



ArcelorMittal



Content

ArcelorMittal Gent makes the steel of tomorrow today

Our company plays an important role in product innovation and is therefore chosen as the pilot site for the development of new types of steel, the so-called ultra high-strength steel.

As of 2015 ArcelorMittal Gent will be producing a new range of ultra high-strength steel for the automotive industry: Fortiform®. Cars that are produced with ultra high-strength steel are lighter, more economical and thus better for the environment. In addition, Fortiform® is able to absorb more energy in a collision. This results in you and your passengers being better protected.

The car of the future: safer and more economical with our steel!

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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 2014.

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, 5 million tons of flat carbon steel is shipped to automotive and industrial customers. Many cars, appliances, furniture and other applications are therefore made of our steel.

Employing 4,600 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.

High-tech

Research and innovation are at the heart of our company. We work closely together with different research centres within ArcelorMittal and with schools 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 the production process are watched closely. Thanks to this process innovation, we have been able to double our productivity in 15 year.

Gathering and centralising knowledge is crucial to the company's continuity and technological progress. That is why 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.



Our employees are our greatest asset.

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

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

Within the business unit Flat Carbon Europe, ArcelorMittal Gent strives towards **leadership** in the production of high-quality flat steel products in a sustainable entrepreneurial way.

ArcelorMittal Gent is fully aware that this entails great **responsibility** towards its 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. ArcelorMittal Gent has the advantage of being located at a site where a maritime steel industry is still able to further develop.

Keeping a heavy industry running in a region with a dense population and vulnerable **environment** is a challenge ArcelorMittal Gent is 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**, ArcelorMittal Gent applies the principle of subsidiarity. Each employee is encouraged to have ownership to the tasks entrusted to him and to only turn to the hierarchy if that would offer genuine added value.

ArcelorMittal Gent well realises that its **customers** are its reason of existence. In order to ensure profitability, ArcelorMittal Gent aims for perfection in its service and product quality and does its utmost to build a relationship of trust with its customers.

The 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.





2014 was once again a year of modest growth for the consumption of steel. The worldwide production of steel increased by 1.2% to 1.7 billion tons of liquid steel. This image contrasts with Asia and China where the steel production grew faster than in the rest of the world. In the European Union, the situation differs strongly between Northern Europe which is guided by Germany, and the Southern part that is slowly recovering. In order to be able to deal with this new post-crisis reality, the ArcelorMittal Group has changed its strategy in 2012.

Thanks to our new strategy, all production lines were able to run at full capacity within ArcelorMittal Europe and in specific those at ArcelorMittal Gent. This has enabled us to achieve several production records in the Primary and Finishing departments. However, in 2015 we want to go even further and excel in the production of steel by further investing and by continuously improving.

In 2014, we also got the green light on several investments which are crucial for the future of our company, like for instance the port cranes, the heat recovery in sinter plant 2, the dedusting of the casting floor in blast furnace A and the ladle crane 120 in the steel shop. But the most important signal comes from the confirmation that ArcelorMittal Gent will play a crucial role in the development of the third generation of ultra high-strength steels. The ArcelorMittal Group has approved the investment program to prepare Ghent for the steel of the future. This will allow us to produce steel that will be incorporated in our cars as of 2020: the Fortiform® product family. This is a strong commitment towards our company, but it also entails that we will have to take up responsibility and proof that we are a reliable company, worth investing in.

To support our strategy, we now more than ever make use of WCM (World Class Manufacturing). Many of our departments have completed WCM cases in order to achieve zero breakdowns: the number of standstills in the pulverised coal installation for instance dropped with 85% and one of the boilers had eight times less standstills than before the case. These are just two of many examples that demonstrate that WCM is the best methodology when aiming to improve continuously.

The progress made in 2014 needs to be further extended in 2015 if we want to take the next step in preparing for the future. Our success of tomorrow does not rely on the results of today, but relies on the efforts delivered towards continuously improving. That is why, in 2015, we have developed the following strategy consisting out of 5 pillars:

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 5 axes need to enable us to remain '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 fourth edition of our 'Corporate Responsibility Report'.

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

Key Performance Indicators 2014

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 the province of East Flanders, we bear major responsibility. 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 to our employees and by communicating openly and transparently, we try to increase job satisfaction and commitment. In other words: every single day, we try to further develop a positive corporate culture.

Making steel more sustainable

We aim at producing high-quality steel in Flanders and 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 the 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 a 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 rate employees	0.7
Safety frequency rate contractors	0.9
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 (5.3% of the total labour cost)	237,163

Making steel more sustainable

CO ₂ emission per ton of liquid steel	1.74 tons
Specific energy consumption per ton of hot rolled steel	16,216 GJ
Specific water consumption per ton of liquid steel	4.4 m³
Amount of scrap per ton of liquid steel	210 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	4,715
Number of active registered contractors	1,614
Number of sponsored projects	75

Transparent governance

Percentage of employees that have subscribed to the Code of Business Conduct	100%
Number of communication sessions for the employees (as of September 2014)	27

Safety frequency rate = the number of accidents resulting in the employee being absent for at least one day per one million performed hours



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“With the new ladle furnace we are able to produce the newest generation of ultra high-strength steel (Fortiform®).”

Roosmarijn Schelstraete, steel shop



234 safety stewards followed training for more than one week in 2014.

What to remember from 2014 in terms of safety?

In 2014, our safety performance was the best so far. Our global lost time injury frequency rate fell below 1 for the first time. The 0.8 rate reached was even lower than the average rate reached by the group (0.9).

Several departments went without injuries in 2014. We can however consider ourselves lucky that a number of incidents occurred without injury. We need to thus remain alert. In 2015 three priorities can be distinguished in this regard: the deployment of safety stewards in all production departments, the introduction of confiscation locks ("lockbox") and the tight partnership with our contractors.

In 2014, the pillar 8 award was created. With the pillar 8 award we want to recognize teams for their efforts in developing safety cases in light of the World Class Manufacturing (WCM). Throughout 2014, several departments have submitted their pillar 8 safety case hoping to win the award. 11 teams in total entered the competition. Together with the representatives of the joint Committee for Prevention and Protection, 4 finalists were selected and audited on the work floor. In the end, Decosteel 2 won the award.

How was the safety performance of internal employees?

The safety performance of our employees was very good in 2014. The frequency rate dropped to 0.7. 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 work 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.

The 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 in actions. In 2014, all departments switched to the 'steward' concept. No less than 234 'stewards' attended a training on the subject.

In all sites of ArcelorMittal a Health & Safety Day was organised on April 28th 2014. The theme was 'Stop, think and act safely'. This slogan was applicable for all our employees as well as for all contractors working at our company. Almost all internal departments have taken initiatives on placing 'health and safety at work'



This team from the organic coating line Decosteel 2 won the very first pillar 8 award with their project on how to improve ergonomics.

In 2014, our safety performance was the best so far.

in the spotlight. In these departments, 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 launched three new safety films which we integrated in the safety quarter. The films were on fall hazard, squeezing danger and on how to quit smoking. Each film brought the personal story of a colleague.

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 2nd 2014, the 25 winners were handed their award.

During the follow-up safety training for the hierarchical line, a safety survey was conducted. From which we were able to see that a uniform safety policy is carried out throughout all departments. There is still room for improvement when it comes down to the appreciation of the delivered safety efforts, the management of contractors and the seizing of safety audits as an opportunity to improve further.

On December 2nd and 3rd of 2014, the external audit office SGS, conducted a follow-up audit (OHSAS 18001) on the communal safety management system of ArcelorMittal Gent, Geel and Genk. The continuation of the audit took place at the beginning of January. No mayor shortcomings were found.

How do we improve contractor safety?

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 jobs. We expect 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.

The lost time injury frequency rate dropped from 2.23 in 2013 to 0.9 in 2014. As was the case with our own employees, our contractors also had to reach a frequency rate of 1 by 2014.

To further raise awareness on safety, our contractors are being sent a monthly edition of our employee magazine '1'. They have also been 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 of April 28th 2014.



A larger offer of healthy food options in our new sandwich bar.

Why is health this important?

Safety is our main priority and health is inextricably linked with this. That is why, one of the Golden Rules focuses on starting work in a fit and able condition. Any company that cares about its employees wishes them a good health. Management ensures that people can work in good health. There are also objective considerations to take into account. Our health policy focuses on three themes: smoking cessation, healthy living and ergonomics.

In 2012, the health project 'AM Fit' was launched. The 'AM Fit' working group drew up an action plan to meet with the conclusions made by an external health audit in light of JobFit. JobFit was initiated by the Flemish government to improve employees' eating and exercising habits. Our action plan at ArcelorMittal Gent will focus on healthy eating, exercising, ergonomics and quitting smoking.

In 2014 we noticed a clear reduction in the number of smokers, thanks to the Allen Carr method. Half of the 200 participants have since following the training stopped smoking. New in 2014 was that the partners of our employees were able to participate in the training at a reduced price. The support of family is after all crucial in being able to quit smoking indefinitely .

Weight gain is an important item when it comes down to leading a healthy life. Obesity amongst young employees has been increasing. This can lead to heart and vascular diseases as well as to diabetes at a later age. We thus point out the dangers of obesity to our employees when they visit our medical service. Sufficient movement is an important cure against obesity. More and more employees arrive, for instance, every day at work by bike to remain fit and healthy. Healthy food is another cure against obesity. 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, our offer in the vending machines has been adapted towards presenting healthy and low-calorie snacks such as dairy products.

At the end of September, ArcelorMittal organised a Health Week for the fifth 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 employees' health in a structural manner, but initiatives like Health Week help us in pointing all noses in the same direction. Popular activities included spinning, an initiation cooking course, a training on ergonomics and a condition test. More than 1,300 colleagues participated. Many of the employees also took part in the activities as part of a group. No less than 111 colleagues from more than 11 departments took on the challenge to collectively lose weight. It is a well-known fact that your enthusiasm is higher when you work on your health in a group setting instead of on your own.

Ensuring employees come to work in a fit and able condition is not

only about promoting a healthy lifestyle. It is also about consistently improving working conditions. In 2012, the KIM tool was presented to all managers and lifting coordinators were trained in various departments. The KIM tool is a risk assessment tool used to identify health risks related to load handling. All managers were also informed on a new tool used to identify risks related to working with chemical substances. Over the coming years, we will be focusing further on both these themes, in the hope to get rid of the biggest risks.

The ageing of our society leads to all of us having to work longer. That is why we need to search for solutions that enable us to actually work longer. For instance by paying more attention to physically challenging tasks. A theme closely related to this is shift work. In the CAO104 committee solutions are sought for what the optimal type of shift work can be.

Reducing absenteeism is also an important issue. Absenteeism increased slightly from 4.55% in 2013 to 4.76% in 2014. Analyses reveal that the main causes for absenteeism include injuries sustained while practising sports or doing chores around the house or from back disorders and joint diseases. We also pay great attention to reintegrating employees who have been ill.

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, newsflashes 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 they have questions to ask. Our Management Committee also assumes its responsibility and therefore, in the course of 2014, organised information meetings with all employees to strengthen dialogue. By correctly informing our colleagues and starting a dialogue with them, 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 beginning of November, ArcelorMittal Gent organised, in collaboration with the HR-company SD Worx, an employee survey for the second time around. All pc-users received an email which directed them to our online survey. Those that did not have access to a computer, received the survey at home. 48% of all our employees filled in the survey in which motivation was the central theme. The overall satisfaction score was high and we, in addition, saw a positive evolution compared to the first survey of 2012.

Our strong points are:

- The recognition of our efforts on safety
- Our wages compared to other companies
- Our trust in the strategy of both the Group as well as of ArcelorMittal Gent
- Our collaboration and subsidiarity
- Our loyalty and pride

Our health policy focuses on three themes: smoking cessation, healthy living and ergonomics.



The Allen Carr sessions on how to quit smoking were a huge success.

There is room for improvement when it comes down to:

- The guidance of career development
- Openness
- Working hours and the approach on working longer

To further improve the involvement of our employees, we have developed a number of initiatives:

- We want to search for solutions on how to make working longer possible. A theme that is closely related to this is shift work. In consultation with all parties involved, we need to define the ultimate operating mode for shift work. This is where the CAO104 committee comes in.
- In the personnel planning of 2015 we want to take into account the conservation of a number of critical competences and the importance of productivity.
- We want to be open to other types of work. We are a continuous production company that focuses strongly on the work-life balance. We will thus look further into different options on how to increase productivity.
- We also want re-start the consultations throughout all levels of our enterprise:
 - Consultations with the social partners
 - Consultations on a team and individual level
 - Continuation of the communication between management and the work floor (communication sessions)

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

- Yearly a Decoration happening is organised where employees who have been working at our company for 25, 30, 35 or even 40 years and their partners are put in the spotlight for an entire day.
- For several years now, we have been sponsoring the Ghent Jazz Festival which takes place in July. All employees can request two day tickets for free. Overall, we distribute 750 tickets for this world-famous jazz festival.
- On September 13th 2014, the electrolytic galvanising line celebrated its 25th year in production by organising a major

jubilee event for its employees

- The fifth edition of our personnel event Feestmar took place on Saturday June 27th 2015. All employees and their families were invited to this one day event. During Feestmar they are treated to performances, street and children animation, company visits, snacks and drinks,... Feestmar is more than just a simple personnel event. Not only are our employees given the opportunity to get to know their colleagues and supervisors from a different side. But this is also the perfect occasion for everyone's family to see our company from a different perspective. Feestmar is considered as one of our social highlights and it sends out a strong signal: In order to reach success, the motivation, knowledge and enthusiasm of every employee is needed.

Every year, the ArcelorMittal Group organises an e-card contest for employees' children. In 2014, the theme was 'Steel protects the world'. One of the children to participate in the contest was Jolenta, whose father works for the hot dip galvanising line. Jolenta's drawing was selected as our national winner.

Due to the huge success of our ArcelorMittal sportswear in 2012, we decided to offer our employees a new opportunity to buy sportswear at reduced prices in 2014. With this initiative we not only promoted a healthy lifestyle but also supported the brand of ArcelorMittal.



The electrolytic galvanising line (Genk) celebrated their 25th anniversary with a splendid jubilee event.

How do we develop our employees?

We fully believe that all employees should have the opportunity to progress in their careers and to shape these in accordance with their capacities, interests and ambitions. This has a direct impact on the 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 take additional training. In 2014, ArcelorMittal Gent spent 5.3% of its labour cost on training and development. In comparison, the target imposed on companies by the 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 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: both Office, SAP and in-house developed tools

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 know-how are fundamental to the needs of each activity domain. It is important that competences and knowledge are centralised and transferred to ensure the continuity of the company. We strongly believe in mixing young and old. In other words, the experience and knowledge that senior co-workers can transmit to younger employees is priceless. In fact, this knowledge is one of the main ways in which we have stood out from the competition and can continue to do so in the future. In order to mark the importance of learning and development, the ArcelorMittal Group organised a Learning Day with as its theme 'We share, we learn, we grow'. On September 23rd and November 13th 2014, our training department organised information sessions on the different courses currently present at our company. Special attention was thereby offered to the didactical skills via 'Train the trainer' workshops.

On September 20th 2014, we paid tribute to the employees who had finished the metallurgy course and the night course in electric-

ity, and to the maintenance workers who had successfully finished their promotion tests. In 2014, 23 maintenance workers became head technicians and were given a certificate. 12 employees obtained their degree in metallurgy, 9 colleagues finished a night course in electricity and 10 colleagues received a degree in the base course mechanics.

Moreover, we have been working closely together with educational institutes for years now, as their students may become future employees.

- 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 in the surrounding area 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 May 15th 2014, 73 students coming from 18 different schools in East Flanders presented their technical dissertations during the Technologica fair. Technologica is a yearly event, organised by the Technical Centre East Flanders. Our company awarded three dissertations that paid special attention to safety.

On October 1st 2013, Flemish Minister for Education Pascal Smet and Raymonda Verdyck, managing director of the community education network of schools, presented a unique workplace learning project at ArcelorMittal Gent. The Techno+ project offers students in secondary school the opportunity to experience an industrial working environment in the course of their studies. Depending on the discipline and the company, students can enter a working and learning scheme at a company for one day per week for at least one year. Twenty schools and twenty companies have taken on this project, our company being one of them. We are offering four students of a near-by technical secondary school the opportunity to work at our company for one day per week during one or two years. They will take the same proficiency courses as our internal employees and will gain invaluable experience. This initiative was continued in 2014.

In 2012 we launched a coaching project for managers piloted



5.3%

of the labour cost of ArcelorMittal Gent was spent on training and development in 2014.

by the blast furnaces and sinter plants. Coaching sessions were organised focusing on communication and other managerial aspects. In 2014, this project was expanded into a full-worthy development course for managers that included coaching. We are convinced that by organising such a course, the managing skills of our supervisors, line managers and foremen are elevated to a higher level. This way the motivation and engagement of our employees is positively influenced.

How do we shape our social dialogue?

Our company has a long tradition of social dialogue. In the spring of 2014, a new collective labour agreement 2013-2014 for white and blue collars was finalised. The negotiations on this new collective agreement for blue collars went difficult and led to a strike. As a direct cause, our company suffered image damage towards both our clients as to the ArcelorMittal Group.

In the collective labour agreement 2013-2014, the Management Committee and trade union' deputies agreed on enforcing the social bond. The following points were agreed upon:

- The members of the Management Committee will commence a direct dialogue with all employees via communication sessions (in small groups).
- In light of the Collective Labour Agreement 104, the work-group 'end-of-career' will do research on the most optimal ways of working in shifts.
- Work meetings between management and their employees need to be improved.

The graduated employees of the metallurgy course and of the night course in electricity and the maintenance workers who successfully finished their promotion tests.





“To prepare us for the production of ultra high-strength steel, we have invested 99 million Euros in the hot strip mill.”

Bert Teerlinck, hot strip mill



TEERLINCK BERT
72429



Making steel more sustainable

We aim at producing high-quality steel in Flanders and 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.

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 we have all the necessary facilities to convert raw materials into high-quality finished products. We use around 11 million tons of raw materials per year, mainly iron ore and coal.

Steel production via the so-called blast furnace route is energy-intensive. Combustion processes inevitably lead to the formation of NO_x , SO_2 , CO_2 and dust.

We also use considerable quantities 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, treated and reused several times before being discharged back into the canal.

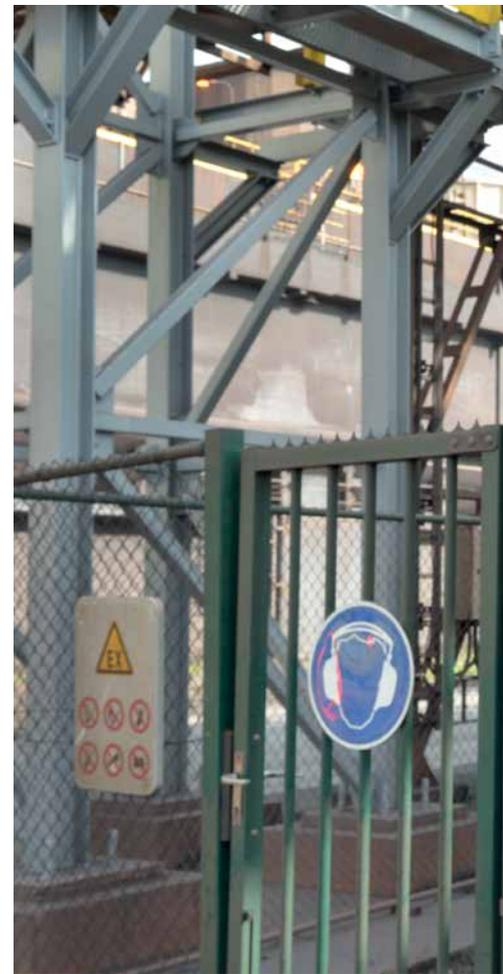
We also use additives and fluxes. Numerous liquid products are stored in vessels and/or tanks and are transported through ducts. We are committed to prevent all spilling and leaking.

Our processes and facilities produce noise; just think of fans, compressors, 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.

It is clear that our company has a certain impact on the environment. However, as a high-tech company 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.

As a high-tech company we are able to keep the environmental impact of our activities to a minimum.





A noise expert conducts a sound measurement at the ArcelorMittal Gent' site.

On our way to a new environmental license

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, provided that a set of permissions are followed, to perform certain actions that have an impact on the environment.

Our current environmental license was received on February 17th in 1997 and will expire in February 2017. As of that date, a new license will be required. The renewal of the license is a difficult and complex process which has already been 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 the application.

The Environmental Impact Assessment is an extensive research on the possible consequences of certain activities on our environment. The Flemish environmental legislation states that for 'integrated blast furnace companies producing hot metal and steel', such an assessment needs to be written. The Environmental Impact Assessment is an important tool for our government to determine if a certain project will receive a license or not and under which conditions.

Companies where a certain amount of hazardous substances are present, need to create an Environmental Safety Report. In this report, the risks for the surrounding area are listed and evaluated. It furthermore needs to demonstrate that all risks are carefully managed so that severe industrial accidents are to be avoided. The report is obliged by the European Seveso directive which has been implemented in the Belgian and Flemish legislation.

Both reports need to be established by external specialists who are acknowledged by the government. We aim to have both reports finished by the end of April 2015 so that the next steps in renewing our license can be taken.

11 We use around
million tons
of raw materials per year.

We strive towards converting all natural resources into products that are useful for society.

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 do not only produce steel, but also valuable by-products that 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, fluxing agents 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 high iron content (e.g. dust collected in dedusting 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 in 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 silicium 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. Then, the iron is 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 to be 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.

Main raw materials		2014		Products		Recycled gases	
Coal	1,581,534 t	Coking plant		Benzol	11,229 t	Coke oven gas for internal use	9,870,960 GJ
		Coke	1,264,070 t	Tar	47,636 t		
				Sulphur	2,107 t		
Iron ore	4,603,114 t	Sinter plants					
Anthracite	230,707 t	Sinter	5,540,514 t				
Limestone	742,258 t						
Pulverised coal	1,004,814 t	Blast furnaces		Blast furnace slag	1,211,042 t	Blast furnace gas for internal use	5,844,707 GJ
Pellets	1,895,545 t	Hot metal	4,387,835 t			Blast furnace gas for power station	16,739,213 GJ
External scrap	721,296 t	Steel shop		Steel slag	360,625 t	Converter gas for internal use	2,000,985 GJ
		Liquid steel	5,019,206 t			Converter gas for power station	1,478,722 GJ
		Hot strip mill		Finished hot rolled coils	1,427,404 t		
		Hot rolled coils	4,669,071 t				
		Cold rolling mill and finishing lines		Finished cold rolled coils and sheets	2,963,828 t		



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 had an environmental management system 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 had become 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 to conceive an environmental policy and set targets to ensure continuous improvement. After the implementation of the environmental management system, employees have become much more involved in environmental care: it has become 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 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 2014, 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.

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.

How do we manage to reduce our CO₂ emissions?

CO₂ emissions are inherent in steel production via the blast furnace route. Chemically speaking, iron ore consists of iron and oxygen. In the blast furnaces, the 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 as a fuel. 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 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 production departments. CO₂ emissions also occur in the sinter plants, where the carbon present in the raw materials, the fuels and the additives is converted into CO₂.

Though CO₂ emissions are inherent in the steel production via the blast furnace route, we are able to approach the theoretical minimum emissions thanks to our efficient operation of business. In 2014, our global specific emissions amounted to approximately 1.74 tons of CO₂ per ton of steel produced.

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, CO₂ emissions per ton of steel are reduced.

Because steel maintains its original characteristics, scrap is a full raw material. However, there will never be enough scrap to meet the world steel demand. That is why steel production via the blast furnace route remains necessary. 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, by optimising the production process and 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 the



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

Though CO₂ emissions are inherent in the steel production via the blast furnace route, we are able to approach the theoretical minimum emissions.

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 between 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. Since 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 for 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' emissions exceed their allocations, they have to buy additional emission rights on the market to make up for the shortfall, because 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 Euros 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 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 will be 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 because of the economic crisis. 2.16 million tons of these excess allowances were sold and profits were used to invest in projects to optimise 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 Ghent and in Geel.

Although we are one of the most energy-efficient steel producers in the world, because of the application of the aforementioned correction factor, at normal production levels, in the trading period 2013–2020 we will face 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 8.75 million tons in 2014. 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 2015, 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.

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. Then again, rolling steel slabs consumes much electricity. And still, we have been 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 2014 we maintained our position amongst the best performing companies in the world.

Our motives are both ecological and economic. Society on the one hand is confronted with the greenhouse gas effect and climate change. At company level on the other, 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 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. In 1980, the production of 1 ton of hot rolled coils required 25 GJ of energy. In 2014 this figure dropped to less than 17 GJ. This significant achievement is to be explained by our sound energy management. We invest in our facilities and processes to reduce energy consumption and we aim at recovering and reutilising a maximum of energy if this is technically and economically feasible.

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 by this fictitious reference company by more than 10%. In 2014, our specific energy consumption was only 6.31% 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. Energy-rich converter gas which used to be flared off is now recovered and reutilised. Part of the converter gas is used in various production facilities as a fuel to replace 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 a 'energy policy agreement' with the Flemish government. By doing so, we created the commitment to launch a 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 the dust emissions in the late 1980s.

Looking at guided sources - i.e. chimneys - we can see that considerable investments have been made into efficient dedusting facilities. We attach great importance to the maintenance and operation of these facilities so as to ensure dust is captured in the most optimum fashion. Our most recent investments made were the addition of a sleeve filter installation (2 dust filters) in our blast furnaces 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 hall and in the environment. The investments made have amounted to a mutual 5 million Euros.

Over the past few years, ambient air quality and particulate matter in particular have been hot topics. Flanders is 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. In practice, this means 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 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:

The colleagues of the cold rolling mill developed a 'start-stop' system on the inspection line.

- raising awareness of our staff 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 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 (9.6 million Euros) and the modernisation of the extinguishing tower at the coking plant (0.5 million Euros). In addition, steps have been taken for future projects (>2015), like the addition of a sleeve dust filter on the casting floor of blast furnace B and the replacement of 2 unloading cranes with 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. The emission levels associated with these conclusions, will become binding in four years time. Flanders has anchored these conclusions into the Flemish environmental legislation by the publication of Vlare III. 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 dedusting system (blast furnace B), are currently being developed.



Every small step helps... definitely when it comes down to energy

In order to improve massively in our energy efficiency, a considerable investment budget is required. However it is not always possible to account for such a budget from an economical point of view. As the reduction of our energy consumption is so important to us, the search for energy savings on all levels of our organisation is highly encouraged. These savings can be both big or small.

With the motto 'every small step helps' in mind, our employees from the cold rolling mill developed a 'Start/stop' system on the inspection line. The inspection line is used for the inspection of steel products before sending them off to the clients. In the past, the hydraulic pumps, the cooling ventilators of the engines and the frequency converters remained active during moments of inactivity, for instance change of shifts and lunch breaks. But even during standstills that lasted longer, manual switch-offs of the line were sometimes forgotten.

Analogous to what is currently available in many cars, all mentioned users of one of these lines are now automatically switched off after a period of inactivity that lasts longer than 10 minutes. Each control panel has a start/stop button. By pressing the button, the line is automatically rendered back to the position it was when left behind so that operations can continue.

This intervention meant investing around 9,000 Euros in software and materials. But it also meant saving up to around 2,500 MWh of electricity on a yearly basis. Aside from the environmental advantage, this investment also generated a social advantage: at times of inactivity, the area is now much quieter, nicer and a lot safer.

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

How do we limit water consumption?

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

As 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. Canal water is taken in at the north side of our site and is used in counterflow with the production process before it is discharged near the southern boundary of our territory. Each cubic meter 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 multi-annual project, which doubled our water recycling rate compared to the 1993 level. In 2014, 20.6 million m³ of canal water was pumped and about 16.1 million m³ was discharged after treatment. The water discharged meets all environmental requirements.

In the past, groundwater was also used for various applications. Wherever possible, we have taken measures to now use canal water instead. This is how we have managed to significantly reduce the groundwater intake over the years (from 2 million m³ per year to just under 1.1 million m³ in 2014). Nowadays, groundwater is only used for safety reasons. At a number of locations, the groundwater level needs to be controlled 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 2014 our specific water consumption amounted to 4.4 m³ per ton of liquid steel, which corresponds more or less to the levels recorded in previous years (4.4 m³ per ton of liquid steel in 2013). 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?

ArcelorMittal Gent's 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 in fact a belt of rich woodland used as a buffer between our industrial activities and the surrounding region. Over the years, there has been continuous afforestation. Here you can mainly find high-quality native deciduous trees such as oak, birch, ash, poplar, black alder, willow and many others. Together with the flora, a rich fauna has 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 the site to be an excellent habitat as well.

Although the land is barely 50 years old and for the most part has been artificially raised, the fauna and flora developed well. We also have a chartered forester who is responsible for land management.

Half of our site is in fact a belt of rich woodland used as a buffer between our industrial activities and the surrounding region.



We aim to become the reference company for the production of (ultra) high-strength steels.

How do we work with our customers?

In a competitive market, customer orientation is key. Unfortunately our service performances have suffered due to the social unrest in the spring of 2014. ArcelorMittal Gent has always been considered as a flexible and reliable partner, however the strike of 2014 has damaged the confidence of our customers in our company. We have lost production volumes with a number of customers where previously we had a large market share. We have worked extremely hard the last couple of months to repair our reputation and to once again offer an excellent service and impeccable quality to our customers.

The intense cooperation with the commercial organisation resulted in a concrete action plan for the three market segments targeted by ArcelorMittal Gent: 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. In practice, this means that some customers can place their orders shortly before they are due for delivery, regardless of the capacity utilisation of the production lines at that time. This way of working has its advantages for both parties. On the one hand, our customers can react more flexibly to demands by their own customers and at the same time reduce internal stocks. On the other hand, we are certain that orders will be placed even in periods of low economic activity. In recent years, the short lead time orders increased from 5% to 20%. Our customers are quite satisfied with this evolution. In the end, short lead times will tie customers to our company and protect us against imports of cheap steel products.
2. Service cannot be seen apart from quality. Delivery time performances cannot be improved at the cost of quality and vice versa. In 2014, we were unable to meet all of the predetermined quality objectives. The volume percentage of first choice material shipped increased to 96.7%. 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 first preference 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 rest 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 impose increasingly 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 the high strength and excellent deformability, this innovative steel solution allows the bodywork of cars to become up to 20% lighter. Consequently, cars consume less fuel and emit less CO₂. In addition, Fortiform® contributes to a higher safety of the drivers and his/her passengers as it is capable of absorbing more energy during a collision. This new type of steel will be produced in both ArcelorMittal Gent as in ArcelorMittal Liège as of 2015.

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 and yet increasing 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:

- xcelcoat®, which can be used as an alternative to stainless steel and during which galvanised steel is brushed to give it a stainless look. This cost-efficient solution can for instance be used to manufacture decorative panels.
- Zinc, aluminium and magnesium coatings that make it possible to apply a thinner layer of zinc and offers optimum corrosion resistance.
- Ultragal®, a hot dip galvanised steel grade with excellent surface quality used in automotive applications.
- In the past few years, ArcelorMittal R&D centres have focused on finding alternatives to heavy metals and especially chromium-VI for post-treatments that are applied in the galvanising lines or in the 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,

Did you know that...

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

lowered ceilings and light fittings. The Nature range is 100% free of chromium-VI and heavy metals. Solano Nature will be added to the range in 2015.

- We are extending our current dimensional tolerances for steel products and by doing so, aim to offer a more accurate thickness tolerance (ex. for our pickled products)
- We also develop products that assist our customers in reducing the cost of their own production processes. The new surface treatment Easyfilm® (also known as 'Ready-to-paint') used on cold rolled products is a perfect example of this.
- Another innovation is Easyclean, a dirt-repellent coating that is applied onto painted strips used in the construction industry.

By focusing on these three aspects – service, quality and product innovation– we managed to ship 4.7 million tons of steel products in 2014. For 2015 an even higher shipment target has been set and we aim at producing as many steel products with high added value as possible.

The car of the future: safer and more economical with our steel.

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. European steel demand today has dropped by 30% on a structural basis compared to the 2007 level. There is thus an overcapacity, which results into a high pressure on the prices of raw materials and on the sales price of steel. In addition, it is also impossible to compensate the increasing wages, energy and CO₂ costs with higher sales prices. Lower costs therefore remain extremely important in order to survive as a company. Only production sites with good cost positions will thus be able to make it. It has clearly been proven that we are able to gain a good cost position when our production volume is high. In 2014, ArcelorMittal Gent was the cost leader within ArcelorMittal Europe - Flat Products. Various departments found top-class operating points and in most departments transformation costs were low.

In order to maintain the cost leadership, we need to further increase our productivity and utilise our installations to a maximum. We aim to further improve our production and shipment levels. In 2014 we were able to send out 4.7 million ton of steel. In 2015 we expect to ship 4.8 million ton of steel. Our supply chain needs to be able to meet up to this increase in shipment. That is why in 2015 we will launch a 'supply chain' project that aims to reduce the bottlenecks in the material throughput (going from the steel shop to dispatching).

High productivity demands an optimum operational reliability of our installations. In times of budget restraints, we must set the right priorities and approach maintenance projects in a cost-efficient manner. Efficient project management is key to optimise the added value of maintenance. The maintenance budget of 2014 was 254 million Euros. Major maintenance works on the agenda for the coming years are: The major repair of blast furnace A, the multi-year repair of the coke oven batteries and the wide-scale infrastructural repair works to racks, buildings and cranes. Maintenance is an investment in our future. A higher level of operational reliability has an immediate effect on the costs, the quality and the service.

Under the current economic circumstances, World Class Manufacturing (WCM) is an important management tool to boost our competitiveness. We use WCM to increase efficiency and reduce costs. In 2014, 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. The following departments were, in light of the bronze WCM award, audited in 2015: raw materials, port and transport, coking plant, blast furnaces and sinter plants, general services and the organic coating lines Decosteel 1 & 2. The other departments will follow in 2016 and 2017. The bronze medal is the first milestone on our journey in becoming an even more efficient organisation. WCM is the best methodology behind continuous improvement. It remains the driving force behind our progress.

Performance Excellence Award for our blast furnaces and sinter plants

The 'Performance Excellence Awards' were awarded on October 8th 2014. This is an internal competition launched by the ArcelorMittal Group in 2007, in which teams all across the organisation are awarded for their excellent achievements in innovative thinking and successful implementation of projects. 74 projects entered the competition (2013-2014). 12 of these projects came from ArcelorMittal Gent. Two breakthrough projects from ArcelorMittal Gent won an award in the category 'Technological

innovation and R&D':

- Stable performance and high productivity of the blast furnace when using pulverised coal
- Higher consumption of pellets when utilising an intensive mixer

On December 10th 2014, Marc Fiset, CTO ArcelorMittal Europe – Flat Products, handed out the 'Performance Excellence Award' to the blast furnace and sinter team of ArcelorMittal Gent.



Decosteel 2 wins the first ever pillar 8 award

In 2014, the first ever 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. Our organic coating line Decosteel 2 won first prize with their project on 'how to improve the ergonomics in the painting booth'. The team of Decosteel 2 found a new and safer way to manipulate the cover plates. Our WCM team elaborates on the success of this specific case:

"The project focuses on both safety as well as ergonomics. We believe that the combination of these two elements has certainly contributed to the success of the project. In addition, the case was also easy executable. In no less than two months time, the manipulation of the cover plates was a fact."

"The most important thing is that you execute a project that focuses on an issue that you are confronted with in your daily operations. Small, fast executable projects that have a positive impact on all employees, that is the essence of pillar 8 safety and health. In addition, a good collaboration within but also with others outside the team is essential."





What investment projects did we complete in 2014?

In 2014 we invested no less than 83 million Euros. The investments 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 ArcelorMittal Gent, 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 2014 the following major investment projects were completed:

- New additional conveyor belts that increased the supply of raw materials to the blast furnaces.
- New local dedusting filters in the dosage building of sinter plant 2.
- A new mobile chimney for converter 2 in the steel shop. With the mobile chimney we want to increase the operational reliability of the converter use by decreasing loss of cooling water in the chimney.
- A new ladle furnace in the steel shop which allows us to expand our range of high-strength steels. High-strength steels can only contain less than a thousandth of a percent of phosphorus and sulphur. The processes behind the removal of phosphorus and sulphur are very energy intensive. It is thus a necessity to intermediately heat up steel in a ladle furnace.
- New powerful AC engines for two rolling stands (F1 and F6) of the finishing mill in the hot strip mill. This is the third phase in a project to replace the engines of finishing stands F1 to F6. When this long-range plan will be completed, we will have the most powerful engines within ArcelorMittal Europe – Flat Products at our site. This investment fits into ArcelorMittal Gent's strategy to further expand the production of ultra high-strength steels (the Fortiform® product range)
- The replacement of the locked and emergency stops of the TTS line in the cold rolling mill.
- The installation of a double block, bleed and spade in the batch annealing furnaces and in the continuous annealing and processing line in the cold rolling mill as a safety measure.
- At the end of 2014, a new overhead crane was taken into service in expedition hall TU.
- The first phase of the electrical revamping of hot dip galvanising line 3. This project comprises the replacement of 71 critical drives.
- The new underground 150 kV supply grid between Rodenhuis and ArcelorMittal Gent was installed. With this investment project we want to guarantee the operational reliability of the electrical supply to ArcelorMittal Gent.

The following investments were approved and/or started in 2014:

- Early 2014 ArcelorMittal Gent ordered two new harbour cranes. With this investment, ArcelorMittal anticipates the construction of the new sea lock in Terneuzen, which is expected to be commissioned by 2020. 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 on arrival at the ArcelorMittal

- quay, will contain around 120,000 tons of raw materials. ArcelorMittal Gent is currently able to unload vessels with a deadweight of 71,000 tons at its unloading quay.
- 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.
- Heat recovery in the sinter plant number 2: Heat will be recuperated at the end of the sinter strand before being re-utilised at the start of the strand. 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 with 7.5 kg per ton of sinter. The investment will also have a positive effect on the productivity and the quality of the sinter.
- The dedusting of the circular cooler of sinter plant 2 will be optimised in order to reduce the dust emission.
- The replacement of the tar extractor in the coking plant.
- A new dedusting installation on the casting floor in blast furnace B will enable us to reduce the chimney's dust emission to less than 15 mg/Nm³.
- The revamping of the continuous casting line to implement dynamic soft reduction, which is the technology used to control the pressure exerted by the guide rolls onto the surface of the solidifying strand. Dynamic soft reduction will allow us to optimise the internal homogeneity of the slabs. The first phase was completed early 2015, the second phase will be presented for approval to the ArcelorMittal Group.
- 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 and the revamping of rolling stand F4. This is the second phase in the revamping of the entire finishing mill. 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 revamping of rolling stand F3 in the hot strip mill. This is the first phase in the revamping of the entire finishing mill in light of the high-strength steels.
- In October 2013, ArcelorMittal approved the construction of a third walking beam furnace in the hot strip mill. This new furnace will replace the two existing pusher-type furnaces and will make use of state-of-the-art technology to optimise gas consumption, NO_x emissions and material yield in the oven. This strategic investment will allow us to reduce operating costs and enhance reliability and product quality.
- The electrical revamping of the inspection line in the cold rolling mill. This is in fact the replacement of critical drives, PLCs and the process network.
- The automation of two cranes in the expedition hall RS in the cold rolling mill. This investment is part of the ACE automation project of the overhead travelling cranes.
- The replacement of the overhead travelling crane 483 in expedition hall TU in the cold rolling mill.
- Several projects that will improve the fire safety (especially in the cold rolling mill).
- Improving the safety and the throughput of material in the dispatch hall of the cold rolling mill. In order to avoid congestion in the expedition hall, a buffer zone for trucks has been created where an automatic call system, also newly installed, announces the truck numbers.



1. *New conveyor belts increase the supply of raw materials to the blast furnaces.*
2. *This team worked on the dedusting filters in the dosage building of sinter plant 2.*
3. *New powerful engines for the finishing stands of the finishing mill in the hot strip mill. These will be required when producing Fortiform® steel.*
4. *At the end of 2014, a new overhead crane was taken into service in expedition hall TU.*

- The electrical modernisation of the electrolytic galvanising line in Genk.
- In light of the Seveso directive, the security of the electrolytic galvanising line in Genk has been automated. The entrance control of the site has furthermore also been optimised.
- The replacement of two underground 36kV electrical cables of the emergency net by two new underground electrical cables with a higher voltage.
- The renewal of the blast furnace gas pipe (200 metres) between the blast furnaces and the gas consumers.

83 In 2014 we invested
million Euros.

The new ladle furnace in the steel shop allows us to produce a new generation of high-strength steels.





Press moment on January 15th 2015 to announce the construction of the new scrap and slag quay. Left to right: Mathias De Clercq (chairman Ghent Port Company and aldermen of Economy and Enterprise of the city of Ghent), Matthieu Jehl (CEO ArcelorMittal Gent) and Daan Schalck (CEO Ghent Port Company).

Ghent Port Company invests in new quays at ArcelorMittal Gent

Ghent Port Company is building a new scrap and slag quay at ArcelorMittal Gent. This was announced on January 15th 2015. The first ship will already be able to moor at the end of 2016. This 9.2 million Euros 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 the CO₂ emissions.

The new 220 metres long quay wall along the Ghent-Terneuzen Canal will be build south of the present quay wall. Part of it will be used for the supply of scrap that is utilised in the steel production. Another part is used for the removal of blast furnace and steel

slag by inland and seagoing vessels. Blast furnace slag is utilised for producing cement. Steel slag is used for hydraulic engineering works or for the sustainable hardening of car parks, roads, paths and drives.

This investment is also an investment in sustainability. 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 realisation of the slag quay results in an optimisation of the internal transport and enables the direct loading of the slag into seagoing vessels. This creates a reduction of the CO₂ emissions.

ArcelorMittal Gent elated about signing of treaty for New Lock Terneuzen

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 Thursday, February 5th 2015. This signifies a historical moment. The New Lock Terneuzen 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 lock will also contribute in the improvement of the air quality as the vessels will have shorter docking times before passing through the lock.

Ghent, being a multimodal port, is situated at the crossroads of the European inland waters, motorways and railway lines. Consequently, the new lock is crucial for making Ghent grow, further developing itself, strengthening its international position, creating new jobs and attracting investors. Moreover, the realisation of the lock will be of benefit to the cooperation between Ghent Port Company and Zeeland Seaports (the ports of Terneuzen and Flushing).

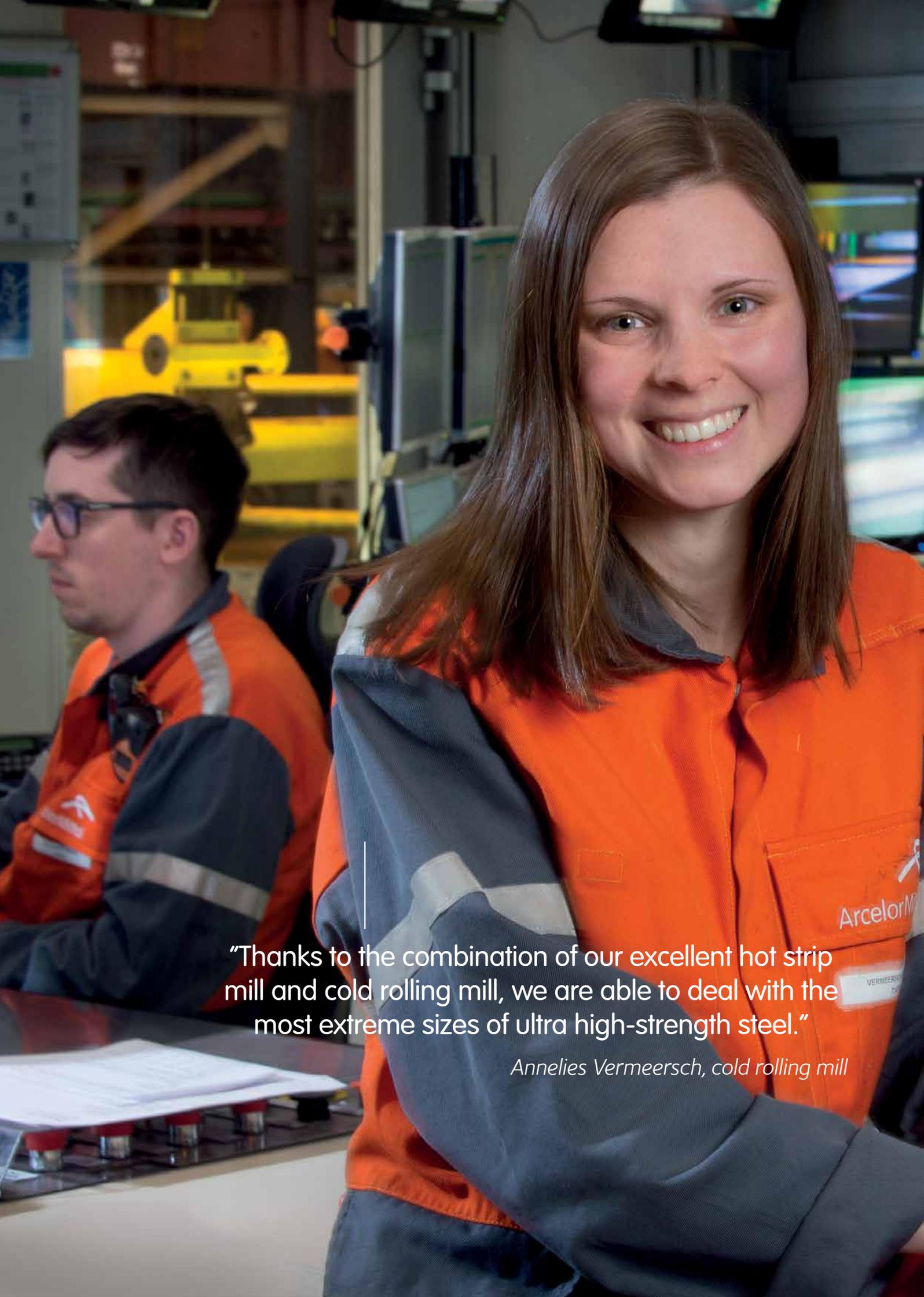
With the signing of this Treaty, a crucial next step is taken in the realisation of the New Lock Terneuzen. It is now up to the parliaments of Flanders and the Netherlands to ratify the lock treaty. Subsequently, the preparation of the construction can start. The cutting of the first sod is expected in 2017. In 2021 the first ships should be passing through the New Lock Terneuzen.

Melanie Schultz van Haegen (Dutch minister of Infrastructure and Environment) and Ben Weyts (Flemish minister of Mobility and Public Works).



In thousands of tons	2014	2013	2012	2011	2010
ArcelorMittal Gent					
Harbour activity (loading/ unloading)	12,504	12,534	12,051	11,206	11,324
Dry coke	1,264	1,263	1,262	1,248	1,222
Sinter (net)	5,041	5,013	5,044	5,349	5,677
Hot metal	4,388	4,343	4,078	3,892	3,814
Liquid steel	5,019	4,819	4,759	4,470	4,394
Slabs	4,958	4,741	4,649	4,363	4,292
Hot rolled coils	4,659	4,743	4,327	4,465	4,340
Pickled and oiled	1,206	1,209	1,037	1,329	1,190
Full-hard	3,145	2,968	2,811	2,786	2,704
Hot dip galvanised	1,228	1,194	1,182	1,086	1,057
Organically coated	187	189	183	155	112
ArcelorMittal Geel					
Organically coated	155	168	138	120	110
ArcelorMittal Genk					
Electrolytically galvanised	395	370	339	411	403
Total shipment volume*	4,804	4,883	4,583	4,370	4,282

**shipments of steel products manufactured by ArcelorMittal Gent and destined for customers*



“Thanks to the combination of our excellent hot strip mill and cold rolling mill, we are able to deal with the most extreme sizes of ultra high-strength steel.”

Annelies Vermeersch, cold rolling mill



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.

85 employees of ArcelorMittal Gent participated in the Brussels 20 km run and raised money for a charity project on palm oil in Congo.





Jessica Magnus was one of the participants of the 'Solidarity Holidays'. She guided a summer course for the youth in Romania.



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, so as 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 18th 2014, 85 employees of ArcelorMittal Gent participated as a team in the Brussels run and raised money for a charity project on palm oil in Congo. This project works towards providing equipment (press, grinding mill, cooking kettle and purification installation) to farmers which they need to process the harvest of the palm trees. By offering this equipment, the small farmers are able to benefit themselves from the surplus that is created from production.

On October 16th 2014, Entrepreneurs for Entrepreneurs handed out an award for the 'warmest' entrepreneur. Entrepreneurs for entrepreneurs is a platform for businesses that want to invest in projects and companies in the South. The award is an acknowledgment for companies that invest a lot of effort into the establishment of a sustainable collaboration with the South. ArcelorMittal together with 14 other nominees, competed for the award. In the end, Special Fruit and Umicore won first place.

The 'Solidarity Holidays' once again took place in 2014. This initiative launched by the ArcelorMittal Group offers the employees of ArcelorMittal the opportunity to voluntarily participate in a humanitarian project abroad. This initiative offers all employees the chance to experience volunteering work abroad and helping those in need, whilst thus being submerged in a different culture. ArcelorMittal selected two employees of ArcelorMittal Gent to participate in the Solidarity holidays. They were able to guide a summer course for the youth in Romania and to build houses for the local population in South Africa.



During the Volunteer Day on December 5th 2014, six employees lent out a helping hand to charity organisations.



Sixty employees of ArcelorMittal Gent participated in the very first edition of the 'Port Run' in Ghent on April 27th 2014.



We support various social projects to reduce poverty and create training opportunities.

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 reduce 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 real distress who can no longer function in society. Often they have a history in institutions. At the Kromme Boom, these 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 since 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 it addresses. 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 ArcelorMittal Gent.
- CAW Artevelde (Centre for General Social Work Artevelde) 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 out requests for asylum. On average, social workers at CAW receive 12,000 requests for help per 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. Kras offers, amongst other things, food, clothing, material aid, budget support and training and can help these families participate in cultural life.
- On December 5th 2014, the ArcelorMittal Foundation organised the worldwide Volunteer Day. We contributed by collecting used clothes and toys and donating these to Spulenhulp. Our medical department organised a blood donation campaign together with the Red Cross. And for the second time around, employees were given the opportunity to sign up as volunteers and help out one of the organisations supported by our company. Six colleagues lent out a helping hand to three charity organisations (CAW Artevelde, De Kromme Boom and Kras).

Besides poverty reduction projects, we also support health initiatives.

- On April 27th 2014, the first ever 'Port run' took place in the port of Ghent. Around 60 employees of ArcelorMittal Gent participated and ran 5 km, 10 km or 21 km across quays, along docks and even through companies.
- On June 21st 2014, the city of Ghent hosted the Midsummer Night Run for the fourth time. 5,000 people participated in this running contest, including 85 employees of ArcelorMittal Gent. They ran 10 or 15 km across the historic city centre and by doing so raised money for UNICEF, the United Nations Children's Fund.
- Exactly six months later, on December 21st 2014, our company showed itself once again from its fittest side when 93 employees took part in the Winter Run in Ghent. Our employees started the Christmassy race at the Vrijdagsmarkt. 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 edition of 2014 took place in Antwerp.

How do we enhance integration into the region?

In order to promote our company's integration into the region, in 2014 we set forth the tradition of organising external events:

- On October 5th 2014, we participated in Company Discovery Day. 2,500 people visited the continuous casting line and the hot strip mill. Every year at the occasion of Company Discovery Day, we support one charity initiative. In 2014, all profit was donated to the palliative care of AZ Sint-Lucas in Ghent.
- ArcelorMittal Gent also supports various cultural events in the region, such as the Festival of Flanders and the Ghent Jazz Festival.
- In 2014, individual information sessions were organised to inform local, regional and national authorities proactively on our company and the economic context we operate in.



During the Company Discovery Day, we were able to raise 4,000 Euros for the palliative care of AZ Sint-Lucas in Ghent.





“Product innovation demands experience, knowledge, modern installations and a thorough control of the processes.”

Tino Verschraege, quality management



Transparent governance

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

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 must help 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 subscribes to these principles.

How is our management organised?

The 2014 composition of the Management Committee of ArcelorMittal Gent looks as follows:

- 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 strip mill), and for customer relations and quality management. Kris Notebaert is also responsible for the organic coating line in Geel (ArcelorMittal Geel) and the electrolytic galvanising line in Genk (ArcelorMittal Genk).
- Guy Bontinck, HR Director, responsible for personnel management, management development, and training and development.

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 often involved. Moreover, we support community initiatives in developing countries. These community initiatives are frequently discussed during Management Committee meetings.

The Management Committee of ArcelorMittal Gent consists of Guy Bontinck, Kris Notebaert, Stefan Van Campe and Matthieu Jehl.





CEO Matthieu Jehl in dialogue with small groups of employees.

How do we communicate with our employees?

We strive towards communicating openly and transparently with our employees on corporate matters. This does not only increase commitment but also 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 them on current affairs. Moreover, information is shown every day on 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 etc. (departmental information). As of 2013, a new software system is used to manage these information screens. This offers us new 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 every two months 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 on people. By interviewing people who worked on a project on the shop floor, employees with particular hobbies, retired colleagues... we make it clear that we would not have come this far without the contribution of each and every employee.

In 2014 the information and communication offer focused strongly on audiovisual communication. We made short safety films with employee testimonials on, among other things, shared vigilance and accidents at work, at home or on the road. These films were shown during safety sessions.

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. As of October 2014 every member of the Management Committee has been starting an open dialogue with a group of 25 employees twice a week. This initiative has been continued in 2015.

In order to enhance the flow of information, every month an information package is distributed containing background information on six strategic axes. This package is shown on the information screens and is also commented on by 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, the openness and the approachability of these supervisors have the biggest impact on daily operations and on employee motivation and commitment.

The openness and the approachability of the supervisors have the biggest impact on daily operations and on employee motivation and commitment.



How do we communicate with the public at large?

Not only internal stakeholders (our employees) but also external stakeholders demand 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.

Their 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, ArcelorMittal Gent will furthermore focus on building a strong social media presence.

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

As is the case with our employees, we also want to engage in a dialogue with external stakeholders. Company visits provide us with the ideal opportunity. In 2014, we organised approximately 188 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 at

the occasion of Company Discovery Day on the first Sunday in October. Every two years, Company Discovery Day is preceded by an Environmental Meeting Day. On Saturday, we inform our neighbours, local residents' groups, environmental councils, nature associations and the general public on our environmental management. The Company Discovery Day took place on Sunday October 5th 2014. In two days, almost 2,500 people visited ArcelorMittal Gent.

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

In 2014 individual sessions were organised for journalists and politicians to proactively inform them on our company and the economic context we operate in.

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 we receive 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. In addition, 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 through our website: gent.arcelormittal.com.



First ever Customer Day is an immediate hit

On November 13th 2014, the very first Customer Day was organised by ArcelorMittal Gent. Main idea behind the event was to further extend the relationship of trust and the collaboration with our customers. Together with a number of internal employees of the commercial organisation of ArcelorMittal Gent, around 90 guests participated coming from around 60 of our industry and automotive clients. The guests present, represented around 30% of the shipments made by ArcelorMittal Gent to its industry clients. The programme consisted out of speeches and a company visit to the hot strip mill, the cold rolling mill, the hot dip galvanising lines and the organic coating line. The presentation focussed strongly on process and product innovation as well as on the current investments that are being made in light of the production of high-strength steels. The Customer Day was fittingly finished with a boat tour through the picturesque historical centre of Ghent and a dinner in the Saint Peter's abbey.

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) to encourage companies to pursue an active environmental policy aimed at improving the environment and the living conditions in the region. Companies step in voluntarily.

When we take part in the initiative, we must 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 the 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 the environmental management system. It makes us define clear objectives and determine concrete actions which must be completed in short term (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 2014, we were presented with the Environmental Charter Certificate for the 11th consecutive time. It was a renewed confirmation of the effectiveness of our environmental management system and an objective way of highlighting our environmental efforts.



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. Each winner is invited to the (yearly) official proclamation, where (s)he is handed a cheque by a representative of ArcelorMittal Gent. The environmental awards were organised for the 20th time in 2014.

More than 1,500 students visit our company on a yearly basis.





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