yard in Pleszów, where last year ca. 37,000 tonnes of this material were allocated.

Since the beginning of our presence in Poland, i.e. since 2004, we have reduced:



carbon dioxide



dust emissions into the air

Zdzieszowice

- o— In 2018 we completed the modernization of the dedusting system of coke oven batteries no. 5 and 6. whose cost amounted to PLN 8 m. This investment significantly reduces emissions into the air resulting from the coke production processes. The concentration of the dust emitted is currently over four times lower than the maximum value required by law.
- We also equipped the new installation with a coke sorting line.
- At our coke plant in Zdzieszowice almost the entire volume of coke oven gas produced is used to fuel the batteries and produce energy at our power plant.
- o— In 2018 we reduced the CO₂ emission per tonne of dry coke produced from 0.289 to 0.232 tonnes.

Dabrowa Górnicza

- Thanks to an investment worth over PLN 120 m a modern turbogenerator is operational at the TAMEH power plant in Dabrowa Górnicza, which **processes** steelmaking gases into i.a. electricity and heat. This reduces emissions into the air as well as the consumption of fuels.
- •— The first in Poland modern installation of turbines allows us to **produce** electricity in the process of decompression of blast furnace gas, without the use of coal. The investment in this technology allows us to significantly **limit CO₂ emissions**. It will also limit the annual emissions of sulphur and nitrogen oxides by almost 90 tonnes and the emissions of dust by 9 tonnes.
- ○— 900 wagons (45,000 tonnes) this is the volume of coal we will not be using on an annual basis at our unit in Dabrowa Górnicza thanks to production of energy from blast furnace gas by TAMEH.

3.2. Reducing emissions into the air

Emission of greenhouse gases in 2018

 ${\rm CO_2}$ emissions per tonne of product



$1.098\,{\rm CO_2}/{\rm Mg}$ liquid steel

Emissions per tonne of steel – Dąbrowa Górnicza and Kraków**



0.232 CO $_2$ /Mg dry coke

Emissions per tonne of coke (coke plant in Zdzieszowice)**

Direct em	issions of greenhouse gases in [tCO ₂]		Compounds emis	ssions into the air in [Mg] in 2018		Dust	emissions into the air in [Mg] in 2018
Total direct emissions in 2018	Total direct emissions in 2017	_	NOx (nitrogen oxides, nitrous oxides, nitrogen dioxides)	SOx	Total dust (all possible dust emitted by plants)	out of which PM10	Volume of dust stopped in dedusting equipment
 4,643,350	4,939,568	Dąbrowa Górnicza	4,817*	5,310*	3,959* 1	1,798*	162,152* 2
1,272,541	1,367,044	Kraków	630*	206*	407* 3	208*	15,098* 2
1,067,752	1,127,251	Zdzieszowice	2,333	639	110	75	3,973
40,280	38,042	Świętochłowice	80	1	2	2	0
73,928	81,751	Sosnowiec	113	51	2	2	1,078
8,062	9,571	Chorzów	31	0	0	0	0
-	-	total	8,004	6,207	4,480	2,085	182,301

^{*}In case of channelled emissions, the calculation is based on periodic measurements and annual working time, in case of unchanneled emissions, they are calculated on the basis of emission indexes.

^{**} CO₂ index takes into account direct emissions based on Polish and EU regulations

¹ Total dust (other dust + limestone dust + metals)

² In line with OS-1.

³ Channelled emissions + unchanneled emissions + accidental emissions

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3.3. Energy efficiency

At each of our units we implement initiatives which allow us to reduce energy consumption. Thanks to the modernization of the by-products department at our coke plant in Zdzieszowice we managed to reduce energy consumption by 1,129,340 GJ per year.

Another 11,546 MWh were saved by our unit in Kraków in 2018 thanks to the modernization of the blast furnace carried out earlier. We reach significant energy savings thanks to recovery of steelmaking gases and using them at the power plants in Kraków and Dąbrowa Górnicza.

In 2018 our energy consumption amounted to 142,032,306 GJ¹.

Other actions increasing our energy efficiency and resulting in energy savings:

- Modernization of the gas reduction and mixing station including the auxiliary infrastructure, which improves the combustion processes via optimization of the calorific value for the needs of the hot rolling mill in Kraków, stabilization of gas calorific value and its pressure. This investment will allow us to increase the extent of use of steelmaking gases from industrial processes and replacing portion of natural gas with them. This will result in energy saving of 64,000 GJ/year.
- Modernization of air compressors in Sosnowiec, which will allow us to reduce our electricity intake by ca. 800 MWh/year. We completed similar modernizations earlier - in Kraków and Dabrowa Górnicza.

- Commissioning of modernized water softening station at the Power and Utilities Plant in Kraków. The new station uses reverse osmosis in the process of treatment of water taken in from a new source – the Port Basin of the Vistula River.
- Modernization of lighting: at our plants in Dabrowa Górnicza, Kraków, Świętochłowice and Zdzieszowice within the scope of lighting modernization we installed low emission LED luminaires, which allowed us to limit the consumption of electric energy used for lighting purposes by over **75 per cent**.
- Modernization of air and nitrogen compressors in Dabrowa Górnicza and Kraków. Thanks to this investment the consumption of electric energy used for the operation of compressors decreased by ca. 24 per cent.



Plans for 2019:

- Modernization of the air recuperator of the combustion air for the walking beam furnace no. 2 at the heavy section mill in Dabrowa Górnicza. It will contribute to lowering the consumption of mixed gas consequently increasing the energy efficiency of the process.
- ○— Completion of the second stage of lighting modernization by mounting of energy saving LED luminaires in Dabrowa Górnicza. Sosnowiec and Kraków.





¹ The calculation takes into account energy consumption by our plants for their own needs (purchased electricity, natural gas, coking coal, coke oven gas, power coal, petrol, heating oil, diesel oil, liquid gas and heat), coke purchased outside minus the volume of energy carriers sold by us (coke oven gas, blast furnace gas, converter gas and coke).

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3.5. Water and waste

Water

Taking care of water resources, we implement numerous solutions aimed at reducing its consumption as well as reuse of water recovered in the waste water treatment processes.

Examples of our actions in Kraków:

- Reduction of industrial water consumption by ca. 80m³/h thanks to switching off the water treatment plant at the 4th oxygen block for the needs of pumping stations no. 32 and 33.
- Construction of central compressor room, which shall limit the consumption of industrial water by ca. 500m³/h.

Supplies from

- Construction of a new water softening station based on treatment of water from the Port Basin. Thanks to new solutions, water taken in from the Port Basin, circulates to a great extent in a closed circuit. We have also switched off the station taking in water from the Dłubnia River, thus reducing the consumption of water from this river by ca. 95 per cent, i.e. by 190 m³ of water per hour.
- Construction of biological water treatment plant at the coke plant, which treats as much as 40 m³ of waste water per hour.

	Surface water from rivers	municipality and other water companies	Supplies of underground water	Total
Dąbrowa Górnicza	0	14,665,000	0	14,665,000
Kraków	5,973,000	3,000	960,0001	6,936,000
Zdzieszowice	6,335,158	4,307	2,041,8271	8,381,292
Świętochłowice	0	280,613	0	280,613
Sosnowiec	50,580	163,100	0	213,680
Chorzów	0	7,431	0	7,431

Water intake per source type and per particular units in [m³]

¹ From our own intake points

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3.5. Water and waste

Water

Recovery (excluding Transferred for recycling) -Neutralisation (within our Transfer to recycling – waste accepted for Total volume of waste recycling entitled entities recovery organization) Type of waste 16 537,757 0 0 521,557 hazardous Dabrowa Górnicza 1,314,049 other than hazardous 1,503,035 1,385,612 4,202,697 0 hazardous 0 884 0 1561 2445 Kraków other than hazardous 183,964 717,9291 35,291 112,681² 1,067,865 hazardous 0 720 0 30 750 Zdzieszowice 0 1,634 2,322 6,715 other than hazardous 10,672 hazardous 0 0 0 601 601 Świętochłowice 12,523 390 other than hazardous 0 934 13,868 0 0 0 hazardous 402 402 Sosnowiec 32,044 13,432 46,557 other than hazardous 0 0 19 hazardous 0 0 0 19 Chorzów other than hazardous 7,914 0 30 7,944 0

Manner of waste handling per type of waste and handling method [Mg] in 2018.

¹ Moreover, 43,700 tonnes of slag evacuated from waste storage were processed into road aggregate.

² Moreover, 200,000 tonnes of waste from secondary use of waste storage were transferred for management.

3.5. Water and waste

Waste





Modernization of biological waste water treatment plant

In 2018 the coke plant in Zdzieszowice completed the last stage of modernization of the biological waste water treatment station, which treats industrial as well as municipal waste from the following municipalities: Zdzieszowice, Leśnica and Walce.

The earlier stages of modernization and extension of the plant amounted to PLN 42 m and the cost of the most recent investment amounted to PLN 4 m. The application of an innovative method of final treatment of waste water allows us to achieve high process efficiency and to comply with the requirements of EU industrial emissions directive.



Coke plant air-tight sealina

In 2018 at our coke plant in Kraków we carried out the air-tight sealing of the installations. The project will be completed in 2019 and the financial outlays for this year shall amount to PLN 800,000 (the first half was spent in 2018) and its result shall be reduction of emissions into the air.

Subject to air-tight sealing are also:

- Condensation tanks and equipment, the cost in 2018 amounted to PLN 500.000.
- o— Tar loading point, the cost in 2018 amounted to PLN 190,000.

The undertakings listed above shall limit odour emissions on the premises of the coke plant.

In 2018, also our by-products department at the coke plant in Zdzieszowice was subject to air-tight sealing. Its cost amounted to PLN 25 m.



Compliance with environmental regulations

In each area of our activity we make each and every effort to mitigate the potential risk of exceeding the norms and principles in the scope of environmental impact management. It is of paramount importance to us particularly due to the scale of our operations. Only complex environmental management systems allow us to reduce the impact of our production processes on natural environment.

In 2018 additional fees were imposed on us. which amounted to PLN 44.983. and referred to the following occurrences:

- Exceeding the permissible noise level at night time. The noise was generated by the conveyor belt for iron ore transportation
- Performing measurements and completing analyses by the Environmental Protection Inspectorate, which concluded that the environmental protection requirements were infringed: the noise emission limits at night time were exceeded.



We undertake actions considering the most relevant sources of noise emissions in the first place, whose acoustic power can be limited by investments. The completed modernization of secondary dedusting system at our steel shop in Dabrowa Górnicza required silencing works in the area of fan house of the dedusting installation – casing the fans and their subsystems. The objective of this action was reduction of the acoustic power of the entire dedusting installation as well as the fans.

Next actions aimed at improving the acoustic climate via lowering the acoustic power of the critical noise sources in areas adiacent to Arcelor Mittal Poland were related to the assembly of vibration isolators mounted on 12 sections of the conveyor belt. The vibration isolators are special flexible connections of equipment with the ground, which allow for silencing of vibrations generating noise. This is a continuation of actions in this area.

In Kraków in 2018, K1500 air compressors were switched off, which constituted major noise source on the Western border of our plant. They were replaced by a system of smaller air compressors.



4. Steel of the highest quality

- 4.1. Our steel
- 4.2. Our supply chain
- 4.3. How steel is made
- 4.4. Our products
- 4.5. Industry 4.0
- 4.6. Quality now and in the future

4.1. Our Steel

We produce over **5.3 m tonnes of steel** and 4.3 m tonnes of coke per annum and our products are used by sectors which are particularly relevant to the economic development.

The products delivered by ArcelorMittal are used i.a. for the development of safe railway infrastructure, gas network infrastructure, public transport and the construction sector.

No industry would function without steel be it heavy industry, automotive or white goods sector. The steel offered by us has to be reliable.

We improve the quality of our products and introduce innovations so as to support our customers and respond to future challenges.

ArcelorMittal Poland's sustainable outcomes:

- Supply chains that our customers trust
- o— Products that create sustainable infrastructure
- Products that accelerate more sustainable lifestyles

UN's Sustainable Development Goals 2030:







In 2018 we focussed on:



quality and efficiency of our production processes



timely deliveries



customer satisfaction due to quality and wider product portfolio, particularly those innovative and sustainable ones.



A challenge of particular importance to us was preventing the risk of delays in production and the risk of lower steel parameters, which could have resulted from standstills related to the repairs we were carrying out or from possible irregularities during the restart of installations.

We also concentrated on the implementation of innovative programmes, whose objective is expansion of our product portfolio, with particular emphasis on products which offer both us and our customers more possibilities to implement solutions in line with the global sustainable development goals.

Since 2017 we have been working on the "Excellence in Quality and Customer Service" (EQCS) project, which is based on six pillars: product development, quality improvement within the framework of WCM, self-control, organization, quality indexes and customer service. By applying quality assessment matrices, we have carried out a detailed analysis of our processes and defined the quality improvement projects. We have implemented a plan of additional trainings for our employees as well as procedures on cooperation and communication between various plants.

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4.2. Our supply chain

The main raw materials used by us in our production processes include coal, iron ore, fluxes, ferroalloys and anthracite. Steel plants are also key recipients of scrap, including steel scrap. The scale of our activity engages us in cooperation with ca. 3,000 suppliers per year.

- Over 50 per cent of entities supplying key raw materials for steel production are Polish companies.
- Supplies from Polish coal mines constitute over 60 per cent of our coal demand
- 100 per cent of fluxes and coke, 66 per cent of ferrous additives and 13 per cent of ferroalloys come from Poland.
- The majority of deliveries of raw materials to our plants is completed by means of railway transport.

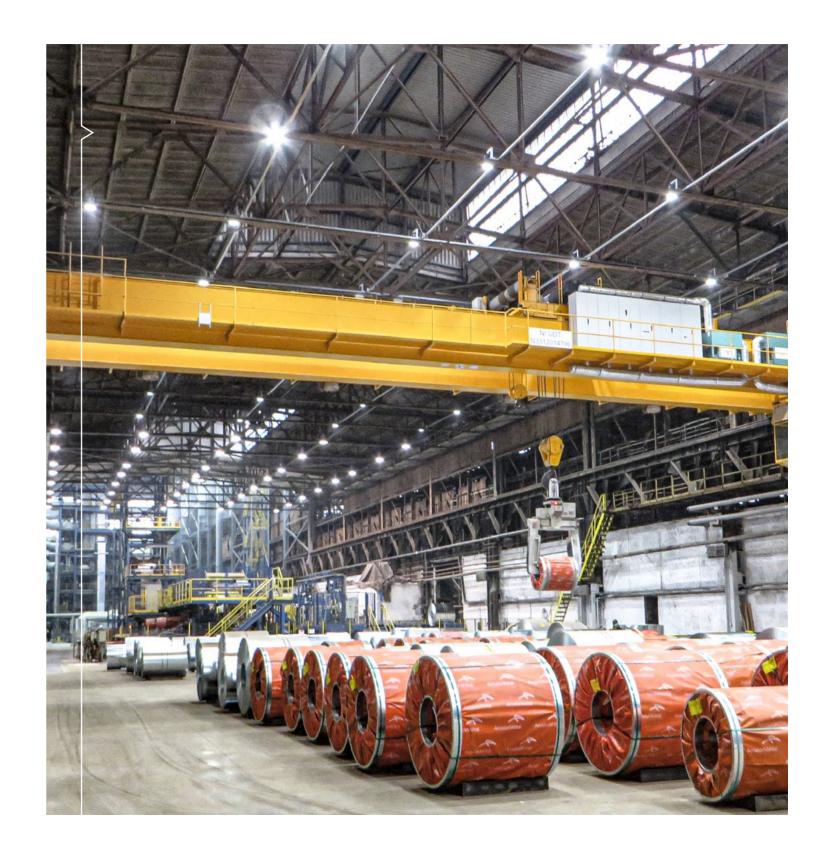
We bet on cooperation with trustworthy partners. ArcelorMittal Poland's relations with its suppliers are regulated by a series of documents and guidelines, such as General Provisions for Purchase of Goods and Services, Agreements on Health and Safety or General Terms of Investment Purchases.

Companies supplying us with raw materials are obliged to observe the principles of the **Responsible Sourcing Code**.

This document sets out our expectations with regards to business ethics, ensuring quality, environmental protection and observing human rights.

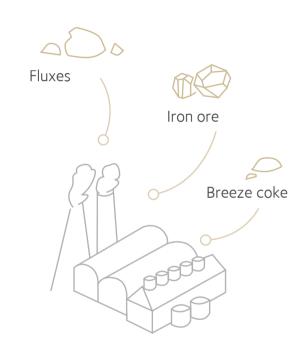
In relations with some of our suppliers we use the practice of audits and annual inspections with regards to ISO systems implementation, managing environmental impact and quality assurance.

The conclusions from our audits constitute a basis for improvement and an important criterion for supplier appraisal.



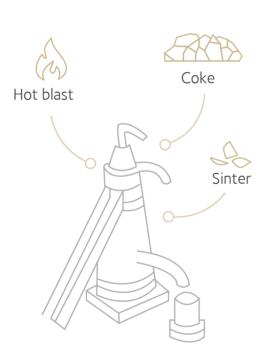
4.3. How steel is made

Sinter production



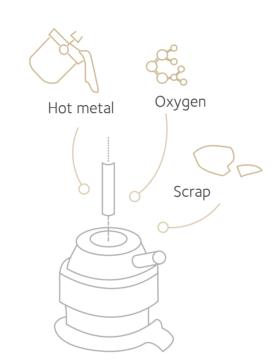
Blend containing iron ore, fluxes and breeze coke is sintered. Sinter is iron-bearing charge material for the blast furnace.

Blast furnace process



Sinter and other additives are smelted into hot metal – mixture of iron, carbon and other elements.

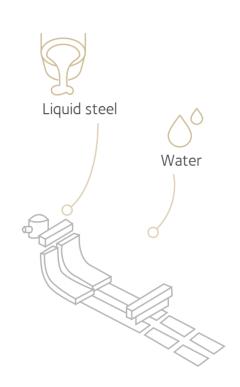
Converter process



Oxygen is blown through hot metal to oxidize carbon as well as other undesired elements. To reach proper temperature, scrap is added to hot metal.

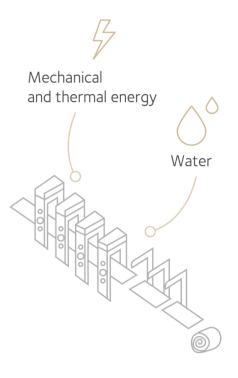
Thanks to alloying additives steel obtains required properties. This is how liquid steel is made.

Continuous casting



Liquid steel is poured into a mould to solidify. After it leaves the continuous caster it is cut to length.

Rolling



Slabs, blooms and billets from casters are rolled in various mills into coils of strip or long products like rails or sections.

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4.4. Our products

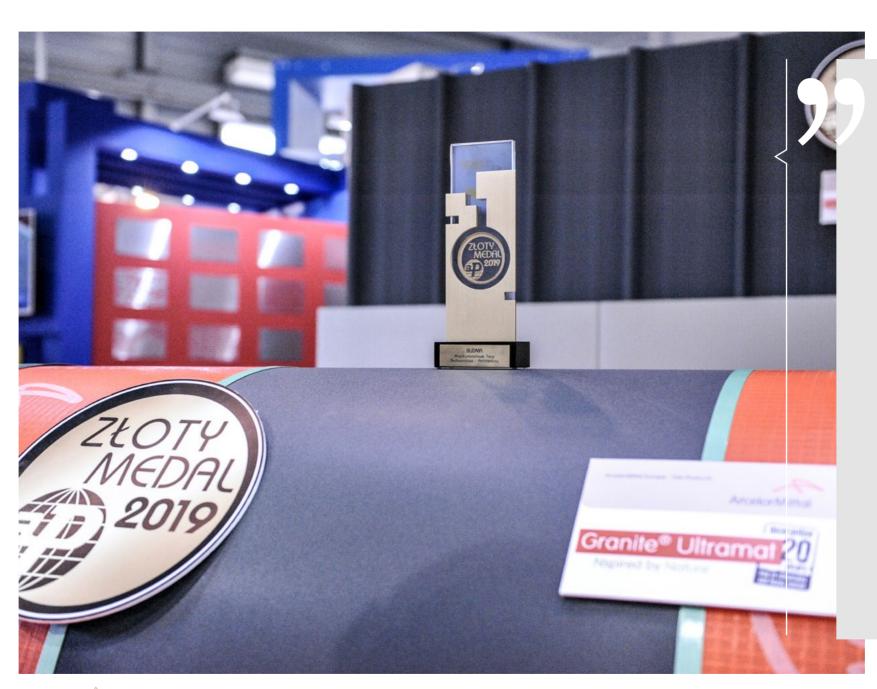
We offer to our customers i.a. sheet piles and sections, steel strip covered with metallic and organic coating, electrolytic, strip, rails and steel grades used in gas pipeline production.

Our offer also includes such products as deep drawn sheets for automotive and steel for production of car wheel rims.

We focus on so-called high added value products.

We continuously expand our product portfolio.

- We develop production of steel grades compliant with API (American Petroleum Institute) norms, destined for pipes of significant wall thickness.
- We offer a new organic coating **Granite**® **Ultramat**, which is perfect for roofing and cladding. Granite Ultramat® is characterised by matt finish and fine grain structure.
- We have also introduced an organic coating for roofing and cladding -Granite® HDS MAT with satin finish.



We invest in innovative and high added value products.

This way, we want to expand our product offer, but the main objective of this strategy is increasing the chances for survival of our European production on the global steel market.

The requirements of the European Union's Emissions Trading System are a source of great worry to us. We need to buy carbon credits, whose value post-2020 may reach even 30 euros per tonne, and our competitors from outside the EU will not have to bear those costs.

This is a real threat to the competitiveness of the European steelmaking. It is for this reason that we make efforts to maintain this competitiveness by implementing strategic innovative projects.

> Sanjay Samaddar Head of HR, IT and IS, ArcelorMittal Europe - Flat Products,

> > chairman of the Supervisory Board of Arcelor Mittal Poland

Our organic coating Granite® Ultramat has been awarded a prestigious recognition: Gold Medal of BUDMA 2019 Trade Fair.

4.5. Industry 4.0

We invest in modern technologies and in testing the possibilities of their widespread application in our day-to-day operations. We want to take full advantage of the development of science and new solutions. We implement the undertakings in this scope and promote them among our employees within the framework of a complex multiyear project under the name of Industry 4.0.

Industry 4.0 is a wave of intense modernizations and digitalization in industry. It provides tools and technologies allowing us i.a. to carry out more advanced analyses of our processes and their improvement, better control over quality and safety in each area of our operations, as well as a swift and streamlined communication.

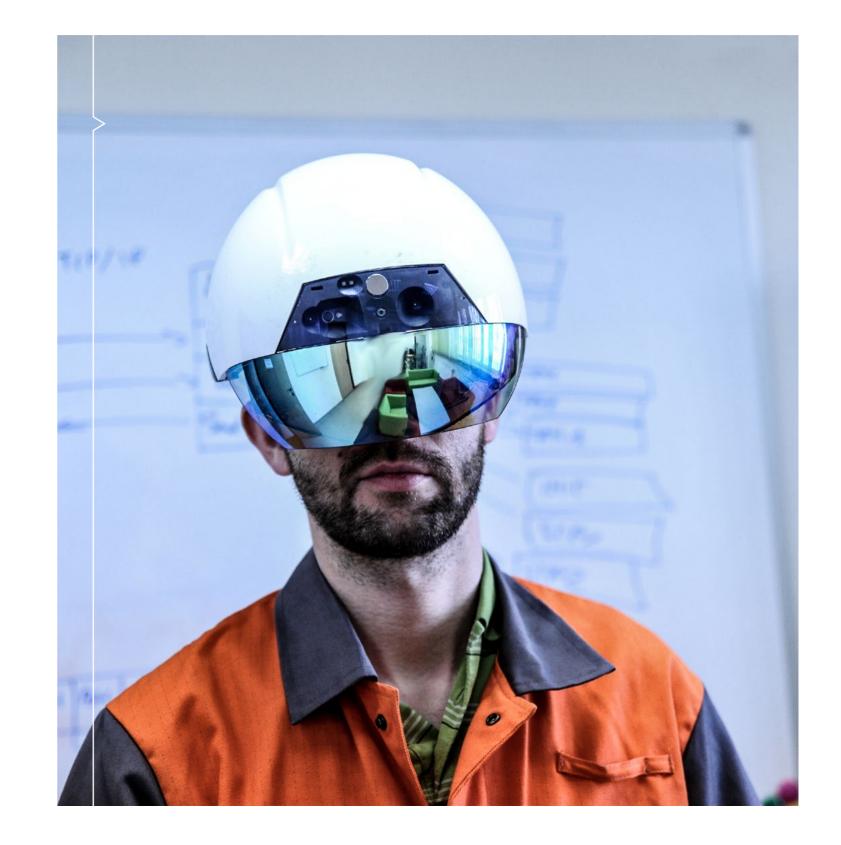
An example for innovations in our industry are the maintenance processes, in the new world spare parts will not be replaced on a preventive basis but on the basis of precise forecasts.

A given piece of equipment shall know when the life cycle of a given part will be over and this particular element shall be produced by a 3D printer just on time.

Greg Ludkovsky

Vice President, Head of Research and Development, ArcelorMittal All this is possible thanks to the progressing technological evolution, connectivity between various pieces of equipment and higher computational powers.

- Application of new technologies. particularly those related to mobile devices, shall contribute to safety improvement at our production bays. Those devices will not only make the completion of tasks easier, but they will also warn our employees against potential hazards in their work environment.
- o— Thanks to new solutions, we will be using smart helmets and goggles instead of keyboards.
- •— We use drones for stock taking of our loose raw material storage.
- We use video image processing to analyse the vibrations of converters at our steel shop in Dabrowa Górnicza.
- •— In Sosnowiec we use a 3D-mapping of our production bay, which enables better work planning.
- New technologies and digitalization are also to make our cooperation with customers easier, as early as the order placement stage, to facilitate information exchange and shorten the duration of the order preparation stage as well as the duration of shipments.



4.6. Quality now and in the future

The leading position in the steel sector obliges us to subject our objectives and ambitions to the priority of delivering high quality products, which respond to the current and future needs of our customers in a world which is changing rapidly.

We need to think long term and already now invest in future technologies.

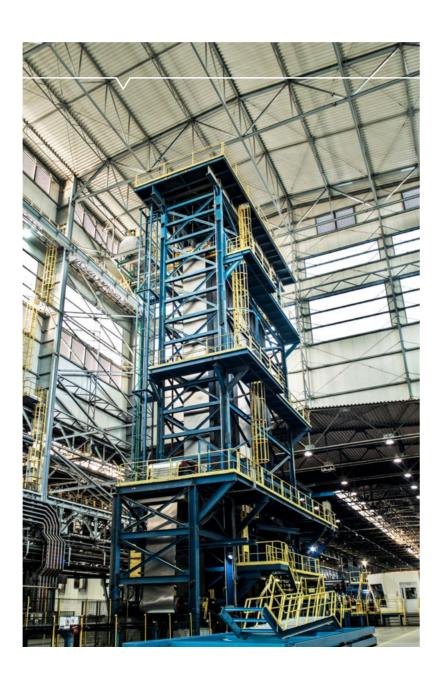
Project OPTIGAL

From 2017 up to mid-2020 a project is implemented, aiming at creating (as a result of Research & Development works) innovative zinc, manganese and aluminum based coatings for production of hot dip galvanized and organic coated products.

After its successful completion and later on after its implementation ArcelorMittal Poland will be able to produce and deliver potential customers from Construction segment with most modern types of flat products that can be characterized by their higher corrosion resistance compared to pure zinc-based coatings.

High product quality and timely deliveries are objectives closely related to efficiency level of our production processes.

While thinking about reliability of our production over the next years of our activity, we are carrying out numerous investments in the infrastructure of our steel plants and coke making facilities.



We describe their environmental aspect in the chapter titled "Environmental protection investments". The modernizations we complete aim also at reinforcing our production potential and increasing the possibility of offering new innovative products.

Examples of investments ongoing in 2018:

Purchase and commissioning of a new installation for roll texturing in Kraków	The new equipment ensures the continuity of roll preparation thanks to texturing of their surface.
Modernization of wire rod mill in Sosnowiec (stage 1)	Installation of new equipment allowed to improve quality of wire rod which is semi product for further processing in customer sites.
Extension of the hot dip galvanizing line no. 2 at the cold rolling mill in Kraków	Extension of the existing hot dip galvanizing line by a section for organic coating will allow us to significantly increase the production volume of organic coated products.
Vacuum tank degassing installation at the steel shop in Kraków	We are building a vacuum tank degassing installation dedicated primarily to high permeability electrical steel grades.

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- 5.2. Principles for local cooperation
- 5.3. Our major social projects and initiatives
 - 5.3.1. Local initiatives and supporting institutions in the region
 - 5.3.2.ArcelorMittal Poland minigrant progamme "We act locally"
 - 5.3.3. Employee volunteering

5.1. Our priorities



Safe workplace

We are a leader in our industry and we believe that – similarly to business objectives – also in our social initiatives we should set ambitious, realistic goals, which are in line with well researched needs. What matters to us is the shared responsibility for our surroundings, for the area in which we operate professionally and live.

Arcelor Mittal's 10 sustainable outcomes

 Active and welcomed member of local communities

Our sustainable outcomes determine our everyday activity. All of them are equally important but this one is special since its core is simply doing good.

At ArcelorMittal Poland we focus on local initiatives, which means that we engage in actions and challenges relevant to local communities and places in which we operate and have our production units.

We have defined areas, which in our opinion are crucial for us to achieve this sustainable outcome and we engage in social initiatives related to these topics:







Environment

Safety

Education



Healthcare



Amateur sports



Arts and culture

Arcelor Mittal Poland's social engagement in 2018:

We assigned over

PLN 3 M

to social activity in 2018

We supported over

projects and social initiatives

By acting locally, we also want to contribute to achieving the United Nations Sustainable Development Goals (SDGs) 2030.

Our initiatives and social projects are in line with three SDGs which are close to our hearts:







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5.1. Our priorities



5.2. Principles for local cooperation

In each area in which we are active, we take care of transparency. The forms, principles and priorities of our social engagement, as well as the ways to apply for ArcelorMittal Poland's support are regulated by our internal documents, including the following:



"Guidelines on granting support in the scope of social projects of ArcelorMittal Poland"



"Code of Business Conduct"







Our Corporate Responsibility Office coordinates initiatives to the benefit of local communities, as well as all others related to sustainability issues at ArcelorMittal Poland.

Moreover, the Communications and Community Engagement Office coordinates and develops various methods of local community dialoque.

In order to make the contact with us easier to the local communities we have set up a form by means of which local organizations and social institutions can file proposals of cooperation and an application for financing of social initiatives.



Contact Form



5.3.1. Local initiatives and supporting institutions in the region

The satisfaction from being able to work to the benefit of others cannot be measured but the numbers below give a picture of the scale of our social activity in 2018:



44 projects

in Kraków



43 projects

in the Silesian province



10 projects

the municipality of Zdzieszowice

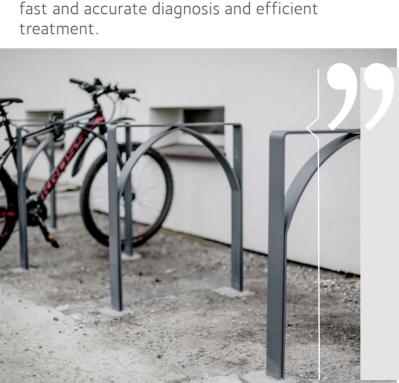
How did we support local communities?

Below we are listing a few examples of our most significant, most interesting or most innovative projects.



Support for the ophthalmological ward

of the Specialist Stefan Żeromski Hospital in Kraków. The hospital purchased a modern scanner, which will significantly improve the quality of diagnosis and treatment of both children and adults. Equipped with a few heads, the scanner allows for perfect visualisation of the structures of the eye ball and the eye socket, thus guaranteeing fast and accurate diagnosis and efficient treatment.





Bike racks from old stoves

We have joined the activities headed by the Municipal Office in Kraków in the scope of Reducing the Low Emission Programme. Each person who scrapped their old stove with a subsidy from the municipality was granted a bonus of PLN 150 by us and their old stove was melted into bicycle racks with a motif of the Cloth Market.

Financial bonuses have been paid out to more than 800 residents so far and the first 100 bike racks are already being used by the students of 20 schools in Kraków.

"The initiative of ArcelorMittal is in line with the city's actions consisting in subsidies for the replacement of all coalfired stoves. Moreover, by purchasing and melting the stoves, ArcelorMittal funds bike racks, which are very popular. In my opinion, it is one of well-prepared projects in which the city and the business work together to the benefit of the residents of Kraków."

Paweł Ścigalski plenipotentiary of the mayor of Kraków for air quality

5.3.1. Local initiatives and supporting institutions in the region



Cancer prevention among children

ArcelorMittal Poland's "Our children" Foundation has been cooperating with Iskierka Foundation for a few years, contributing to raising the awareness of the importance of cancer prevention among children.

In September, already for the third time, under the "Profilaktyka is OK!" initiative, free scans of abdominal cavity and groin were carried out among children and youth aged 3-17. This time the tests were carried out in Chorzów. In 21 cases changes were detected which require further medical consultation.

We examined the total of 590 children in three medical actions.



Support for medical tests programmes

Cooperation with the Health Protection Foundation in Dabrowa Górnicza and the Steelmakers' Foundation of Health Protection and Social Help in Kraków, which offer a wide variety of tests for both our employees and their families, as well as entire local communities.



"Nowa Huta Gardens"

This is one of our educational initiatives in the field of environment, on which we are working together with the Norwid Cultural Centre.

Thanks to this cooperation, during 8 editions, 14 gardens were established in Nowa Huta, in the creation of which the district residents were involved.

At Wadów Park we supported the revitalization of greenery and new greenery planting as well as the purchase of new equipment for the playground. More trees and shrubs were also planted in the area of Planty Bieńczyckie in Kraków.



Language classroom

Thanks to our support, Sports Primary School no. 17 in Sosnowiec purchased a CPU for 24 working stations, 25 pairs of earphones with dynamic microphones, cabling, an amplifier, a loudspeaker and software for controlling the equipment with PIA computer and the software for a digital recorder with speech trainer.



Scholarships for talented students

Since 2012 we have been cooperating with the Office for Disabled Persons of the AGH University of Technology in Kraków, organizing scholarship projects for disabled students.

Over the 7 editions of this competition we have awarded scholarships to as many as 23 AGH students, who, despite their health limitations have undertaken activity in the area of i. a. science, sports and society.

In 2018 we expanded the programme by addressing it to all AGH students supporting their disabled peers.



For education in Zdzieszowice

The Primary Schools no. 1 and 3 as well as the Jan Paweł II School received new equipment and learning aids for i.a chemistry classrooms. In order to improve the safety of the schoolchildren, Primary School no. 2 completed the renovation of the stairs and installed a ramp and handrails for the disabled.



Automatic duck feeders

At the Nowa Huta Pond we installed the first automatic duck feeders in Kraków. This is a result of our cooperation with the Management of Urban Greenery. We are working together towards the creation of areen Nowa Huta.

We try to present an innovative and creative approach to environmental issues.



5.3.1. Local initiatives and supporting institutions in the region





ArcelorMittal Poland's Dąbrowa Górnicza Half-Marathon

The event gathered over 1,200 runners from Poland and abroad and nearly 200 amateurs of Nordic walking.

Its participants, with numerous ArcelorMittal Poland's employees among them, started in front of the stadium in Ujejsce and after running over 21 kilometres finished in front of the "Centrum" Leisure Centre in Dąbrowa Górnicza.



I have been taking part in this halfmarathon for three years. It is one of my favourite sports events due to the picturesque route of the run.

The organization of the run is also excellent, the organizers are taking care of each and every detail.

Remigiusz Wojtas head of support department, Coke making



Other support

We supported the voluntary fire brigade in Bolesław by co-financing the purchase of a fire engine and adjusting it to the legal requirements.

The school sports club of martial arts KEMPO in Świętochłowice organized **a free self-defence course for children, youth and women** at the School Complex no. 2.

We supported them financially and cheered during the event.

We supported the **construction of the general use activity zone** in Sławków, at the Jan Paweł II School Complex. It was a project organized jointly with the municipality of Sławków and the School Complex. The playground for kids and the open-air gym are places for those families who want to actively pass their time.

Together with the Association of Lubocza Friends and Nasze Kantorowice Association we took care of the comfort of residents during open-air events. With our support the fans of Lubocza were able to purchase a huge tent and the association from Kantorowice purchased a set of beautiful and comfortable benches.

5.3.1. Local initiatives and supporting institutions in the region

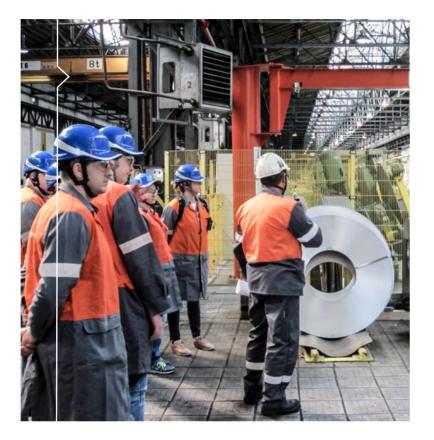


ArcelorMittal Poland's Open Day

It was with great pleasure that we invited all our neighbours to visit us during the **Open Day**.

In 2018 it was organized in 5 of our units. In April and May over **1,600 persons** took advantage of our open doors; most of them, over 50 per cent, visited our coke plant in Zdzieszowice.

Thanks to this initiative, also young people, planning their career path, were able to get acquainted with steelmaking.







Children's Day and Steelmaker's Day

Entire families received our invitation to traditional picnics organized on the occasion of Steelmaker's Day and Children's Day. In Kraków we celebrated on the last Saturday of May, on June 9 we had fun in Sosnowiec and on June 16 – in Zdzieszowice.





5.3.2. ArcelorMittal Poland mini-grant progamme "We act locally"

We support local communities also by means of our **grant programme** addressed to NGOs, associations, self-government units, social cooperatives and informal groups, which act to the benefit of the residents of Kraków and Dąbrowa Górnicza.

The funds can be spent on a concrete project or initiative, expanding the activity or proposing new initiatives.

In Kraków we worked on this project together with the Office of the Municipal Centre for Support of Social Initiatives of the City of Kraków and in Dąbrowa Górnicza we cooperated with the Centre for Citizenship Activity.

The projects referred to the issues of safety, healthcare, environment and education.

We supported i.a. the activity of ZHP Chorągiew Krakówska Hufiec Kraków-Nowa Huta, volunteer fire brigade in Strzemieszyce, volunteer fire brigade in Dąbrowa Górnicza Trzebiesławice. Our grant also helped the Section of Rescue Dogs of Water Rescue Services in Dąbrowa Górnicza to organize the 12th Polish Championship of Rescue Dogs.

Thanks to our grants the following actions were also possible: blood donations, actions aimed at education of seniors, organization of workshops and therapies as well as numerous actions promoting sport and healthy lifestyle.







We were impressed with the variety of projects presented in 2018, which covered numerous groups of residents: a wide range of age groups, the disabled or those at risk of social exclusion. All projects proposed were in line with the areas of our activity as a socially responsible company: healthcare, safety, environment or education, which was one of the assessment criteria"

Karolina Muza-Adamiec head of Corporate Responsibility Office, ArcelorMittal Poland

5.3.3. Employee volunteering

We are proud of our colleagues who show a great amount of sensitivity and activity in approaching the needs of the immediate ArcelorMittal Poland's surroundings.

Our volunteers can count on our support, always in line with a specific challenge or action in the framework of volunteering actions.

Our volunteers share their time and energy, they help, support, share their knowledge, skills and passions or simply try to make the places close to them safer and prettier.

We are glad that the number of volunteers among us is constantly growing and that the number of happy beneficiaries of our initiatives is growing along with it.



Volunteering in 2018 in numbers:



153 volunteering actions



303 volunteers



206,000 beneficiaries



1,697 hours dedicated to volunteering



They take care of nature

In Kraków they were involved in i.a cleaning of the Dłubnia River banks and of the Wanda Mound, and in Dąbrowa Górnicza – of the Antoniów forest.

At the Polish Red Cross house in Chorzów they helped clean the garden for spring. Marek, active in the Zdzieszowice association of Osiedlok, organized a collection of electro waste and waste paper, during which kids could take part in a drawing competition on waste segregation.







They support education

Paweł from our coke plant in Zdzieszowice organizes robotics classes for schoolchildren. He himself builds the necessary models and helps the schoolchildren prepare for competitions in the framework of Opole Robot League. Henryk, who works in our IT department, organized a computer course for persons aged 50+ in Szymiszów. The seniors were able to practice, i.a. the ability to use the Internet and Word software so that they can prepare and send an official letter independently.

5.3.3. Employee volunteering



They promote safety knowledge

Anita, supporting the Occupational Therapy Workshops (OTW) in Olkusz, organized an art contest on the topic of safety for the disabled participants of OTW.

Andrzej and Krzysztof taught the children and youth of both schools and kindergartens of the municipality of Zdzieszowice the principles of first aid. The participants were able to test their skills with the use of a specialist phantom.



They take care of animals

Every year our employees take part in collections to the benefit of homeless animals.

10 transports of pet food, blankets, bowls or leashes were sent to animal shelters in Kraków and in the province of Silesia.



They organize sports competitions

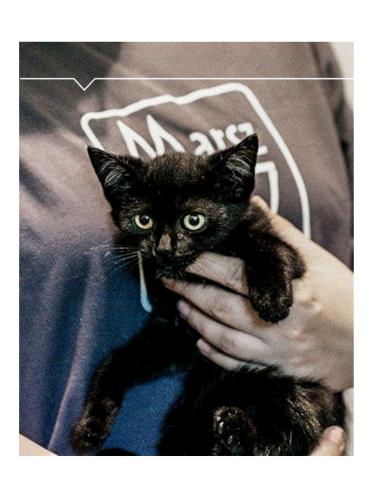
Such as the shooting competition in Świętochłowice, the run between monuments in Zdzieszowice, angling competitions or mini-volleyball tournament.



They care about seniors

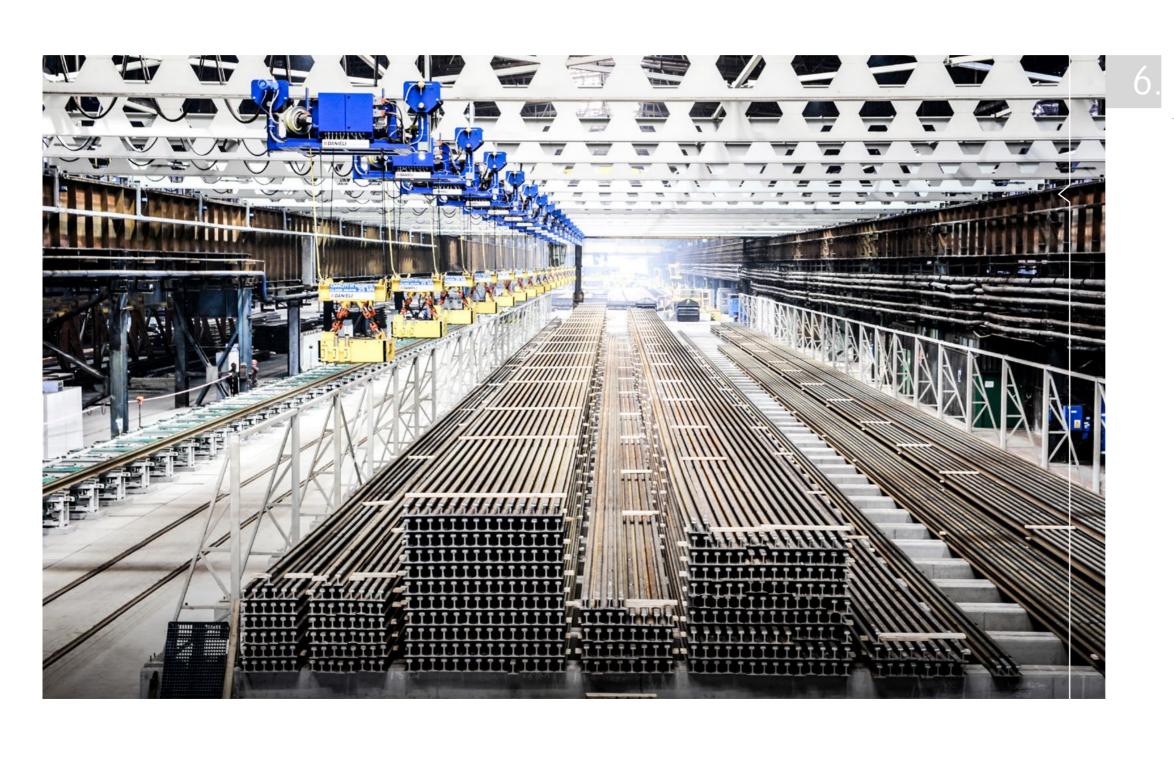
Basia with her friends take the residents of Złota Jesień Home in Świętochłowice (seniors, often in wheelchairs) to various beautiful corners of the province of Silesia.











6. How we report

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6.1. About this report

This publication is already the 9th issue of the Sustainability Report of ArcelorMittal Poland, drafted on an annual basis and covering the period from January 1, 2018 to December 31, 2018. We report on an annual basis. This report was drafted in line with international reporting standards of the Global Reporting Initiative at CORE level and was not subject to additional external audit.

We based the process of defining relevant reporting aspects on stakeholder panels based on AA1000SES and carried out under the framework of the previous reporting process. Results thereof were taken into account during this year's validation workshops attended by the management team.

Consequently, the following reporting aspects were deemed the most relevant for our operations (all of them apply both within as well as outside the organization):

Priority issues (the most relevant reporting aspects)

- Occupational health and safety
- o— Terms of employment
- Investments improving energy efficiency and limiting negative environmental impact
- Environmental impact management strategy
- Gas and dust emissions volume and reduction

- Quality and development of product portfolio
- The role of steel and production processes in a circular economy / Waste
- Business Conduct and transparency in operations, including ensuring compliance with legal regulations and other voluntarily adopted ways of conduct (compliance programme)
- •— Community engagement strategy and dialogue with local communities.

Change in approach to Health and Safety reporting: in this report we use an international index called the Lost Time Injury Rate (FR). It is the most commonly used method of reporting the accident rate in our industry in the world. In previous reports we reported accident frequency

using the formula: Number of accidents / number of employees x 1000.

FR= number of Fatalities + Number of Lost Time Injuries x 1.000.000 / numer of worked hours (worked by all employees)

We would like to thank all those persons who contributed to this report for their time and recommendations, which helped us prepare this publication.

All questions regarding the content of this report and actions described by us shall be sent to:

Karolina Muza-Adamiec karolina.muza-adamiec@arcelormittal.com

head of Corporate Responsibility Office, ArcelorMittal Poland

We would like to extend our sincere thanks to:

Piotr Barycki

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Małgorzata Iciek

Karina Idziak

Katarzyna Izdebska

Violetta Kałużny Aleksandra Kania

Andrzej Kleczko

and the Environmental Protection team

Marlena Kowalska

Cezary Koziński

Teresa Król

Aleksander Krupa

Leokadia Krymiec

Łukasz Kulczyk

Magdalena Kuśmierz

Sabina Kwoczała

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Magdalena Soboń-Stasiak

Mariola Sygidus

Ireneusz Sykta

Tatiana Targowska Krzysztof Warchoł

Sylwia Winiarek

Adrian Wisła

Tomasz Wojciechowski

Remigiusz Wojtas

Agnieszka Woźniak

Marta Zagórska

Polish Steel Association

Katarzyna Zysk

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ArcelorMittal Poland

Al. Józefa Piłsudskiego 92

41-308 Dąbrowa Górnicza

poland.arcelormittal.com