



ArcelorMittal



Content

Steel, the fabric of life

'Steel, the fabric of life' is the underlying theme of this sustainability report. ArcelorMittal Gent produces innovative and sustainable steel products for the widest range of applications.

Without steel, no light weight vehicles. We expect that our cars become increasingly economical whilst also offering an excellent driving comfort and being perfectly safe. This is all made possible with the newest types of steel.

Without steel, no green energy. The newest types of steel are required for the construction of wind turbines. Steel can also be recycled infinitely, a double bonus.

Without steel, no large infrastructural works. Steel is strong and resistant to all types of weather. In addition it is also perfectly suitable for all types of constructions, such as bridges.

Without steel, no futuristic buildings. Steel is strong and perfectly resistant to all outdoor conditions. It is also suitable for creating the most amazing architectural gems.

Cover

Our colleagues featured on the cover of this Corporate Responsibility Report gladly introduce you to the virtual tour of our site. The tour is available via tablet, smartphone or pc. Eager to explore? Visit our website gent.arcelormittal.com. Do you own VR glasses? Then go ahead and explore our amazing world of steel in 3D!



gent.arcelormittal.com



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*In this report, an overview is given on the Corporate Responsibility initiatives taken by the production sites in Gent, Geel and Genk in 2015.

10-15% of our investment budget is dedicated to environmental improvements.

Maritime and integrated

ArcelorMittal Gent is an integrated steelworks located in the port of Ghent. We are part of the ArcelorMittal Group, which is a leading steel and mining company. Our plant has all the necessary facilities to convert raw materials into steel products with high added value. Every year, we ship around 5 million tons of flat carbon steel to automotive and industrial customers. Many cars, appliances, furniture and other applications are therefore made with our steel.

Employing 5,000 people, we are one of the largest private employers in Flanders. Our employees' knowledge and motivation are two of our main assets. They play an essential part in the further optimisation of our safety performance, product quality and overall productivity.

Hightech

Research and innovation are at the heart of our company. We work closely together with different research centres within ArcelorMittal and with the educational world to develop new steel grades and new coatings.

The production departments use mathematical models to further optimise the production process. The different steps in the production process are described in process models. Thanks to software systems, statistical techniques are applicable online, which is of paramount importance in product quality control and in the production process efficiency. Through control models, the organisational and logistic aspects of our production process are watched closely. Thanks to our continuous process innovation, we have been able to double our productivity in 15 year.

Gathering and centralising knowledge is crucial to our company's continuity and technological progress. That is why our supporting services are so valuable: they allow knowledge to be passed on smoothly in case of adjustments or expansions.

Environment-conscious

In terms of our environmental performance, innovation is also vital. It is a prerequisite for sustainable development. About 10 to 15% of our investment budget is dedicated to environmental improvements. Our concern for the environment and thorough knowledge of the production process have resulted in sophisticated process-integrated measures and in the improvement of our environmental performance. This is for instance illustrated by our continuous efforts to be among the most energy-efficient steel companies in the world. Over the past 20 years, we have reduced our energy consumption by 30% by investing in a modern production apparatus and by recovering the energy present in flue gases to produce steam.

As a producer of flat carbon steel, ArcelorMittal Gent is part of a basic industry. We regard **safety** at work as our number one priority: safety for all our employees, without making a distinction between our own personnel and any contractors working on site.

Within the business unit Flat Products Europe, we strive towards **leadership** in the production of high-quality flat steel products in a sustainable entrepreneurial way.

At ArcelorMittal Gent we are fully aware that this entails great **responsibility** towards our stakeholders, customers, employees, the immediate surroundings and the environment.

The steel business remains a basic industry creating products that are essential to the world economy. We have the advantage of being located at a site where a maritime steel industry is still able to develop further.

Keeping a heavy industry running in a region with a dense population and vulnerable **environment** is a challenge we at ArcelorMittal Gent are willing to therefore take on at all times.

By investing in research and development, ArcelorMittal Gent is fully committed to reaching **top technological performances**.

Maintaining continuous contact with customers and researching new applications in collaboration with customers are key factors in developing new products and processes.

The efforts put into **research and development** are intended to optimise the life cycle of steel, from the raw material extraction right through to the ultimate recovery and recycling of end products with due respect for the environment.

In developing **human capital**, we apply the principle of subsidiarity. Each employee is encouraged to have and to take ownership of the tasks entrusted to him and only to turn to the hierarchy if this offers genuine added value.

We well realise that our **customers** are the reason of our existence. In order to ensure profitability, we aim for perfection in our service and product quality and do our utmost to build a relationship of trust with our customers.

Our Group's **international character** brings new potential for collaboration. Exchanging know-how and merging different cultures in an atmosphere of openness and mutual respect are vital for taking full advantage of this opportunity.



Our employees are our greatest asset.



In 2015 the worldwide production of steel decreased by 2.8% to 1.6 billion tons of steel. The worldwide consumption of steel decreased in all subcontinents, with exception of Europe. Most striking when looking back at 2015 is the slower growth of China. The Chinese steel demand dropped, resulting in an overcapacity of steel on its local market. Trying to compensate this weaker (local) market situation, China started massively exporting steel. This resulted in:

- Taking away volume on the European market. The market share of imported steel in Europe increased up to 15% in 2015.
- Causing a negative price effect. Chinese steel plants are funded by their government. This enables them to sell their steel products at dumping prices on the European market. As a result, the European selling prices of steel dropped with almost 22% in 2015.

We are of course in favour of free trade but not at the current Chinese dumping conditions. The topic has been raised multiple times to the European, the national and the regional authorities. We ask for a level playing field towards our worldwide competitors. This entails:

- Imposing anti-dumping measures (import levies) to companies that sell their steel on the European market at prices lower than the actual production cost price.
- Not granting the market economy status (MES) to China. If MES would be granted, all anti-dumping measures would become nearly impossible to impose.

The current situation can however not be compared to the crisis of 2009. The European demand for steel remains good and the debt rate of our Group has improved.

The strategy of ArcelorMittal Flat Products Europe and of ArcelorMittal Gent thus remains unchanged: (1) aligning our production capacity to the market demand, (2) fully charging our installations and (3) focusing on products with a high-added value to raise our market share. As a response to the difficult market situation, we have added a fourth step to our strategy: operational excellence. One of the most visible effects of this is the integration of the ArcelorMittal sites of Ghent and Liège into one cluster, this as of January 1st 2016.

Despite the difficult market situation, we can look back with pride at our accomplishments of last year. In 2015 we successfully repaired our blast furnace A, which is now once again ready

for years of high production. We have all cards in hand to make 2016 a breakthrough year with high production volumes and excellent shipping levels.

In addition, we are in the midst of executing an investment program of €140 million, spread out over several years, allowing us to produce the Fortiform® steel of the future. Phase 2 of the dynamic soft reduction in the steel shop, two new rolling stands in the hot strip mill and a new furnace and zinc pot in our hot dip galvanising line 3 all make part of this investment program. 2016 will become a key year in bringing our new ultra high-strength steel to market. By doing so, we want to strengthen our position as preferred supplier amongst our automotive clients.

Our motto remains: To continue playing in the Champions League of the steel industry. WCM (World Class Manufacturing) is the best methodology in our aim to continuously improve. Our strategy consists of 5 steps:

1. Improving our safety and health performance as well as the engagement of our employees
2. Increasing our productivity and eliminating our bottlenecks
3. Efficient and effective use of processes and resources
4. Innovation in all aspects of our business conduct
5. Investing in sustainability and environment

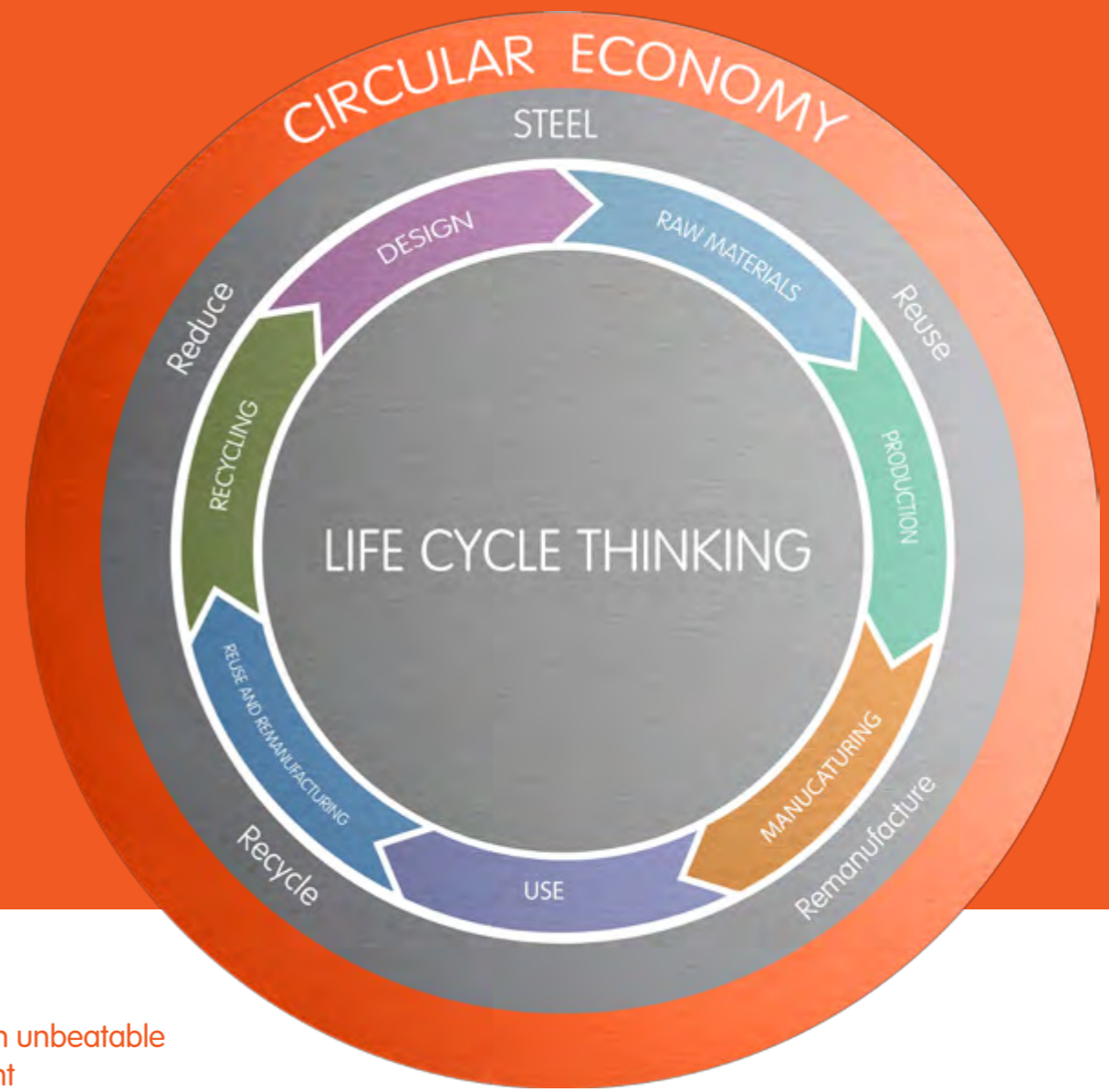
Our strategy needs to enable us to remain the 'leader of the pack' within the ArcelorMittal Group. Together we make the difference in safeguarding the sustainability of our company.

I wish you an enjoyable read of this fifth edition of our 'Corporate Responsibility Report'.

Matthieu Jehl - CEO and Chairman of the Management Committee of the Cluster ArcelorMittal Gent-Liège

The many aspects of steel

Sustainable development is key within ArcelorMittal Gent. We strive towards achieving an optimum balance between three objectives: Good financial results, strong social interests and a sustainable environment. These objectives are often described as the three P's: Profit, People and Planet. Steel is the product par excellence to excel in these three domains.



Steel is 100% recyclable, without a loss of quality

Steel is 100% recyclable, this without any loss of quality. Steel is magnetic, making it easy to be separated from other materials such as wood, stones or metals during the scrapping of products. Afterwards, the steel scrap can be utilised as a full worthy raw material during the production of new steel. 10 to 15% of all our end products consist out of recycled scrap, this without having any (negative) impact on the quality of our finished products.

Utilising scrap generates an enormous environmental gain as this does not require additional energy input. When melting scrap, we use the energy that is released during the conversion of hot metal to liquid steel. By melting 7 tons of scrap, we save approximately one yearly electricity bill of an average Belgian family. In addition, by utilising scrap less CO₂ is also emitted per ton of produced steel.

Every ton of steel produced, will find its way back into this production cycle sooner or later. Steel has an average life expectancy of 20 years. This entails that it can be recycled 5 times per century. Requiring carbon only once to produce new steel on a base of iron ore. When it comes down to sustainability, steel is unbeatable compared to for instance aluminium or carbon fiber.

Steel scrap also leads to new employment opportunities. In Europe, no less than 330,000 people earn a living by recycling and/or re-utilising steel scrap.

Steel brings prosperity

In order to guarantee a good living standard to the 7 billion people on our planet, sustainable materials like steel are needed. Compared to other materials, steel is relatively cheap, available worldwide, easy to use and environmentally friendly.

Currently the demand for steel still exceeds the amount of scrap available worldwide. Hence, steel still needs to be produced starting from iron ore. In order to have a fully developed economy, around 10 to 12 tons of steel per person is needed whilst the current average on a world scale only amounts to 4 tons. New steel still needs to thus be produced in the next 50 years at a pace of around 1.1 billion tons. Studies have shown that the consumption of steel will continue to grow towards 2.8 billion tons, but that this growth will almost entirely result from a rising of the scrap recycling (from 400 million tons today to about 1.5 billion tons within 50 years). The continuous worldwide rise in steel use will cause a positive snowball effect as the recycling of steel will also increase. By the end of this century, around 80% of the production of steel will be based on the recycling of scrap and a mere 20% on the classical blast furnace route.

Steel has an unbeatable CO₂ footprint

Steel also has an unbeatable CO₂ footprint. The average CO₂ emission per ton steel, starting from iron ore, amounts to around 2.6 ton worldwide whereas aluminium emits around 20 tons and carbon fiber 40 tons. In addition, the steel industry also continuously performs research on new solutions that will improve its ecological footprint. At ArcelorMittal we, for instance, invest strongly in the development of ultra high-strength steels which will reduce the weight of the car bodywork with 20%. This in turn enables the automotive industry to reach its aim of manufacturing cars that will only emit 95 grams per kilometre by 2020. Compared to the current emission level of cars, this entails a decrease of around 30 grams per kilometre. Taking into account that a car has a life expectancy of around 200,000 kilometres, its overall emission will decrease with no less than 6 tons of CO₂. This from concept, to development, construction and use till being turned into scrap and recuperated.

Although steel takes up around 60% of the total weight of a car, it is only responsible for 20% of the total CO₂ footprint required to manufacture the car. Due to the much higher CO₂ values per ton, aluminium represents around 50% of the total CO₂ footprint to build the car, despite the minimal use of aluminium in the car bodywork. Electrical cars manufactured with carbon fiber are not only much more expensive but in addition also have a CO₂ footprint 3 to 4 times higher than bodyworks made

Steel is the corner stone of a circular economy

An integrated steel company such as ArcelorMittal Gent generates much more added value than just the production of steel and the recycling of scrap. Almost all by-products are reused into our steel production process or become the raw materials for other industries. We, for instance, convert our process gasses into electricity and the cement industry utilises our blast furnace' slag. We are also conducting research on how to convert part of our blast furnace gas via bacteria into bio fuel. In short: Nothing is wasted!

The steel industry clearly is the corner stone of a sustainable circular economy where all materials utilised during production, are recuperated, treated and reused into our production chain as a secondary raw material and/or energy source. This is how we counteract the exhaustion of our natural raw materials.

Sustainable business comprehends more than cost efficiency and reliability. In terms of sustainable development, ArcelorMittal Gent adopts the same strategy as the ArcelorMittal Group, which is based upon four pillars:

Investing in our people

As one of the largest private employers in Flanders, we bear many responsibilities. The health and safety of our employees is one aspect, but it is also important to ensure that our employees can work in a pleasant atmosphere and feel appreciated for their abilities and performances. By for instance offering training opportunities and by communicating openly and transparently, we try to increase the job satisfaction and commitment. In other words: every single day, we work hard on further developing a positive corporate culture.

Making steel more sustainable

We aim at producing high-quality steel whilst at the same time keeping our environmental impact to a minimum. Every year, 10 to 15% of our investment budget is spent on measures to boost our environmental performance. In order to further integrate our company into the region, it is also important that we communicate openly and transparently with our neighbours about our environmental efforts.

Enriching our communities

Every company that seeks to implement sustainable development must be aware of what is going on elsewhere in the world. We want to make an active contribution to society to increase welfare and overall well-being. We participate in sustainable community development by for instance combating poverty or creating training opportunities for people who find themselves on the brink of society.

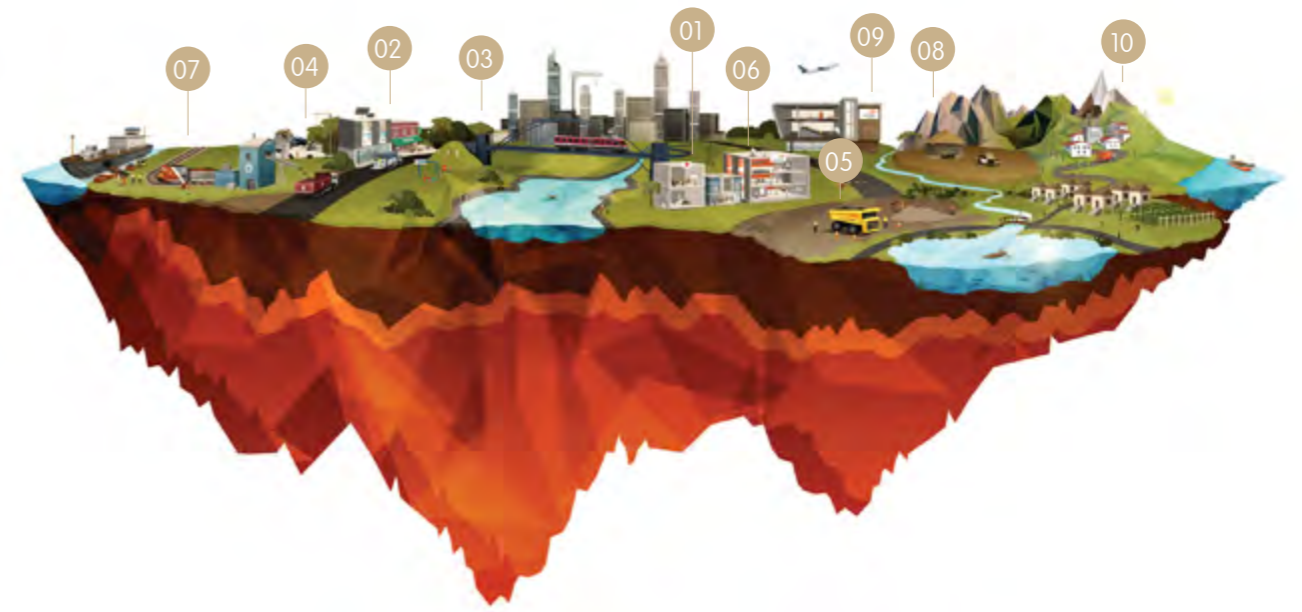
Transparent governance

Our corporate strategy, business and daily activities are underpinned by transparent governance. We want to be acknowledged for our irreproachable behaviour towards our employees, customers, business partners and society.

Investing in our people	
Safety frequency rates employees	0.41
Safety frequency rates contractors	1.37
Percentage of sites that have their own safety management system at their disposal that complies to the international OHSAS 18001 norm	100%
Number of training hours (5.7% of the total labour cost)	250,849
Making steel more sustainable	
Specific water consumption per ton of liquid steel	4.8 m ³
Amount of scrap per ton of liquid steel	214 kg
Percentage of sites that have their own environmental management system at their disposal that complies to the international ISO 14001 norm	100%
Enriching our communities	
Number of employees at ArcelorMittal Gent, Geel and Genk	4,965**
Number of active registered contractors	1,559
Number of sponsored projects	75
Transparent governance	
Percentage of employees that have subscribed to the Code of Business Conduct	100%
Number of employees reached by our communication sessions	2,000

*Safety frequency rate = the number of accidents resulting in at least one day of absence from work per million hours worked.

**On July 1st 2015, ArcelorMittal FCE Belgium and ArcelorMittal Belgium merged. The merger fits within the strategy of the ArcelorMittal Group to reduce the number of legal entities. This explains the increase in the number of employees compared to 2014.



From 4 pillars to 10 outcomes

As of this year we will, in this Corporate Responsibility Report, combine our 4 pillars with the 10 outcomes of sustainability. We want to contribute to making a more sustainable future possible. Our 10 sustainable development outcomes are a compelling, practical and demanding way to do this. From the way we make steel, use resources, develop new products, and support our people and our communities, our 10 outcomes will make us the company we need to become. All underpinned by transparent good governance.

1. Safe, healthy, quality working lives for our people
2. Products that accelerate more sustainable lifestyles
3. Products that create sustainable infrastructure
4. Efficient use of resources and high recycling rates
5. Trusted user of air, land and water
6. Responsible energy user that helps create a lower carbon future
7. Supply chains that our customers trust
8. Active and welcome member of the community
9. Pipeline of talented scientists and engineers for tomorrow
10. Our contribution to society measured, shared and valued

Investing in our people

As one of the largest private employers in Flanders, we bear many responsibilities. The health and safety of our employees is one aspect, but it is also important to ensure that our employees can work in a pleasant atmosphere and feel appreciated for their abilities and performances. By for instance offering training opportunities and by communicating openly and transparently, we try to increase the job satisfaction and commitment. In other words: every single day, we work hard on further developing a positive corporate culture.

This chapter describes the progress made within the following outcomes:

Safe, healthy, quality working lives for our people.

Pipeline of talented scientists and engineers for tomorrow.

“As a safety steward, my colleagues and I are continuously looking for solutions to work more safely. Safety concerns everyone.”

Kenny Roegiers, continuous casting line



In 2015, our safety performance was the best so far.

What to remember from 2015 in terms of safety?

In 2015, our safety performance was the best so far. Our global safety frequency rate, including both our own employees and contractors, was 0.7. This was even lower than the average of the ArcelorMittal Group (0.9) and the safety performance of Flat Products Europe (0.99).

The good result was reached mainly thanks to the excellent safety performances of our own employees (F=0.41). Several departments went without injuries in 2015. The safety rates of our contractors (F=1.37) do raise a concern however.

We can consider ourselves lucky that several incidents that occurred went without injury. We need to remain alert. In 2016 three priorities could be distinguished in this regard:

- Reinforcing the steward operations in all production departments.
- Improving communications between ArcelorMittal Gent and our contractors. This by filling in 'work permits' correct and efficiently and by implementing a full-worthy partnership with our contractors in line with the established guidelines.
- Extending and safeguarding the isolation locks ("lockboxes") and the use of a central software package for lockout/isolation and permits.

In 2015, the pillar 8 award was handed out for the second time around. With the award we want to recognise teams for their efforts made in developing safety projects in light of the World Class Manufacturing (WCM). Throughout 2015, all of our departments submitted pillar 8 safety cases, hoping to win the award. 35 teams in total entered the competition. Together with the representatives of the joint Committee for Prevention and Protection at Work, 3 finalists were selected and audited on the work floor. In the end, both the steel shop as well as the raw materials, harbour and transport department came out on top.

How was the safety performance of internal employees?

The safety performance of our employees was excellent in 2015. The frequency rate dropped to 0.4. Our focus areas remain hand and eye injuries, fire (incidents) and the number of reported serious incidents. Thanks to the safety management system OHSAS 18001, the many safety talks on the shop floor by our leaders, the systematic execution of risk analyses at the start of each work (SWRA) and the development of safety cases in light of the World Class Manufacturing (WCM), we are able to continue working structurally on further improving our safety performance.

Our safety stewards play a crucial role in further improving our safety. Safety stewards are employees who, during the execution of their daily tasks, pay special attention to the safety of their colleagues. They ensure that the principle of shared vigilance is executed into actions. In 2015, no less than 289 stewards attended a training on the subject during a week. In 2016, our leaders will follow the training 'coaching of stewards' enabling them to fully support the stewards and acknowledge them in their role.

In all sites of ArcelorMittal a Health & Safety Day was organised on April 28th 2015. The theme was 'Together for Safety'. Almost every internal department launched initiatives on placing 'health and safety at work' in the spotlight. Safety talks and audits took place, start-work risk analyses were performed, and the 10 Golden Rules were extensively discussed. The Golden Rules are safety rules on life threatening risks that come with our companies' activities. Our contractors were also involved in the Health & Safety Day. Specific for this group, safety talks and trainings were organised. In addition, a safety quiz was launched so that the contractors could test their knowledge on the subject.

In light of the Health & Safety Day, we made 3 new safety films which we integrated in the safety quarters. The films focused

on the use of a lockbox in the coking plant, a pillar 8 case on ergonomics in the steel shop and a testimonial of a safety steward working in the hot strip mill.

Following the worldwide Health & Safety Day, we also launched a safety competition in our employee magazine '1'. Many of our employees, together with their children or grandchildren, solved the puzzle. On July 1st 2015, the 20 winners were handed their award.

At the end of November 2015, the external audit office SGS conducted the OHSAS18001 audit. No shortcomings (major or minor) were found.

How do we improve the safety of contractors?

The safety frequency rate rose from 0.9 in 2014 to 1.37 in 2015.

We expect that the safety performances of our contractors are at the same level as those of our internal employees. Hence the close partnerships we maintain with our contractors by offering trainings to their employees, by helping them prepare for the job and by following-up on their respective tasks. We demand that our contractors conduct task risk analyses as well as start-work risk analyses, that they organise start-coordination meetings with those responsible for the execution of the job and that they report on unsafe situations.

In order to follow-up on the correct implementation of the partnership with our contractors, we defined KPI's on safety, quality, effectiveness and efficiency.

To further raise awareness on safety, our contractors are being sent a bimonthly edition of our employee magazine '1'. They are also given the opportunity to elaborate on their safety practices in the magazine.



Our employees and contractors testing their knowledge of the safety rules during the Health and Safety Day.

With the Health Week we want to contribute to a healthy way of living by all employees.



A popular activity during the Health Week was a stroll in the woods of ArcelorMittal Gent.



Our company was one of the 10 companies nominated for the first MS@Work Award, handed out by the MS League (Flanders).

Why is health so important?

Safety is our main priority and health is inextricably linked with this. That is why, one of our Golden Rules focuses on starting work in a fit and able condition. Even more, we expect from our supervisors that they ensure that their colleagues are able to work in good health. A good health of all employees is the recipe for success for any company. Healthy employees feel more fit, they execute their tasks better, are more productive and have lower absenteeism rates. In our health policy we strive towards healthy working conditions and encourage a healthy way of living.

In 2012, the health project 'AM Fit' was launched. The 'AM Fit' working group drew up an action plan which focuses on healthy eating, exercising, ergonomics and stopping smoking.

The last couple of years, we have noticed a clear reduction in the number of smokers. To further stimulate this positive downward trend (towards 20%), we decided to launch additional incentives on the topic. The measures we have taken, such as info sessions on the Allen Carr method, clearly paid off. In 2015, we opened up the Allen Carr info sessions to our external employees and took additional efforts to restrict smoking at work.

Looking at weight control, we notice that obesity amongst our young employees has been increasing. This will undoubtedly lead to health issues at an older age. Sufficient movement and healthy eating is an important cure against obesity, something we point out to all employees when visiting our medical department. The offer of healthy meals in our company restaurant has therefore been extended, this both for the hot meals as for the sandwiches. In addition, the offer in the vending machines has been adapted towards presenting healthy and low-calorie snacks.

At the end of September, ArcelorMittal organised a Health Week for the 6th time around in all plants across the globe. With this initiative, the ArcelorMittal Group wants to contribute towards a healthy way of living by all employees. We all live hectic lives and do not take enough time to work on our health. With 'AM Fit', we address our employees' health in a structural manner, but initiatives like the Health Week help us in turning all heads in the same direction. The main topics during the 2015 Health Week were 'how to quit smoking' and weight control; the two main risk factors for our health. We organised individual coaching sessions during which our colleagues were stimulated to live a healthier lifestyle. We also continued these coaching sessions after the Health Week.

Ensuring that our employees come to work in a fit and able condition is not only about promoting a healthy lifestyle but

also about consistently improving the working conditions. That is why a couple of years ago, we introduced the KIM tool, which was presented to all managers and lifting coordinators cross site. As of 2015, our safety stewards are also trained on the matter. The KIM tool is a risk assessment tool used to identify health risks related to load handling. All managers were also trained on how to identify risks related to working with chemical substances. Over the coming years, we will be focusing further on both themes.

As a drawback to the ageing of our society, we all have to work longer. That is why it is extremely important that we search for solutions that enable us to actually being able to execute our jobs until our retirement. For instance by paying more attention to physically challenging tasks. A theme closely related to this is the shift work. In 2015 the CAO104 committee decided to organise an information campaign on shift work. Déhora, an independent external consultant, organised 35 workshops on 'working healthy in shift work'. In total, around 1,000 employees attended the workshop. In addition to this, a survey was also launched towards all shift workers. The results were discussed in the CAO104.

Another important issue within our company is reducing absenteeism. Absenteeism decreased slightly from 4.76% in 2014 to 4.45% in 2015. Analyses reveal that the main causes for absenteeism include injuries sustained while practising sports or doing chores around the house or having back disorders or joint diseases. Aside from taking many preventive measures, we also pay great attention to reintegrating employees who have been ill.

Every year we collaborate with the Red Cross for blood collections. Three blood collections were organised last year at our site.

On September 9th 2015, the very first MS@Work Award was handed out by the MS League (Flanders). The award is a recognition for companies that enable those with MS to continue doing their jobs. Our company was one of the 10 companies nominated.

In order to reach success, we rely on the motivation, knowledge and enthusiasm of every employee.

How do we engage our employees?

In times of change, information and communication are essential in keeping people motivated. We inform our employees through LCD screens, newflashes and our company magazine. However, communication is not just about informing; it is about two-way interaction. Line managers play an important role in this respect: they are the first point of contact employees feel they can turn to when having questions. The members of our Management Committee also take up their responsibility and therefore, in the course of 2015, organised information meetings with all employees to strengthen an open dialogue. By correctly informing our colleagues and opening up a dialogue, we hope to be able to rely on their understanding, commitment and confidence so that we can work together and achieve our ambitious targets.

At the end of 2014, an employee survey was launched, in collaboration with the HR company SD Worx, this for the second time around. Based on the results of the survey, the HR department organised workshops as of February 2015. The aim was to define an action plan. The following topics were discussed:

- A better work-life balance / working until a higher age
- Communication
- Leadership
- Career guidance

In addition we also show our gratitude and respect for the dedication and loyalty of our employees by organising internal events:

- The decoration happening is organised yearly. In 2015, the event took place on May 30th. Employees who have been working at our company for 25, 30, 35 or even 40 years and their partners were put in the spotlight during the day.
- For several years now, we have been sponsoring the Gent Jazz Festival which takes place at the end of July. All employees can request two day tickets via our intranet. In total, we distributed 750 free tickets for this world-famous jazz festival.
- The fifth edition of our personnel event Feestmar took place on Saturday June 27th 2015. All employees and their families were invited to the one day event. During the day all guests were treated to performances, street and children animation, company visits, snacks and drinks,... More than 12,000

people visited the event. Obvious to say that Feestmar is thus far more than just a simple personnel event. Not only are our employees given the opportunity to get to see their colleagues and supervisors from a different angle. But this is also the perfect occasion for family members to experience our company life. Feestmar is considered as one of our social highlights. It sends out a strong signal: In order to reach success, we rely on the motivation, knowledge and enthusiasm of every employee.

It is important to be and to remain an attractive employer. That is why, at the end 2015, we announced the introduction of our CarProgram. The program is accessible to all employees with a fixed term contract. Employees wishing to enter the Car-Program will have a company car at their disposal for 4 years provided that they pay a fixed contribution every month. This contribution consists of a reduction to the gross wage and a personal net contribution. In addition, the employee will also pay taxes on the use of the car.

Every year, the ArcelorMittal Group organises an e-card contest for employees' children. In 2015, Nell was selected as our national winner. Her father works at the electrolytic galvanising line of ArcelorMittal Genk.



At the end of June 2015, more than 12,000 people enjoyed our personnel happening Feestmar.



Every year, over **1,500** students visit our company.

How do we develop our employees?

We believe that all employees should have the opportunity to progress in their careers and that they ought to be able to shape these careers in accordance with their capacities, interests and ambitions. This has a direct impact on job satisfaction. For this reason, we invest heavily in training and development. Employees are trained to become specialists in their fields of expertise or they can enrol in additional training. In 2015, ArcelorMittal Gent spent 5.7% of its labour costs on training and development. In comparison, the target imposed on companies by the Belgian federal government's Generation Pact is 1.9%.

Our training offer is quite extensive and meets the needs of the production departments. These are a few examples of training courses our employees can take:

- safety
- electrical and mechanical maintenance
- the production process, including metallurgical aspects and customer relations
- quality: for example, quality assurance, statistics and World Class Manufacturing

- management skills: for example, attitude, management, learning techniques and teaching techniques
- languages
- IT: Office, SAP and in-house developed tools

In the final months of 2015, the decision was taken to re-invent the metallurgy course. At the beginning of 2016 the new and improved training was officially launched. As of this moment, the course is spread out over two years instead of three. In addition, the training is also tailor-made, fitting the specific need of each student.

The training department utilises both internal teachers as well as external experts. There are also e-learning opportunities available, some of which organised by the ArcelorMittal University.

Knowledge and an excellent know-how are fundamental to meet the needs of each activity domain. It is important that these competences and knowledge are centralised and transferred to ensure the continuity of our company. We strongly believe that the experience and knowledge that senior co-workers can transmit to younger employees is priceless. In fact, this knowledge is one of the main reasons why we have always been able to stand out from our competition and it will allow us to continue

to do so in the future.

In order to mark the importance of learning and development, the ArcelorMittal Group once again organised its Learning Week. At the ArcelorMittal Gent site, the event took place at the beginning of October 2015. Our training department held information sessions on the different courses currently being offered at our company and those accessible via the ArcelorMittal University. Special attention was paid to didactical skills by means of 'Train the trainer' workshops. In addition, the department also organised a guided visit to their new training centre.

On September 25th 2015, we paid tribute to the employees who had finished the metallurgy course and the night course in electricity/mechanics, and to the maintenance workers who had successfully finished their promotion tests. The winners of the pillar 8 case were also celebrated. All were, together with their partners, invited to a boat tour. In 2015, 15 maintenance workers became head technicians and were given a certificate. 8 employees obtained their degree in metallurgy, 6 colleagues finished a night course in electricity and 11 colleagues received a degree in the base course mechanics.

In addition, for years now we have been working closely together with educational institutes (universities, colleges and technical schools), as their students may become our future colleagues.

- Every year, we support approximately a hundred – mainly technical – students with their internships, master theses and integrated tests.
- Every year, over 1,500 students visit our company and are offered a dedicated programme.
- We organise internships and training courses for teachers in technical schools, which gives them the opportunity to adapt their courses to industrial reality in an optimum manner.
- Every year, our in-house teachers spend five to ten days in technical schools closeby to give classes to students in industrial maintenance techniques.
- For the Regional Technological Centre of the province of East Flanders, ArcelorMittal Gent is the centre of expertise in the field of lubrication techniques.

On April 25th 2015, the third edition of 'Boetiek Techniek' took place, this is an interactive technology fair for children between 10 and 14 years old. The aim of the fair is to spark an interest for technology amongst children. The booth of ArcelorMittal Gent exhibited different applications of steel. The eye-catcher of our booth was the virtual tour of our hot dip galvanising lines.

In January 2016, the new and improved metallurgy course was launched.

How do we shape our social dialogue?

Our company has a long tradition of social dialogue. In 2015, the new collective labour agreements 2015-2016 were finalised for white and blue collars. The negotiations on both collective agreements went constructively.

In the collective labour agreement 2013-2014, the Management Committee and trade union deputies agreed on enforcing the social bond. In light of this, the following steps were taken in 2015:

- The members of the Management Committee commenced a direct dialogue with all employees via communication sessions (in small groups).
- We are looking into the most optimal ways of working in shifts, this with regards to the Collective Labour Agreement 104.
- A leadership track was developed for all leaders within our company, going from the heads of a department to all foremen.
- Work meetings between management and their employees were started.

In 2016, we will continue the development of a number of our initiatives, such as the leadership track, as well as launching new initiatives like for instance job coaching, publishing open positions on an internal jobsite and performance reviews for all blue collars. The company cars and tele-working will also take shape.



5.7%
of our labour costs were spent on training and development in 2015.

Making steel more sustainable

We aim at producing high-quality steel whilst at the same time keeping our environmental impact to a minimum. Every year, 10 to 15% of our investment budget is spent on measures to boost our environmental performance. In order to further integrate our company into the region, it is also important that we communicate openly and transparently with our neighbours about our environmental efforts.

This chapter describes the progress made within the following outcomes:

Products that accelerate more sustainable lifestyles.

Products that create sustainable infrastructure.

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.

Supply chains that our customers trust.

“Thanks to our highly qualified and motivated people, and the safeguarded follow-up of our installations we are able to keep the environmental impact of our activities to a minimum.”

Gerda Dauwe, environmental department



As a highly technological site we are able to keep the environmental impact of our activities to a minimum.

What is the environmental impact of steel production?

ArcelorMittal Gent is an integrated steelworks with an annual steel production capacity of 5 million tons. This means that we have all the necessary facilities on site to convert raw materials into high-quality end products. We use around 10 million tons of raw materials per year, mainly iron ore and coal.

The reduction of iron ore is very energy-intensive. The so-called blast furnace route, via which we operate, is the most energy-efficient way to reduce these iron ores. Our combustion processes do however inevitably lead to the formation of NO_x, SO₂, CO₂ and dust.

We also require a considerable amount of water, which is used as cooling water, as process water and in gas treatment facilities. Most of the water is taken in from the Ghent-Terneuzen canal. We treat and reuse it several times before discharging it back into the canal.

We also require a lot of additives and fluxes. Numerous liquid products are stored in vessels and/or tanks and are transported through pipes. We are highly committed to prevent all spilling and leaking.

Our processes and facilities produce noise; just think of fans, compressors, rolling mills and all types of transport. At all times, we try to minimise the impact this has on our neighbours. When new investments are planned, experts conduct noise studies to determine the noise impact these investments might have. If necessary, adequate measures are taken. The sound source may be enclosed, the isolation of the building may be adapted or end-of-pipe solutions such as sound dampers may be installed.

In different production stages, a bypass flow of products is generated which we try to recycle as much as possible, especially products containing iron and/or carbon. Only a limited quantity of substances for which we cannot find a useful application is considered as waste.

Our company has a certain impact on the environment. However, as a highly technological site with state-of-the-art facilities and highly qualified and motivated people, we are able to keep the environmental impact of our activities to a minimum.

10 We use around **million tons** of raw materials per year.



Together with our colleagues of the environmental department, we look forward to receiving our new environmental license.

On our way to a new environmental license

In Flanders it is prohibited to manage a factory, a workshop or a storage room and to undertake actions that are described as having an impact to the environment, without the correct environmental license. An environmental license is a permission of the government to perform certain actions that have an impact on the environment, provided that a set of permissions are followed.

Our current environmental license was received on February 17th 1997 and will expire in February 2017. As of that date, a new license is required. The renewal of this license is a difficult and complex process which we already started in 2014.

In order to receive a new license, an Environmental Impact Assessment as well as an Environmental Safety Report need to be added to our application. Both reports were written by external specialists and have been approved on (resp.) May 11th 2015 and August 10th 2015.

After having finished the Environmental Impact Assessment and the Environmental Safety Report, we started working on the third part of the renewal of our environmental license. This entailed composing our application file, which was once again

quite a task. All activities which take place at our site needed to be divided into specific categories, as required by the environmental legislation. The different production processes and their specific environmental impact, how this is managed and what measures are taken to comply to the environmental law, needed to be described in detail.

The geographic information system (GIS tool) was an important source of information as it allowed us to make an inventory of all required data. In addition, we also had to enlighten on a specific number of subjects, like for instance how we deal with waste, how we protect the soil and how energy-efficient we are. The application file was submitted to the counties' Environmental License Committee on January 29th 2016. The committee declared it 'receptive and complete' on February 15th 2016.

The ISO 14001 certificate assures all external stakeholders that 'sustainable development' is not a hollow phrase.

How do we use natural resources economically?

As part of our basic industry, ArcelorMittal Gent uses large quantities of iron ore, fluxes, energy and water. One of the spearheads of our environmental policy is the 'economical use of natural resources and energy'. That is why we invest in our production apparatus so that we not only produce steel, but that we also create valuable by-products which may be used as raw materials for other industries or for other useful applications instead of natural resources. In other words, we strive towards converting all natural resources into products that are useful for society.

In the different production stages, fluxes are used which are converted into products for which we seek a useful application. These products may be used as end products or as raw materials in other production processes. Substances with a high iron content (e.g. dust collected in de-dusting facilities) are recycled internally for as far as there are no process-technical restrictions. This flow of substances can be classified in three categories: by-products, residues and waste products.

By-products are reused in the most diverse applications as a raw material or as a substitute for live rock. An important source of by-products is the liquid slag formed during the steelmaking process at high temperatures. This slag is either granulated or stabilised chemically and/or physically in order to be converted into valuable products. During the blast furnace process, not only liquid hot metal but also slag is produced. This slag is granulated by powerful water jets in a separate facility. We call this granulated slag blast furnace sand, which is used in the cement industry as an alternative to clinker. During the production of liquid steel in the converter of the steel shop, another slag type is formed, called LD slag (Linz Donawitz¹ slag). The characteristics of this slag, such as the viscosity and the temperature, will determine whether the batch is suitable to be converted into LD

gravel in a separate slag treatment unit. In this unit, sand and nitrogen are injected into the liquid slag. As a result, the remaining iron is oxidised and the silicon binds with the free lime. This is how LD gravel is produced, which can be used as an alternative to porphyry, which is used in road construction. Slag which is not suited for conversion into LD gravel is crushed. The iron is then extracted and the slag is screened in various grain sizes. LD slag can be used for durable surfaces – such as car parks, roads, paths and driveways. Coarser fractions (larger than 40 mm) can be used as a full alternative to crushed gravel and for hydraulic structures, such as the reinforcement of the banks of the Western Scheldt.

In the coking plant, tar, benzol and sulphur are separated from the coke oven gas in dedicated tools. All of these products are sold to the chemical industry as raw materials. Coke oven gas, blast furnace gas and converter gas must also be listed as by-products. Because of their energy content, they can be used as fuels in our own facilities instead of natural gas. The gas volume that is not used internally is transferred to the Electrabel power station nearby where it is converted into electricity.

Residues are various substances that are inevitably generated during the production process and are separated from an air or water stream in dust abatement and/or water treatment facilities. They mostly contain iron and carbon (dust and sludge). We aim at maximising the reuse of these substances but have to consider their process-technical and environmental impact. We reuse these residues either by mixing them with iron ore before sintering or by converting them into briquettes which are injected in the converter during the steelmaking process. By recycling these substances, we can economise on expensive raw materials such as iron ore and coal, optimise the use of natural resources and avoid landfilling.

Scrap is also produced at different stages of the production process, for example by the side trimmers in the cold rolling mills that cut the steel coils to the customer's requirements.

Both internally recycled and externally purchased scrap is added as a coolant to the liquid hot metal in the converters of the steel shop, where liquid hot metal is converted into liquid steel.

For residues that cannot be reutilised internally, we look for alternative useful applications in other industries. One of these substances is the sludge resulting from the gas scrubbing process in the steel shop when galvanised scrap is used in the steelmaking process. In this case, the zinc content of the sludge is too high and would disturb the blast furnace process. All other substances for which there is no useful internal or external application are called waste products. These are carefully collected and removed by registered specialised companies.

Clean and pure wood waste from our packaging lines for instance, is collected selectively. It can be used as a raw material for the production of chipboard. Plastic bottles, metal containers and drink cartons are also collected selectively for recycling. Dangerous and/or combustible waste is destroyed externally in dedicated waste incinerators. Only a small fraction of non-hazardous inert industrial waste is landfilled.

Why do we have an environmental management system?

As of 2001, ArcelorMittal Gent has an environmental management system in place that fully meets the requirements of the international ISO 14001 standard. In the late 1990s, the 'easiest' environmental optimisations had already been realised and it became increasingly difficult to continue to improve. That is why we implemented the environmental management system. It forced us to go about environmental management in a structured manner, starting with the identification of our environmental priorities. This helped us in setting up an environmental policy and in defining targets that ensure continuous improvement. After the implementation of the environmental

¹LD refers to the Linz Donawitz steelmaking process. In this process, a water-cooled lance blows pure oxygen on top of the hot metal bath so as to burn all impurities. The LD steelmaking process was commercialised by two steel companies in Austria – Voest in Linz and ÖAMG in Donawitz.

management system, our employees have become much more involved in environmental care: it became everybody's business. Each production department is responsible for its environmental performance and every employee can make an impact.

Our environmental management system is audited every year by an external independent organisation which checks if we continue to meet all requirements and keep on improving. The ISO 14001 certificate assures all external stakeholders, such as our neighbours, the authorities, suppliers and customers, that 'sustainable development' are no empty words. In November 2015, the certification agency SGS S&SC conducted a ISO 14001 follow-up audit to verify that our environmental management system was still working optimally. The audit team concluded that there were no non-conformities and only three points of improvement were present, on which we are already working.

Assembly of a new harbour crane, equipped with a spray system to avoid dusting coming from raw materials.

Main raw materials	2015	Products	Recycled gases
coal 1,519,164 t	Coking plant Coke 1,215,030 t	Benzol 9,875 t Tar 44,086 t Sulphur 1,754 t	Coke oven gas for internal use 9,505,009 GJ
Iron ore 4,115,383 t Anthracite 203,803 t Limestone 607,322 t	Sinter plant Sinter 4,972,011 t		
Pulverised coal 963,976 t Pellets 2,076,582 t	Blast furnaces Hot metal 4,246,589 t	Blast furnace slag 1,061,647 t	Blast furnace gas for internal use 5,716,653 GJ Blast furnace gas for power station 16,232,651 GJ
External scrap 642,363 t	Steel shop Liquid steel 4,899,215 t	Steel slag 364,523 t	Converter gas for internal use 2,074,365 GJ Converter gas for power station 1,224,470 GJ
	Hot strip mill Hot rolled coils 4,777,941 t	Finished hot rolled coils 1,302,116 t	
	Cold rolling mill and finishing lines	Finished cold rolled coils and sheets 3,059,238 t	





The gases generated during the production process, are reused internally as fuel or converted externally into electricity.

Breakthrough project:

We are currently conducting research on how to convert part of our blast furnace gas into bio fuel through the use of microbes. Our main goal is to produce renewable energy. In addition, it would also be a modest, but important first step towards reducing our CO₂ emissions.

How do we manage to reduce our CO₂ emissions?

CO₂ emissions are inherent to the production of steel via the blast furnace route. Chemically speaking, iron ore consists of iron and oxygen. In the blast furnaces, oxygen is extracted from the iron ore by chemically reacting with coke or pulverised coal, which are used as fuels and reducing agents. The carbon present in the coke and pulverised coal binds itself to the oxygen that is extracted from the ore. As a result, liquid hot metal and blast furnace gas are produced. The use of blast furnace gas as a combustible in our production process and for power production inevitably results in CO₂ emissions when used as a fuel. Coke oven gas is produced in the coking plant, where coal is converted into metallurgical coke. Because of its physical and chemical characteristics, coal is not suited for direct use in the blast furnace. When coal is converted into coke, volatile hydrocarbons are removed from the coal, thus producing coke oven gas which, after treatment, can also be used as a fuel in different production departments.

In the steel shop, a third combustible process gas is produced, namely converter gas. In the steel shop, the liquid hot metal from the blast furnaces is converted into liquid steel by burning the carbon and impurities that are present in the liquid hot metal. For this purpose, pure oxygen is blown on top of the hot metal bath. The oxygen binds itself to the carbon present in the hot metal bath, creating a gas mixture of CO and CO₂. This gas mixture is called converter gas. Just like blast furnace gas and coke oven gas, converter gas contains energy and can be used as a fuel.

In addition to the siderurgical gases, natural gas and limited quantities of fuel are used in various of our production departments. CO₂ emissions also occur in the sinter plants, where the carbon present in the raw materials, the fuels and the additives are converted into CO₂.

Contrary to other materials such as plastic and aluminium, steel can be recycled infinitely. Steel is added to the converter load in the steel shop in the form of scrap. When pure oxygen is blown on top of the hot metal bath, large quantities of energy are released. This offers us a double bonus. Firstly, the energy which is released during the converter process is used for melting the added scrap. Secondly, as less liquid hot metal is required to produce liquid steel, the CO₂ emissions per ton of steel are reduced.

Though CO₂ emissions are inherent to the steel production via the blast furnace route, we are able to approach the theoretical minimum emissions thanks to our efficient business operations.

Because steel maintains its original characteristics, scrap can be used as a raw material. However, there will never be enough scrap to meet the world steel demand. That is why steel pro-

duction via the blast furnace route remains a necessity. In order to further cut back CO₂ emissions by the blast furnaces, we continuously try to reduce the amount of carbon needed in the various production stages. This by optimising the production process and by selecting the right raw materials. The quality of the coke and sinter strongly determine the carbon input in the blast furnaces. The better this carbon input is controlled, the more efficiently carbon is used and the lower our CO₂ emissions will be.

Since CO₂ emissions are directly linked to energy consumption, any effort to optimise energy efficiency also reduces greenhouse gas emissions.

How exactly does the trading of CO₂ emission work?

On February 16th 2005, the Kyoto protocol came into effect. The signatory industrialised nations committed themselves to reduce their overall emissions of greenhouse gases by 2008–2012 by an average 5.2% in relation to 1990. The European Union went even further and committed itself to reduce CO₂ emissions by 8%. This target was divided amongst the member states in individual targets. Belgium was requested to reduce its greenhouse gas emissions by 7.5%.

For electricity producers and a number of energy-intensive businesses such as the steel industry, a CO₂ emission trading scheme was set up by the European Union. As of January 1st 2005, companies belonging to these branches of industry have been surrendering CO₂ emission allowances for each ton of CO₂ they emit. When this system was set up, national governments every year allocated a specific quantity of CO₂ emission rights for the duration of the trading period to companies participating in this system. The allocation was based on the expected future activity level and associated CO₂ emissions. In Flanders, the CO₂ emission rights were allocated for free if a voluntary commitment was taken to strive towards maximum energy efficiency.

Emission rights may be traded: companies can sell or buy them. For every calendar year in the trading period, companies had to surrender a quantity of CO₂ emission rights covering their emissions, which are verified by an independent body. If companies exceed their emission allocations, they have to buy additional emission rights on the market to make up for the shortfall, as they have to surrender a number of CO₂ emission rights that is equal to the verified emissions. If they do not comply with this obligation, they are penalised and have to pay a fine of €100 per ton of shortfall and they have to buy the missing allowances all the same. If companies emit less CO₂ than the allocated amount of CO₂ emission rights, they can sell the surplus and use these earnings for instance to invest in CO₂ and/or energy saving projects.

There are three trading periods: 2005–2007, 2008–2012 and

2013–2020. Before the start of each trading period, there is a consultation phase during which the authorities determine the annual amount of CO₂ emission rights that will be allocated to companies in the trading period to come. The allocation rules for the first two trading periods were established at member state level in accordance with European guidelines. Since the environmental issues are dealt with at regional level in Belgium, we were allocated emission rights in accordance with the Flemish allocation plan. Companies that signed the Flemish government's benchmark covenant committed themselves to maximise energy-efficiency. In return, they were allocated emission rights free of charge.

Since 2013, the allocation of CO₂ emission rights has been following new European rules. The amount of CO₂ emission rights to be allocated is calculated on the basis of the average production levels over the period 2005–2008 and the European benchmark CO₂ emissions per type of product (coke, sinter and hot metal). The reference on carbon intensity for these three products, imposed by European authorities, is much lower than what is technically feasible. It is partly motivated by the fact that European authorities have refused a 100% free allocation for electricity production in which process gases are used as combustibles. In addition, a cross-sectoral correction factor set by the European Commission is applied so that these preliminary allocations do not exceed the maximum amount of free allocations allowed for each sector. This means that contrary to the first two trading periods, the steel business at normal activity levels started facing a structural shortfall of free CO₂ emission allowances as from 2013.

In the second trading period we recorded a cumulative excess of 6.7 million tons of allowances over the 5-year trading period, due to production cutbacks during the economic crisis. 2.16 million tons of these excess allowances were sold and profits were used to invest in projects to optimise our energy efficiency, such as:

- a system to recover the energy-rich converter gas which is released during the steel production process. Part of this gas is used internally as an alternative to natural gas, part is utilised in the Electrabel power station.
- an intensive mixer, which mixes fine ore grades with water and powdered lime to boost the productivity of the sinter plant and reduce fuel consumption.
- energy-saving projects in the organic coating lines in Gent and in Geel.

Although we are one of the most energy-efficient steel producers in the world, the application of the aforementioned correction factor, at normal production levels, in the trading period 2013–2020 now results in us having a shortage of emission allowances which will increase year after year. The provisional annual allocation will decrease from approximately 7.1 million tons of CO₂ allowances in 2013 to approximately

6.2 million tons in 2020. These allocations do not cover our CO₂ emissions, which amounted to 8.46 million tons in 2015. In the third trading period, we can use the 4.5 million tons of emission allowances transferred from the second trading period. These will be used to compensate for the shortage in allocated allowances in the third trading period. However, at normal production levels, we will have to buy additional CO₂ emission allowances on the market as from 2016, which will increase the cost of our products. This will put pressure on our competitiveness as steel is traded on a global market and it is not possible to compensate for cost increases by adapting sales prices. After all, we have to compete with companies outside Europe which are not bound by CO₂ legislation and can sell their products at lower prices on the European market. This concern is shared by all European steel producers and has been expressed to European decision makers.

The negotiations on how the CO₂ emission rights will be allocated during the next trading period (2021–2030), are ongoing. There is a prominent threat of 'carbon leakage'² within the steel industry if the current methodology on allocating free emission rights, as published by the European authorities, is not altered drastically.

²Carbon leakage is a term often used to describe the situation that may occur if, carbon-intensive businesses were to transfer production to other non-European countries which have laxer constraints on greenhouse gas emissions.

In 30 years time, we have succeeded in reducing our energy consumption per ton of steel produced by one third.

How have we been able to be amongst the most energy-efficient companies in the world for years?

Steel production via the blast furnace route is energy-intensive. The different production steps, such as producing metallurgical coke, sintering the iron ore and the reduction process in the blast furnace itself, all take place at high temperatures and demand considerable quantities of fossil fuels. In addition, the rolling of steel slabs also consumes much electricity. And still, we have been able to be amongst the most energy-efficient companies in the world for years now, as is shown during annual energy audits conducted by an independent body. In 2015 we maintained our position amongst the best performing companies worldwide.

Our motives are both ecological and economic. Society on the one hand is confronted with the effects of greenhouse gases and climate change. And at company level, energy costs account for an important share of the total production cost per ton of steel. Both aspects are directly linked to energy consumption. We thus owe it to future generations to produce steel in the most energy-efficient way possible. And as energy prices are rising, energy savings are also an economic necessity.

In 30 years time, we have succeeded in reducing our energy consumption per ton of steel produced by one third. This significant achievement was made possible by means of our sound energy management. We continuously invest in our facilities and processes to reduce energy consumption and aim to recover and reutilise a maximum of energy.

In 2003, ArcelorMittal Gent signed the benchmark covenant with the Flemish government. By doing so, we committed ourselves to be among the best performing companies in the world in the field of energy consumption per ton of steel produced. As a benchmark figure, a fictitious reference company was created by an independent expert combining the best-performing

production departments of various companies. A company is considered to be among the best-performing companies in the world if its specific energy consumption does not exceed the energy consumption of this fictitious reference company by more than 10%. In 2015, our specific energy consumption was only 8.36% higher than the reference company's consumption. This clearly shows that we have reached a very high level of energy efficiency.

Mid 2010, an important step forward was made in terms of energy efficiency when we commissioned the converter gas recovery unit in the steel shop. The energy-rich converter gas used to be flared off but is now recovered and reutilised. Part of the converter gas is used in various production facilities as fuel, replacing natural gas. The remainder is used by the Electrabel power station nearby to produce electricity. This investment allowed us to reduce our energy consumption by 0.7 GJ per ton of liquid steel. This is a 4% cut in our company's overall energy consumption.

In the same year, Electrabel commissioned a new power station, which converts blast furnace gas and converter gas into electricity. This new state-of-the-art power station has an efficiency of over 40%. In comparison, the old power station that converted blast furnace gas into electricity only had an efficiency of 35%. Although the new power station has the same thermal capacity as the old facility, its production capacity is 25 MW higher.

The benchmark covenant expired in 2014. ArcelorMittal has the ambition however to further improve its energy efficiency and has therefore decided to sign an 'energy policy agreement' with the Flemish government. By doing so, we committed to launching an energy plan -based on the results of an energy audit- that will focus on improving our energy efficiency even further. The execution of the plan will be monitored via a yearly report which is sent to the Verification Agency.

How do we improve the air quality?

Combating dust has always been one of the key elements in our environmental policy. This is proven by the performances we have achieved over the past years thanks to capital-intensive measures. Dust emissions nowadays amount to only 10% of our dust emissions of the late 1980s.

Looking at guided sources – i.e. chimneys – we can see that considerable investments have been made into efficient de-dusting facilities. We attach great importance to the maintenance and operation of these facilities so as to ensure dust is captured in the most optimum way. Our most recent investments made were the addition of a sleeve filter installation (2 dust filters) to collect diffuse dust in the bunkers of our sinter plants and the addition of a sleeve filter installation in the ladle metallurgy ('ladle furnace zone') in the steel shop. These projects have been taken into service in the final quarter of 2014 and have allowed us to capture more of the dust which used to end up in our production halls and in the environment.

Over the past few years, ambient air quality and particulate matter have been hot topics. Flanders is situated in a part of Europe that is characterised by relatively high dust concentrations. A study conducted by the Flemish Institute for Technological Research (VITO) shows that 70 to 80% of the measured dust concentrations in Flanders come from elsewhere. Indeed, Flanders is sandwiched between the industrialised areas of Holland, Germany and France.

The Ghent canal area is one of the hot spots in Flanders. This entails that the air quality standards for suspended matter PM10 (particulate matter having a grain size of less than 10 micrometres) are not always met. A recent study conducted by VITO as requested by the Environment, Nature and Energy Department of the Flemish government shows that our company is responsible for about 10% of particulate matter measured in the ambient air.

In 2005-2006 VITO analysed our company so as to identify the main sources of dust and obtain valuable information on how to combat dust emissions effectively. This research revealed that diffuse emissions have the greatest impact on the air quality in the vicinity of our company. That is why over the past few years we have been focusing on combating these diffuse emissions. In order to coordinate all actions and give priority to those with the highest yield, the environmental management department, in cooperation with all relevant departments, drew up a dust reduction plan that includes the following measures:

- raising awareness of our colleagues working in the raw materials, harbour and transport department as they are directly involved in the unloading and treatment of raw materials

- enclosing dropping points in the conveyor belt network
- spraying water on unpaved roads during dry spells
- creating a coating (crust) on top of the raw material stacks during dry and windy spells to combat wind erosion
- a thorough swiping programme to keep our roads dust-free
- avoiding spilling of materials
- weather alarms
- investing in a new grab ship unloader equipped with a spill-plate, wind screens with spray system, and automatic grab mode with filling ratio and scissor grabs

In 2013, a new analysis was made of all activities that may have an impact on our dust emissions so as to identify further improvement potential, in part because the Vlare II legislation on dust abatement had been modified. The conclusion of this analysis was used to draw up a new dust report mid-2014 and an action plan listing concrete measures, in collaboration with an independent certified air expert. The action plan, describing a number of important investments, has been submitted to the licensing authority. A couple of these investments have already been executed throughout 2014, for instance the adding of a conveyor belt infrastructure and the modernisation of the extinguishing tower at the coking plant. In addition, steps have been taken for future projects (>2015). We have for instance started building an additional sleeve dust filter on the casting floor of blast furnace B, expected commissioning in 2016. We will also replace two unloading cranes by two new cranes that are better equipped to collect diffuse dust.

All other types of emissions, such as NO_x, SO₂ and dioxin emissions, are closely monitored through an intensive internal measuring programme. This is how we are able to monitor the performance of our production and treatment facilities. It also allows us to intervene if necessary. In terms of NO_x and SO₂ emissions, we work proactively and select raw materials with relatively low nitrogen (N) and sulphur (S) contents.

The newest conclusions on the 'Best Techniques to be Utilised' in the iron & steel industry were published in March 2012. Flanders has anchored these conclusions into the Flemish environmental legislation through the publication of Vlare III. These stricter emission levels will be applied as of 2016. The investments required for our company to live up to the environmental legislation, like for instance the installation of the sleeve filter for the casthouse de-dusting system (blast furnace B) and adjustments to the dust filter installations in the sinter plants, are currently scheduled or already being developed.

How do we limit water consumption?

The steel production process requires large quantities of water, used as cooling water, process water and in environmental-technical applications. As water is a natural resource, it is important that we use it as economically as possible.

Since high temperatures are part of the steel production process, our facilities need cooling. Just think of the engines in the sinter plants, the shell of the blast furnace, the converter in the steel shop and the rolling stands in the hot strip mill.

Process water is used during the production process itself. Examples include the water we use to quench coke, to granulate blast furnace slag to produce blast furnace sand, to remove the scale layer from slabs in the hot strip mill and water that is used for steam production.

For environmental purposes, water is used to combat dust (e.g. for sprinkling unpaved roads during dry spells or in the spray system installed on unloading cranes) and in the gas treatment facilities in the blast furnaces and the steel shop.

The Ghent-Terneuzen canal is our main source of water. The water is taken in at the north side of our site and is used in counterflow with the production process before being discharged near the southern boundary of our territory. Each cubic metre of water that is taken in is used 27 times. This requires numerous water treatment facilities, water towers and cooling towers. In the mid-1990s, we launched a multiannual project, which doubled our water recycling rate compared to the 1993 level. In 2015, 21.8 million m³ of canal water was pumped and about 17.4 million m³ was discharged after treatment. The discharged water meets all environmental requirements.

In the past, groundwater was also used for various applications. We have however now taken measures to, wherever possible, use canal water instead. This is how we have managed to significantly reduce our groundwater intake over the years (from 2 million m³ per year to just under 1.1 million m³ in 2015). Nowadays, groundwater is only used for safety reasons. At a number of locations, the groundwater level needs to be first checked to avoid contact with liquid hot metal or liquid steel, which could cause explosions. This is done by safety drainages. To prevent this groundwater from going to waste, we use it in a number of quality-critical applications.

In 2015 our specific water consumption amounted to 4.8 m³ per ton of liquid steel, which more or less corresponds to levels recorded in previous years (4.4 m³ per ton of liquid steel in 2014). The characteristics of the water taken in prohibit any additional limitation to the water consumption. With this performance, we are amongst the most efficient integrated steelworks worldwide.

How do we reconcile industrial activities with nature conservation on our company premises?

Our company premises cover a surface area of about 800 ha. Thanks to efficient environmental planning, only half of this surface area is used for industrial purposes (production facilities and the storage of by-products, semi-finished and finished products).

The other half of our site is a belt of rich woodland used as a buffer between our industrial activities and the surrounding region. Over the years, there has been continuous forestation. High-quality native deciduous trees such as oak, birch, ash, black alder, willow and many others can be found on our site. Together with the flora, a rich fauna has also developed itself on our premises. Game (such as rabbits and pheasants) make up approximately 10% of the animal population, but hedgehogs, squirrels, herons, buzzards, toads, shelducks, black-headed gulls and many other rare and common types of birds have found our site to be an excellent habitat as well.

Although our land is barely 50 years old and has for the most part been artificially raised, the fauna and flora developed well. That is why we rely on a chartered forester who is responsible for land management.

By injecting CO₂ into the waste water of the steel shop, we obtain water with a lower acidity and a lower zinc content.

Each cubic metre of water that is taken in is used 27 times.



Did you know that... a 100 kg weight reduction of a car decreases CO₂ emissions by that car by 8 g/km?

How do we work with our customers?

In a competitive market, customer orientation is key. An intense cooperation with our commercial organisation resulted in an action plan for three targeted market segments: the automotive, non-automotive and export business. This action plan was conceived around three pillars: (1) service, (2) quality and (3) product innovation.

1. A number of non-automotive (industrial) customers located within limited distance of the company, can be offered short delivery times. Our customers are quite satisfied with this evolution. In the end, short lead times ties customers to our company and protect us against imports of cheap steel products.
2. A good service cannot be separated from high quality. Delivery time performances cannot be improved at the cost of quality and vice versa. In 2015, the volume percentage of first choice material shipped increased to 97.2%. In order to improve our quality process, we have implemented a new quality project that overarches all of our departments: 'Quality improvement by elimination of Causes due to Installation, Organisation and System'. Our ambition is to grow into the preferred supplier when looking at quality. And to furthermore have at our disposal, sustainable quality systems and processes in all of our production steps.
3. Innovation is key to ensure the future of our company. Our ambition does not lie in the production of commodities with limited added value, but in the production of challenging products with high added value. Process innovation is a prerequisite for product innovation and is a driving force behind progress.

About 40% of our steel products are destined for the automotive industry. Car manufacturers are constantly looking for ways to reduce the weight of vehicles so as to minimise fuel consumption and CO₂ emissions. As the car bodywork is the largest and heaviest component of cars, it makes sense from an environmental point of view to reduce its weight. Car manufacturers increasingly impose stringent demands on their suppliers in the area of costs, energy consumption, safety, sustainability and recyclability of the materials used. Therefore, steel has to compete with alternative materials, such as aluminium and synthetic materials. When the customer has a choice between different materials, his decision will inevitably be based on the price of the raw material that is used, the life cycle of the product and the recyclability at the end of this life cycle.

Fortiform® is the answer to all of these challenges. Thanks to its high strength and excellent deformability, this innovative steel solution allows the bodywork of cars to be up to 20% lighter. Consequently, cars consume less fuel and emit less CO₂. In addition, Fortiform® also contributes to a higher safety of drivers and their passengers as it is capable to absorb more energy during a collision. In 2015 we focused on further developing our Fortiform® steel. In 2016, we will deliver the first Fortiform® products to our customers.

High-strength steels are also useful in other markets. This is clearly shown by the Armstrong™ quality label. The Armstrong™ high-strength steels and advanced high-strength steels, which

are for instance produced in Ghent, are ideal for reducing the thickness and weight of constructions whilst still increasing the load capacity. For a wide range of applications, such as trailers and dumpers, excavators and harvesters, the Armstrong™ line offers considerable benefits.

We aim to become the reference company for the production of (ultra) high-strength steels. It is a strategic choice to prepare our production lines for products that are high in demand.

Other innovative steel solutions besides from the (ultra)high-strength steels include:

- Ultragal®, a hot dip galvanised steel grade with excellent lacquer quality used for automotive applications.
- In the past few years, the ArcelorMittal R&D centres have focused hard on finding alternatives to heavy metals and especially for chromium-VI utilised during post-treatments (at the galvanising lines or organic coating line). This is how the Nature range was developed: sustainable pre-painted steel products suited for all kinds of indoor and outdoor applications. Just think of cladding, roofing, gutters, wall panels, lowered ceilings and light fittings. The Nature range is 100% free of chromium-VI and heavy metals. Solano Nature was added to our range in 2015.
- We also develop products that assist our customers in reducing the cost of their own production processes. The new surface treatment Easyfilm HPE, a protection against corrosion used on pickled products is a perfect example of this.
- The development of de-carbonised annealed steel which can be better enamelled by our customers.

By focusing on these three aspects – service, quality and product innovation – we managed to ship 4.85 million tons of steel products in 2015. For 2016, an even higher shipment target has been set (4.95 to 5 million tons). Our aim is to produce as many high added value steel products as possible.



We organised our very first Customer Day in 2014. The main idea behind the event was to further extend a relationship of trust with our customers and to further improve our collaboration with them. The second edition of our Customer Day will take place during the flower festival 'The Floralties' on April 21st 2016. Among other things, the programme includes the official inauguration of our new walking beam furnace in the hot strip mill.

Why is cost leadership so important for our future?

Cost leadership is an absolute necessity in attracting orders and new investments.

ArcelorMittal Gent is active in a very competitive market. Last year we experienced a strong negative impact on our business caused by the weaker Chinese market. In order to compensate the weakening of its market, China started exporting steel massively. This resulted in a strong decrease of selling prices in Europe. Producing at low costs therefore remains extremely important if our company wants to survive the current economic situation. It has been proven that we are able to gain a good cost position when our production volume is high. In 2015, ArcelorMittal Gent was the cost leader within ArcelorMittal Europe - Flat Products. Various of our departments had world-class operating points and in most departments production records were reached; the transformation costs were low in almost all departments.

In order to remain cost leader, we must continue to increase our productivity and fully load our installations. We have the ambition to further increase our production and shipments levels. In 2015 we shipped 4.85 million tons of steel, 150,000 million tons more than in 2014. Our ambition for 2016 is to send out around 4.95 to 5 million tons of steel. Our supply chain must be able to live up to this ambition, therefore we launched the supply chain project in 2015. The project focuses on de-bottlenecking the material throughput. In light of this, we have already successfully replaced the cooling elements of our blast furnace A, a new walking beam furnace has been commissioned

in the hot strip mill and the cold rolling mill is continuing work on several de-bottlenecking projects. We have all cards in hand to make 2016 a breakthrough year.

High productivity requires an optimum operational reliability of our installations. Our focus in 2016 will be to execute more structural repair works in order to extend the life expectancy of our existing installations. Major maintenance works that are scheduled over the course of the next couple of years are: the multiannual repair of our coke oven batteries and the replacement of our crane runway girders. Our main challenge is to change the way we assign our maintenance budget, to spend more resources on predictive maintenance and less on curative maintenance. By doing so we will improve our effectiveness and efficiency and increase the strength of our maintenance organisation. This will benefit our productivity.

In the current economic climate, World Class Manufacturing (WCM) is an important management tool to boost our competitiveness. We use WCM to increase efficiency and reduce costs. In 2015, we worked hard on several WCM pillars. The ArcelorMittal Group handed out awards to plants that integrated WCM into their daily operations. ArcelorMittal Gent decided to strive for the bronze medal with all of its production departments. Five departments already received the bronze medal: Raw materials, port and transport, the coking plant, our blast furnaces & sinter plants, general services and the organic coating lines Decosteel 1 & 2. Our other departments will follow in 2016 and 2017. The bronze medal is the first milestone in our journey to become an even more efficient organisation. WCM is our methodology behind continuous improvement. It remains the driving force behind our progress.

Two winners of the pillar 8 award

In 2015, the second pillar 8 award was awarded at ArcelorMittal Gent in light of WCM (World Class Manufacturing). WCM is a philosophy of continuous improvement and is represented as a Greek temple with 10 pillars. Pillar 8 focuses on safety and health. With the pillar 8 award we want to acknowledge teams for their

safety efforts. In 2015, 35 pillar 8 cases competed for the award.

Two teams finished first with the same amount of points: Raw materials, port and transport with their project on the automation of the coupling of torpedo ladles, and the steel shop with their case on lifting slag pots.



World Performance Excellence Award for our blast furnaces

The project 'Breakthrough in cost and productivity in the production of hot metal' presented during the edition of 2013-2014, won the 'Operational Excellence' award at global level. The event took place in Luxembourg on December 10th 2015.



European Performance Excellence Award for the cold rolling mill

On November 9th 2015 the winners of the Performance Excellence Awards were announced. The Performance Excellence Awards is an internal competition first launched by the ArcelorMittal Group in 2007, in which teams from all across

the organisation are awarded for their excellent achievements in innovative thinking and the successful implementation of projects. In 2015, three finalists were picked within the 'Operational Excellence' category, two of them coming from our site. In the end, our cold rolling mill won the award with their project on 'Shortening the cycle time at the entrance of the TTS line (Turbulent pickling line coupled to the Tandem Sidmar)'.





1. A successful repair of blast furnace A.
2. A new crane on the casting floor of blast furnace A.
3. In the continuous casting line, the bearing of the turret has been renewed.
4. The refractory walls of the coke ovens are being replaced.

What investment projects did we complete in 2015?

The investments of 2015 focused on boosting the sustainability of the facilities and on the development of new products, like for instance the new generation of high-strength steels. These are steels that are up to four times stronger than standard steel. Many investments were also of strategic importance as they contributed to the long-term development of our company, such as the new harbour cranes, the ladle furnace in the steel shop, the revamping and renewal of the finishing mills in light of a higher rolling force and the third walking beam furnace in the hot strip mill.

In 2015 the following major investment projects were completed:

- Within blast furnace A, four rows of cooling elements had to be replaced due to wear. During the standstill of the blast furnace, additional maintenance was executed to for instance the gas cleaning, to the support of the casting floor and to the skip platform which transports raw materials to the blast furnace. Furthermore, the automation of the loading installation was renewed.
- The new ladle furnace in the steel shop which allows us to expand our range of ultra high-strength steels.
- Casting slag with crane 122.
- The revamping of the continuous casting line to implement dynamic soft reduction.
- Replacement of the bearing of the casting crane in the continuous slab caster 1.
- A new engine for rolling stand F6. This investment fits in the strategy of the Group to further expand ArcelorMittal Gent in light of the production of ultra high-strength steel (the Fortiform® product range).
- A new basic automation of the rougher in the hot rolling mill.
- The electrical revamping of pickling line n° 1 and of inspection line n° 2 in the cold rolling mill. This is in fact the replacement of critical drives, PLCs and the process computer.
- The replacement of the radiant tubes of the continuous annealing and processing line.
- Improving the safety and throughput of material in the dispatching area in our cold rolling mill. To avoid congestion at the expedition halls, we created a buffer zone for trucks and installed a system to call out trucks when their delivery is ready for pick up.
- The replacement of the cooling system of the organic coating line in Geel (Decosteel 1).
- The electrical revamping of the electrolytic galvanising line in Genk (Sikel).

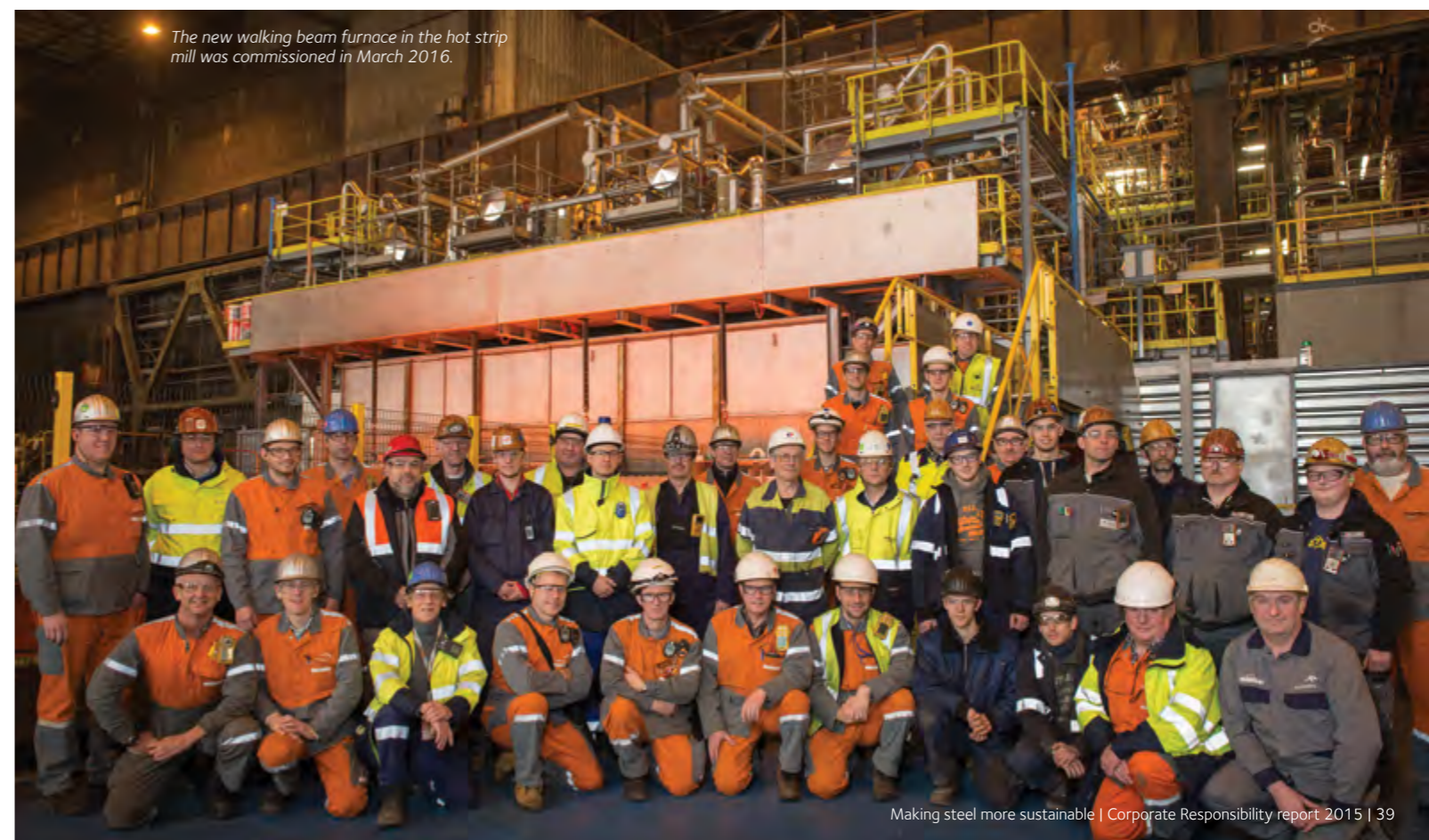
- The replacement of the spectrometer at our quality department.
- The renewal of the blast furnace gas pipe (200 metres) between the blast furnaces and the gas consumers.
- The renovation of showers and kitchens in several departments.

The following investments were approved and/or started in 2015:

- Early 2014, ArcelorMittal Gent ordered two new harbour cranes. With this investment, we anticipated at the construction of the new sea lock in Terneuzen, which is expected to be commissioned by 2021. The new sea lock will allow Capesize vessels to access the port of Ghent and therefore ArcelorMittal Gent's quay as well.
 - One of the two cranes ordered (A9) is designed to unload Capesize vessels which upon arrival at the our quay, will contain around 120,000 tons of raw materials. We are currently able to unload vessels with a deadweight of 71,000 tons at our unloading quay. The construction of the new crane commenced in 2016, its commissioning is expected in 2017.
 - The second crane is designed to unload barges (B1). Due to the limited depth of the Ghent-Terneuzen canal, part of the load of larger vessels is trans-shipped in barges which will be unloaded using the B1 crane. The crane will be taken into use in the course of 2016.
- Heat recovery in sinter plant 2: thanks to this investment, we are able to limit the fuel consumption and to reduce the emission of CO₂, NO_x and dust. The new installation will furthermore reduce the energy consumption. The investment will also have a positive effect on the productivity and the quality of the sinter.
- The de-dusting of the circular cooler of sinter plant 2 will be optimised in order to reduce the dust emission.
- A new sleeve filter for the de-dusting of flue gases (sinter plant 2).
- The conversion of the current electrofilter into a new hybrid filter, used for the de-dusting of the flue gases in sinter plant 1.
- The replacement of the tar extractor in the coking plant.
- A new quenching car in the coking plant.
- The replacement of the refractory walls of the coke oven batteries. This is a long-term project which includes replacing over 100 oven walls in the coking plant.
- A new de-dusting installation on the casting floor in blast furnace B will enable us to reduce the chimney's dust emissions.
- A new casting crane in the steel shop which replaces an old end-of-life crane.

- The replacement of rolling stands F1 and F2 of the finishing mill in the hot strip mill. The new rolling stands will be commissioned at the end of 2016.
- In March 2016, the commissioning of our third walking beam furnace in the hot strip mill took place. The new furnace replaces two existing pusher-type furnaces and makes use of state-of-the-art burner technology to optimise gas consumption, NO_x emissions and material yield in the oven. This strategic investment allows us to reduce operating costs and enhance reliability and product quality.
- The replacement of the base automation of the finishing mills in the hot strip mill.
- The replacement of the overhead crane 483 in expedition hall TU in the cold rolling mill.
- The replacement of the drives and PLC's of Sidgal.
- At the end 2015, a strategic investment was approved: the construction of a new furnace in the hot dip galvanising line Sidgal 3 in order to galvanise the Fortiform® high-strength steels.
- Controlling the paint layer thickness in our organic coating line in Geel and Ghent (Decosteel 1 and 2) by producing at a constant painting temperature.
- Research on the construction of a new 36kV electrical cable and an additional 150kV cable.
- The replacement of one out of four main transformers (160 MVA).
- The replacement of the crane runway girders in several departments.

- On January 15th 2015 a press moment took place on the new scrap and slag quay which will be built by the Ghent Port Company at our site. The first ship will be able to moor at the end of 2016. This investment by Ghent Port Company in cooperation with ArcelorMittal Gent is evidence of a mutual trust in a long and sustainable future. Moreover, it contributes to a more sustainable transport by water and a reduction of CO₂ emissions.
- Flemish Minister Ben Weyts (Mobility and Public Works) and Dutch Minister Melanie Schultz van Haegen (Infrastructure and Environmental Affairs) signed the "Treaty between the Netherlands and Flanders for the construction of the new lock Terneuzen" on February 5th 2015. This signified a historical moment. The new lock will improve the access to the ports of Ghent and Terneuzen. In addition, it will provide a smoother passage of inland vessels between The Netherlands, Belgium and France. The first ships should be passing through the new lock by 2021.
- We also invest in renewable energy. By the end of 2016, 8 wind turbines will be constructed at our site, each producing 3 Megawatt.



The new walking beam furnace in the hot strip mill was commissioned in March 2016.



In thousands of tons	2015	2014	2013	2012	2011
ArcelorMittal Gent					
Harbour activity (loading/unloading)	12,225	12,504	12,534	12,051	11,206
Dry coke	1,215	1,264	1,263	1,262	1,248
Sinter (net)	4,507	5,041	5,013	5,044	5,349
Hot metal	4,246	4,388	4,343	4,078	3,892
Liquid steel	4,942	5,019	4,819	4,759	4,470
Slabs	4,815	4,958	4,741	4,649	4,363
Hot rolled coils	4,779	4,659	4,743	4,327	4,465
Pickled and oiled	1,392	1,206	1,209	1,037	1,329
Full-hard	3,192	3,145	2,968	2,811	2,786
Hot dip galvanised	1,293	1,228	1,194	1,182	1,086
Organically coated	193	187	189	183	155
ArcelorMittal Geel					
Organically coated	153	155	168	138	120
ArcelorMittal Genk					
Electrolytically galvanised	370	395	370	339	411
Total shipment volume*	4,884	4,804	4,883	4,583	4,370



“Our company promotes social commitment. It is great that we are given the chance to work as volunteers in a charity organisation!”

Griet Beckx, progress academy

Enriching our communities

Every company that seeks to implement sustainable development must be aware of what is going on elsewhere in the world. We want to make an active contribution to society to increase welfare and overall well-being. We participate in sustainable community development by for instance combating poverty or creating training opportunities for people who find themselves on the brink of society.

This chapter describes the progress made within the following sustainability challenges:

Active and welcomed member of the community.

Our contribution to society measured, shared and valued.

50 colleagues participated in the 'Brussels 20 km run' and raised money for a charity project of the NGO 'Vredeseilanden' in Tanzania.



Our colleague Steven Van De Maele was one of the participants of the 'Solidarity Holidays'. He helped to build a school in South Africa.

Why do we pay attention to what is going on elsewhere in the world?

ArcelorMittal Gent is a founding member of Entrepreneurs for Entrepreneurs. This is a network of Belgian companies and non-governmental organisations (NGOs). Entrepreneurs for Entrepreneurs wants to contribute to the welfare in the South and close the gap between North and South. It aims at supporting profitable business projects in developing countries, wishing to stimulate local employment and economic activity. The motto of the organisation is: 'Companies support sustainable development'. By bringing together the expertise in project management offered by big companies and the field knowledge of non-governmental organisations, Entrepreneurs for Entrepreneurs focuses on supporting projects that can boost local economy in the South in a sustainable manner.

Besides structural sponsoring, we also support specific projects of Entrepreneurs for Entrepreneurs, such as the Brussels 20 km run. On May 31st 2015, 50 employees of ArcelorMittal Gent participated as a team in the Brussels run and raised money for passion fruit farmers in Tanzania. This project of the NGO 'Vredeseilanden' aimed at increasing the access local farmers have to modern markets by giving them several trainings and by improving their working conditions.

The 'Solidarity Holidays' once again took place in 2015. This initiative, launched by the ArcelorMittal Group, offers all employees of ArcelorMittal the opportunity to voluntarily participate in a humanitarian project abroad. The initiative gives all employees the chance to experience volunteering work abroad and to help those in need, whilst being submerged in a different culture. Two employees of ArcelorMittal Gent were selected to participate. They helped out as volunteers in a school in South Africa.



we support various social projects to fight poverty and create training opportunities.

During the Volunteer Day on December 4th 2015, around 10 employees lent out a helping hand to charity organisations.

Which local projects do we support?

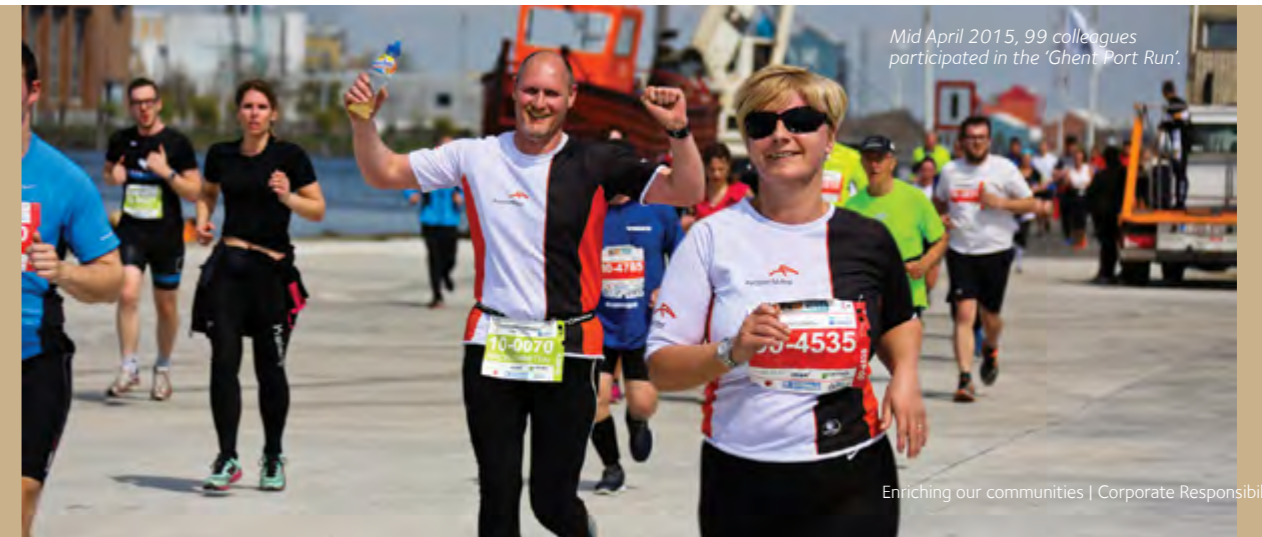
ArcelorMittal Gent does not turn a blind eye to social challenges closer to home either: we support various social projects to fight poverty and create training opportunities for people who have ended up on the verge of society.

- The 'Kromme Boom' is in many ways a unique care project. It helps people in distress who can no longer function in society. Often they also have a history in institutions. At the 'Kromme Boom', the inhabitants are offered a total package of living, working and relaxing – in short: the ability to cope independently, so that they learn how to live a normal life and take back their place in society. This project is atypical as it does not follow the normal employment path. None of the staff members at the 'Kromme Boom' are trained therapists. The 'Kromme Boom' also refuses to pin labels on the people they address. That is why this non-profit organisation is not subsidised and depends entirely on aid and (financial) support from third parties. No less than 4,000 addresses support the 'Kromme Boom', including private people and companies such as ours.
- CAW Oost-Vlaanderen (Centre for General Social Work East Flanders) helps the underprivileged in the region of Ghent. It provides all kinds of services, from relationship and divorce mediation to assistance with applications for social allowances or help with filling in request forms for asylum. On average, social workers at CAW receive 12,000 requests for help a year, most of which are about relationship and housing issues.
- Kras is a cooperation between 13 services that combat poverty in the region of Ghent. The Kras' services support between 4,000 and 5,000 underprivileged families. The institution offers, amongst other things, food, clothing, material aid, budget support and training.
- On December 4th 2015, the ArcelorMittal Foundation

organised its worldwide Volunteer Day. We contributed by collecting used clothes and toys and by donating these to 'Spullenhulp'. Our medical department organised a blood donation campaign together with the Red Cross. And for the third time around, employees were given the opportunity to sign up as volunteers and help out at one of the organisations supported by our company. Twelve colleagues lent out a helping hand to three charity organisations (CAW Oost-Vlaanderen, De Kromme Boom and Kras).

Besides poverty reduction projects, we also support health initiatives.

- On April 19th 2015, 99 employees participated in the 'Port run'. By participating in the run, they supported UNICEF.
- On June 20th 2015, the city of Ghent hosted the Mid-summer Night Run for the fifth time. Our ArcelorMittal Gent team finished first on the 15km and second on the 10km. By participating, all runners supported a good cause (UNICEF).
- Exactly six months later, on December 20th 2015, our company showed itself once again from its fittest side when 100 employees took part in the Christmassy Winter Run in Ghent. By participating, they supported UNICEF.
- The non-profit organisation Special Olympics Belgium annually organises championships for mentally disabled athletes, with our company's financial support. The event is alternately organised in Flanders, Wallonia and Brussels. Over 3,250 athletes, 1,200 coaches and 1,700 volunteers from all over Belgium gathered during this four-day event. The 2015 edition took place in Brussels.



Mid April 2015, 99 colleagues participated in the 'Ghent Port Run'.

More than 3,000 people visited our company during the first weekend of October.



Time for a 'steelfie' during the Company Discovery Day.

How do we enhance integration into the region?

In order to promote our company's integration into the region, in 2015 we set forth the tradition of organising external events:

- The third edition of the Light Festival took place from January 29th till February 1st 2015. ArcelorMittal Gent sponsored a light art work by the Ghent Glass Collective in the Baudelopark.
- On September 20th 2015, we participated in the Flemish Port Day. During the event, around 1,000 people visited our site by bus and went on a tour through our tailor-welded blanks line. The profit of the day went to the ALS League.
- The environmental meeting day took place on Saturday October 3rd 2015, followed the next day by our Company Discovery Day. Over the course of the weekend, around 3,000 people visited our continuous casting line, the hot

strip mill and the production line for tailor-welded blanks. During the weekend, we also raised money for a good cause: Kompanjon. Kompanjon is a non-profit organisation which provides educational support and advice on upbringing to disadvantaged families from Ghent.

- ArcelorMittal Gent also supports various cultural events in the region, such as the Festival of Flanders and the Gent Jazz Festival.
- In 2015, individual information sessions were organised to inform local, regional and national authorities proactively on our company and the economic context we operate in. On January 16th 2015, the city of Ghent, the Port of Ghent and ArcelorMittal Gent welcomed several Flemish members of the European parliament. They visited our company and went on a boat tour through the port.



Transparent governance

Our corporate strategy, business and daily activities are underpinned by transparent governance. We want to be acknowledged for our irreproachable behaviour towards our employees, customers, business partners and society.

This chapter describes the progress made within the following sustainability challenges:

Active and welcomed member of the community.

Our contribution to society measured, shared and valued.



“In our external communication we focus on the impact steel has on our everyday lives and on our company’s assets and added value.”

Matthieu Jehl, CEO

Fair and ethical business practices are at the heart of the ArcelorMittal way of working. These principles are enshrined in our Code of Business Conduct, which applies to all plants and all employees across the globe. The Code of Business Conduct helps us understand the ethical and legal obligations we must meet doing business. The Code of Business Conduct describes the basic values and ethical standards every ArcelorMittal employee across the globe must observe. Every new recruit receives the Code of Business Conduct upon hiring and (s)he need to subscribe to these principles.

How is our management organised?

The composition of the Management Committee of ArcelorMittal Gent looked as follows until November 15th 2015:

- Matthieu Jehl, CEO (Chief Executive Officer) of ArcelorMittal Gent and Chairman of the Management Committee.
- Stefan Van Campe, COO (Chief Operational Officer) Primary, responsible for all production departments in the hot phase (going from raw materials to the steel shop), energy and the general services department.
- Kris Notebaert, COO (Chief Operational Officer) Finishing, responsible for all production departments in the cold phase (including the hot rolling mill), and for customer relations and quality management.
- Guy Bontinck, HR Director, responsible for personnel management, management development, and training and development.

Stefan Van Campe, COO Primary of ArcelorMittal Gent, was appointed COO Primary of ArcelorMittal Bremen. He was succeeded by Frederik Van De Velde on November 15th 2015.

In order to reinforce the integration between the ArcelorMittal sites in Ghent and Liège, a new organisational change took place

on January 1st 2016. As of then, the Management Committee of the cluster ArcelorMittal Gent-Liège is composed as follows:

- Matthieu Jehl, CEO (Chief Executive Officer) of the cluster ArcelorMittal Gent-Liège
- Frederik Van De Velde, COO (Chief Operational Officer) Primary Gent
- Kris Notebaert, COO (Chief Operational Officer) Finishing Gent
- Frédéric Tancrez, COO Finishing Liège
- Guy Bontinck, HR Director Gent
- Benoit Jeukens, HR Director Liège

ArcelorMittal Gent has a Corporate Responsibility Coordinator who reports to the CEO. Corporate responsibility is an integrated part of our business activities. We support a wide range of local initiatives, in which our own employees are involved. Moreover, we also support community initiatives in developing countries. These community initiatives are frequently discussed during Management Committee meetings.

At the end of 2015, the Management Committee of ArcelorMittal Gent consisted of Frederik Van De Velde, Matthieu Jehl, Kris Notebaert and Guy Bontinck.



Human Resources Director Guy Bontinck in dialogue with small groups of employees.

How do we communicate with our employees?

We strive towards having an open and transparent communication with all our employees on corporate matters. This does not only increase commitment but also increases the overall job satisfaction. Our employees are informed through various channels.

Flash newsletters (Sidmar Messages and Fast Messages Safety) are distributed on a regular basis to quickly inform all employees on current affairs. Moreover, up-to-date information is shown daily via our information screens inside the production departments. These LCD screens display a wide range of both corporate and departmental information: global safety results, customer visits and events (corporate information), planned maintenance, new recruits (departmental information) etc. A specific software system is being used to manage these information screens, offering us interactive possibilities, such as the integration of videos and the online connection with our website.

By publishing our '1' personnel magazine, we inform our employees on our company's objectives, on what happens to our products after they have been shipped (customers), on our efforts in terms of safety, environment, quality, training, costs (sustainable development) and on the common vision and values of the ArcelorMittal Group (feeling of belonging). In our personnel magazine, we focus strongly on people. We interview colleagues who worked on a project on the shop floor, we bring articles on employees with particular hobbies, write articles on retired colleagues... In short we make it clear that the contribution of each and every employee matters.

In 2015 the information and communication offer focused strongly on audiovisual communication. We made short films on health and safety: a safety message of our CEO, a testimony of a safety steward, the use of lock boxes, a pillar 8 case on ergonomics. The safety films were integrated in the safety quarters.

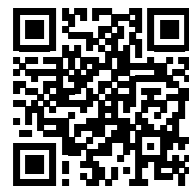
Every year in January, the Management Committee issues a policy statement. Afterwards, the heads of department organise meetings at departmental level in which they pass on the key messages from the policy statement and elaborate on their own departments' performances. Because the policy statement offers a clear view on our company and the context in which

we operate, the key messages are further disseminated to the shop floor. That is why, additional information sessions have been organised at departmental level. In 2015 every member of the Management Committee went into an open dialogue with a group of 25 employees, every (two) week(s). This initiative will be continued in 2016.

In order to enhance the flow of information, an information package is distributed monthly containing background information on our 5 strategic steps. The information is shown on the LCD screens and is also commented on by our management during regular meetings.

It goes without saying that these central communication initiatives mainly play a supporting role. Direct interaction between employees and their supervisors and the openness and approachability of these supervisors have the biggest impact on our daily operations and on the motivation and commitment of all employees.

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gent.arcelormittal.com



How do we communicate with the public at large?

Not only internal stakeholders (our employees) but also external stakeholders demand a proactive, open and transparent communication. By external stakeholders we typically mean our neighbours, students, applicants, schools and universities, customers, suppliers, the press, associations and official bodies. We focus on the impact steel has on our everyday lives and on our company's assets and added value.

The prime source of information is our company website (gent.arcelormittal.com), which underwent a complete makeover in 2014. The site contains a vast array of information on our company, for instance on the production process, the efforts we put into improving our health and safety performance, our environmental management and our importance in terms of employment. With our company website we want to put emphasis on the innovative aspect of our company. In 2015 we developed a virtual tour of our hot dip galvanising lines. The tour offers a 360° razor sharp image of the production hall. The virtual tour is available on tablet, Smartphone and PC and can even be watched in 3D for those who possess VR glasses. Other production halls will also be added to our list of virtual tours in the course of 2016.

As of 2015, ArcelorMittal Gent also makes use of social media to communicate more transparently and more frequently to the outside world. Our social media channels are used to reinforce our renewed company website. We launched company pages on the following three platforms: Twitter, LinkedIn and Facebook. Our Twitter page was launched in April 2015. Via our Twitter page we bring up-to-date information on events, job positions and interesting facts about the steel industry. Shortly after Twitter, we launched our LinkedIn company page. On LinkedIn we bring more information on our job positions, keep you posted on investments as well as bringing you our press releases. Lastly we launched our page on Facebook, here you can find information on our events, testimonials of employees, internships and so on.

In order to further improve the image of our company as well as to root our company deeper into the region, we decided to launch a neighbourhood magazine twice a year: 'Steel, in your neighbourhood'. The neighbourhood magazine replaces our personnel magazine '1' twice a year and focuses on the following subjects:

- ArcelorMittal Gent is an important employer (recruitment + training)
- ArcelorMittal Gent is a high-tech company (product and process innovation)
- ArcelorMittal Gent is a sustainable company (health and safety, environment, social engagement)

The target audience of our neighbourhood magazine are the inhabitants of the surrounding villages, the city of Ghent and our own employees.

Publications like for instance this Corporate Responsibility Report are also an important source of information for all external stakeholders.

As is the case with our employees, we also want to engage in an open dialogue with external stakeholders. Company visits provide us with the ideal opportunity for this. In 2015, we organised approximately 223 company visits, mostly for customers and students. However, specialised environmental visits regularly take place as well.

Once a year, we invite the public at large to visit our company during the Company Discovery Day on the first Sunday in October. Every two years, as was the case in 2015, the Company Discovery Day is preceded by an Environmental Meeting Day. During the Environmental Meeting Day we inform our neighbours, local residents' groups, environmental councils, nature associations and the general public on our environmental management. Almost 3,000 people visited ArcelorMittal Gent during the weekend (October 3rd and October 4th 2015).

'The port of Ghent, simply your daily life!' This was the motto of the Flemish Port Day which took place on Sunday September 20th 2015. During the day, around 1,000 people visited our company. They went on a bus tour through our site and visited ArcelorMittal Tailored Blanks Gent. Around 20 companies located in the Port of Ghent took part in the initiative.

We participate in information meetings on topics relevant to our company for neighbouring municipalities and for the entire province of East Flanders. In addition, we also take part by special invitation in information meetings organised by third parties.

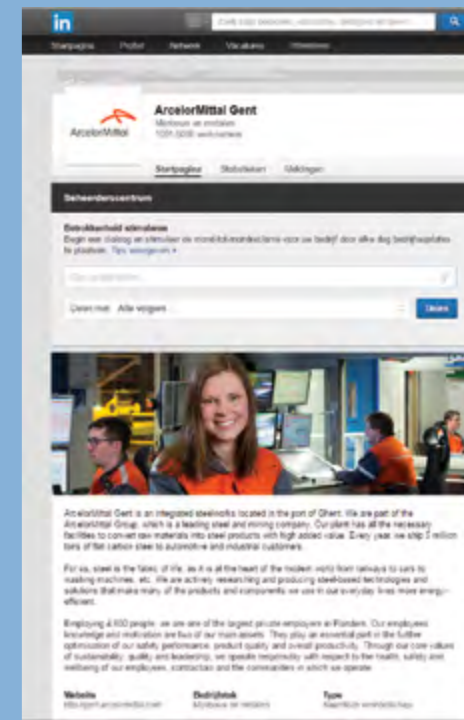
In 2015 individual sessions were organised for journalists and Flemish, Belgian and European politicians to proactively inform them on our company and the economic context we operate in. Current topics that were discussed were CO₂ and the possible granting of the market economy status to China.

Should local residents have any environmental complaints, they can contact us directly or call the special green number for the Ghent canal area (+32 (0)800/92.999). All environmental complaints are investigated on an individual basis. On the basis of the information provided, we assess whether the problem is caused by failures in the production processes. If this is the case, we do our utmost to reduce the consequences to a minimum. Even if it shows that we are not responsible for the environmental nuisance, we give an appropriate answer to the person who initially made the report.

If you would like to know more about our company, please contact us via our website: gent.arcelormittal.com.



Twice a year, we publish a neighbourhood magazine in order to root our company deeper into the region.



Via our company pages on Twitter, LinkedIn and Facebook, we bring up-to-date information about our company.

From now on, ArcelorMittal Gent can be visited virtually! The virtual tour is available on tablet, Smartphone and PC and can even be watched in 3D for those who possess VR glasses.



How are we publicly recognised for our achievements in the field of corporate responsibility?

The East Flanders Environmental Charter was initiated by the East Flanders Chamber of Commerce (VOKA). It encourages companies to pursue an active environmental policy aimed at improving the environment and the living conditions in the region. Companies step in voluntarily.

When taking part in the initiative, we set clear objectives and stipulate the necessary actions to be taken for at least four out of the ten environmental issues included in the Environmental Charter. At the end of the action year, an assessment team, composed of representatives of various environmental authorities, visits our company to inspect whether the proposed

actions have been achieved and legal requirements are still met. If both conditions are fulfilled, we are awarded the Environmental Charter Certificate.

To us, the Environmental Charter is a continuation of our environmental management system. It makes us define clear objectives and determine concrete actions which must be completed in the course of 1 year. We have been taking part in this initiative since 2003 because it is another incentive to continuously improve our environmental performance, which is the overall goal of the ISO 14001 standard.

In 2015, the Environmental Charter Certificate was presented to us for the 12th consecutive time. This is a renewed confirmation of the effectiveness of our environmental management system. It is also an objective way of highlighting our environmental efforts.

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Environmental awards for the best dissertations in the courses Bio-engineering and Environmental Sanitation of the Ghent University.



20 years of environmental awards at ArcelorMittal Gent

Sustainable entrepreneurship does not stop at our companies' borders. We therefore want to stimulate the scientific research on new techniques that have a positive impact on the environment. That is why, as of 1995, ArcelorMittal Gent has been handing out environmental awards to those dissertations (field of study: 'Bio-engineering' and 'Master in Environmental Sanitation') that best elaborate on environmentally relevant subjects.

Professors of the faculty 'Bio-engineering' make a preliminary selection (subject-wise) of the dissertations that qualify for the environmental award. The nominated pieces are then read by a number of employees of our environmental department and by the professors themselves. Once judged on a selection of criteria, a ranking is composed by both groups, which is then compared. In the end, a winner is announced in each of the categories. All winners are then invited to the (yearly) official proclamation, where they are handed a cheque by a representative of ArcelorMittal Gent. The environmental awards were organised for the 21st time in 2015.





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