



ArcelorMittal

ArcelorMittal Canada
Corporate Responsibility Report 2013



Investing in our People

Making Steel More Sustainable

Enriching our Communities

Transparent Governance

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About ArcelorMittal in Canada

Canada is home to six business units that are part of ArcelorMittal SA, the world's leading steel and mining company — with around 230,000 employees, operations in more than 60 countries and customers in 174 countries.

ArcelorMittal is the leader in all major global steel markets, including automotive, construction, household appliances and packaging — with leading research and development (R&D) and technology, as well as sizeable captive supplies of raw materials and far-reaching distribution networks.

Headquartered in Luxembourg, ArcelorMittal SA is governed by its Board of Directors. The company's Group Management Board (GMB) reports to the Board of Directors and conducts business and defines the global strategies for the group. The GMB also establishes and monitors administrative action in the countries in which the company operates.

Through our core values of Sustainability, Quality and Leadership, we commit to operating responsibly with respect to the health, safety and well-being of its employees, contractors, and the communities in which we operate. In 2013, ArcelorMittal had global sales of US\$79.4 billion, and produced 91.2 million tonnes of crude steel and 58.4 million tonnes of iron ore.

ArcelorMittal in Canada consists of six business units: Flat Carbon, Long Carbon,

Mining Canada, Baffinland Iron Mines, Infrastructure Canada and Tubular, with each having its own site leadership. The units are largely independent of each other, but coordinate and work together.

Flat Carbon Steel

The Flat Carbon unit (ArcelorMittal Dofasco) is headquartered at the 750-acre steelmaking complex in Hamilton, Ontario. The unit also has a galvanizing line in Windsor, Ontario, called DJG, as well as a joint venture paint line (with U.S. Steel Canada), called Baycoat, in Stoney Creek, Ontario. Strategically located at the western end of Lake Ontario on the St. Lawrence Seaway, ArcelorMittal Dofasco features state-of-the-art facilities that are among the most efficient, flexible and technologically advanced in North America. Hamilton is also home to one of ArcelorMittal's Global Research and Development (R&D) centres and a regional ArcelorMittal University campus.

Long Carbon Steel

The Long Carbon unit (ArcelorMittal Montreal) produces semi-finished products, such as slabs and billets, for internal company use and export markets, and manufactures a wide range of high-quality long steel products for applications in the automotive and construction sectors. Its main production facilities are located at ArcelorMittal Montreal's Contrecoeur,

Quebec, headquarters and include a direct reduction plant, two steel plants, a bar mill and a wire rod mill. Other facilities include a bar mill in Longueuil, Quebec, as well as the Saint-Patrick, Montreal, Quebec, and Hamilton East, Ontario, wire mills. This unit also operates steel recycling centres in Ottawa, Ontario, and in Contrecoeur and La Prairie, Quebec.

Mining Canada

The Mining operation is one of Canada's main suppliers of iron ore products destined for the global steel market, accounting for 40 per cent of total Canadian output. It extracts iron ore from open-pit mines in Fire Lake and Mont-Wright, Quebec — the largest of their kind in North America. Our Mont-Wright Mining Complex also includes an ore crusher, a concentrator and an automated system for loading concentrate onto trains. The Port-Cartier complex in Quebec includes one of the world's most productive pellet plants, as well as the ArcelorMittal Mining Canada G.P. corporate office.

Infrastructure Canada

ArcelorMittal Infrastructure Canada G.P. operates a 420-kilometre-long railway linking Mont-Wright to its Port-Cartier industrial complex. ArcelorMittal Infrastructure Canada G.P. includes a privately owned seaport, railway and railway maintenance shops.



Mining



Long Carbon steel



Tubular products



Flat Carbon steel

Baffinland Iron Mines (Joint venture)

ArcelorMittal and Iron Ore Holdings LP own equal shares in Baffinland, with ArcelorMittal acting as project operator. Its head office is located in Oakville, Ontario, and the organization maintains a year-round presence at its exploration camp at the Mary River site on Baffin Island and at its community liaison offices in Iqaluit, Igloolik, Pond Inlet, Hall Beach, Clyde River, and Arctic Bay. Baffinland is focused on the exploration and development of the Mary River Property, located in the Qikiqtani Region of Nunavut on Baffin Island. The Mary River Project consists of at least nine high-grade lump and fine iron ore deposits that can be mined, crushed and screened into saleable products. It is one of the most significant developments ever planned above the Arctic Circle.

Tubular Products

The Tubular division is one of the world's largest producers of pipe and tube products, exporting to more than a dozen countries. It manufactures the full spectrum of tubing products in a wide range of sizes. Its operations are located in Woodstock, London, Hamilton and Brampton, Ontario.

As the leader in all major global steel markets, we take our corporate citizenship role seriously. This report, along with our many activities and programs, demonstrates our commitment to behaving in a transparent manner, managing our impact on local communities responsibly, engaging everyone in our organization to improve workplace safety, and continuously improving our environmental performance.

Business Unit

Number of Employees in Canada (2013)

ArcelorMittal Dofasco	5,400
ArcelorMittal Infrastructure Canada G.P.	750
ArcelorMittal Mining Canada G.P.	2,000
ArcelorMittal Montreal	1,700
ArcelorMittal Tubular Products	500
Baffinland Iron Mines*	350
Total	10,700

* Baffinland Iron Mines is an equal joint venture between ArcelorMittal and Iron Ore Holdings

Our Approach to Corporate Responsibility Reporting

Scope of the 2013 Report

The report brings together all of ArcelorMittal's Canadian steel and mining facilities under a single umbrella. All financial figures refer to Canadian dollars, unless otherwise noted. The information refers to calendar year 2013. This report supplements ArcelorMittal's Global Corporate Responsibility Report 2013, which can be found at this address: <http://www.arcelormittal.com/corporate-responsibility/>

Data Collection

This report reflects data collected from primary operating locations between January 1 and December 31, 2013. It is based on GRI (Global Reporting Initiative) indicators. Corporate responsibility indicators are reported using company guidelines.

Reporting Principles

ArcelorMittal's Canadian Corporate Responsibility Report contains Standard Disclosures from the GRI's Sustainability Reporting Guidelines and is self-declared to be in accordance with GRI G3.1 Guidelines, level C. An index containing GRI indicators utilized in this report can be found on our website.

Did you know?

In 2013, ArcelorMittal Canada was recognized by media and investment research firm Corporate Knights as one of Canada's Top Foreign Corporate Citizens for 2013.

The award, which is presented to corporations with substantial operations in Canada, recognizes ArcelorMittal Canada for its leadership on social responsibility and corporate citizenship.

Letter from Canadian Leadership

We are pleased to present ArcelorMittal's 2013 Corporate Responsibility Report for Canada. This report is a key part of our commitment to transparency and open dialogue with key stakeholders and we are delighted to be reporting at a country level.

Together, our diverse business units in Ontario and Quebec support Canada's economy. We continued to make improvements across a number of areas in the four pillars that underpin our approach to corporate responsibility:

- Investing in our people;
- Making steel more sustainable;
- Enriching our communities; and
- Transparent governance.

Our report outlines our corporate responsibility practices, performance and key initiatives for each pillar.

There were many highlights in each of ArcelorMittal's four key pillars of corporate responsibility in 2013. Our sites achieved commendable improvement in health and safety performance, with an overall lost-time injury frequency rate of .73 per million hours worked, a 45 per cent improvement over 2012. Collectively, we invested CDN\$3.2 million in various local community organizations.

In addition, our units received several awards and accolades, including a Minister's Award for Apprenticeship Training from the Ontario Ministry of Training, Colleges and Universities, as well as inclusion on Canada's Top Foreign Corporate Citizens for 2013 from Corporate Knights.

Representatives from our joint venture Baffinland Iron Mines also signed a landmark Inuit Impact Benefit Agreement (IIBA) and Commercial Production Lease with the Qikiqtani Inuit Association (QIA). ArcelorMittal Mining Canada G.P. continued to work within its Mutual Benefits Agreement signed with the Innu nation in 2012.

Despite our accomplishments, we must continue to improve our performance in every area. This includes meeting our goals of zero lost-time injuries; reducing our global carbon emissions by eight per cent per tonne of steel produced by the year 2020; managing our environmental footprint; working with our customers and suppliers to find innovative solutions; and improving employee engagement.

We also believe that steel has a vital role to play in achieving a lower carbon economy, while ensuring growth and prosperity. Steel is the fabric of modern life and we are making steel that is stronger, lighter and more sustainable. You will find it all around you at home, on the road and at work — in fuel efficient cars, on roofs, in appliances and in sustainable buildings.

In 2014, we look forward to continuing our pursuit of being world class through continuous improvement; being our customers' supplier of choice; remaining a top Canadian mining and advanced manufacturing employer; and building our communities' strength.



Jim Baske

President and Chief Executive Officer
ArcelorMittal Dofasco



Steve Wood

President and CEO
ArcelorMittal Mining Canada G.P.

Head of Management Committee
ArcelorMittal Infrastructure G.P.



PS Venkat

Chief Executive Officer
ArcelorMittal Long Carbon
North America



Edward Vore

CEO, Mechanical Automotive North America
ArcelorMittal Tubular Products

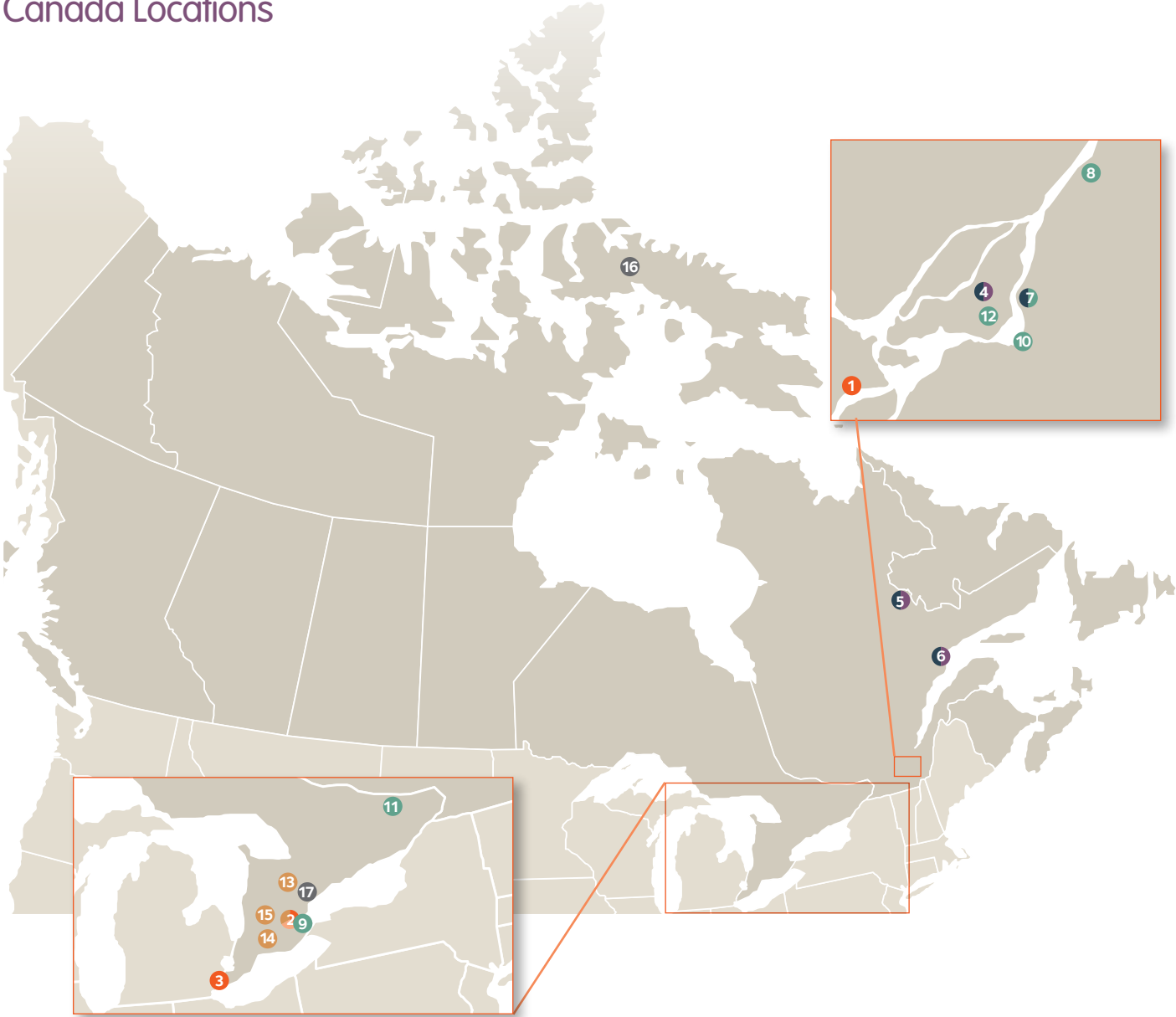
Jim Baske

Steve Wood

PS Venkat

Edward Vore

Canada Locations



ArcelorMittal Dofasco

- 1 Coteau-du-Lac
- 2 Hamilton
- 3 Windsor

ArcelorMittal Mining Canada G.P.

- 4 Montreal
- 5 Mont-Wright
- 6 Port-Cartier
- 7 Longueuil

ArcelorMittal Infrastructure Canada G.P.

- 4 Montreal
- 6 Port-Cartier

ArcelorMittal Montreal

- 8 Contrecoeur
- 9 Hamilton East
- 10 La Prairie
- 7 Longueuil
- 11 Ottawa
- 12 Saint-Patrick (Montreal)

ArcelorMittal Tubular Products

- 13 Brampton
- 2 Hamilton
- 14 London
- 15 Woodstock

Baffinland Iron Mines

- 16 Mary River
- 17 Oakville

Global R&D

- 2 Hamilton

Materiality Matrix

Each year, we complete an internal materiality assessment to identify issues of importance to stakeholders. We collect information through our site-level internal and external grievance mechanisms, community engagement and listening sessions. This information is evaluated against 45 different factors identified globally as potentially important to our business and to our stakeholders. The information is assessed and emerging issues are identified according to their importance and frequency, as well as our ability to influence or impact an issue. The materiality matrix shows where the top issues fall when evaluated by our stakeholders and measured against our business.

We recognize that all 45 factors are important to both our stakeholders and our business. The materiality matrix enables us to examine issues that were identified as a priority for the reporting period. This informs our decision-making, and guides our choice of the issues to be stressed in our ongoing engagement plans. Items shown in the top-right quadrant are considered to have the highest level of priority for our stakeholders, and with a higher potential impact on our business. For example, stakeholder engagement is an important issue for all of our sites in Canada and around the world. Accordingly, this is reflected in the matrix with high concern on behalf of stakeholders and high impact on ArcelorMittal's business.

While important, issues in the bottom-left quadrant were considered to have a lower relative level of priority for our stakeholders, and we estimate that in the current context, they had relatively less potential to impact our business during the year.



Our Corporate Responsibility (CR) Strategy

Our CR strategy supports our role as the leading steel and mining company in Canada and throughout the world.

At ArcelorMittal, our corporate responsibility approach includes four pillars:

- Investing in our people;
- Making steel more sustainable;
- Enriching our communities; and
- Transparent governance.

Guided by these pillars, we seek to provide a safe and productive work environment, improve our operations and facilities, and engage openly with our employees and stakeholders. This strategy is underpinned by transparency and continuous improvement objectives.

We understand that we play a crucial role in our communities — often, as a major employer and in some cases, with a presence dating back more than 100 years. For example, we are one of the largest private sector employers in many of the communities where we operate, such as Hamilton, Ontario, and in Contrecoeur, Port-Cartier and Fermont, in Quebec. Our facilities and our role as a business and community partner have both evolved over time. We helped shape our communities and are part of their history — and are honoured to play a key role in their future.

We strive to maintain our position as industry leaders — in business innovation, in collaboration with our clients and suppliers, and in partnership with our communities. As such, we have a responsibility to understand the concerns of our stakeholders and work with them to address issues ranging from the sustainability of our products to managing our environmental footprint

and strengthening the vitality of our communities. We have worked diligently to embed our approach to corporate responsibility in our business strategy, defining key performance indicators (KPIs) for each of our four pillars to allow us to monitor our progress.

We share these results through this report, by highlighting areas where we excel or have made progress — while also recognizing that there still remains room for improvement in several areas, such as meeting our goals of zero lost-time injury, sharing best practices across business units to improve our environmental performance, and formalizing our grievance mechanisms and stakeholder engagement plans more consistently across our organization.

Engagement in Global Organizations

ArcelorMittal engages in a number of global organizations, including the UN Global Compact, the World Steel Association, the World Business Council for Sustainable Development (WBCSD) and the Extractive Industries Transparency Initiative (EITI).

ArcelorMittal also engages in various organizations' activities as a member and participant. Our participation in industry associations and corporate responsibility organizations allows us to contribute to the debate about issues that affect our business, and to promote good corporate governance and a responsible approach to business operations. A partial list of ArcelorMittal's memberships and organizations in which we are actively engaged in Canada appears in the Resources and Memberships section on page 36 of this report.

Investing in our People



Making Steel More Sustainable



Enriching our Communities



Transparent Governance



Our Stakeholder Engagement Approach

We recognize that what we do has an impact on others, and that we have a responsibility to understand and manage those impacts responsibly — taking into account people’s rights and priorities. In Canada, our focus is to encourage open and transparent relations with stakeholders,

and to address any local questions or concerns that may arise. We believe that this engagement is not only the right thing to do, but that it also supports our business objectives. As part of our group’s formal process, we strive to review and create formal stakeholder engagement plans at our

facilities. These plans are regularly updated, beginning with an annual identification of key stakeholders and local issues.



Investing in our People



People drive the success of an organization. It is their talent, expertise and pursuit of continuous improvement that gives ArcelorMittal its competitive advantage. Our success depends on their commitment, focus and innovation.

Our number-one priority is the health and safety of our employees and our aim is for every employee to fulfill his or her potential. Our compensation packages are designed to help employees meet their financial and well-being goals throughout their career with ArcelorMittal and in their retirement. We value health and safety, teamwork, diversity, communication and respect in our workplaces.

2013 Performance at a Glance

Description	KPI	Value	Result
Lost-time injury	🎯	Lost time per million hours worked	0.73
Training	🎯	Hours	339,788
Operations certified to OHSAS 18001	🎯	%	100%
Unionized Workforce		%	35.2%
Employee Compensation		% paid over minimum wage for an entry-level position	100%



Health and Safety Achievements

Employees at our ArcelorMittal Montreal sites achieved a best-ever lost-time injury frequency rate of 1.29. This is a dramatic improvement over its 2010 performance of 7.62.

Safety Performance

We consider safety our greatest responsibility. Our goal is to extract minerals and produce steel without fatalities or injuries. At our Hamilton steelmaking site, we designed a comprehensive safety program, "Journey to Zero," which has been adopted by the ArcelorMittal group. Our mining and infrastructure sites in Canada have launched "Courageous Leadership," a culture to encourage and inspire all employees to speak up in an unsafe situation.

In 2013, our Canadian operations, which are all certified to the international occupational health and safety standard OHSAS 18001, experienced improved health and safety performance. Our overall lost-time injury frequency rate of 0.73 (per million hours worked) is a 46 per cent improvement over our 2012 rate of 1.36, and 65 per cent better than our 2011 rate of 2.12. While we have improved, our journey will continue as we aim to reach zero.



Stop. Challenge. Choose.
April 25, Health and Safety Day 2013

Case Study: Health and Safety Days

Each year, ArcelorMittal sites around the globe hold Global Health and Safety Day, coinciding with the International Labour Organization's World Day for Safety and Health at Work. The day is an opportunity to share best practices across the company, reflect on our performance and reconfirm our commitment to working safely. Our third-party contractors are also involved in the day, with some receiving extra health and safety training. Health and Safety Day in 2013 featured a variety of activities at all of our Canadian sites, including team meetings, layered audits and training, as well as housekeeping activities.

Several sites posted significant health and safety achievements:

- In London, Ontario, our tubular products site achieved 12 years without a lost-time injury;
- In La Prairie, Quebec, our steel recycling facility achieved five years without a lost-time injury, while the Ottawa recycling centre achieved three years without a lost-time injury;
- Our team at Baffinland in Nunavut achieved zero lost-time injuries in 2013;
- At ArcelorMittal Dofasco (0.44) and Mining Canada and Infrastructure Canada (0.83), best-ever lost-time injury frequency rates were achieved; and

- Our ArcelorMittal Montreal sites also achieved a best-ever lost-time injury frequency rate of 1.29. This is a dramatic improvement over its 2010 performance of 7.62.

Our journey to achieve zero accidents and injuries is a never-ending process. Although we experienced improvement and success in 2013, we did have 17 total lost-time injuries in Canada. We believe zero is attainable and are working to continuously improve our performance.

Did you know?

In 2013, we delivered 339,788 hours of on-the-job and personal development training to our Canadian employees.



Lost-time injuries per million hours worked

HOW IMPORTANT IS SAFETY TO YOU?

At Baffinland, we believe in making safety a priority at home and at work - for you and your family.

safety@baffinland.com
www.baffinland.com

SAFETY first ALWAYS

Baffinland

SNOW MACHINE SAFETY

If you are going to be traveling on a snow machine in the Arctic, take some time and plan your trip. Remember these tips:

- Tell someone where you are going, how long you expect to be gone and estimate your time of arrival home.
- Ensure your snow machine is in good working order, has sufficient gas and oil for the trip as well as a tool kit, spare sparkplugs and a drive belt.
- Never go out on the land by yourself. Always travel with a buddy; a second machine can always bring you home.
- Plan for the unexpected; weather and temperature can change so dress appropriately and take additional provisions and a tarp for shelter.
- Take a Sat Phone, PS or SPOT with you on longer trips.

Have fun and snow machine safely.



Safety at work and at home

On Baffin Island at our Mary River iron ore mining project, the team brings awareness to health and safety both on the job and at home in the North. In 2013, a series of ads with tips around safety were placed monthly in the local newspaper in two languages: English and Inuktitut.

Wellness

An important element of attaining zero accidents and zero injuries is being healthy — fit and able to do the job. As such, our employees and their family members have access to a variety of health and wellness programs that support their efforts to maintain their health, increase their fitness, and find balance and fulfillment.

Each fall, our sites run a Health Week, during which employees are able to participate in various activities from running, and Zumba to nutrition counselling and personal training. During Health Week, sites compete against each other in a global race — with the winner determined by the greatest number of participants.

Our Employee and Family Assistance Program (EFAP) provides confidential counselling, coaching, online courses and resources on many different topics — including marital and family relationships, anxiety, depression, addictions, stress, life transitions/change and other personal issues. The EFAP also includes counselling, information and support on childcare and parenting, elder care, legal, financial and career planning, workplace issues, pre-retirement and lifestyle issues.

In addition, several Canadian sites also offer lifestyle wellness programming. These programs provide support for employees to take charge of their health. Programs range from onsite fitness facilities and personal training to health screening, injury prevention, diabetes prevention, and nutrition and weight management.



Health Week

During our fall Health Week in 2013, Infrastructure and Mining Canada organized a fall full of activities at their sites in Montreal, Longueuil, Port-Cartier and Mont-Wright, Quebec. Employees were invited to participate in 13 sessions of physical activities, ranging from Zumba and boxing to family bowling. In total, 4,113 employees and their family members participated in ArcelorMittal's Canadian Health Week activities.

Learning and Development

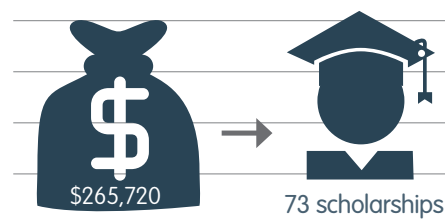
We aim to continue to be a top Canadian employer by attracting, developing and inspiring the employees of tomorrow. Our sites offer comprehensive training and development programs to all employees. Canada is also home to an ArcelorMittal University regional campus in Hamilton, Ontario, which provides learning opportunities for ArcelorMittal employees across the Americas.

ArcelorMittal Canada offers employees on-the-job training, classroom and offsite training including:

- Health and safety;
- Apprentice and job skills training;
- Business and industry knowledge;
- New graduate development programs;

- Intern and co-op placements;
- Personal development; and
- Cultural training for remote working conditions at our Baffin Island mining site.

With the expansion of our mining capacity in Quebec and the progression of our Baffin Island mining site, we continue to offer thousands of new jobs and growth opportunities to employees across a range of skill-sets and professions. In addition, we actively award and contribute to scholarships for Canadian students pursuing post-secondary education. In 2013, we awarded and contributed to 73 scholarships with a total value of \$265,720 to Canadian students.



ArcelorMittal awarded scholarships worth a combined \$265,720 to 73 deserving students

Case study: Helping employees to improve literacy and math skills

Employees at our Contrecoeur recycling centre had an opportunity to improve their literacy and math skills through a pilot project of essential training — offered through the company in conjunction with the *Comité sectoriel de main d'oeuvre de la métallurgie du Québec* (Quebec sector council on labour in the metals industry). Interested employees participated in testing to determine their upgrade requirements, and then received up to 30 hours of training in the French language and mathematics. In total, 11 employees received their essential skills diploma in 2013.



Play to Win

ArcelorMittal employees have access to a range of learning and development opportunities. At ArcelorMittal Dofasco, all new employees participate in *Play to Win* — a two-day experiential learning program that includes team building, co-operative work and individual growth through in-classroom learning and high ropes activities.



Interacting with leadership

Employees chat with Group Management Board Member and ArcelorMittal Americas CEO Louis Schorsch (far right) and Management Committee member and ArcelorMittal Dofasco President and CEO Jim Baske (besides Mr. Schorsch) at the Hamilton flat carbon plant.

Employee Engagement

Our strength is people and we work to attract and retain the best and brightest. We strive to ensure that our employees are committed to the future of ArcelorMittal, contributing to our success to the best of their ability. We work to create an environment that maximizes our collective energy and efforts.

To engage employees, our total compensation packages, culture and communications are all underpinned by our three core business values: sustainability, quality and leadership. These values inform all of our decisions and will help us achieve our objective and operating principle of “safe sustainable steel.” These values are also integral to the way in which we work together across six business

units, two provinces and one territory in Canada. Our employees are expected to behave responsibly, act with integrity, and demonstrate leadership in everything they do. In turn, we offer competitive total compensation, and a fair and empowering work environment — where everyone can contribute and everyone is valued.

Sharing information and gathering feedback is an important part of employee engagement. Through both global and site-specific employee surveys, we actively seek out employee feedback, questions and ideas. In addition, in 2013 we launched a cascading employee survey to gauge the effectiveness of our information-sharing after each quarterly financial period. Every site is measured, and results are rolled up to country, region and worldwide results.

In 2013, ArcelorMittal Dofasco was one of four winners of a Minister’s Award for Apprenticeship Training. Brad Duguid, Ontario Minister of Training, Colleges and Universities said: “By demonstrating outstanding leadership in apprenticeship training, these companies are helping ensure that Ontario builds the skilled workforce it needs to meet the demands of the 21st century economy. A strong, sustainable apprenticeship system is vital to Ontario’s future prosperity.”

Case Study: Preparing for remote working conditions

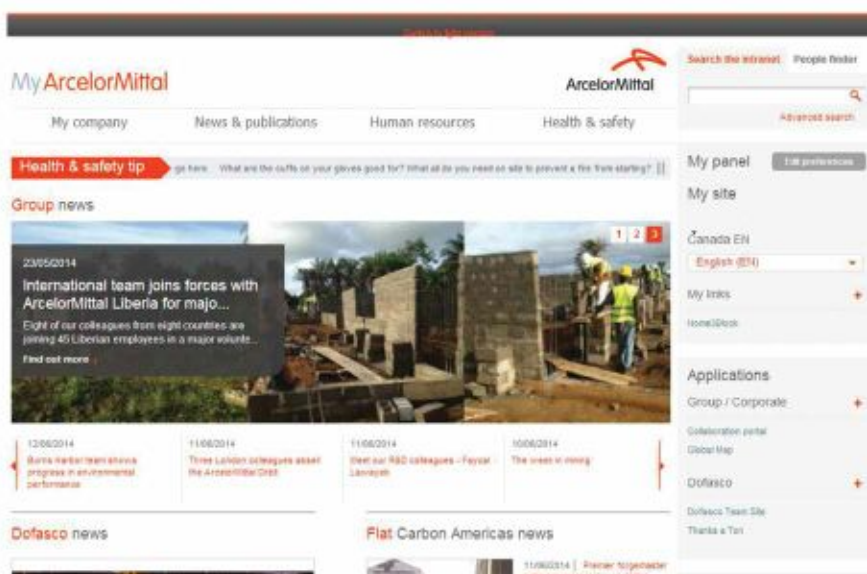
To help local potential employees at Baffinland Iron Mines’ Mary River mining project (ArcelorMittal joint venture) understand the nature of the challenges that individuals and families may face with a “fly-in fly-out” work schedule, Baffinland offers the Work Ready Programme in the local language of Inuktitut. The program is designed to pave the way for successful, long-term employee engagement. The program includes spouses and discusses preparing for fly-in fly-out employment, communication training for work and at home, money management and banking, and managing stress in the workplace.

In addition, each Canadian site publishes a regular local employee publication, *1 Magazine*, with information about the global company, as well as detailed site-specific information on business, community involvement, employee achievements and special-interest stories. Our group intranet site is also a destination for a wide range of detailed information about the company

and about working at ArcelorMittal. The intranet includes an overarching global site, with local intranet sites as well. It's here that employees can meet and share information with colleagues, and find policies, news stories and even standard operating procedures.



1 company, 1 community, 1 Magazine
 Employees at each Canadian segment receive their local *1 Magazine*. It is published for employees, retirees and their families and includes stories and articles on business information, community involvement, employee achievements and special-interest stories. *1 Magazine* builds on a long tradition of employee communications at our sites.



myarcelormittal.com employee intranet




Our group intranet site is also a destination for a wide range of detailed information about the company and about working at ArcelorMittal.

Making Steel More Sustainable

The demands of a resource-constrained world mean that steel must be sustainable. ArcelorMittal's response is focused first and foremost on directly influencing the environmental impacts from mining and steel production, as well as from the use of steel. We are creating sustainable value through:

- Making products that reduce impact during their use such as advanced high-strength steels for vehicles, as well as solutions for low carbon buildings;
- Improving the immediate impact of our production process in mining and steelmaking; and
- Promoting a lifecycle approach to evaluating the sustainability impact of materials, through modelling and environmental product labelling.

2013 Performance at a Glance

Description	KPI	Value	Result
Total CO ₂ emissions Steel and Iron (footprint) ¹		Megatonnes	8.488
CO ₂ emissions per tonne of steel		Tonnes	1.26
CO ₂ emissions per tonne of iron ore concentrate		Kilogrammes	18.8
CO ₂ emissions per tonne of iron ore pellets		Kilogrammes	96.3
Primary energy consumption		Petajoules	119.5
Energy consumption per tonne of steel		Gigajoules per tonne of steel	17.905
Total water withdrawal ²		Million cubic metres per year	293.3
Total greenhouse gas emissions reduction		Kilotonnes of CO ₂ equivalent per year	82.9
Mining excesses		Million tonnes	64.47
Operations certified to ISO 14001		%	100%
Air Emissions ³		Kilotonnes	10.00

1 CO₂ emissions include direct and process emissions, emissions resulting from our energy consumption, and energy from other upstream sources.

2 Our water withdrawal is from local sources such as bays and lakes, pumped from the ground or purchased from municipalities.

3 Air emissions include both nitric oxide (NO) and nitrogen dioxide (NO₂) emissions, together labelled as nitrogen oxide (NO_x—reported as NO₂) emissions and SO₂ emissions.

Environmental Management

ArcelorMittal's global environmental policy outlines our priorities and basic tenets of being a sustainable company. At the same time, mining and steelmaking are resource-intensive activities that impact the environment. As an industry leader in sustainability, it is our responsibility and commitment to continuously improve our environmental performance — to ensure that our products and processes are as efficient as possible and to support the development of new breakthrough technologies. To achieve these goals, all facilities in operation in Canada are certified to the voluntary environmental management system, ISO 14001.

The ArcelorMittal global environmental policy

ArcelorMittal's global environmental policy outlines our priorities and basic tenets of being a sustainable company. Every one of our sites adopts this policy.



ArcelorMittal

Environmental Policy

ArcelorMittal operates all aspects of modern steelmaking as well as the associated iron ore and coal mining operations. It produces a wide range of flat, long and stainless steel products to meet today's needs in all major customer markets.

Steel is the material of choice for environmental protection; not only is it environmentally friendly but it also outperforms other materials because it is readily recycled.

Environmental excellence, incorporated into all processing activities, is to be promoted by the following principles:

- 1) Implementation of **environmental management systems** including ISO 14001 certification for all production facilities;
- 2) **Compliance** with all relevant environmental laws and regulations, and other company commitments;
- 3) **Continuous improvement** in environmental performance, taking advantage of systematic monitoring and aiming at pollution prevention;
- 4) Development, improvement and application of low impact, **environmental production methods** taking benefit of locally available raw materials;
- 5) Development and manufacture of **environmentally friendly products** focusing on their use and subsequent recycling;
- 6) Efficient use of **natural resources, energy and land**;
- 7) Management and reduction where technically and economically feasible of the **CO₂ footprint** of steel production;
- 8) **Employee commitment** and responsibility in environmental performance;
- 9) **Supplier and contractor awareness** and respect of ArcelorMittal's environmental policy;
- 10) **Open communication** and dialogue with all stakeholders affected by ArcelorMittal's operations.

Luxembourg, June 11th, 2007

 **LAKSHMI N. MITTAL**
 President of the Board of Directors and CEO

 **ADITYA MITTAL**
 CEO and Chairman of the GMB

 **MALAY MUKHERJEE**
 Member of the GMB

 **GONZALO URQUIJO**
 Member of the GMB

 **MICHEL WIRTH**
 Member of the GMB

Tackling Climate Change

There are two priorities for ArcelorMittal in tackling climate change: to use our engineering expertise to design products for the low carbon economy and to reduce the CO₂ emissions of our own production processes — a key challenge to the steel industry. Our products also contribute to a low carbon world. We report our key greenhouse gas emissions and are

committed to globally cutting CO₂ emissions per tonne of steel by 8 per cent by 2020.

In light of the Province of Quebec's greenhouse gas emissions (cap and trade) system, which started on January 1, 2013, our manufacturing operations there purchased credits to offset carbon emissions. The cost of emissions is integrated within our decision-making process — in light of the carbon market and

the provincial government's commitment to decrease pre-allocated credits to Quebec-based corporations, starting in 2015.

Steelmaking is the largest contributor of greenhouse gas emissions from our operations. The primary process of making steel from iron ore is highly carbon-intensive. Other industries emit CO₂ as a result of the energy they use. However, in the steel industry, this is an intrinsic by-product of the chemical process itself. The reduction of iron ore to pig iron in the blast furnace produces significant amounts of carbon dioxide. In addition, the high temperatures required for steelmaking — up to 2000°C — make the process highly energy intensive. Today, around two-thirds of the world's steel is produced through blast furnace technology.

Steel is also produced in an electric arc furnace, using electricity and scrap metal, as well as pig iron, as raw materials. This technology not only emits less carbon, but is in effect a recycling process. One of the ways of reducing the carbon intensity of steel is to recycle it as much as possible. ArcelorMittal is one of the biggest recyclers of steel in Canada. In 2013, we reused 4.85 million tonnes of scrap steel at our three Canadian steelmaking plants.

Our production processes can also indirectly reduce greenhouse gas emissions by reducing energy use. Accordingly, various conservation efforts are underway to reduce energy demand, including variable-speed drives for equipment, improving fuel efficiency in our diesel locomotives and lighting upgrades, as well as increasing the use of our own waste gases for fuel within our processes and for generation of power. Learn more about our energy conservation efforts on page 24.



Case study: Increasing fuel efficiency in diesel locomotives

Many of our operations rely on rail for transportation of raw materials and/or finished goods. In 2013, both our Infrastructure Canada and ArcelorMittal Montreal teams undertook efforts to reduce the amount of diesel fuel used in the locomotives, therefore reducing the operations' greenhouse gas emissions.

The Infrastructure team focused its work on the improvement of processes to reduce fuel consumption. Some of the changes included:

- Reducing train cycle times, which reduced travel and idle times;
- Training operators on a simulator to operate trains more efficiently;
- Installing EcoTurn, a friction-reducing device, on train wheels;
- Utilizing software in locomotives to assist manoeuvring to reduce fuel consumption; and
- Installing new interior sheeting to

reduce residual ore after unloading in order to ensure cars are as light and fuel-efficient as possible.

Meanwhile, the ArcelorMittal Montreal team undertook two major initiatives to reduce diesel consumption and improve rail efficiency. Increased storage warehouses at the Contrecoeur-West steelworks reduced the need to move material by locomotives and loaders, thus reducing diesel consumption by 29 per cent in 2013 over 2011. In addition, the installation of an electrical heating system in locomotives to keep engines warm during winter eliminated the need for operators to idle the trains. This practice decreased diesel consumption by a further 21 per cent in 2013 over 2012.



S-in motion: ArcelorMittal's suite of innovative automotive steels

ArcelorMittal's S-in motion suite of automotive steels vastly trim a vehicle's weight, while maintaining crash safety — all with no cost increase to customers. The new products are the result of an intense 2-year global design study and include productions and multiple solutions for 43 key vehicle parts, including the front, side, and rear body structure modules, plus additional solutions for hang-on (doors) and chassis parts. Canadian researchers were involved in this groundbreaking solution that is helping automakers meet aggressive new fuel-efficiency targets.

If the industry is to improve steel's carbon performance significantly in the future, a step-change in the way it is produced is needed and ArcelorMittal is committed to this endeavour. Since 2004, the group has led the Ultra-Low CO₂ Steelmaking (ULCOS) project, a research and development initiative involving companies and organizations from 15 European countries working together to develop new ways of making steel that could cut CO₂ emissions by up to 50 per cent by 2050. The group remains firmly committed to long-term research projects in this area, which can then be shared with ArcelorMittal segments and sites around the world.

We are also working with our customers to create products that reduce carbon emissions in use, such as lighter cars, thinner food-can packaging and building components that cut transport emissions. In many cases, steel has a lower carbon footprint than the alternatives over the full lifecycle of the product.

Innovating Product Design

Our global research and development (R&D) teams are pushing the limits of steel, developing new, exciting forms to meet society's demands for safe, environmentally friendly and cost-effective materials.

Our versatility, expertise and network of academic institutions are second to none, and our continuing pipeline of innovations is proof that steel will be a vital part of a sustainable future.

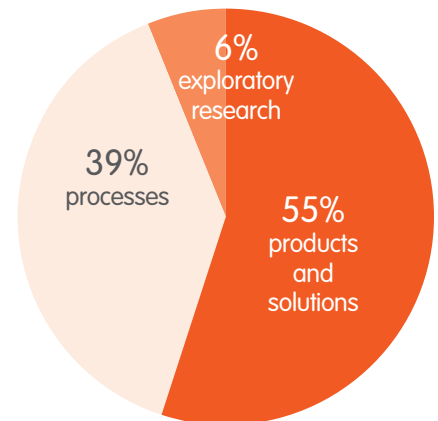
Quietly and durably, steel plays a crucial role in making cities, transport and energy systems more sustainable. Our R&D work is vital to our ability to adapt to the needs of the modern world and contribute innovative solutions for sustainability. Globally, ArcelorMittal invested \$270 million in R&D in 2013, with 39 per cent targeted on processes, 55 per cent on products and solutions, and 6 per cent on exploratory research. In Canada, we invested \$24 million in research and development.

ArcelorMittal's expertise is outstanding, and more than 1,300 researchers work at ArcelorMittal's 11 R&D centres in seven countries, including 70 in Hamilton, Ontario. They work in partnership with our customers and with researchers from public and private organizations, in areas ranging from metallurgy and energy processes to construction and environmental impact. In 2013, ArcelorMittal launched 14 families of new products, including both long and flat specialty steels for the automotive and construction markets.

Lifespan of Steel Products

Major steel goods	Recycling rates (%)	Lifespan (years)
Vehicles	95	20
Industrial equipment	97	50
Cladding	85	40
Reinforced steel	50	50
Infrastructure	80	60
Structural steel	97	50
Packaging	60	1
Appliances	95	14
Other	85	20

Source: ArcelorMittal research and development division, work in progress



In 2013, ArcelorMittal invested \$270 million in global R&D through our R&D centres

Making Steel More Sustainable

Recycling Steel and Lifecycle Analysis

Steel's infinite recyclability means that it is a genuinely renewable resource for the modern world — an increasingly valuable feature as pressure on natural resources increases. The long-term value that steel represents needs to be captured — using a lifecycle approach to evaluating the long-term impact of products.

From the scrapping of naval ships after the Second World War to the recycling of food cans today, recycling ensures that we are creating an ever-growing “active stock” of steel-in-use that can be recycled in

the future, estimated to amount to some 20 billion tonnes. Efficient recycling means that every tonne of new steel will provide many times that amount over its lifetime as it is used and reused. For example, if one tonne of new steel were to be recycled at a rate of 90 per cent, at the end of each use phase, the total amount of steel in use would be 10 tonnes over its lifetime.

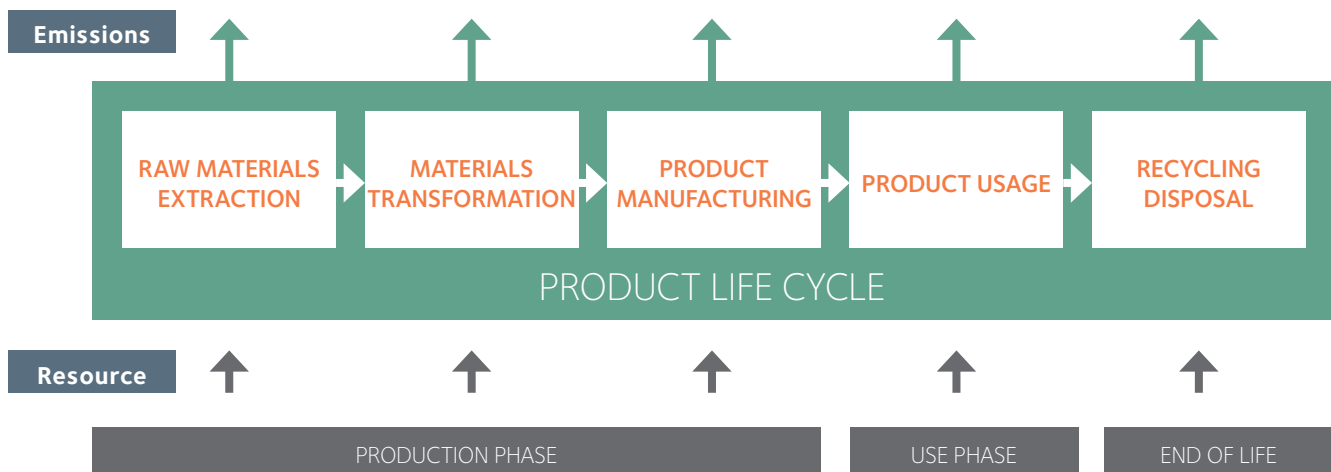
It is estimated that 84 per cent of the world's steel is recovered at the end of its life, with higher rates in the machinery, automotive and construction industries.

The process of recycling steel is much less energy-demanding than producing it from scratch. Although electric arc furnaces can use many iron sources, including pig iron, they are extremely well-suited to melting scrap metal. A limited amount of scrap can be also used in the traditional, blast furnace steel-production process, at the conversion stage. In Canada, 54 per cent of the crude steel we produced in 2013 used the electric arc furnace process and we reused 4.85 million tonnes of scrap metal.

Life cycle assessment principles



EMISSIONS TO AIR, WATER, SOIL



Preventing Pollution

Managing our operations well is a key part of our business strategy. Achieving high standards in air and water quality is part of this, and an essential aspect of our license to operate — not only from governments but from our local communities. We ensure that mines and steel plants under our management continuously improve to become cleaner and more sustainable. The key aspects of pollution prevention for our steel and mining operations in Canada relate to air emissions, noise and natural resource efficiency.

Air and Particulate Emissions

In steelmaking, dust is generated as part of the process, both internally and externally to the plant. It is therefore important that we analyze it and try to control the different possible sources of emission. From specialized equipment within the

steelmaking process to regular washing of plant roadways, as well as the maintenance of raw material stockpiles, we aim to keep dust to a minimum.

The steelmaking process also has the potential to create visible air emissions, for which our Canadian facilities are regulated by the Ontario Ministry of the Environment, and the Quebec Ministry of Sustainable Development, Environment and Fight Against Climate Change.

In 2013, our Hamilton, Ontario, facility was charged for 13 air emission incidents that exceeded allowable limits. These incidents, which occurred in 2012, all stemmed from the site's three coke-making plants, in which coal is used to produce coke, a fuel for the facility's three blast furnaces.

During that time period and since, ArcelorMittal Dofasco has committed to continuously improving its operating

procedures and performance. At the same time, the company continues to invest in both repair and maintenance, and capital improvements for the plants. From 2010 through 2013, we invested more than \$180 million into our coke-making operations in Hamilton.

Ongoing repair and improvement projects included the installation of Continuous Opacity Monitors in mid-2012, which enable real-time response to oven operating circumstances to reduce the frequency, severity and duration of visible emissions, as well as a repair program including oven rebuilds and door repairs to control leaks. These ongoing projects, coupled with an effort to constantly review and improve our operating procedures, have resulted in an improvement of the environmental performance of the coke-making operations.

Case study: Managing dust at our Quebec steelmaking sites

In our Electric Arc Furnace operations in Contrecoeur, Quebec, dust is caused by the evaporation of waste heavy metals, such as lead and zinc in scrap iron, fine droplets of airborne liquid steel and lime particles. However, more than 99.5 per cent of the dust is trapped by the fume-collecting hoods and filtered out.

In 2013, we invested \$1.5 million in a second dust storage cell at Contrecoeur-West. Built with more than 30 metres of impermeable clay and with a geomembrane liner at the bottom, the cell has a capacity of 66,500 m³. A leachate system collects rainwater that comes into contact with the dust. This water is used in the Contrecoeur-West steelworks to cool melting furnace fumes or at the Saint-Patrick wire mill to neutralize acidic effluent.

We continue to explore dust-recycling solutions such as extracting separate metals (for example iron, zinc and lead) for reuse in the manufacture of new products — with an aim to ensure steel dust is

eventually recycled or reclaimed like many of our other by-products. Until then, the storage cells enable us to manage our dust at a reasonable cost, while minimizing our impact on the environment.

To reduce dust emissions while handling and loading iron ore at our direct reduction plant in Contrecoeur, we implemented several improvement projects. The plant removes most of the oxygen in iron ore pellets prior to their use in the electric arc furnaces. Two direct reduction modules process up to 1.5 million tonnes of direct reduced iron (DRI) each year. To manage the dust associated with moving the iron ore, we installed telescoping chutes equipped with dust collectors for filling trucks or railcars with the pellets; connected a dust collector at the end of a conveyor with another dust collector; paved the parking lot and roads; completed a clean-up of the site; and built an embankment with trees to isolate the dried iron-oxide sludge screening and loading area from the rest of the plant.



ArcelorMittal Dofasco also continued to work with the Ontario Ministry of the Environment and community members to ensure the company both plans and reacts appropriately and responsibly, where there may be environmental or community impacts from their operations. To that end:

- The company held community drop-in meetings, in which neighbours or interested parties had an opportunity to speak with top-level company officials;
- The company also has a Community Liaison Committee of approximately 20 members that meets quarterly to discuss issues related to the environmental impact of its operations; and
- The company engaged in discussions with the Ministry of Environment about a series of proactive and ongoing projects to continuously improve the environmental performance of coke-making, which would ultimately result in a mutually agreeable improvement plan.

We expect that these measures will have a significant positive impact on the environmental performance of the site.

Noise

Noise levels can be an issue at urban steel plants. This noise can be the result of normal operations, special work underway such as construction, or washer or vacuum trucks. At our steel recycling facility in La Prairie, Quebec, we have been working with local residents to continue to reduce the potential of noise for neighbouring residents, through consultation and study. Learn more on page 33.

Natural Resource Efficiency

With the planet's population predicted to reach nine billion by 2050, the growing demand for natural resources like water, energy and raw materials is one of the greatest challenges facing the world. We are doing everything we can to address that challenge within our own business. Drawing on our culture of innovation, combining new ideas with rigorous analysis, we are continually looking for effective ways to save resources, reuse our production residues and reduce waste to landfill. On this front, our global research and development division was responsible for the roll-out of 145 new process technologies in 2013 — and more than 190 are planned for 2014.

We monitor our use of raw materials — iron ore, coal, water and energy — at all of our sites, as well as the waste streams that result from our processes and the emissions we make into air, land and water. All of our mining and steel operations in Canada are certified to ISO 14001, the international standard for environmental management.

Recycling and By-products

The steelmaking process produces a number of residues that may or may not be recycled. The key forms are slag, sludge, scale and dust. The main residues generated by mining are mineral wastes, such as displaced rock and the “tailings” left over when the useful ore has been extracted.

The great majority of the residues produced by steelmaking are in fact by-products rather than waste. They are largely used on site as a replacement for raw materials. Where this is not possible, they are sold for recycling elsewhere.

Did you know?

ArcelorMittal in Canada is the largest recycler of scrap steel in Ontario and Quebec.

In 2013, we recycled 4.85 million tonnes of scrap steel for use in our four Electric Arc Furnaces and Basic Oxygen Furnace.



Case Study: From red to blue — red tide particle treatment in Port-Cartier, QC

ArcelorMittal Mining Canada G.P. completed a red tide pumping project at our Port-Cartier complex in 2013. The project was launched to address the red colour that water in the St. Lawrence Seaway takes on when in contact with innocuous hematite particles. Through a \$10 million investment, the particles are now extracted and collected in a sedimentation pond, then treated before being discharged. The result is an improvement in the visual aspect of the water in the area.

Water Use

As a major user of water, we know we have a responsibility to use it appropriately — and with full consideration for local circumstances.

In general, steel plants require water for cooling and processing. Water is reused many times before being discharged. Our sites measure the water withdrawn, as well as the water discharged, but the net use of water for every tonne of steel produced is the best indicator of the operational efficiency of the plant. This represents the amount of water lost during the steelmaking process, usually to evaporation. For every tonne of steel we produced in Canada in 2013, the net water use was 293 m³, a 0.7 per cent reduction since 2012 despite an increase in production.

In mining, water is vital to the concentration process, as it carries the raw material through spirals that separate silica from

iron ore through gravity. In 2013, we commissioned a new concentrator at our site in Mont-Wright, Quebec, which uses new technology to allow for the reuse of nearly all the water in the process. Efforts are also underway to modify the existing concentrator to require less water for the process. In addition, conveyor belts for iron ore also utilize water in a closed loop system.

Land

The *Quebec Mining Act* requires all active mining operations to submit and obtain approvals for mine closure plans. Accordingly, ArcelorMittal Mining Canada G.P. submits our plans to the Quebec Ministries of Natural Resources and Wildlife and Sustainable Development, Environment and Fight Against Climate Change for approval every five years, as required, and we also account for the plans in our financial statements. This is a legal requirement and does not indicate an

intention to close a mine over that period. Rather, the requirement is to ensure there is a contingency remediation plan in place. ArcelorMittal Mining Canada's mine closure plan for the period between 2007 and 2012 received approval, while our mine closure plans for the 2013-2017 period have been submitted. At the end of 2013, they were in the process of being approved.

Our Quebec mining operations are also reporting a lower level of mining excesses — from 83.6 million tonnes in 2012 to 64.47 million metric tonnes in 2013. Mining excesses are the unused material in the mining process. In the case of iron ore mining, this is silica. Our decrease in excesses can be largely attributed to the fact that most of the preparation work for the Mont-Wright mine expansion was completed in 2012.



Creating power utilizing waste materials

ArcelorMittal Dofasco began producing its own power through a turbine generator. The refurbished turbine and generator harness otherwise-wasted blast furnace gas and recycle this manufacturing by-product into electricity. In 2013, the project, done in partnership with the Ontario Power Authority, continued to reduce demand for electricity from the Ontario Power Generation network, which results in lower amounts of greenhouse gas emissions that cause climate change.

Energy Use

Energy is the third-largest input cost in steelmaking, after raw materials and labour. Although purchased energy has become increasingly expensive, technological advances have made it possible to reduce, recycle and create energy. Technologies like efficient LED lighting mean brighter, safer work areas using less electricity.

Through energy conservation efforts like these, our Canadian sites are lowering our demand on Canada's provincial power grid, while contributing to the reduction of Canada's greenhouse gas emissions. Our energy use per tonne of steel in 2013 was 17.905 gigajoules, a 1.9 per cent improvement over 2012.

In 2013, both our Canadian flat and mining business units were recognized for their efforts. In Hamilton, we were recognized with an Energy Excellence Award from Horizon Utilities — presented to companies that have demonstrated an outstanding commitment to energy conservation in the Hamilton, St. Catharines and Niagara Regions. Our mining team was a finalist for

the Association Québécoise de la Maîtrise de L'Énergie (Quebec Association for the Mastering of Energy, AQME) Energia award for a heating upgrade for the operations. The team refurbished an unused electrical steam boiler to reduce bunker oil consumption for steam production. The project resulted in several benefits, including a reduction in greenhouse gas emissions of 40,000 tonnes of CO₂ equivalent per year — the same as approximately 8,000 cars — as well as the elimination of impacts resulting from the transportation of the bunker oil by boat and train. Encouraged by the success, a second more powerful electrical boiler was refurbished by the Mining team in 2013.

Supporting Biodiversity

Since our steel and mining operations are land-intensive, we recognize that we have a responsibility to minimize our impact on biodiversity. We do everything we can to restore value to local ecosystems. As the world's largest mining and steel company, we have a responsibility to promote and support biodiversity.



Our energy use per tonne of steel in 2013 was 17.905 gigajoules, a 1.9% improvement over 2012.



Our mining team's bunker oil consumption reduction project is preventing the equivalent of 40,000 tonnes of CO₂ emissions every year — the same as 8,000 cars emit in a year



Case Study: Lighting retrofit, tubular Shedding light on energy savings

The team at our tubular products facility in Brampton, Ontario, completed a lighting upgrade project in partnership with Hydro One to install high-efficiency lighting in both plant and office areas.

Older 400-watt ballast lighting (left) was replaced with 250-watt electronic lighting (right), controlled by software that allows for dimming and automatic shut off. The upgrade resulted in brighter, safer work spaces, in addition to the energy savings.



Restoring roots for local wildlife

In August 2013, ArcelorMittal Dofasco Team Orange members participated in a joint planting program — supported by Sustain Our Great Lakes and hosted by the Bay Area Restoration Council (BARC) and the Royal Botanical Gardens (RBG) — to establish a healthy habitat for local species. Participants planted more than 750 cattails in Cootes Paradise Marsh to encourage birds, amphibians and reptiles to return to the area. The planting will assist the RBG in the continued recovery of Cootes Paradise and supports progress towards delisting Hamilton Harbour as an area of concern.

Sustain Our Great Lakes

The Great Lakes–St. Lawrence Seaway system provides a critical business advantage for ArcelorMittal.

In total, ArcelorMittal’s four integrated mills on the Great Lakes consume more than 30 million net tonnes of raw materials each year that are delivered via the Seaway system. Additionally, ArcelorMittal mines in Canada and the United States ship raw materials via the waterways to sister sites and other consumers in North America, Europe and the Middle East. It is a safe and sustainable mode of transportation.

The Great Lakes–St. Lawrence Seaway system also maintains a rich biodiversity, provides fresh water essential for survival, and supports industry, employment, shipping and tourism.

To sustain, restore and protect the fish, wildlife and the habitat of the Great Lakes basin, ArcelorMittal is a partner with Sustain Our Great Lakes (SOGL). This multi-

stakeholder partnership was established in 2007 between ArcelorMittal, the NGO National Fish and Wildlife Foundation (NFWF) and a number of public agencies including the US Environmental Protection Agency.

Sustain Our Great Lakes leverages funding, builds conservation capacity, and focuses partners and resources on key ecological issues. With \$4.2 million in grants from ArcelorMittal, SOGL has provided a total of more than \$37 million in direct funding from a variety of donors.

In 2013, two Canadian projects received funding from SOGL. The Royal Botanical Gardens in Burlington, Ontario, received \$150,000 to control invasive phragmites; plant 25,000 native wetland plants; re-establish wild rice; and operate carp exclusion structures to restore more than 5 acres of coastal habitat in Cootes Paradise Nature Reserve in Hamilton, Ontario. Walpole Island First Nation on Lake St. Clair also received \$49,300 to repair and

maintain 2,300 yards of dike and to control invasive species to improve hydrological connectivity, fish access and habitat quality on the 171-acre Swan Lake Marsh along the St. Clair River.

In addition to financial support, ArcelorMittal donates expertise, resources and personnel time to advance environmental awareness and conservation. Through these efforts, the company joins forces with the communities in which its employees live and its business and clients operate.

To learn more about Sustain Our Great Lakes, visit www.sustainourgreatlakes.org.



Protecting Northern Wildlife

At our Baffin Island site, where we are preparing to mine for iron ore, there have been key initiatives to ensure that wildlife is protected. In 2013, we initiated monitoring to observe narwhal behaviour in relation to shipping in Milne Inlet, Nunavut. Baffinland also monitors common eiders, a species of sea duck, by using satellite transmitters attached to the birds in order to understand the year round behaviour and migration pattern of the birds.

The shore-based narwhal monitoring study at Bruce Head was undertaken by three marine biologists and three observers from Pond Inlet, who were familiar with the region and experienced with identifying whales. This combination of expertise enabled scientific approaches to be integrated with Inuit Qaujimagatuqangit (knowledge).

Behavioural data was collected for the narwhals using a theodolite to collect location fixes. "Bigeye" binoculars and spotting scopes were used to simultaneously collect data on group composition, formation, general behaviour, and response behaviour if observed. Human activity, such as vessel traffic, aircraft overflights and hunting that was observed, was also recorded. A total of 97.8 hours of behavioural observation recorded 26 vessel occurrences and 88 counts of narwhal abundance over 17 days in August 2013. Based on the data collected there were no clear trends or obvious changes in narwhal behaviour detected from the observation site at Bruce Head during shipping activities. We are committed to continuing the study over three years to determine if there are effects on the narwhals and to develop a range of mitigation options.



Protecting narwhals at Bruce Head, Baffin Island

A shore-based narwhal monitoring study was undertaken in 2013 to monitor and observe narwhal behaviour in relation to shipping to Milne Inlet.

The eider duck monitoring was undertaken to better understand the marine habitat use of eiders. This work is being done by a team of researchers and academic collaborators led by Environment Canada, with funding support from Baffinland Iron Mines. The study aims to estimate the distribution and abundance patterns of marine birds and identify their use of key habitat areas within the Hudson Strait-Foxe Basin marine region.

The program utilized logistical support from local businesses and individuals, who provided local knowledge as well.

Baffinland's support for the study totalled \$300,000, including the purchase of satellite transmitters to be placed on the seabirds, the cost to bring specially trained veterinarians to the site to surgically implant the transmitters in the birds, and additional funding to Environment Canada for data retrieval from the transmitters.

Case study: Restoring land in Mont-Wright

In an effort to remediate mining lands, our Mining team funds a research chair at the Université du Québec à Chicoutimi. The new chair is focused on research around the reactivation of vegetation and potential for carbon sequestration at the Mont-Wright iron ore mine site.

To date, a waste dump at the site has been restored. The new vegetation, along with a berm, provides erosion and effluent control.


In addition, there has been a restoration effort since 2010 on a former tailings dam at the site. As a result, more than 100 hectares downstream of the dam now feature green vegetation. Each year, planting is undertaken in new sections to control wind erosion and the spread of dust.



Enriching Our Communities

At ArcelorMittal, we create value through the complete chain of steelmaking — from the extraction of our minerals through to the recycling of steel. This value comes in the form of economic and social development, as well as philanthropic giving, volunteerism and leadership.

2013 Performance at a Glance

Description	KPI	Value	Result
Philanthropic giving ¹		Million CAD	\$3.26M
Number of social dialogue interactions		Number of interactions	12

¹ Philanthropic giving includes donations to charitable organizations and investments made in community organizations that do not qualify as charities.

Economic and Social Development

We make our most significant positive contribution to our local, provincial and national economies through the business we conduct with our customers and suppliers, the wages and salaries we pay, the taxes we contribute and the long term capital investments we make.

Through our businesses located in two provinces and one territory, we are making it possible for more than 10,000 Canadians directly and over 40,000 indirectly to build rewarding careers. And we are making investments in not only our future, but Canada's as well — more than \$5.5 billion

(this amount includes all units and our joint venture Baffinland Iron Mines) since 2008.

Given the scale of our operations, we are the major employer in many of the communities in which we operate, all over the world. In Canada, we are the largest private employer in Fermont, Contrecoeur and Port-Cartier, Quebec, as well as Hamilton, Ontario. We work hard with our stakeholders to ensure we can maintain jobs for local people, by ensuring the competitiveness of our operations, investing in skills development for the steel and mining sectors, and by adapting to meet the competitive challenges of a globalized industry.

Did you know?

ArcelorMittal employs more than 10,000 Canadians and is the largest private employer in four Canadian communities: Fermont, Contrecoeur and Port-Cartier, Quebec, as well as Hamilton, Ontario.



Case study: Team Orange

Team Orange is making a difference in Hamilton, Ontario

In Hamilton, at ArcelorMittal Dofasco, a volunteer corps called Team Orange fosters camaraderie and team building, while providing community organizations with the benefits from ArcelorMittal's greatest asset — our people and the

passion and expertise that they bring to everything they do. The more than 300-member strong Team Orange volunteers supported many local organizations in 2013. The team participated in more than 45 community activities, contributed more than 2,500 volunteer hours and raised more than \$60,000 for donation to a wide range of

local charitable organizations. In March 2013, Team Orange was recognized by the St. Joseph's Healthcare Foundation for entering the largest corporate team — nearly 100 members — in the annual Around The Bay Road Race, in support of medical research at St. Joseph's Hospital in Hamilton.



Inuit Impact Benefit Agreement

In September 2013, an Inuit Impact Benefit Agreement (IIBA) and Commercial Production Lease were signed by Baffinland representatives. Describing the agreement, QIA President Okalik Eegeesiak said: "This is a historic deal for Inuit of the Qikiqtaaluk region and for all of Nunavut and has the potential to positively change the economic and social fabric of the territory. We are satisfied with the terms and conditions of the agreement which maximizes benefits while minimizing impacts. Shown are Tom Paddon, President & Chief Executive Officer, Baffinland Iron Mines and Okalik Eegeesiak, QIA President."

Community Engagement and Support

Playing an active role in the communities in which we operate means understanding their needs and priorities, and ensuring two-way dialogue for addressing potential concerns. We interact with a range of organizations and groups within each community.

Our engagement programs include community meetings, newsletters, postcards and information posted to our websites, as well as documented grievance processes at each site to properly address any issues that may arise. However, we look to continuously improve, and both our mining and recycling teams in Quebec have committed to further develop their grievance processes to ensure timely and effective response to potential queries or complaints.

Both of our mining units have completed historic benefit agreements in the jurisdictions in which they are doing business.

On September 6, in Iqaluit, an Inuit Impact Benefit Agreement (IIBA) and Commercial Production Lease were signed by Baffinland representatives. This agreement was signed between Baffinland and Qikiqtani Inuit Association (QIA), the Designated Inuit Organizations (as per the Nunavut Land Claims Agreement) in charge of managing Inuit-Owned-Lands for the Qikiqtaaluk region. The agreement is the result of negotiations intended to secure progressive and meaningful benefits for QIA beneficiaries and development certainty for Baffinland Iron Mines. These agreements also include important measures to support QIA's role in advancing employment and training opportunities, environmental

stewardship, monitoring for and mitigating potential environmental impacts, and managing the financial aspects associated with the iron ore mining operation.

In 2012, as part of its expansion plans, ArcelorMittal Mining Canada G.P. also completed an Impact Benefit Agreement (IBA) with the Innu Nation. The agreement sets clear guidance for employment and training of the Innu people, and documents ArcelorMittal's commitment to strengthening the community through support of specific initiatives and significant funding. In 2013, our mining team continued to work within the IBA to ensure its commitment to the employment and training of Innu people.

Community Leadership and Volunteerism

Enriching our communities means being active through leadership roles as well as volunteerism. We encourage our employees to participate, whether through volunteer community board appointments and in volunteer roles on their own, or as part of our many corporate volunteer projects. These efforts resulted in several recognitions in 2013, including:

- **Canada's Top Foreign Corporate Citizens for 2013, Corporate Knights:** The award, presented to corporations with substantial operations in Canada, recognized ArcelorMittal Canada for its leadership in social responsibility and corporate citizenship;
- **Centraide (United Way) of Greater Montreal:** Recognizing ArcelorMittal Montreal (long products) as a finalist for the best campaign for organizations of more than 1,000 employees;
- **Aevitas Inc:** Recognition of a completed recycling project at our Brampton tubular facility. The team recycled and diverted lamps (1,022), glass (350.2 kg), metals (3.81 kg), phosphor (4.39 kg) and mercury (.102 kg) from landfill;
- **Murray Pike Award for 2013:** Awarded to Baffinland in recognition of the company's contribution to the economic and social development of a community, region or the territory of Nunavut in general;
- **The Longevity Award and Corporate Spirit Award, The Heart & Stroke Foundation of Hamilton:** Recognizing ArcelorMittal Dofasco employees for their outstanding commitment and contributions to supporting heart and stroke research, through 14 consecutive years of support and participation in the Big Bike ride;
- **Hamilton Chamber of Commerce Century Award:** Recognizing ArcelorMittal Dofasco's 100 years of business in the city and contributions to the community.



Operation Backpack in Hamilton

Our employees at both ArcelorMittal Hamilton-East and ArcelorMittal Dofasco launched programs to fill backpacks in time for the start of the 2013/2014 school year. At Hamilton East, employees teamed up with the Hamilton Steelworkers Area Council, the Women of Steel, USW Local 5328, MJ International Marketing Solutions and the Golden Horseshoe Credit Union to raise \$9,500 and fill 419 backpacks with school supplies. The backpacks were distributed by St. Matthews House to various organizations and inner city schools. Employees, their children and representatives from all of the sponsors gathered to fill the backpacks (above). At Dofasco, employees donated more than 80 new backpacks to Wesley Urban Ministries.

Did you know?

In 2013, ArcelorMittal Canada paid \$1.2 billion in employment costs.*

*This amount includes all units and our joint venture Baffinland Iron Mines.

Philanthropy, Corporate Grants and Employee Donations

Together, we are making significant investments in Canadian communities. These investments come in the form of corporate philanthropic gifts, corporate grants, sponsorships and employee giving.

In 2013, our Canadian sites invested \$3.26 million in their communities to help build community strength across five core areas including:

- Education;
- Environment;
- Sports and leisure;
- Health and social services; and
- Arts and culture.

Together, these investments are building the vibrancy of the areas in which we operate and live. This is important to our business — as we believe that a successful business depends on a successful community.

Our sponsorship portfolio in Canada is diverse, ranging from charitable fundraising events to sporting events and community festivals. With our grants program,

we support charitable and nonprofit organizations that are working to deliver meaningful and impactful programs that are a priority for our communities, and which enhance their quality of life and the environment. In 2013, our grantmaking supported more than 118 organizations in Canada, including food banks and breakfast programs, children's arts programming, youth-at-risk support, addiction recovery, home ownership through Habitat for Humanity and wetland rehabilitation, among others.

In addition to corporate support, many of our employees also donate through either collections or payroll deductions. Every segment participated in their local United Way Campaign in 2013. Our teams in the mining and long products (Montreal) segments both had their largest United Way contributions ever in 2013, with 10.5 per cent of Mines employees and 46.1 per cent of ArcelorMittal Montreal employees participating in their campaigns.

Case study: Coming together to support the 2013 United Way/Centraide Campaigns

All of our Canadian business units participated in their local United Way/Centraide campaigns in 2013, together making a donation of \$761,367. The United Way/Centraide goal is to "to create opportunities for a better life for everyone in our communities" and the organization's knowledge of the needs in our communities means that our investments are making a difference and reaching those who need it most. The teams at ArcelorMittal Mining Canada G.P. and ArcelorMittal Montreal made their largest contributions to date to their local campaigns in 2013, with \$65,000 and \$216,517 respectively. In Hamilton, ArcelorMittal Dofasco employees joined the company in a \$425,000 gift, with an additional \$50,000 pledged as part of a matching program for new or increased pledges to the campaign. Overall, our total Canadian support for the United Way/Centraide campaigns represented investments by employees, the company, unions and retirees.

Did you know?

ArcelorMittal in Canada has many strong partnerships with Canadian universities and colleges. Our relationship extends through the funding of research chairs, collaborative research initiatives and scholarships. Those institutions include:

- École de technologie supérieure de Montréal
- École Polytechnique de Montréal
- Laval University
- McGill University
- McMaster University
- Mohawk College
- The University of British Columbia
- Université du Québec à Chicoutimi

A close-up photograph of a person's hand with a gold ring featuring two black stones. The hand is resting on a white laptop keyboard. Below the keyboard is a document with a table. The table has several rows and columns, with some text visible, including 'Employee Relations', 'for leisure evening', 'Dianna Amata', 'Palmi Rocco', and 'Laurent Guay'. The background is slightly blurred, showing the laptop and the document.

Transparent Governance

We believe in open and visible governance with a commitment to operating ethically and transparently. We have processes in place to identify and manage risks and understand the potential impacts of our operations and our supply chain. We also invest time and resources to engage with our stakeholders across Canada.

2013 Performance at a Glance

Description	Value	Result
% of Business units compliant with anti-corruption training requirements. ¹	% of compliance in 2013	91.5%
% of Business units compliant with human rights training requirements.	% of compliance in 2013	90.5%

¹ Employees are required to complete anti-corruption and code of business conduct training every three years.

Stakeholder Accountability

We place a high priority on open, proactive and meaningful engagement with all of our stakeholders, and we are committed to giving them appropriate information that is honest and transparent. Engaging with stakeholders helps us to understand what matters to them. ArcelorMittal requires all of its sites around the world to have a detailed stakeholder engagement plan in place by 2015 — one that follows the company's stakeholder engagement procedure. In 2013, all Canadian sites had these plans in place. Meaningful face-to-face dialogue enables our teams to understand the most important issues

for our stakeholders and helps us to take action early to prevent potential problems. Ultimately, it helps to enable our social license to operate.

As our group stakeholder wheel (on page 8) indicates, we engage with various stakeholders in a number of different ways. For example, our mining operations in Quebec utilize a stakeholder advisory committee that meets yearly over a day and a half, while our flat carbon site in Hamilton has a Community Liaison Committee that holds meetings three times per year, which any member of the community may attend.

Case study: Noise impact: Two-way dialogue with community stakeholders

At our scrap recycling facility in La Prairie, Quebec, we have been working with local residents to continue to reduce the potential of noise for neighbouring residents. The facility opened in 1975, operates 24 hours per day and is located in an industrial park. New homes have been built in recent years near the edge of the park. Ongoing investments have been made to continue to reduce the potential for noise impact, including building an embankment, erecting a wall near the steel shredder and installing a sound barrier around a processor for non-ferrous metals.

While the recycling centre continued to meet all regulations, we logged an increase in comments over the summer of 2013 from citizens living nearby. Our La Prairie team responded by holding a community meeting, where representatives shared the mitigation measures that had been taken and also asked citizens for their views on improvement. The outcome of the meeting was a commitment to improve the grievance process, as well as the engagement of a third party to conduct a comprehensive noise study in collaboration with citizens. Several other update meetings have taken place since then, and the study will be completed in 2014.

Case study: Stakeholder engagement at ArcelorMittal Mining Canada G.P.

ArcelorMittal Mining G.P. subscribes to Towards Sustainable Mining (TSM), the Mining Association of Canada's (MAC) commitment to responsible mining. TSM is a set of tools and indicators to drive performance and ensure that key mining risks are managed responsibly at members' facilities. As such, in order to maintain an open dialogue, ArcelorMittal Mining Canada G.P. holds a yearly meeting of its Stakeholders' Advisory Committee — comprised of municipal, economic, environmental, community, aboriginal and economic stakeholders. The day-and-a-half meeting includes a visit to the operations to help stakeholders understand the business and ongoing projects, as well as panels to identify and exchange information about priorities for the future. Each year, the team also welcomes stakeholders on site, including academics and researchers, to help them learn more about our mining operations.

Business Conduct, Anti-corruption, Antitrust, Insider Dealing and Human rights

ArcelorMittal has a comprehensive program to ensure that employees comply with our standards regarding business conduct, antitrust, anti-corruption, economic sanctions and human rights. All employees are required to undergo both business conduct and human rights training, while select groups of employees are required to participate in antitrust, economic sanctions and insider dealing training.

Employees are required to complete anti-corruption and code of business conduct training every three years. In 2013, 91.5 per cent of employees requiring anti-corruption training and 90.5 per cent of employees requiring human rights training received the training.

Whistle Blowing

If an individual or group has concerns with any matters pertaining to financial misconduct, they may report their concern through the anonymous third-party Whistleblower hotline and website. The

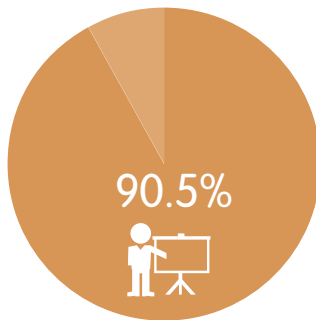
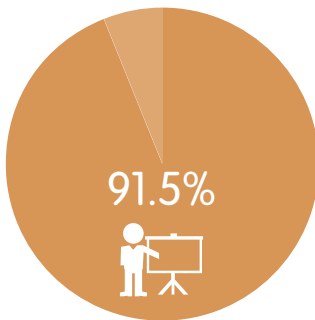
Whistleblower service is intended for reporting concerns with regard to possible irregularities in accounting, auditing or banking matters, or bribery within any of our sites or businesses, and is managed by an independent organization. In 2013, both our mining and Montreal teams undertook a proactive communications campaign to remind employees of the available service.

Responsible Sourcing








We maintain a Code for Responsible Sourcing and require suppliers to comply with the code. The code sets out minimum standards for our suppliers and describes how we will work with them to achieve them. It incorporates health and safety, human rights, business ethics and environmental management. In establishing the code in 2010, ArcelorMittal invited input from customers, suppliers, peer companies and NGOs. The Code for Responsible Sourcing is available on the ArcelorMittal website.

Did you know?

For all new contracts, our suppliers are assessed against our Code for Responsible Sourcing.



91.5 per cent of required employees received anti-corruption training, and 90.5 per cent received human rights training during the past three years.

Corporate Responsibility Pillar	KPI	Description	Value	2013 ¹
Investing in our people		Lost-time Injury Rate	Lost-time injuries per million hours worked	0.73
		Training	Hours	339,788
		Operations certified to OHSAS 18001	%	100
		Unionized Workforce	%	35.2
		Employee Compensation	% paid over minimum wage for an entry level position	100
Making steel more sustainable		Total CO ₂ emissions (footprint) ²	Megatonnes	8.488
		CO ₂ emissions per tonne of steel (steelmaking)	Tonnes	1.26
		CO ₂ emissions per tonne (mining)	Tonnes	18,8 kg/t for concentrate, 96.3kg/t for pellets
		Primary energy consumption	Petajoules	119.55
		Energy consumption per tonne of steel	Gigajoules per tonne of steel	17.905
		Total greenhouse gas emissions reductions	Kilotonnes of CO ₂ equivalent per year	82.9
		Total water withdrawal ³	Million cubic meters per year	293.31
		Mining excesses	Million tonnes	64.47
		Operations certified to ISO 14001	%	100
		Air emissions ⁴	tonnes	10.00
Enriching our communities		Philanthropic giving ⁵	Million Canadian Dollars	3.26
		Number of social dialogue interactions	Number of interactions	12
Transparent governance		% of employees compliant with anti-corruption training requirement ⁶	% trained in 2013	91.5
		% of employees compliant with human rights training requirement ⁶	% trained in 2013	90.5

¹ The data contained in this table and throughout the report reflects ArcelorMittal Canada's operating units and excludes Baffinland IronMines and ArcelorMittal Tubular Products, unless otherwise specified.

² CO₂ emissions include direct and process emissions, emissions resulting from our energy consumption, and energy from other upstream sources.

³ Our water withdrawal is pulled from local sources such as rivers, bays and lakes, is pumped from the ground, or is purchased from local municipalities.

⁴ Air emissions include both nitric oxide (NO) and nitrogen dioxide (NO₂) emissions, together labelled as nitrogen oxide (NO_x) emissions, and SO₂ emissions.

⁵ Philanthropic giving includes donations to charitable organizations and investments made in community organizations that do not qualify as charities.

⁶ Employees are required to undertake anti-corruption and code of business conduct training every three years. The number reported for the year is the percentage of employees who received valid training in 2013.

ArcelorMittal

The following online resources are available to provide more information about our company and the many initiatives mentioned in this report.

- ArcelorMittal — www.arcelormittal.com
- ArcelorMittal Dofasco — www.dofasco.ca
- ArcelorMittal Mining Canada G.P. — www.transformerlavenir.com
- ArcelorMittal Infrastructure Canada G.P. — www.transformerlavenir.com
- Sustain Our Great Lakes — www.sustainourgreatlakes.org
- S-in motion — www.arcelormittal.com/automotive

Steelmaking

The following third-party websites provide additional information about steel, the steelmaking process and efforts to minimize the industry's impact on the environment.

- Canadian Steel Producers Association — www.canadiansteel.ca
- American Iron and Steel Institute — www.steel.org
- Association for Iron and Steel Technology — www.aist.org
- Steel Recycling Institute — www.recycle-steel.org
- World Steel Association — www.worldsteel.org
- WorldAutoSteel — www.autosteel.org

Partial List of Corporate Memberships

ArcelorMittal is an active member of the following local, regional, national and international organizations. These trusted and valued partners support us in improving our performance in our corporate responsibility pillars.

ArcelorMittal

- World Business Council for Sustainable Development
- United Nations Global Compact
- Extractive Industries Transparency Initiative

ArcelorMittal Dofasco

- AISI (American Iron and Steel Institute)
- Canadian Manufacturers & Exporters
- Canadian Steel Producers Association

ArcelorMittal Mining Canada G.P

- Association minière du Québec
The Mining Association of Canada
- Comité sectoriel de main d'oeuvre de l'industrie des mines
- Conseil patronal de l'environnement du Québec
- COREM (Consortium of applied research for the processing and transformation of mineral substances)

ArcelorMittal Montreal

- Board of Trade of Metropolitan Montreal
- Comité municipal de sécurité civile de la ville de Contrecoeur
- Comité sectoriel de main-d'œuvre de la métallurgie

ArcelorMittal Tubular Products

- Woodstock General Hospital
- Woodstock's Operation Sharing Knapsacks for Kids Program
- Loonies for Underprivileged Kids Camp

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Our Memberships

worldsteel
ASSOCIATION



Participant

