

Corporate Responsibility Report 2016



ArcelorMittal **Belgium**

Content

Steel, the fabric of life

ArcelorMittal Belgium produces innovative and sustainable steel products for the widest range of applications.

Without steel, no light weight vehicles. Cars are required to 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 building 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.

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*This report gives an overview of the corporate responsibility initiatives taken by the production sites in Ghent, Liège, Geel and Genk in 2016.

Editorial

Dear reader,

Steel contributes to increasing our society's prosperity. Our mission is and has, for many years, been to produce (flat) carbon steel in a sustainable way. In order to strengthen our customer service further, to solidify our competitive strength even more and to further expand our product range, our sites in Ghent, Liège, Geel and Genk were clustered together into one company on January 1st 2016. Within ArcelorMittal Belgium we are able to rely on an exceptional complementarity and strong collaboration, enabling us to set challenging goals. But before we continue looking at our future, let us first look back at 2016.

A challenging market situation

Last year turned out to be quite the challenge for the steel industry and our company. The two main topics were the dumping of Chinese steel and the CO₂ emission rights. The European markets were flooded with cheap Chinese steel at the beginning of 2016. A situation which, luckily, stabilized throughout the year as the domestic market conditions in China temporarily tightened. The difficult market situation of 2016 leaves no doubts however: if we want to protect ourselves against the dumping of steel, we require faster and more powerful European trade instruments.

“We are in favour of free trade but ask for a level playing field.”

In addition, discussions are currently taking place on the allocation of CO₂ rights. Thanks to an optimized production process and the efficient reuse of scrap, our CO₂ emitted per ton of steel belongs to the lowest worldwide. Yet, due to the European Emission Trading Scheme, we have been obliged to buy CO₂ emission rights as of 2015. The ETS system determines that the European CO₂ emissions need to decrease faster than what is currently technologically feasible. Breakthroughs are needed, something we have continuously been searching for and will continue to search for with our partners in the future. In light of this, on its way, is the construction of our breakthrough pilot plant which will convert CO₂ into biofuel through the use of microbes.

A strong Belgian player

Against this challenging backdrop, we have been working on expanding our company further. Key herein was the integration of our different sites into one Belgian team. Today, one year later, we have all cards in hand to become a world-class player. The strength of our team lays in our ability to innovate, to continuously push the boundaries of steelmaking. We focus on industry 4.0, we keep on renewing and are continuously looking for breakthroughs in our processes, our working methods and our products.

“We are working on a technological breakthrough to further reduce our CO₂ emissions.”

Perfect example of this is the production of the ultra-high-strength steel Fortiform®. Fortiform® is 100% made in Belgium. Car parts made with this type of steel are up to 20% lighter, more economical and thus better for the environment. In addition, our Fortiform® steel can absorb more energy during a collision which of course raises the safety of the driver and his/her passengers significantly. We invested a staggering 250 million Euro into our facilities, enabling us to produce this (car) steel of the future. Last year we delivered the first Fortiform® orders to our customers. In 2017, we will start the commercial production.

Our strategy for the coming years remains: strengthening our operational excellence, improving our quality performance further and continuing our work on increasing the operating reliability of our installations. By doing so we aim to further ensure the sustainability of our company. The results reached in 2016 illustrate that our strategy is delivering and that we are capable of remaining the frontrunner within the worldwide steel industry.

Together with the ArcelorMittal Belgian team I hereby wish you an enjoyable read of our corporate responsibility report.

“Our strength lays in our ability to innovate. We are continuously pushing the boundaries of steelmaking.”



Matthieu Jehl
CEO and Chairman of the Management Committee of
ArcelorMittal Belgium



Company profile

ArcelorMittal Belgium is part of the ArcelorMittal group, a leading steel and mining company. Our Belgian cluster, with production facilities in Ghent, Liège, Geel and Genk, has all required facilities at its disposal to convert raw materials in a sustainable way into steel products with high added value. Yearly, we produce on average around 6 million tons of (flat) steel. Our steel is used in car bodyworks, construction, household appliances, furniture and many others applications.

Our strengths

Complementary installations and products;

Unique and broad product range (uncoated, galvanized, organically coated and tinplate);

Innovation is part of our DNA;

Spearhead for the development of new UHSS products;

Close collaboration with the universities of Ghent and Liège;

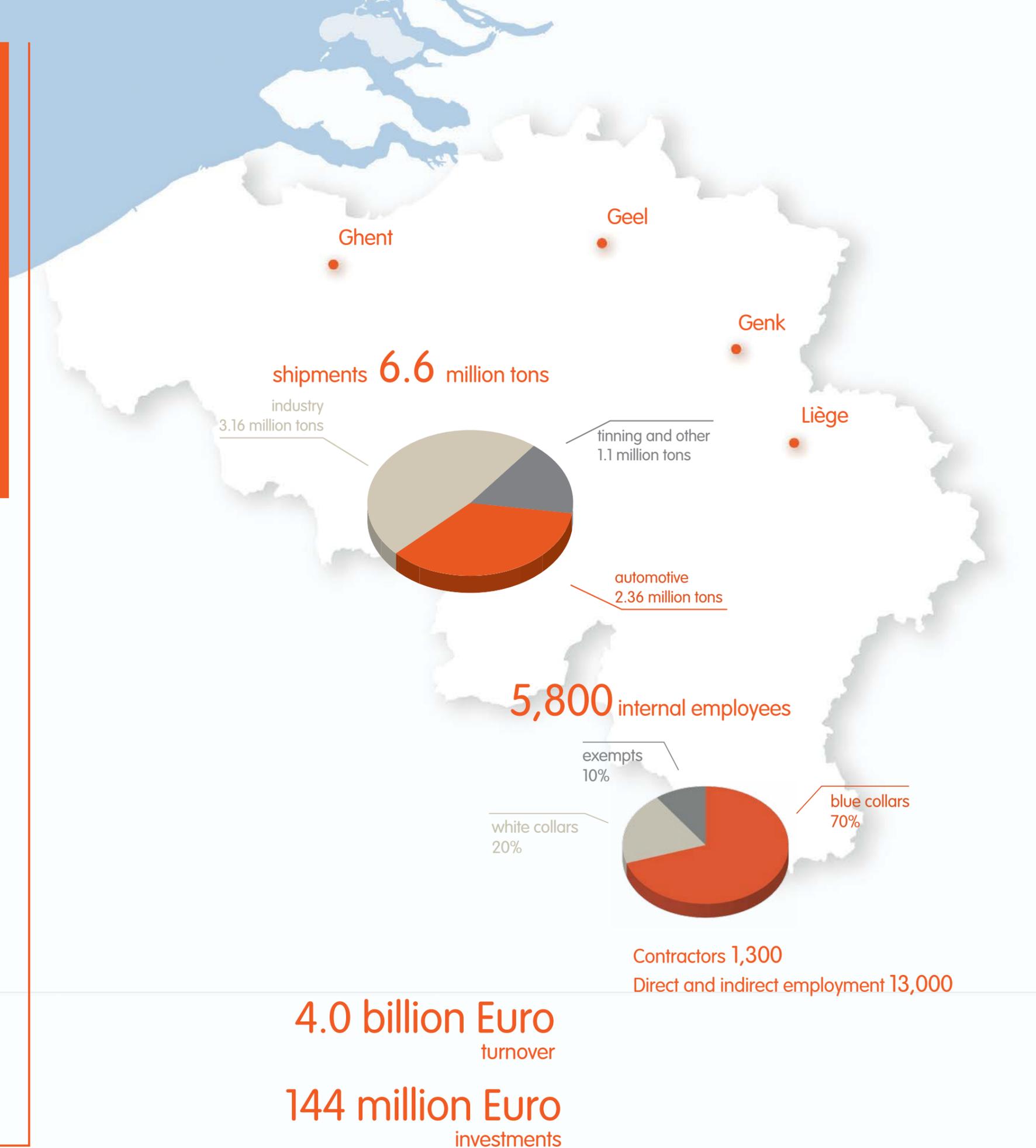
Two R&D centers: Ghent – OCAS & Liège – CRM;

We mainly deliver steel to automotive, industrial and packaging customers. 15% of all car steel in Europe is produced at ArcelorMittal Belgium;

Reference for our customers: Product offer, product development, quality and service;

Pioneer in terms of CO₂ efficiency;

Highly qualified and engaged employees with high levels of expertise.



Kris Notebaert
COO Finishing Ghent

Frédéric Tancrez
COO Finishing Liège

Guy Bontinck
Human Resources-Director Ghent



Frederik Van De Velde
COO Primary Ghent

Benoit Jeukens
Human Resources-Director Liège

Management committee 2016

Matthieu Jehl
CEO ArcelorMittal Belgium

The many sustainable aspects of steel

We strive towards achieving an optimum balance between three objectives: Good financial results, strong social interests and a sustainable environment. Steel is the product par excellence to excel in these three domains.

Steel - 100% recyclable

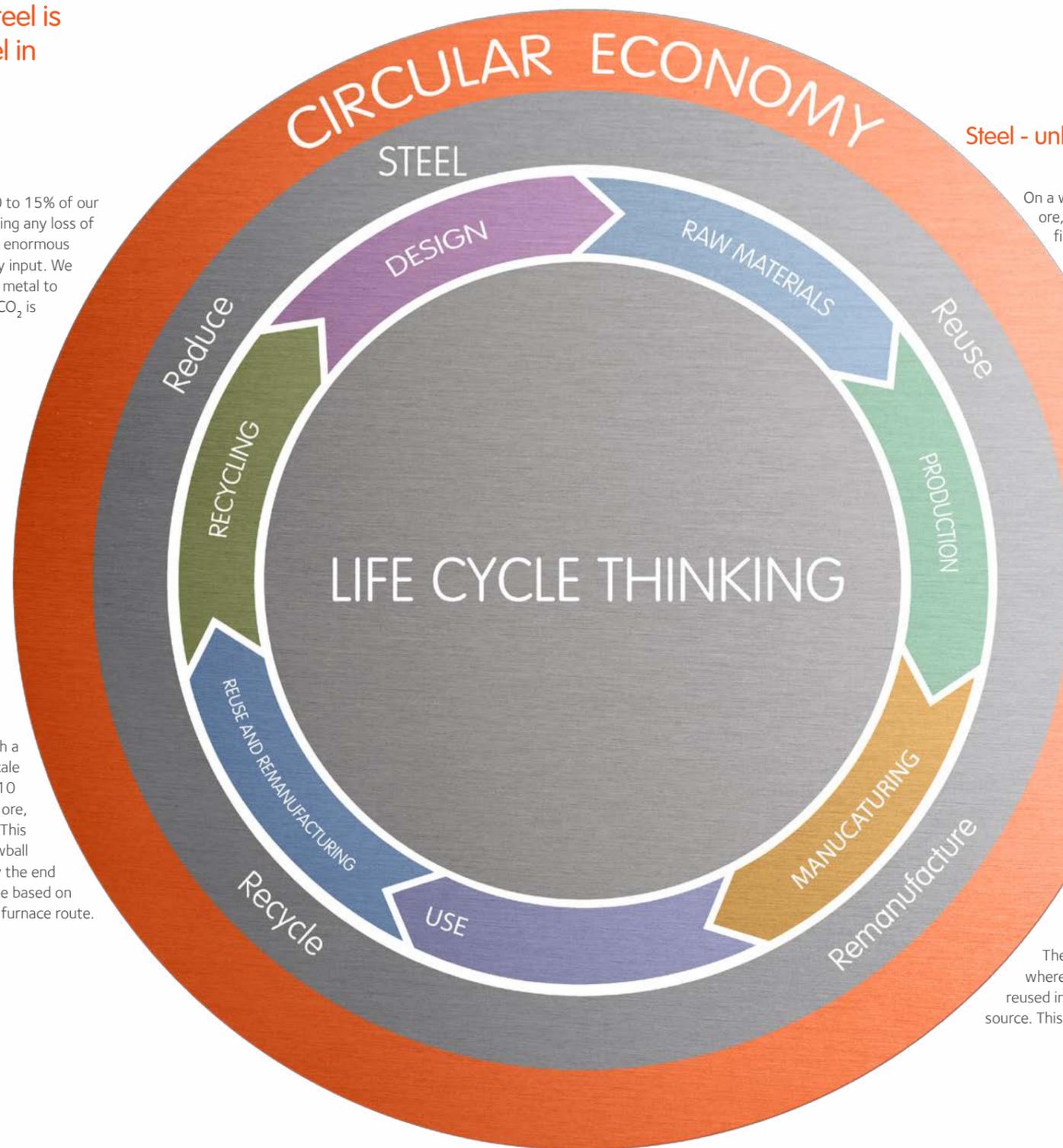
Steel is 100% recyclable, this without any loss of quality. 10 to 15% of our end products consist out of recycled scrap, this without having any loss of quality of the finished products. Utilizing scrap generates an enormous environmental gain as this does not require additional energy input. We use the energy that is released during the conversion of hot metal to liquid steel, to melt scrap. In addition, by utilizing scrap less CO₂ is also emitted per ton of produced steel.

Steel has an average life expectancy of 20 years. Every ton of steel produced, will find its way back into this production cycle sooner or later. This entails that steel can be recycled 5 times per century. Requiring carbon only once to produce new steel on a base of iron ore. However as the demand for steel currently still exceeds the amount of scrap available worldwide, we are still obliged to produce steel starting from iron ore.

Steel – indicator of prosperity

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

Around 10 to 12 tons of steel per person is required to reach a fully developed economy. The current average on a world scale only amounts to 4 tons however. If we want to go towards 10 to 12 tons of steel per person, new steel, starting from iron ore, will still have to be produced throughout the next 50 years. This increasing consumption of steel, will create a (positive) snowball effect as it will enable us to deploy more and more scrap. 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 - unbeatable CO₂ footprint

On a world scale the average CO₂ emission per ton of steel, starting from iron ore, amounts to 2.6 tons. Aluminum easily emits around 20 tons, carbon fiber 40 tons. In addition, the steel industry continuously performs research on new solutions to improve its ecological footprint. At ArcelorMittal we 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 emit 95 grams per kilometer by 2020. Compared to the current emission level of cars, this entails a decrease of around 30 grams per kilometer. Taking into account that a car has a life expectancy of around 200,000 kilometers, its overall emission will decrease with 6 tons of CO₂.

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, aluminum represents around 50% of the total CO₂ footprint to build the car, despite the minimal use of aluminum in the car bodywork. Electrical cars manufactured with carbon fiber have a CO₂ footprint 3 to 4 times higher than bodyworks made out of steel.

Steel - corner stone of a circular economy

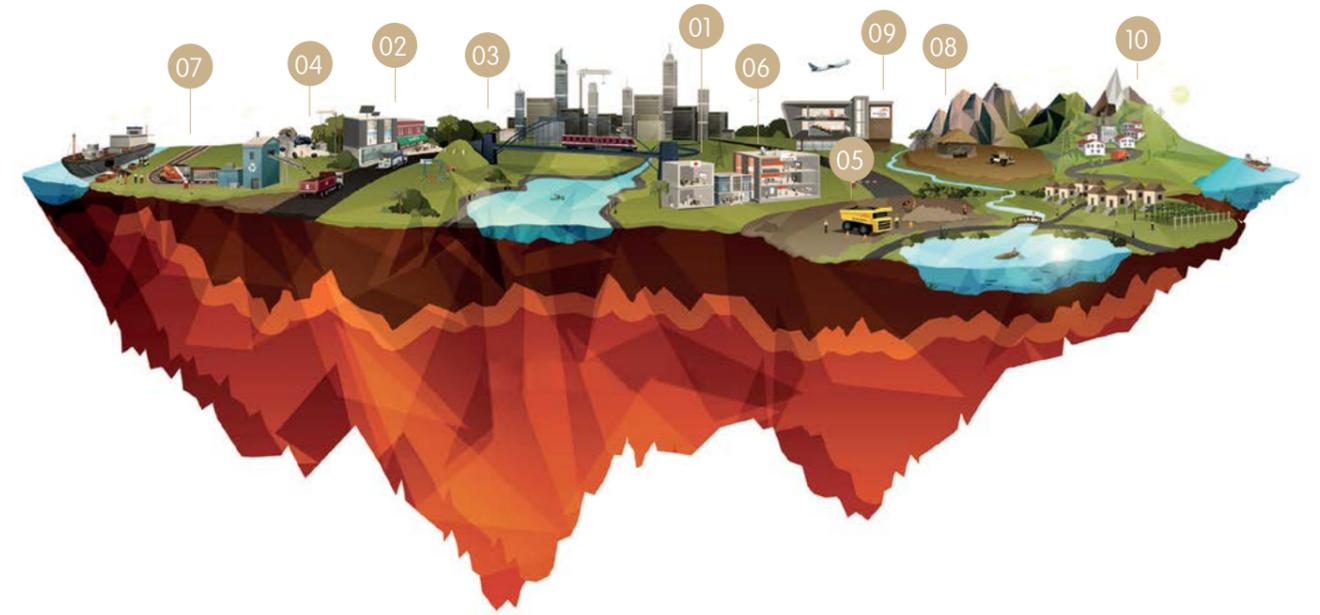
ArcelorMittal Belgium generates much more added value than just the production of steel and the recycling of scrap. Almost all of our by-products are reused into our steel production process or become the raw materials for other industries. We convert our process gasses into electricity, the cement industry utilizes our blast furnace slag and we are conducting groundbreaking research to convert part of our blast furnace gas into raw materials for other industries. In short: Nothing is wasted!

The steel industry is the cornerstone of a sustainable circular economy where all materials utilized 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.

Key Performance Indicators

Safety frequency rates employees and contractors*	1.0
Percentage of sites that have their own safety management system, complying to the international OHSAS 18001 norm	100%
Number of training hours	433,482
Percentage of sites that have their own environmental management system, complying to the international ISO 14001 norm	100%
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Number of employees at ArcelorMittal Gent, Liège, Geel and Genk	5,800
Number of active registered contractors	> 800
Number of company visits	195
Number of sponsored projects	70
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Percentage of employees that have subscribed to the Code of Business Conduct	100%
Number of employees reached by our communication sessions	2,500

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



Our 10 sustainable development outcomes

The 10 outcomes are a strategic way to represent the material social and environmental aspects of our business. They form the basis of an approach that will help us avoid damaging disruptions to our operations and create substantial value, both for our stakeholders and our shareholders, from the products we make to the way we make them, from the quality of our employees' lives to how our communities perceive us.

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.

Safe, healthy, quality working
lives for our people



01

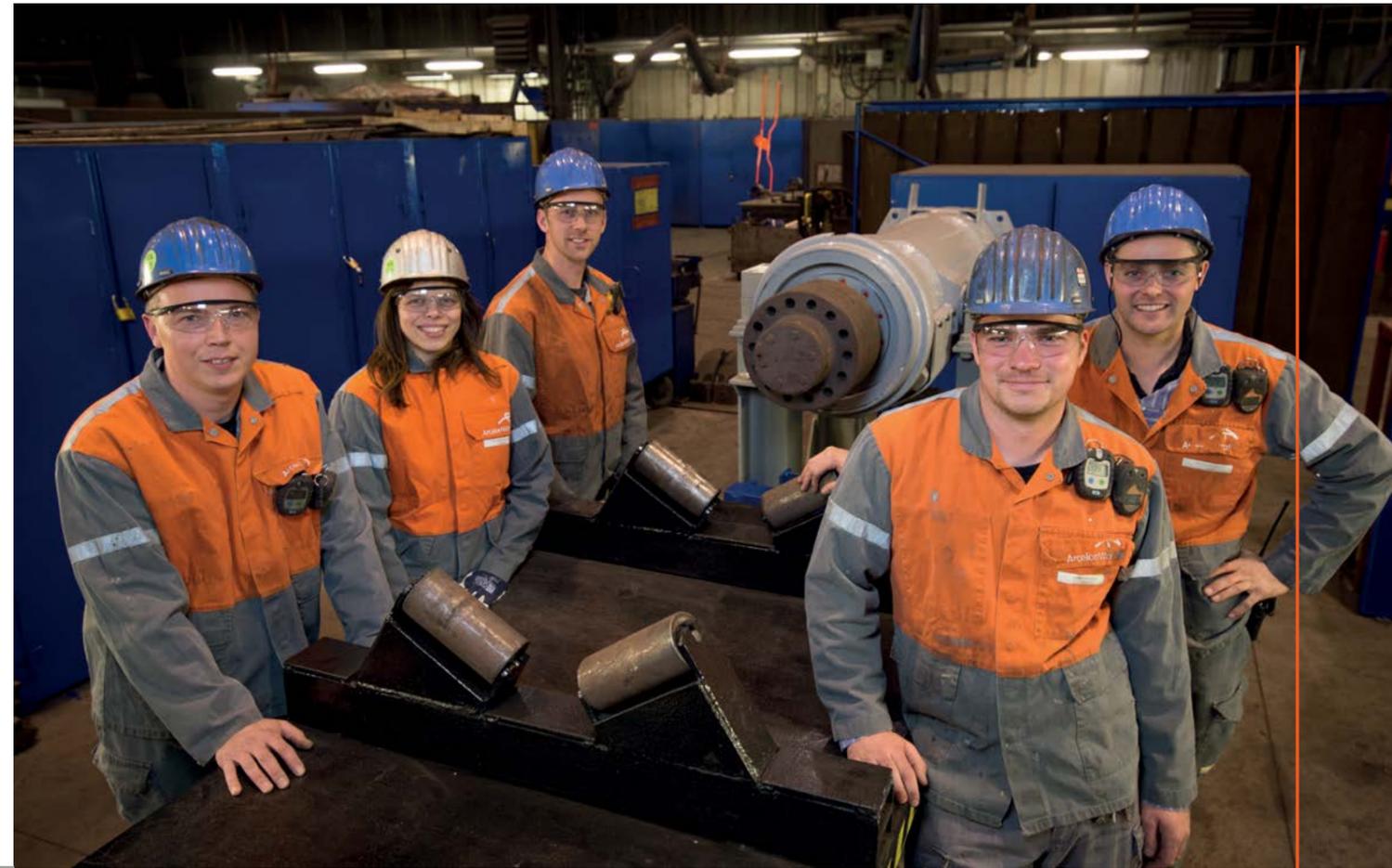
The global safety frequency rate, including both our own employees and contractors, amounted to 1 in 2016. Thus resulting in a safety performance 15 times better than the average safety frequency rate of the Belgian industry. In 2017 we will continue to raise the bar on safety as our mission remains to establish a journey towards zero. In order to further improve our safety performance we will continue to strengthen our safety axes. By doing so we aim to create a stronger safety impact throughout the entire company.

1. Reinforcing the safety behavior:

Converting the principle of shared vigilance into actions by addressing each other and talking to others when an unsafe situation occurs. We will organize additional safety trainings and will continue to deploy safety stewards as they play a crucial role in helping to create a safe working environment.

2. Strengthening our safety systems:

Further integrating the use of isolation locks ('lockboxes') and the use of our central software package for lockout/isolation and permits. We will also focus on building full-worthy partnerships with our contractors, this by further implementing the agreements made within the working group 'partnership contractors' with regards to guidance, preparation and communication.



Kickoff meeting of the Health and Safety Day at ArcelorMittal in Liège

By handing out our pillar 8 award, we recognize teams for their efforts made in developing pillar 8 cases in the framework of the World Class Manufacturing (WCM). Throughout 2016, a total of 28 pillar 8 safety cases were submitted, hoping to win the award. The pillar 8 committee (composed of the management committee and the syndical partners) unanimously chose the blast furnaces team's P8 project as the winner. The team of the blast furnaces, improved how the revision of the tap hole clay gun went about in the mechanical workshop. Thanks to this P8 case, the revision is now done in a safer, more ergonomic and more efficient manner.

0 Zero accidents remains our ultimate goal.

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 2016, 288 new stewards attended the weeklong formation session. In addition, 365 leaders followed the 'coaching of stewards' training, enabling them to fully support and acknowledge the stewards in their role.

In light of the Health & Safety Day, 3 safety films were distributed via the intranet and safety quarters. The films focused on the use of hearing protection, falling danger and cycling safety. On the day itself, a safety award 2015 was also awarded to the contractor Francis & Tytgat (electrical installations).

At the end of November 2016, an OHSAS 18001 audit was conducted at our sites in Ghent, Geel and Genk. The OHSAS 18001 audit is an external audit which focuses on the implemented safety and health management system.

In 2016, more than 665 leaders followed the safety training 'Smart Leadership'. The course focuses on the question 'What is the definition of a good leader in terms of safety?'. At the start of 2016 the new safety formation 'Take Care' was launched for all blue collars. The course will be rolled out throughout all European ArcelorMittal sites. The Take Care training itself takes up 20 days, but extends over a period of ten years. The first phase contains of five consecutive training days and focuses entirely on the Golden Rules. These Golden Rules are safety rules on life threatening risks that come with our companies' activities. At the end of 2016, 485 colleagues had followed the training.

In all sites of ArcelorMittal a Health & Safety Day was organized on April 28th 2016. Central theme was 'Together for Safety – Take Care'. Almost all of our internal departments launched initiatives to place 'health and safety at work' in the spotlight.

The activities revolved around preventing fatal accidents, the Golden Rules, estimating possible risks before starting operations, shared vigilance and the collaboration with contractors. With regards to health, particular attention was given to hearing protection, prevention of substance abuse and stress management.



A safety steward in dialogue with a colleague



“I will come to work in a ‘fit and able’ condition.”

Safety is our main priority, a good health is inextricably linked to this. That is why one of our Golden Rules focuses on starting work in a fit and able condition. Even more, as a leader/supervisor you ensure that your colleagues are able to work and continue working 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 are less absent. In our health policy we strive towards healthy working conditions and encourage a healthy way of living. Our focus lays on stopping smoking, healthy nutrition and exercising.

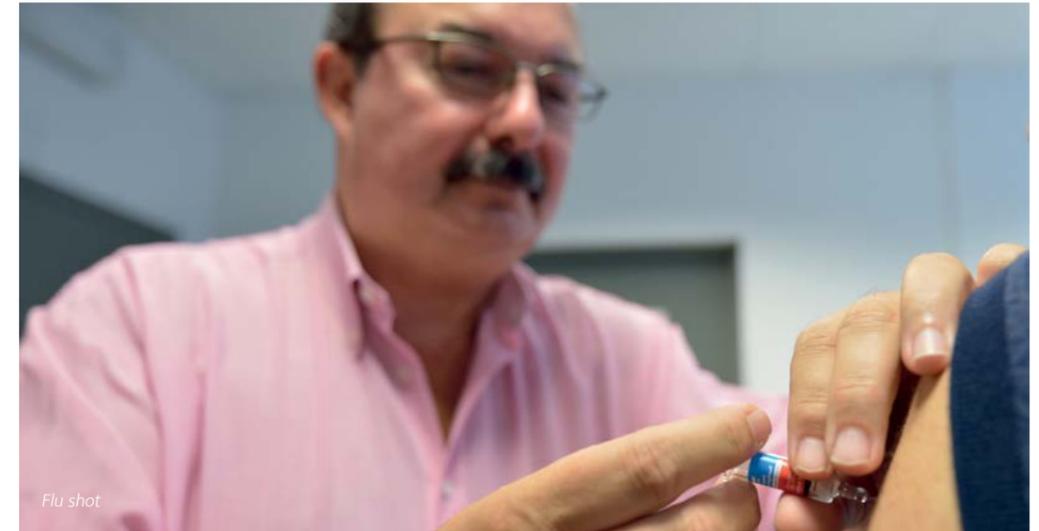
Maintaining a good ergonomics whilst executing a job is of crucial concern. Therefore we have drawn up an inventory of all physically straining tasks present on site. The next step entails setting up a concrete timeframe to reduce this number of ergonomically straining tasks. Ergonomics also play an important role in light of working up to a higher age. Working conditions need to be optimized enabling us to execute our jobs until our retirement. Aside from taking preventive measures, such as creating a higher awareness, or strengthening the education and communication with regards to the well-being at work, we also pay great attention to reintegrating employees who have been ill.

We want to become a smoke free company by 2020. In January 2017, additional measures were implemented on site to reduce the number of smokers. The number of spaces where smoking is allowed, were reduced and smoking became allowed only outside. The importance of stopping smoking thus only increased even more. For this reason, we intensified our awareness-raising campaigns on how to quit smoking. A number of Allen Carr workshops were put on the agenda. This positive approach has gained a lot of success amongst our colleagues. Our employees can, in addition, rely on the support of two experts in tobacco behavior when deciding to quit smoking.



Practical training on ergonomics

Under the motto – nothing is more important than your health – ArcelorMittal on a yearly basis organizes a Health Week throughout all sites worldwide. During the Health Week we aim to stimulate all employees to live a healthy life. At ArcelorMittal Belgium we organized several health initiatives that were closely linked to the interests and needs of all employees: a blood collection campaign in collaboration with the Red Cross, a healthy breakfast, workshops on a healthy and diverse nutrition, info moments on office ergonomics, sessions on the handling of heavy loads, on how to lose weight in a healthy manner, health coaching, condition tests, information about how to quit smoking, information on stress and burn out, first aid training, ... During the health week a flu vaccination campaign was also launched.



Flu shot



First aid training



A healthy breakfast

We are operating in a rapidly changing society. The world does not stand still and the competition is tough. We are convinced that we can make the difference through innovation. Innovation is not only achieved by making investments in highly technological installations or by altering working methods, but also by the engagement level of employees. Engaged employees make the difference!

At ArcelorMittal Belgium we rely on a highly qualified workforce, an advantage we need to take full advantage of. Motivated colleagues enable us to safeguard the future of our company as engaged employees take initiative, take up responsibility and achieve strong results.

At frequent times we organize a personnel survey allowing us to launch specific initiatives to increase our employee engagement. The most recent survey was launched in 2016. The results showed an overall improvement compared to the last survey of 2014. In terms of job satisfaction and engagement, our scores were significantly higher than the average score of the Belgian private sector. Other positive elements were our change management (caused by the clustering of the transversal functions within ArcelorMittal Gent-Liège), the improvement of the communication process and the strong educational opportunities. The main action points were the work-life balance, communication/dialogue, leadership and career guidance. The initiatives concerning commitment and motivation mainly belong to the following domains:

**Engaged
employees make
the difference.**



Working from home

Aside from a competitive wage, we offer an attractive package of secondary employment conditions. The new way of working is on the rise, also at ArcelorMittal Belgium. The question to have more flexible working conditions, clearly surfaced in the personnel survey. As such, as of September 1st 2016, part of our workforce is given the opportunity to occasionally work from home.

Company cars

As of May 2016, all employees are given the possibility to sign up for a company car via our CarProgram. Employees wishing to enter the CarProgram will have a company car at their disposal for 4 years, provided that they pay a fixed contribution. We encourage our colleagues, who sign up for a lease car, to choose a 'green' car/model. Also part of the Program is the possibility to lease a bicycle. ArcelorMittal Liège will implement a CarProgram in the second semester of 2017.

World Class Manufacturing (WCM)

WCM is a culture of continuous improvement in which the involvement and engagement of all employees play a crucial role. It is the employees themselves who come up with creative solutions to improve certain installations or even their everyday way of work. On a yearly basis, around 100 of such improvement suggestions are given, main focus being safety and or efficiency. The teams are awarded for their efforts by our pillar 8 awards. Thanks to WCM our colleagues have changed the way they approach their daily tasks as well as how they collaborate with each other. Something only benefiting the engagement and motivation of all.

Feedback discussions blue collars

In January 2017 feedback discussions for all blue collars were started. An open feedback and communication culture lays at the heart of our company as exchanging tips and suggestions allows us to learn from each other. During the yearly feedback discussion, the employee and his leader enter into an open dialogue on development, collaboration and the future.

Leadership

Leaders play an important role in the engagement level of their employees. That is why we launched a leadership track in June 2015. All executives were involved during the composition of the main thoughts on what good leadership entails. These key thoughts formed the guidelines of how to interact with colleagues in a 'good' manner. The executives will be further supported in the matter by means of training and individual coaching sessions.

We express our gratitude and respect for the dedication and loyalty of our employees by organizing internal events. On a yearly basis, we – for instance- organize a Decoration Happening for all employees who have been working at our company for 25, 30, 35 or 40 years. Every year, all employees are also given the possibility to request two day-tickets for the world-famous Gent jazz festival.



Sharing memories during the Decoration Happening.

4.9% of our labour costs were spent on training and development in 2016.

Dialogue

Our company has a long tradition of social dialogue. In May 2016, social elections were organized at our sites in Ghent and Liège. Employees of both sites were given the possibility to appoint colleagues to represent them during works councils and in the committee of prevention and protection at work.

The openness and approachability of all leaders has the largest impact on the daily activities, motivation and engagement of all employees. That is why, in all production departments, structured work meetings between leaders and their employees were initiated. In addition, every two weeks, the members of the management committee go into an open dialogue with a group of 25 employees. During these communication sessions, as well as during the work meetings, every employee is given a voice and communication is done in an open manner.

Our training offer is quite extensive and meets the needs of the production departments. A few examples of training courses our employees can follow:

- safety
- electrical and mechanical maintenance
- the production process, including metallurgical aspects and customer relations
- quality: quality assurance, statistics, World Class Manufacturing...
- general education and management skills: leadership, teaching techniques, didactics, communication...
- languages
- IT: Office, SAP, as well as in-house developed tools

Training and development

We believe that all employees should be given the opportunity to progress in our company, to be able to shape their careers in accordance with their capacities, interests and ambitions, as this has a direct impact on the job satisfaction. That is why, we invest heavily in training and development. Employees are trained to become specialists in their respective fields of expertise or they can enrol in additional training. In 2016, ArcelorMittal Belgium spent 4.9% of its total labour costs on training and development. In comparison, the target imposed on companies by the Belgian federal government's Generation Pact is 1.9%.

At the beginning of 2016 a new metallurgy training was officially launched. The course is tailor-made, fitting the specific need of each student. The training is spread out over two years instead of three, as used to be the case in the past.

In order to mark the importance of learning and development, the ArcelorMittal group once again organized its Learning Week in 2016. Several initiatives were launched at the ArcelorMittal Belgium sites: workshops on social media, seminars on 'having smarter and lesser' meetings and on withdrawing from emails, a Moviemaker training, mini production steps,...



A boat trip through the center of Ghent, on June 24th, celebrating the colleagues who graduated in the promotion tests, metallurgy and (the night course in) electricity/mechanics as well as the pillar 8 case laureates.

Products that accelerate more sustainable lifestyles



02

We invest strongly in product innovation as it is only by continuously renewing our product offer that we will be able to make a difference with our competitors. Our ambition consists of producing high added value products that contribute to a more sustainable lifestyle. In 2016, we invested 144 million Euro in order to guarantee this continuous innovation.

Perfect example of our drive for innovation is the development of the ultra-high-strength steel Fortiform®. Car parts made with this sustainable steel are up to 20% lighter, making them more economical and better for the environment. This advanced high-strength steel, in addition, assists in reducing the emissions of passenger vehicles to 95 grams of CO₂ per kilometer by 2020. The Fortiform® steel can absorb more energy in a collision, raising the safety of the driver and his/her passengers significantly. Research and development of the Fortiform® range was done at the ArcelorMittal R&D centers in Maizières-lès-Metz (France) and East-Chicago (US).

To enable us to produce this steel of the future, ArcelorMittal Belgium has undertaken an ambitious 250 million Euro program spread over several years. Five production departments were primed to produce the Fortiform® steel: the steel shop, the hot strip mill, the continuous annealing line, the (new) Jet Vapor Deposition line and the hot dip galvanizing lines.

Ultra-high-strength steels are also fruitful for other industrial applications. Clearly illustrated by, for instance, our Armstrong™ quality label. The Armstrong™ ultra-high-strength and advanced high-strength steels, produced also in Ghent, help reduce the thickness and weight of a construction whilst at the same time increasing its charging capacity. The range offers significant advantages to a wide range of applications such as trailers, excavators and agricultural vehicles.

We want to become the reference in terms of the production of ultra-high-strength steels. Preparing our installations for the production of highly demanded products is of course the most logical choice in this regard.

The ArcelorMittal group frequently organizes product innovation days to give an overview of the newest developments in the production and coating of steel. By doing so, we aim to build a bridge between our production sites and the commercial world.

In the continuous casting line of our Ghent site, where liquid steel is converted into slabs, we executed a complete makeover of the heart of the casting installation. The casting segments were equipped with dynamic soft reduction. Enabling us to produce steel structures with a superior internal homogeneity. Ultra-high-strength steel is for instance used in the bodywork of cars. The steel needs to live up to the highest quality demands as irregularities of the material are not accepted by the car manufacturers.



In the hot strip mill (Ghent) two new finishing stands were built replacing two other stands. The entire finishing mill consists of seven stands. Each stand reduces the thickness of the steel slab to a specific measurement set. The first two stands take on the strongest reduction. The two new stands were required to enable us to take on the rolling of the harder Fortiform® ultra-high-strength steel.

We equipped the continuous annealing line in Liège with a quenching and partitioning cycle. Allowing us to -alternately- heat up and cool down the newest generation of ultra-high-strength steels.



In 2016, we finalized the construction of the new Jet Vapor Deposition line in Liège. The JVD line vaporizes zinc onto a moving strip of steel in a vacuum chamber. A unique process and a world premiere which is the result of a scientific breakthrough development. The process leads to a smaller ecological footprint. It ensures an exceptionally uniform coating, enhancing the surface quality. It guarantees an excellent cohesion of the coating, no matter the steel grade. And it avoids oxidation risk. The production line was officially inaugurated in February 2017 by His Majesty the King of the Belgians.



In 2016, the construction of a brand new furnace commenced at the hot dip galvanizing line (3) at Ghent. The new furnace will enable us to coat the Fortiform® steel grades.



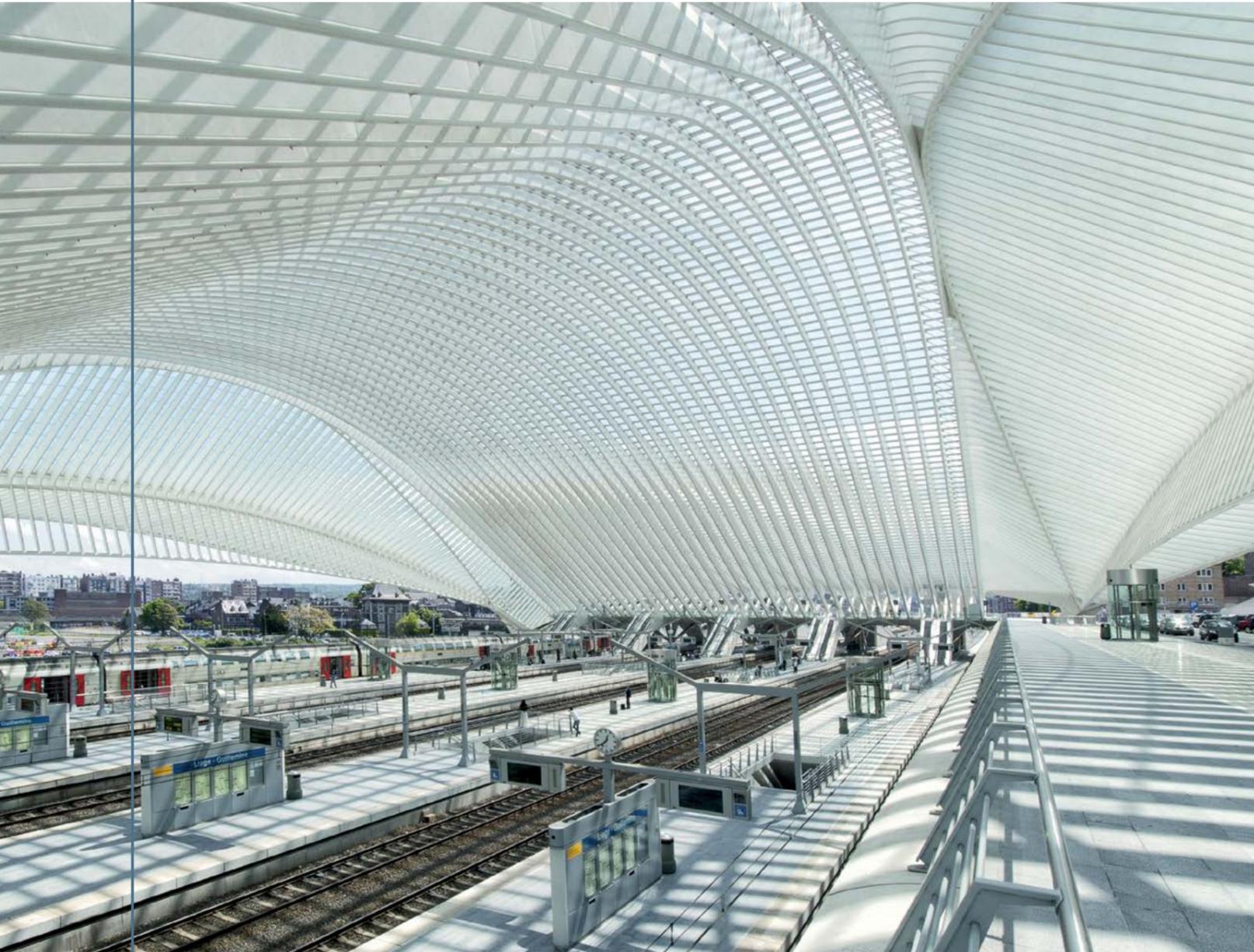
With one push of the button, Matthieu Jehl (CEO ArcelorMittal Belgium), His Majesty the King and Jean-Claude Marcourt (Vice-President of the Walloon government and Walloon Minister of Economy, Industry, Innovation and digitalization) inaugurated the new Jet Vapor Deposition line.

Products that create
sustainable infrastructure

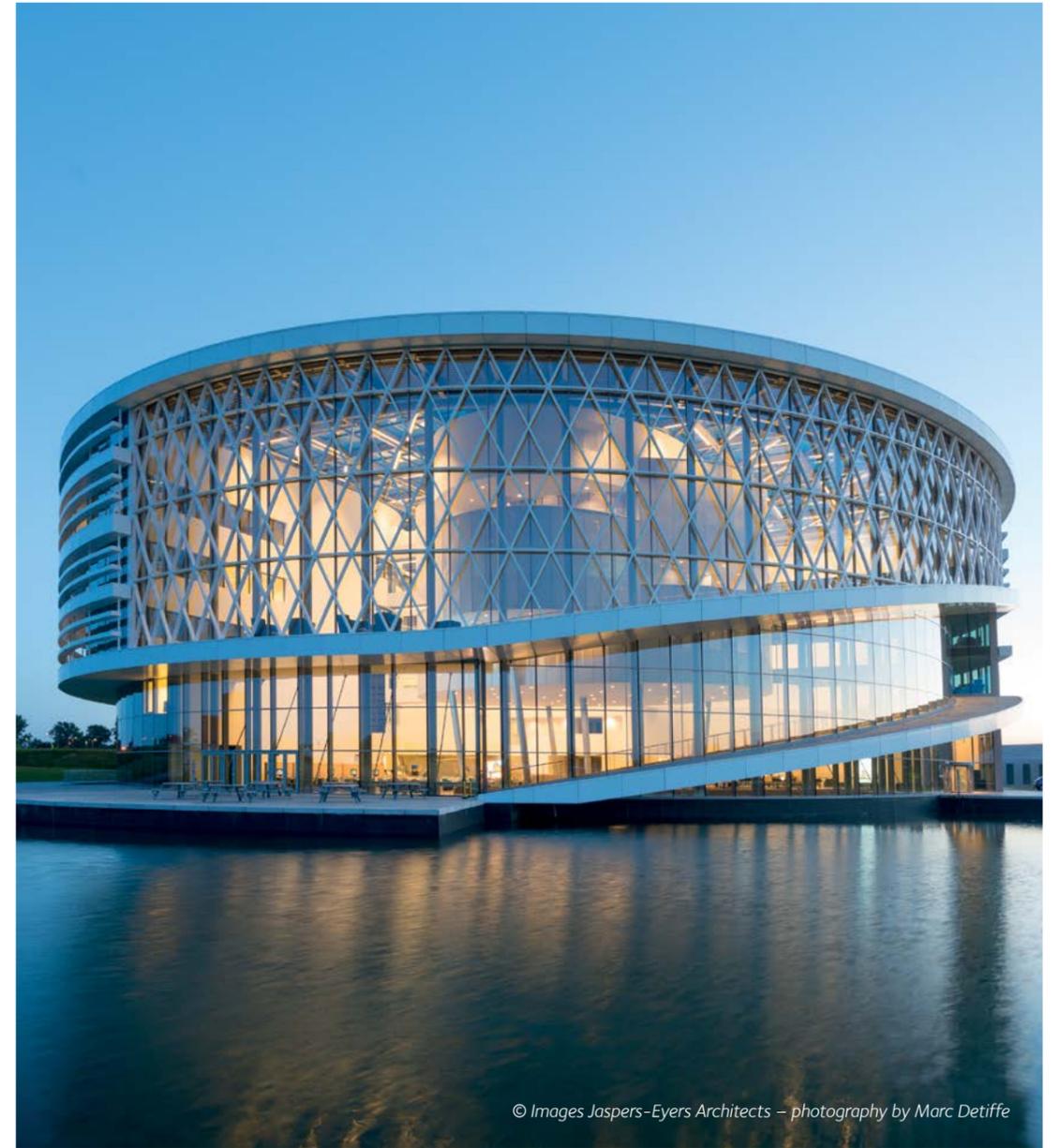


03

A new futuristic train station in Liège.



The new headquarters of Barco in Kortrijk: an architectural gem composed of glass, concrete and... steel.



© Images Jaspers-Eyers Architects – photography by Marc Detiffe

We are committed to developing sustainable steel solutions that facilitate buildings, transport and other infrastructure. Construction is an important market. The prime focus of our research and development work in the construction sector is on the development of zero-energy and/or positive-energy buildings. We apply a holistic approach, rather than merely providing steel components.

An ArcelorMittal colleague built his house around a framework of steel.



Efficient use of natural resources
and a high recycling rate



The quay of ArcelorMittal Gent with its gasholders on the background.



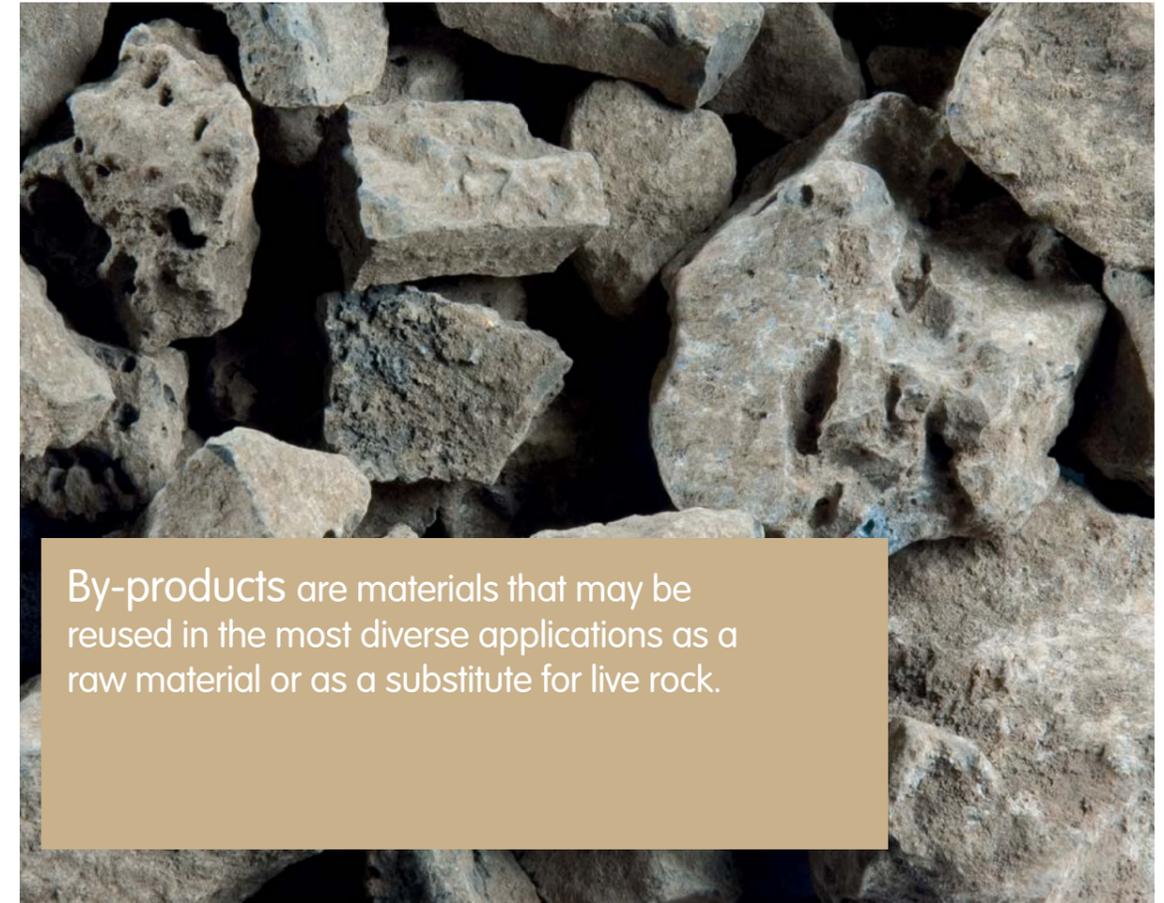
Our environmental management system

As of 2001, we dispose of an environmental management system that fully meets the requirements of the international ISO 14001 standard. It assists us in going about our environmental management in a structured manner, starting with the identification of our environmental priorities. Our environmental management system is audited every year by an external independent organization, ensuring that 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' is not a hollow phrase.

In 2016, the certification agency SGS S&SC conducted a ISO 14001 follow-up audit to verify that our environmental management system was still working optimally. No deficits were found, a few points of opportunity were given. The agency concluded that the environmental management system was well being followed within our company.

**LD 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 steel-making process was commercialized by two steel companies in Austria – Voest in Linz and ÖAMG in Donawitz.*

We strive towards converting all materials produced or utilized during the production of steel, into useful end products or into products that can be utilized as raw material by other industries.



By-products are materials that may be reused in the most diverse applications as a raw material or as a substitute for live rock.

SLAGS

An important source of by-products is liquid slag which is formed during the steelmaking process. We granulate our blast furnace slag by powerful water jets in a separate facility. This granulated sand is then used by the cement industry for the production of metallurgical clinkers (CEM III). Which is then converted into concrete, utilized in the construction of pillars, or as cement for applications that require fast hardening. A small part of the air cooled blast furnace slag is utilized in the construction of roads as a foundation material or as raw material for rock wool.

During the production of liquid steel in the converter of the steel shop, another slag type is formed, called LD* slag. After having removed the iron, the slag is sifted into different grain sizes, in order to then convert it into commercial end products. Certain slags are converted into LD gravel by injecting sand and nitrogen into it, binding the free lime. LD gravel may be used as an alternative to porphyry, used in the construction of roads. Slags not suited for conversion into LD gravel are crushed, the iron is extracted and are then 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. Smaller fractions (less than 10 mm) are internally recycled, via our sinter plant into the blast furnace, as an alternative to lime stone.

GASES

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 are suitable to be used as fuels in our own facilities, replacing natural gas. The gas volume that is not used internally is transferred to the ENGIE power station, situated on the Ghent site, to be converted into electricity.



Gas is transported from the blast furnaces towards the nearby power plant of ENGIE Electrabel.



Residues are various substances that are inevitably generated during the production process. They are separated from an air or water stream in dust abatement and/or water treatment facilities. Mostly they contain iron and carbon (dust and sludge).

RAW MATERIALS

We aim at maximizing the reuse of residues, whilst keeping in mind their process-technical requirements and their possible environmental impact. By recycling these substances, we can economize on expensive raw materials such as iron ore and coal, optimize the use of natural resources and avoid landfilling.

SCRAP

Scrap is produced at different stages of our production process, for example by the side trimmers in the cold rolling mills that cut the steel coils to the customer's requirements. Both the internally recycled as well as the externally purchased scrap are added as a coolant to the hot metal in the converters of our steel shop, where hot metal is converted into liquid steel.



Waste materials are substances that cannot be (easily) reutilized. All waste materials are carefully collected and removed by registered specialized companies.

WOOD

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.



New scrap and slag quay

In the course of 2016, the Ghent Port Company initiated the construction of a new scrap and slag quay at ArcelorMittal Gent. 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. ArcelorMittal Gent optimises the existing scrap transport by supplying as much as possible by inland and seagoing ships instead of by truck. This saves 5,000 truck transports per year for scrap. The realization of the slag quay results in an optimization of the internal transport and enables the direct loading of the slag into seagoing vessels. This creates a reduction of the CO₂ emissions.

Production figures

Coking plant Coke	1.2 million tons
Sinter plants Sinter	5.7 million tons
Blast furnaces Hot metal	4.9 million tons
Steel shop Liquid steel	5.4 million tons
Hot strip mill Hot rolled slabs	4.7 million tons
Cold rolling mill Cold rolled coils	4.0 million tons
Electrolytic galvanizing line Electrolytically galvanized coils	0.59 million tons
Hot dip galvanizing line Hot dip galvanized coils	2.5 million tons
Organic coating line Organically coated coils	0.62 million tons
Tinning line Tinplate	0.15 million tons

Raw materials

Coal	1.5 million tons
Iron ore	4.7 million tons
Anthracite	0.2 million tons
Limestone	0.6 million tons
Dolomite	0.2 million tons
Olivine	0.1 million tons
Pulverized coal	1.1 million tons
Pellets	2.6 million tons
External scrap	0.6 million tons
Lime	0.2 million tons

Recuperated gases

Coke oven gas	9.3 million GJ
Blast furnace gas	23.5 million GJ
Converter gas	3.5 million GJ

By-products

Benzol	10,000 tons
Tar	43,000 tons
Sulphur	2,000 tons
Blast furnace slag	1.2 million tons
Steel slag	0.4 million tons

Trusted user of
air, land and water



Air

Combating dust has always been one of the key elements in our environmental policy. Thanks to capital-intensive measures undertaken throughout several years, our dust emissions nowadays amount to only 15% of our dust emissions of the late 1980s.



The new unloading crane (ArcelorMittal Gent) has been equipped with wind screens and a sprinkle installation to prevent dust formation.

In 2005–2006 we asked VITO (Flemish institution for technological research) to analyse our company. The research revealed that the greatest impact on the air quality in the vicinity of our company originates from diffuse emissions. That is why, over the past few years, we have been focusing heavily on combating this specific type of emissions. All improvement actions were bundled into a dust reduction plan. This multiannual plan is updated and supplemented regularly. In 2016 the following measures were realized:

- New port cranes: At the end of 2016 a new crane to unload barges (B1) was commissioned. The crane is equipped with wind screens and a sprinkle installation;
- 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;
- weather alarms.

In 2016, we finished our study on the conversion and extension of the dust filter installations in our sinter plants. The new hybrid filter of sinter plant 1 was commissioned in March 2017. Sinter plant 2 will commission its new sleeve filter in the course of 2017. Both de-dusting projects represent an investment of 21.5 million Euro. They will strongly reduce our guided dust emissions, as 75% of this specific type of emission originates from our sinter plants. Our main recent investment entailed adding a new sleeve filter at the casting floor of blast furnace B. The project was commissioned in the first quarter of 2017, representing an investment of 11 million Euro.

All other types of emissions, such as NO_x, SO_x 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 SO_x emissions, we work proactively and select raw materials with relatively low nitrogen (N) and sulphur (S) contents. Our recent investment to recuperate 'hot air' in our sinter plant (2), commissioned in May 2016, will enable us to further keep our fuel consumptions (and NO_x & SO_x emissions) under control.



Less dust at the casting floor of blast furnace B thanks to a renewed de-dusting system.

Land

November 2008 marked the shutdown of blast furnace 6 in Seraing. The blast furnace was demolished on December 16th 2016. The terrain will first be cleared, before the sanitation works commence. The premises will become part of an urbanization project of the city of Liège.

The demolition is in line with the global agreement made between the Walloon region and ArcelorMittal in February 2014. Following up on the demolition of blast furnace 6, ArcelorMittal organized a press conference on December 16th 2016 to present its future steel making plans in the region. The future of ArcelorMittal Liège lays in the production of high-added value products as well as in the launch of innovative new concepts such as the Jet Vapor Deposition.



Press conference in light of the dismantling of blast furnace 6 in Liège.

Water

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.

The water used in the production process of our site in Liège, is mainly used for cooling down the installations. Most of this process water comes from the Meuse. After utilization, the water is purified and checked before being discharged back into the river.

In 2016, we modernized and automated several of our installations in Tilleur, Kessales and Flémalle, in order to further improve the overall quality of the industrial waste water.

In addition, in the framework of the permit for the external landfill 'La Chatqueue' in Seraing, preventive measures were taken to prevent pollution of the nearby stream, the 'Cornillon'.

The principal water source at our Ghent site is the canal Ghent-Terneuzen. The canal water is taken in at the north side of the site and is used in counterflow with the production process. It is discharged near the southern boundary of our territory, after having been purified in the waste water treatment installations, ensuring that the discharged water meets all environmental requirements.

In the past, groundwater was also used for various applications. Today it 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.



1. 2. 3.

1. Cooling water

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.

2. Process water

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

3. Environmental applications

For environmental purposes, we use water 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.

ArcelorMittal Gent receives a new environmental permit

In Flanders it is prohibited to manage a factory, a workshop, a storage room or 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.

The previous environmental license of ArcelorMittal Gent expired in February 2017. As the renewal of such a license is a difficult and complex process, our Ghent colleagues commenced the application already in 2014. An Environmental Impact Assessment as well as an Environmental Safety Report were composed. Both reports were approved on (resp.) May 11th 2015 and August 10th 2015.

Afterwards the application file was composed. All activities which take place at our Ghent 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 listed. In addition, a specific number of subjects needed to be described in further detail, like for instance how waste is being dealt with, how the soil is protected and how the energy-efficiency is managed. The application file was submitted to the county's Environmental License Committee on January 29th 2016. The committee declared it 'receptive and complete' on February 15th 2016.

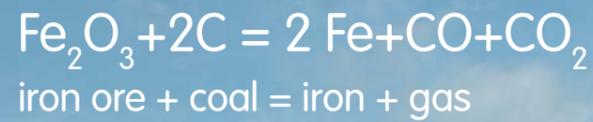
The city of Ghent then organized a public hearing, allowing citizens to ask questions regarding the environmental aspects of the site. In May 2016, the Provincial Environmental Permit Commission organized a plenary meeting to discuss the expert opinions on the file. A few weeks later, on June 23rd 2016, the provincial executive of the province of East Flanders decided to grant ArcelorMittal Gent a new environmental permit valid for a period of 20 years.



Public hearing on March 10th 2016, with regards to the renewal of the environmental permit of ArcelorMittal Gent.

Responsible energy user
that helps create a lower carbon future





A blast furnace route is required to produce flat carbon steel products with a high added value. In our blast furnaces we reduce iron ore into liquid hot metal, which is then converted into liquid steel in our steel shop. During this reduction of iron ore, CO₂ is formed.



The skyline of the blast furnaces at ArcelorMittal Gent. The orange pipe line transports blast furnace gas towards the power plant of ENGIE Electrabel.

The CO₂ footprint of our site in Ghent belongs to the lowest worldwide.

Today, when using a blast furnace, no full-worthy alternative to the use of coals as a reduction tool exists. By definition, making steel thus remains CO₂ intensive. The CO₂ footprint of our site in Ghent, however, belongs to the lowest worldwide. This thanks to a strongly optimized production process on the one hand and on the other, thanks to the efficient use of scrap. Even more, the worldwide CO₂ footprint of steel is, on average, 50% higher than that of steel produced at ArcelorMittal Gent. We also continue investing in improving further.

The European steel industry is subjected to the European Emission Trading System (ETS). This entails that for every ton of emitted CO₂, an emission right needs to be filed. The total amount of emission rights is limited to a fixed upper limit. Part is granted for free, another part is offered on the market, where the price is determined on offer and demand. The free allocation of CO₂ emission rights is subject to European defined rules and is based upon the specific CO₂ emissions of the best

performing companies ('benchmark level') and a historical activity level. To avoid 'carbon leakage', emission rights are granted for free. ETS is only applicable in Europe, thus making it difficult to create a level playing field between the European steel industry and its worldwide competitors.

ETS demands that the CO₂ emissions of steel companies lower faster than what is technologically feasible today, this despite the fact that the risk of 'carbon leakage' is par excellence applicable to the steel industry. The European steel companies are faced with significant shortages of freely allocated CO₂ rights. This is also the case for our site in Ghent, although it is at benchmark level with regards to its CO₂ efficiency. As of 2015, ArcelorMittal Gent has been confronted with a yearly shortage of rights. By 2020, this shortage will amount to an estimated 33%, equal to one third of the yearly investment budget of the site. ETS thus creates unstable investment conditions.

*'Carbon 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 order to be able to face this challenge ETS imposes, we are working with several partners on breakthrough ideas. The most concrete project on the table today, is the conversion of CO, originating from the blast furnaces, into bioethanol. The feasibility of the process has already been demonstrated by several pilot plants. The first demonstration project on an industrial scale is currently being prepared at our site in Ghent. Its commissioning is expected by 2019/2020, expecting to produce 80 million liters of bioethanol on a yearly basis. This is equal to the (green) power production of 120 windmills.

In addition, several R&D projects and collaborations have been set up with other industries and institutions to investigate other options that will enable us to further reduce the CO₂ emission of our plant. The increasingly growing shortages of CO₂ emission rights the Ghent site will be faced with in the future, will however not be resolved.

Continuous improvement is a gradual process. Developing and implementing new technologies requires time. Something the current timeframe, set by ETS, is not taken into account. In its current form, ETS poses a serious threat to the existence of the European steel industry.

We are working, with partners, on breakthrough ideas that will enable us to lower our CO₂ emissions further.

Energy covenant

ArcelorMittal Gent is world top with regards to its energy efficiency. We are committed to remain at this top position in the future. Amongst other things, in light of this, we signed the energy covenant of the Flemish government. By doing so, we allow our different processes to be audited every four year in search of additional measures to improve our energy efficiency.

Our site has already been audited once, a couple of new measures were defined which were then included in our energy plan. The realization of this energy plan is followed up on a yearly basis via the 'Verification Office Benchmark Flanders'.

Within the framework of this energy plan, at the beginning of 2016, we commissioned a new energy friendly walking beam furnace in the hot strip mill. The new furnace utilizes the newest burner technology, thus limiting the gas consumption, NO_x emissions and material losses. The heat coming from the flue gases used within the furnace is, in addition, fully recuperated. The yearly energy savings of the new furnace equals the energy consumptions of 6,000 families.



A steel slab exits the new, energy efficient walking beam furnace (Ghent).

We invest 60 million Euro (2015-2020) within the framework of the energy covenant.

We are investing in renewable energy

Wind4Flanders and Storm built 8 windmills on the ArcelorMittal Gent terrain. Each turbine has a tip height of 200 meters, making them one of the highest nationwide. On a yearly basis the new wind farm will produce around 70.8 million kWh of green electricity, this corresponds to the yearly power consumption of about 20,000 families. With this new windfarm we make a sustainable contribution to the production of renewable energy. The new wind farm was officially inaugurated on April 20th 2017 by Flemish Minister of Energy, Bart Tommelein, and Flemish Minister of Environment, Joke Schauvliege.



Matthieu Jehl (CEO ArcelorMittal Belgium), Bart Tommelein (Flemish Minister of Finance, Budget and Energy), Joke Schauvliege (Flemish Minister of Environment, Nature and Agriculture), Philippe Van Troeye (CEO ENGIE Benelux) and Jan Caerts (CEO Storm).



The burners of the continuous annealing line in Tilleur, were renewed.

'Accord de Branche'

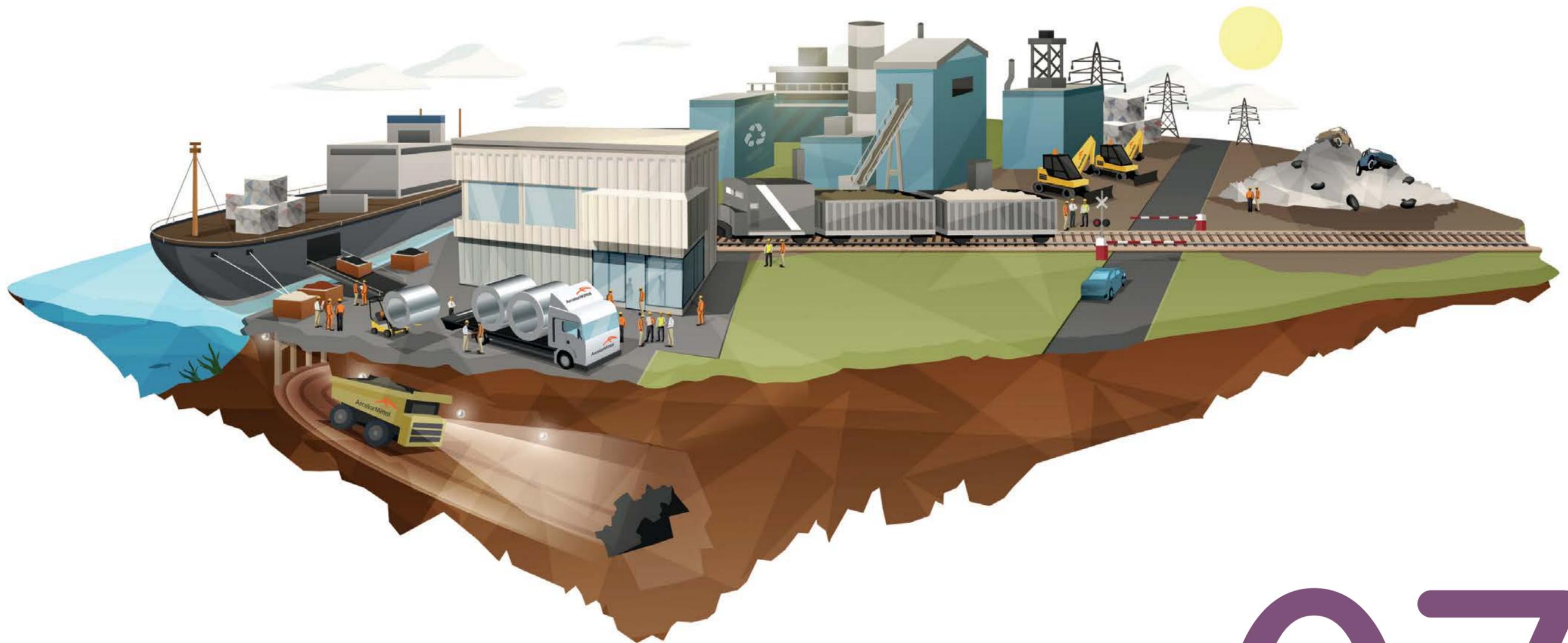
In our ArcelorMittal site in Liège we signed the 'Accord de Branche'. Our production site in Liège consists of several production departments, spread out over the Liège region. By entering the 'Accord de Branche' we show our commitment to continuously improve our energy achievements. The execution of this commitment is followed up by the Walloon government.

In 2016, two significant actions were undertaken in light of the 'Accord de Branche'. Given the renovation of the continuous annealing line in Tilleur, all burners were renewed, resulting in lower emissions and a higher heat efficiency. In addition, five boilers were installed at the offices and changing rooms in Tilleur. The two investments will further improve the energy efficiency of the site, compliant to the commitment made within the 'Accord de Branche' framework.



Control room in Tilleur

'Supply Chains' that our customers trust



In 2016, we created common departments for quality and for customer relations, further streamlining all customer bound processes. As of this date, all sites of ArcelorMittal Belgium have been using the same supply chain system, thus enabling us to further improve our customer service and becoming one face to the customer. Within ArcelorMittal Belgium we now utilize the same system for launching orders, planning, follow up and transport of finished products.

Operational reliability lays at the core of a strong productivity, quality and service. All departments need to simultaneously reach the same (high) level of operational reliability. As all production lines are fully charged, it has become impossible to recover from production losses. This emphasizes the importance of our Maintenance 5.5 program, which aims at further improving our maintenance services, making them more effective and efficient.



In a competitive market, customer focus is the key to success. In order to further improve our quality process, we have implemented a new cross-departmental quality project. KOIOS stands for 'Quality improvement by eliminating causes with regards to installation, organization and system'. Our ambition is to become the preferred supplier in terms of quality and to dispose of sustainable quality systems and processes in all production steps.

In 2016, we introduced a uniform organization for quality control in all divisions. In 2017, we will continue working on the development of the WCM pillar 6, by focusing on three work streams: process control, process change and knowledge management.



The new walking beam furnace in Ghent was inaugurated in the presence of our customers.



Deputy prime minister Kris Peeters

Flemish minister-president Geert Bourgeois

Customer Day 2016, in Ghent, brings forth the inauguration of the new walking beam furnace

On April 21st 2016, the new walking beam furnace at the hot strip mill of ArcelorMittal Gent was officially inaugurated in the presence of deputy prime minister Kris Peeters and Flemish minister-president Geert Bourgeois. A customer day was organized on the same day, to inform them on our (brand) new investments. With this second edition of our customer day we aimed to further improve our relation and collaboration with our customers. The event was kicked off with a networking lunch in the morning. Next, our customers were invited to attend an academic session, followed by a company visit to our hot strip mill and the quality department.



Automotive and industry customers bring a visit to the brand new Jet Vapor Deposition line in Liège.



Brian Aranha, Executive vice-president ArcelorMittal, head of strategy, CTO, R&D, CCM & global automotive

Wim Van Gerven, CEO Business Division North, ArcelorMittal Europe – Flat Products

Customer Day 2017: inaugurating the Jet Vapor Deposition Line in Liège

February 2nd 2017 marked a third edition of our customer day. The event took place in Liège where we presented the new Jet Vapor Deposition line to the more than 200 European industry and automotive customers attending. The JVD investment enables us to coat a strip of steel with zinc vapor whilst it is being transported through a vacuum chamber. JVD is a world first for the steel industry. On the agenda during the customer day were an academic session, product conferences and a guided tour through the brand new production line.

Active and welcome member
of the community





During the family day of ArcelorMittal Liège, on February 5th 2017, our colleagues and their families visited the new Jet Vapor Deposition line.

In order to further improve the image of our company and to root our company deeper into the region, we make use of social media as well as publish a magazine for our neighbors twice a year ('Steel in your neighborhood'). Other important means of information towards external stakeholders are our company website (belgium.arcelormittal.com) and certain publications such as this corporate responsibility report.

As is the case with our own employees, we also want to open up dialogue with our external stakeholders. Company visits are the tool par excellence to do this. In 2016, ArcelorMittal Gent organized 195 company visits. Most of the visitors were either customers or students, however we also organized several visits dedicated entirely to environmental topics.

On Sunday October 2nd, ArcelorMittal Gent was one of the eye-catchers during the (Flemish) Company Discovery Day. Our company has grown into a strong value of the Company Discovery Day. For 18 consecutive years, people have been participating in the event to take a look behind the screens. The 2016 edition of the event revolved around science and technology, its slogan being 'S.T.E.M for the future!'. STEM stands for Science, Technology, Engineering and Mathematics. In a high-tech environment such as ours, a lot of STEM employees can be found (engineers, masters, computer scientists, maintenance technicians,...), producing the steel of the future.

In addition to highlighting the importance of technology and innovation, we also wanted to stress the importance of steel in our daily lives as well as show our efforts made with regards to the environment.

We participate in information meetings on topics relevant to ArcelorMittal Gent, organized for neighboring municipalities and for the entire province of East Flanders. With regards to the renewal of the environmental permit, a public hearing took place on March 10th 2016 in the visitors' center of the Ghent Port Company.

In 2016, we organized individual info sessions with journalists and politicians (local, Flemish, Walloon, Belgian and European) to proactively inform them on our company and the economic context we operate in.

In order to further root our company into the region, we publish a neighborhood magazine twice a year.



Visitors discovered our company in 3D during the Company Discovery Day in Ghent.

A green number is available in case local residents should have an environmental complaint. This is, for the Ghent canal area: 0800/92.999, for Liège this is: 0479/79.35.64. All complaints are investigated on an individual basis. On the basis of the information provided, we assess whether the issue is caused by failures in the production processes. If so, we do our utmost to reduce the consequence to a minimum. If the investigation shows that we are not responsible for the environmental nuisance, an appropriate answer is of course still given to the person who made the report.



Pipeline of talented scientists and engineers for tomorrow



4.0

Industry 4.0 as our mindset, becoming the steel company of the future

Innovation is part of our DNA, it is a prerequisite for growth. In light of this, we focus strongly on Industry 4.0, the so-called fourth industrial revolution. Industry 4.0 will drastically change the way we work in the coming 10 years. We have all advantages required to be and to remain a frontrunner in terms of innovation: highly qualified employees, high-tech installations and automated processes. In addition, we work closely together with several ArcelorMittal research centers and with the academic world, enabling us to develop new steel types and new coatings.

Research on the production of steel on laboratory scale in our quality department.



Our strength lays in our ability to innovate continuously and to keep on stretching the boundaries of steel making.

Collaboration with Research and Development: vicinity of OCAS and CRM

OCAS

The ArcelorMittal site in Ghent maintains a strong collaboration with OCAS. OCAS is a market-oriented research center that offers metal based solutions and a result-oriented approach to metal producing and metal processing companies worldwide. It is a joint venture between ArcelorMittal and the Flemish Region.

In September 2016, the research center celebrated its 25th anniversary. Throughout the last quarter of a century, OCAS underwent several transformations. The team, today, consists of more than 15 nationalities. During the opening speech of the academic session, Sven Vandeputte, managing director of OCAS, referred to the initial objective of OCAS: 'building bridges between producers and consumers'. Throughout the last 25 years, OCAS has indeed acted many times as a bridge: a bridge between industry and universities, between industry and governments, between the international ArcelorMittal group and start-up companies, between several competences and R&D partners.

'Throughout the last 25 years, OCAS has acted many times as a bridge between steel producers and consumers', said Sven Vandeputte, managing director of OCAS.



CRM

At our site in Liège we work closely together with the CRM group (Centre de Recherche Métallurgique). Together, we have been able to launch a new production line in 2016: the Jet Vapor Deposition. The unique JVD process came about thanks to a scientific breakthrough. The production line was inaugurated at the beginning of 2017. It is the culmination of eight years of hard work by ArcelorMittal and the CRM group.

Matthieu Jehl (CEO ArcelorMittal Belgium) and Anne De Paepe (dean of Ghent university) signing the framework agreement between both partners.

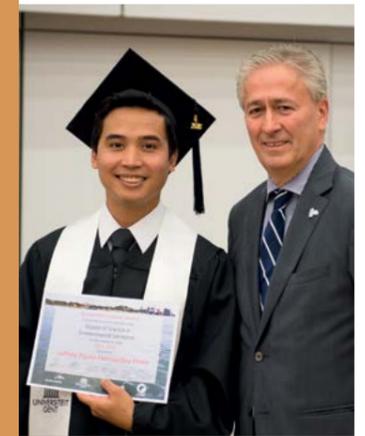


Signature of framework agreement with Ghent university

ArcelorMittal Gent has been maintaining a strong relationship with Ghent university throughout the years. We introduce young people to our company by means of internships, dissertations, job days, company visits and guest lecturers. On Wednesday October 5th 2016 we signed a framework agreement with the university for a structural long-term collaboration. By doing so, we aim to create a common platform for exchanging knowledge, education, research and development.

With the framework agreement we show our commitment to, on a yearly basis, financially support a number of research projects (such as PhDs, bilateral research). The research projects are situated in the domains of energy and CO₂ efficiency, material efficiency, productivity improvement and automation. The collaboration will bring forth a substantial boost of value creation, and guarantees a steady intake of new insights as well as of motivated (knowledge) employees.

Awarding of our environmental prizes to those dissertations that best elaborate on environmentally relevant subjects.



22 years of environmental awards

As of 1995, ArcelorMittal Gent has been handing out environmental awards to those dissertations submitted at Ghent university (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 and judged on a number of criteria. This is done by several of employees of our environmental department and by the professors themselves. The environmental awards were organized for the 22nd time in 2016.

Our contribution to society
measured, shared and valued



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

We are a founding member of 'Entrepreneurs for Entrepreneurs'. This is a network of Belgian companies and non-governmental organizations (NGOs). 'Entrepreneurs for Entrepreneurs' wants to contribute to the welfare in the South and tries to 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 'Kromme Boom' tries to help people in distress who can no longer function in society. The inhabitants at the 'Kromme Boom' are offered a total package of living, working and relaxing – in short: the ability to cope independently, thus learning how to live a normal life and taking back their place in society.

'CAW' (Centre for General Social Work) helps the underprivileged in the region of Ghent. It provides a wide range of services, from relationship and divorce mediation to assistance with applications for social allowances or assistance in filling request forms for asylum. On average, the 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.

In addition, we support a number of social organizations in which employees of ArcelorMittal Belgium play an active part.

Every year we organize a solidarity campaign to collect clothing and toys, afterwards donating these to 'Spullenhulp' and/or the welfare center CPAS in Flémalle.

Each year, on the International Volunteer Day, our employees are given the opportunity to sign up as a volunteer and help out at one of the organizations supported by our company. In 2016, twenty of our colleagues lent out a helping hand to three charity organizations in the Ghent region (CAW, De Kromme Boom and Kras).



Many helping ArcelorMittal hands during the Volunteer Day.



A number of colleagues participated in the Urban Trail, a run through the center of Ghent, thus supporting the non-profit organization 'Onafhankelijk Leven'. (Independent Life)

Midsummer night run

On March 20th 2016, nine of our colleagues joined hands with the non-profit organization 'Onafhankelijk Leven' (Independent Life) and participated in a run through the center of Ghent. During the run, our colleagues, helped a 'rolling runner', a wheelchair user, in finishing the competition. The race illustrated the many obstacles a wheelchair user may encounter in his/her daily life.

On April 24th 2016, 96 employees participated in the 'Port run'. By participating in the run, they supported UNICEF.

Aside from the structural sponsoring, we also support specific projects of Entrepreneurs for Entrepreneurs, such as the Brussels 20 km run. On May 29th, 51 of our employees participated as a team in the Brussels run and raised money for the non-governmental organization Protos. This project tries to facilitate the accessibility to drinking water and sanitation in Madagascar, improving the hygiene and health.

On June 18th 2016, 70 of our colleagues participated in the sixth edition of the Midsummer Night Run. By participating, they supported a good cause (UNICEF).

Exactly six months later, on December 18th 2016, our company once again showed itself from its fittest side when 77 employees took part in the Christmassy Winter Run in Ghent.

The non-profit organization Special Olympics Belgium annually organizes championships for mentally disabled athletes, with our company's financial support. The event is alternately organized in Flanders, Wallonia and Brussels. More than 3,400 athletes, 1,200 coaches and 1,700 volunteers from all over Belgium gathered during this four-day event. The 2016 edition took place in La Louvière.

In addition, we also support several sport clubs in which our employees play an active role.

In Liège, every year, we organize a Christmas competition in which the children of our employees, aged between 0 and 12, are encouraged to allow their creativity flow and send in a picture, drawing or craft work. All submissions are exhibited for one month in the entrance of the Centre Acier. A winner per age category is selected by a jury of ArcelorMittal employees.



The happy winners of the Christmas competition at ArcelorMittal Liège.

We are also recognized for our achievements with regards to sustainable entrepreneurship. In 2016, our site in Ghent was awarded with the East Flanders Environmental Charter for the 13th consecutive time.

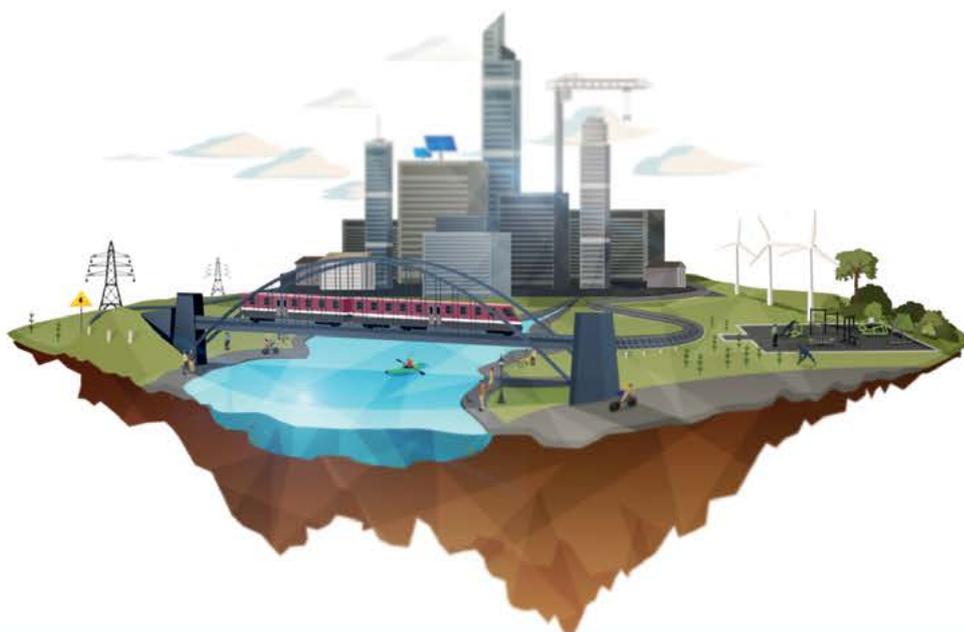
The East Flanders Environmental Charter is an initiative of the East Flanders Chamber of Commerce (VOKA). It encourages companies to pursue an active environmental policy aimed at improving the environment and the living conditions in the region. Companies step in voluntarily.

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.

The Environmental Charter 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 (see environmental management system p. 36).

The Environmental Charter 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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