

Arcelor/Mittal Canada Sustainable Development Report 2015





Cover: In 2015, the 2015 Pan Am/Parapan Am Games Cauldrons were made from 34 tonnes and 10 types of ArcelorMittal steel proudly made in Canada. The Games brought athletes from 41 countries to compete over two Games in July and August.



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About ArcelorMittal

Canada is home to seven business units that are part of ArcelorMittal SA, the world's leading steel and mining company — with approximately 210,000 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.

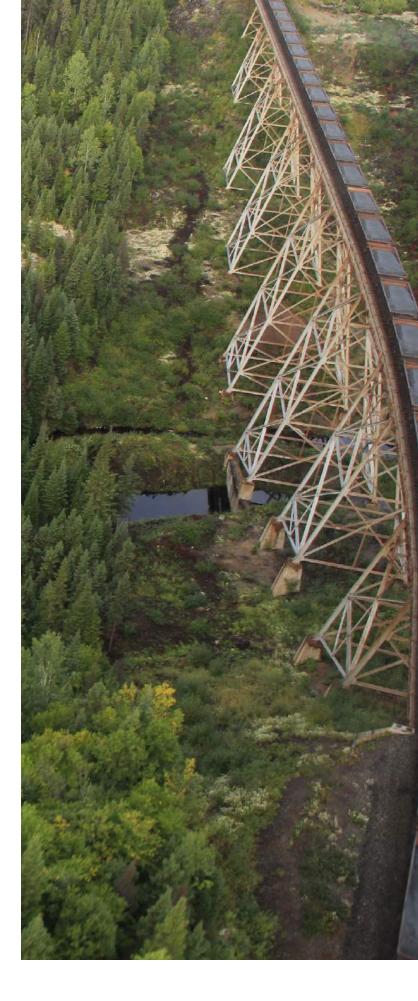
Headquartered in Luxembourg, ArcelorMittal SA is governed by its Board of Directors. The company's Group Management Board (GMB) reports to the Board of Directors and conducts business and defines the global strategies for the group. The GMB also establishes and monitors administrative action in the countries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

In 2015, Arcelor Mittal had global sales of US \$63.58 billion*, and produced 92.5 million metric tonnes of steel products, 62.8 million metric tonnes of iron ore and 6.1 million metric tonnes of coal.

ArcelorMittal in Canada consists of seven business units: Flat Carbon Steel, Long Products, Mining Canada, Infrastructure Canada, Baffinland Iron Mines (Joint Venture), Tubular Products and Tailored Blanks with each having its own site leadership. The units are largely independent of each other, but coordinate and work together.

Through our core values of Sustainability, Quality and Leadership, we commit to operating responsibly with respect to the health, safety and well-being of our employees, contractors, and the communities in which we operate.

^{*} All financial figures refer to Canadian dollars, unless otherwise noted.





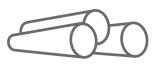














Flat Carbon Steel

The Flat Carbon unit (ArcelorMittal Dofasco) is headquartered at the 750-acre steelmaking complex in Hamilton, Ontario and also has a galvanizing line in Windsor, Ontario, called DJG, as well as a joint venture paint line called Baycoat, in Stoney Creek, Ontario. ArcelorMittal Dofasco features state-of-the-art facilities that are among the most efficient, flexible and technologically advanced in North America, and is also home to an ArcelorMittal Global R&D centre and ArcelorMittal University campus.

Long Products Canada

Arcelor Mittal Long Products Canada 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 Arcelor Mittal Long Products Canada's headquarters in Contrecoeur, Quebec. Other facilities include a bar mill in Longueuil, Quebec, as well as wire mills in Montreal, Quebec and Hamilton, Ontario. This unit also operates a steel-recycling centre in Contrecoeur.

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, while the ArcelorMittal Mining Canada corporate office is in Montreal, Quebec.

Infrastructure Canada

ArcelorMittal Infrastructure Canada operates a 420-kilometre-long railway linking Mont-Wright to its Port-Cartier industrial complex, in Quebec. ArcelorMittal Infrastructure Canada includes a privately owned seaport, railway and railway maintenance shops. ArcelorMittal Mining and Infrastructure Canada are jointly owned by ArcelorMittal (85 per cent) and Posco/ China Steel Corporation (15 per cent).

Baffinland Iron Mines Corporation (Joint Venture)

ArcelorMittal and Iron Ore Holdings LP own Baffinland's Mary River Project and mine, with ArcelorMittal acting as the project operator. The Mary River Project is located on Baffin Island in Canada's Eastern Arctic, with a head office situated in Oakville, Ontario, and supporting offices in the territory of Nunavut: in Iqaluit, Igloolik, Pond Inlet, Hall Beach, Clyde River and Arctic Bay. Focused on the development and mining of the reserve at Deposit No.1 at a concentration of 65–67 per cent iron, the Mary River Project consists of several other high-grade iron deposits. In 2015, Baffinland made the first commercial shipments of lump and fine ore from its port on the east coast of Baffin Island, making the Mary River Project the most northerly operating iron mine in Canada.

Tubular Products

The Tubular division offers one of Canada's most diverse product portfolios, supplying products to the automotive, automotive components, mining and service-centre sectors. 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.

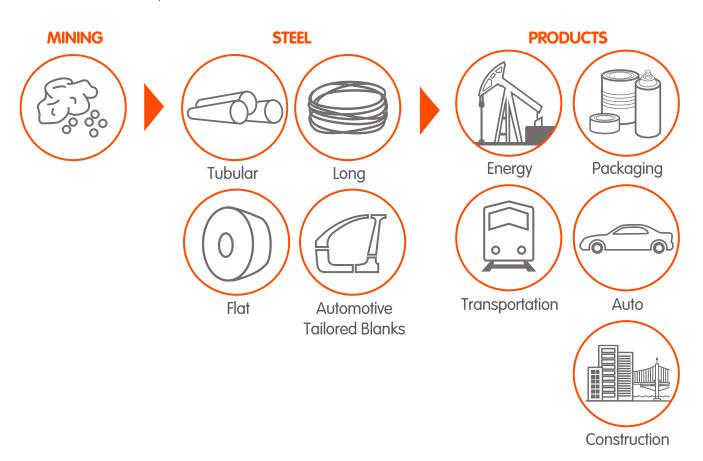
ArcelorMittal Tailored Blanks

With locations in Concord and Woodstock, Ontario, ArcelorMittal Tailored Blanks is a leading supplier of laser-welded steel blanks to the automotive industry. A tailored blank allows the use of optimal steel specifications, including advanced and ultra-advanced high-strength steel. By seam-welding sheet steel together, we are able to cost effectively reduce the weight of vehicles, improve safety performance and ensure the highest material utilization in the manufacturing of automotive parts. Utilizing our patented partial ablation process, Tailored Blanks is uniquely positioned to work with our customers on state-of-the-art designs and solutions.



Transforming Tomorrow

ArcelorMittal is transforming tomorrow through technology-based processes and innovative and sustainable products that are the fabric of life for Canadians.





Employees in Canada

Total	9,674*
ArcelorMittal Dofasco	4,554
ArcelorMittal Mining Canada and Infrastructure Canada	2,357
ArcelorMittal Long Products Canada	1,750
Arcelor Mittal Tubular Products	367
Baffinland Iron Mines Corporation	556
ArcelorMittal Tailored Blanks	90

^{*}Full-time permanent employees

Locations in Canada 8 **ArcelorMittal ArcelorMittal ArcelorMittal ArcelorMittal ArcelorMittal ArcelorMittal** Baffinland Global R&D Dofasco Infrastructure Mining Long Products Tailored Blanks Tubular Iron Mines 2 Hamilton Canada Coteau-du-Lac Canada Canada 16 Concord Products Mary River Montreal 4 Montreal 6 Contrecoeur Brampton 2 Hamilton Woodstock Oakville 6 Port-Cartier 6 Mont-Wright Mamilton East 2 Hamilton Windsor 6 Port-Cartier Longueuil London 10 Saint-Patrick (Montreal) Woodstock



Our Approach to Sustainable Development Reporting

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, creating safer workplaces, and continuously improving our environmental performance.

Scope of the 2015 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 2015. This report supplements ArcelorMittal's 2015 Sustainability Report which can be found online at:

http://corporate.arcelormittal.com/sustainability/reporting-hub.

Data Collection

This report reflects data collected from primary operating locations between January 1 and December 31, 2015. It is based on GRI (Global Reporting Initiative) indicators. Sustainable development indicators are reported using company guidelines.

Reporting Principles

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines and is self-declared to be in accordance with GRI G4 Core Report Guidelines. An index containing GRI indicators utilized in this report can be found at dofasco.arcelormittal.com.

Letter from Canadian Leadership



Sean Donnelly
President and Chief
Executive Officer

ArcelorMittal Dofasco G.P.



Pierre Lapointe
President and Chief
Executive Officer
ArcelorMittal Mining
Canada G.P.

Head of Management Committee ArcelorMittal Infrastructure Canada G.P.



Sujit SanyalChief Executive Officer
ArcelorMittal Long Products
Canada G.P.

ArcelorMittal Canada is part of the world's largest steel and mining company. In Canada, we have seven business segments across two provinces and one territory, with more than 9,500 employees working in our mining, steelmaking, automotive tailored blanks and tubular operations.

Our Canada 2015 Sustainable Development Report is a key part of our commitment to transparency and open dialogue with our stakeholders and is a complement to ArcelorMittal's global reporting (learn more at annualreview2015.arcelormittal.com). In 2014, we identified 10 sustainable development outcomes to help us achieve our goal of sustainability leadership — by defining the kind of company we want to be. We will create value as we progress against these outcomes. Our new Sustainable Development framework also helps us secure the commercial success of our business in the medium term, while contributing to solving the world's sustainable development challenges in the long term. This is good for society, good for our stakeholders and good for us. We are pleased to provide our 2015 Sustainable Development Report against these 10 Outcomes, along with Transparent Good Governance providing a foundation.

With more than 9,500 direct employees, Arcelor Mittal also creates nearly 40,000 additional indirect jobs. Our Canadian operations distributed \$1.367B in direct economic value in 2015 (employee wages and benefits) and made investments of \$2.1M in our communities. We produced 28.7 million metric tonnes of iron ore and 5.5 million metric tonnes of steel used in the automotive, construction, packaging and energy markets, along with more than 100,000 metric tonnes of tubular steel products for the automotive and energy markets and more than 2.4 million welded blanks used in the automotive market.

As the following report sets out, 2015 brought several notable accomplishments for our Canadian units, but also challenges. In 2015, we sadly experienced a fatality in Canada at Baffinland, our Joint Venture Mary River Mining Project. Though we maintained our lost time injury (LTI) rate over 2014, we are striving to do better. We reported a combined LTI rate for employees and contractors of .61 per million hours worked in 2015, the same rate as in 2014.

Areas of great focus for both our steel and mining units are energy consumption and CO₂ emissions. For our Mining units, we are pleased to report a reduction in energy intensity per tonne of both concentrate and pellets. In addition, our steelmaking units report a reduction of greenhouse gas (GHG) emissions from 1.16kg/t in 2014 to 1.08kg/t in 2015.

We continue to focus on energy management, and reported a reduction of 479,178 Giga Joules as a result of conservation and efficiency initiatives at our facilities and in partnership with the Independent Electricity System Operator in Ontario and the Quebec Ministries of Energy and Natural Resources and Sustainable Development. Conservation projects focus on reusing energy from one part of the process to another, utilizing alternate fuels and installing newer and more efficient equipment. In general, we are extremely focused on finding efficiencies — not only does it reduce our environmental impact, but it also makes our business more productive and sustainable.

Steel is part of the fabric of modern life, and we couldn't live the way we do without it. Buildings, roads, bridges, railways, cars and many domestic appliances simply wouldn't exist without steel as a component. Steel is one of the world's most sustainable materials because it's strong, flexible and can be endlessly recycled. Innovative steel products are helping to reduce carbon emissions in vehicles and buildings, construct smarter cities and generate renewable energy. But steel faces challenges too: we have to find ways to make the mining and steelmaking processes more sustainable, energy efficient and less carbon intensive.

As the world's largest steel and mining company, we have a particular opportunity — and responsibility — to lead the way in ensuring steel fulfils its potential as an essential material of the future. We have the power to make a positive difference to our stakeholders and shareholders, as well as society as a whole.

In order to do this, we need to address the risks and opportunities arising from social and environmental trends across our operations. We must also use our knowledge of the impacts of our steel products to persuade our customers — and their consumers — to make and choose products that are more sustainable. By doing this, we will ensure that the steel we make becomes the material of choice for a sustainable future.

Edward Vore
CEO, Mechanical
Automotive North America
Arcelor Mittal Tubular Products



Todd BakerPresident
ArcelorMittal Tailored Blanks



Brian Penney

Chief Executive Officer Baffinland Iron Mines Corp.



Sustainability and Corporate Responsibility around the World

Steel has a vital role to play in creating a sustainable future. As the world's largest steel and mining company we know that this brings both opportunities as well as challenges. Sustainability is all about taking a long-term perspective, and that's what we already do as a business. Steelmaking and mining are industries where facilities are built and operated for many years, and are part of the same communities for decades. Steel itself is an enduring material, ideally suited for the construction of buildings and infrastructure. Therefore, we are used to planning, thinking and investing for the long term in order to create lasting value for our stakeholders, shareholders and society as a whole.

Global Challenges and Opportunities

The world faces enormous challenges in the 21st century: from climate change to increasing pressures on natural resources; from the lifestyle expectations of those in the developed world, to tackling poverty in emerging markets. These issues have a direct impact on businesses, as well as governments, civil society and individuals. And businesses face other challenges, including the growing expectation that they should report more openly, act more responsibly, protect the environment and support their local communities. All of these factors pose risks to companies as large as ours if we fail to manage them; risks to our profits, reputation, operations, and social license to operate. But they also present us with enormous opportunities, from the commercial potential of new greener products, to the innovation potential of a new generation of innovative people entering our industry.





Our 10 Sustainable Development Outcomes and Framework

In 2014, we identified 10 sustainable development outcomes to help us achieve our goal of sustainability leadership — by defining the kind of company we want to be. We will create value as we progress against these outcomes. Our new Sustainable Development Framework also helps us secure the commercial success of our business in the medium term, while contributing to solving the world's sustainable development challenges in the long term. This is good for society, good for our stakeholders and good for us.

Sustainable Development: A Three-Pronged Approach

Create a nexus that links our operations, our products, stakeholder engagement and community investment to our corporate responsibility and sustainable development outcomes • Understanding business risks and opportunities **Business Outcomes** • Awareness of long-term environmental and social trends • Economic development and business ecosystem consequences · Grievance mechanisms Corporate Responsibility Stakeholder expectations · Tracking, monitoring and reporting Nonprofit partnerships and public-private partnerships Philanthropic giving **Community Investment** In-kind donations • Employee engagement and volunteerism Underpinned by transparent reporting

OUR PROGRESS IN 2015 Sustainable Development through 10 Outcomes



- on Safe, healthy, quality working lives for our people.
- o2 Products that accelerate more sustainable lifestyles.
- O3 Products that create sustainable infrastructure.
- O4 Efficient use of resources and high recycling rates.
- os Trusted user of air, land and water.
- of Responsible energy user that helps create a lower carbon future.
- o7 Supply chains that our customers trust.
- OB Active and welcomed member of the community.
- op Pipeline of talented scientists and engineers for tomorrow.
- Our contribution to society measured, shared and valued.

Outcome 1

Safe, healthy, quality working lives for our people

We are committed to promoting and protecting the safety and well-being of our people; yet, we still face challenges in creating a work environment without incident. We need to ensure our workplaces are safe while also supporting the general health and wellness of our employees. We believe in the importance of strong labour relations as a foundation of a positive working environment.



Why is this important to us?

The safety and health of our employees is one of the most important issues affecting ArcelorMittal. We strive to implement best-in-class labour and safety standards in all facilities for all employees. For this reason, safety, health and labour relations are key issues in sustainable development. Employers wanting to attract, develop and retain the brightest talent must ensure they address these issues and create a positive working culture.

The Commercial Imperative

What kind of challenges do we face?

ArcelorMittal is dedicated to ensuring the safest environment for our more than 9,500 employees across Canada. When accidents happen, there are enormous consequences for the person involved, his or her family and colleagues. We also have a responsibility to support the general health and well-being of our employees, both physical and mental.



What do we need to do?

Safety has been and will continue to be our number-one priority. To produce steel and extract minerals without fatalities or injuries, everyone must take responsibility for ensuring a safe environment — not just for themselves but also for their colleagues, including contractors. We provide all of our employees with the training and tools necessary to complete their jobs in the safest way possible. To ensure our employees are safe at work, ArcelorMittal has a company-wide commitment to achieve zero accidents and fatalities in the workplace. We have also made employee health a priority through the implementation of several preventive physical and mental health initiatives. In addition, we are committed to engaging in regular and transparent labour relations.



What is the potential to create value?

It is in everyone's interest to aim for a workplace entirely free of any safety incident. We want to go one step further and actively promote well-being and positive relationships with our employees because we know this makes our people happier and more productive in their work.



2015 Highlights

	Our Commitments	Our Progress	Next Steps
Safety	Reduce lost-time injury (LTI) frequency rate year-over-year.*	Regrettably, we experienced a fatality at our Baffinland Mary River Mining site. The combined LTI rate for employees and contractors shows we maintained our improvement from 2013 to 2014 (.61 in 2015 and .61 in 2014).	Continue our efforts to improve workplace safety and prevent serious injuries and fatalities, and work toward our ultimate goal of zero lost-time injuries.
Health	Offer health and wellness programs to all employees.	Health and wellness programs and services are being offered at all Canadian sites, including Employee and Family Assistance Programs.	Continue to increase participation in health and wellness programs and services.

^{*} Figures reported express the frequency of injuries per million hours worked.

Safety Performance

We consider the safety of everyone working on our sites to be our greatest responsibility. Our goal is to extract minerals and produce steel without fatalities or injuries. At our Canadian operations we are working towards zero accidents and injuries through our "Journey to Zero." Our "Courageous Leadership" program fosters a culture to encourage and inspire all employees to speak up in an unsafe situation.

Our longstanding Canadian operations are all certified to the international occupational health and safety standard OHSAS 18001, while our newly operational Baffinland continues to work towards this certification.

Although in 2015, our Canadian operations improved in lost-time injury frequency, we did experience one fatality at our Baffinland Mary River mining site. On September 20, 2015, a Baffinland employee was struck by a loader. Corrective actions from this incident included a redesign of the crusher spread to ensure that pedestrian traffic and heavy equipment traffic do not cross paths. In addition, the site personal protective equipment (PPE) requirements were increased to ensure that all personnel are required to use high-visibility jackets and coats, with two-inch (minimum) reflective stripes. Internal procedures were written and revised to ensure workers are protected against such incidents.

Our overall lost-time injury frequency rate of 0.61 (per million hours worked) shows we maintained our improvement from 2013 to 2014 — an improvement of 71 per cent over our 2011 rate of 2.12. While we have improved this frequency rate, our journey continues toward the ultimate goal of zero.

We strive to get better in terms of all types of injuries and believe zero is attainable – our journey to achieve zero accidents and injuries is a never-ending process.



We are proud of our sites that posted health and safety achievements in 2015:

- Our Long Products team achieved its lowest lost-time injury frequency rate in history, 0.87.
- Our Tubular teams in Brampton and Woodstock achieved 4 years without a lost-time injury, while the Tubular team in London achieved an exceptional 13 years without a losttime injury.
- Our Flat Carbon team in Hamilton, Ontario, achieved the Level 5 Fatality Prevention Standard, the highest standard.
- On June 30, 2015, the Tailored Blanks Americas Division (U.S., Canada and Mexico) achieved one million hours without a lost-time injury. This is a significant achievement for the group, which showed a 92 per cent improvement in its lost-time injury rate from 2010 to 2014.
- The team in Hamilton, Ontario, introduced a new method, called "Pyramid Builders," to engage employees in reporting unsafe conditions and unsafe behaviours and correcting them immediately.
- Our Mining Canada colleague André Therrien was recognised as a Mining Safety Leader by the Quebec commission for labour standards, pay equity and occupational health and safety (CNESST).

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, ArcelorMittal sites around the world participate in the Health Awareness Program and also host a walk/run event called "Health Promotion Through Motion." Through the Health Awareness Program, employees are able to participate in various health-related learning opportunities and activities.

Health Promotion Through Motion has sites around the world competing against each other in a global race — with the winner determined by the greatest number of participants. In 2015, the Dofasco Hamilton site retained its Canada–U.S. challenge by having the most participants in a three–kilometre walk/run, which took place from Hamilton's new Integrated Health and Wellness Centre. The event is a "predictor" race, with individual winners named based on how close they finished to their predicted time.

Our sites also offer a variety of services related to injury prevention, health support, and employee and family counselling, as well as special lifestyle programming.

Employee Development

We aim to continue to be a top Canadian employer by attracting, developing and inspiring the best and brightest. Our sites offer comprehensive training and development programs to all employees through local training programs, as well as a complete course curriculum through the Arcelor Mittal University. The Arcelor Mittal University regional campus is in Hamilton, and it provides learning opportunities for Arcelor Mittal employees across the Americas. Our employees benefit from on-the-job, classroom and offsite training, including in the following areas:

- · 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.



Employee Engagement

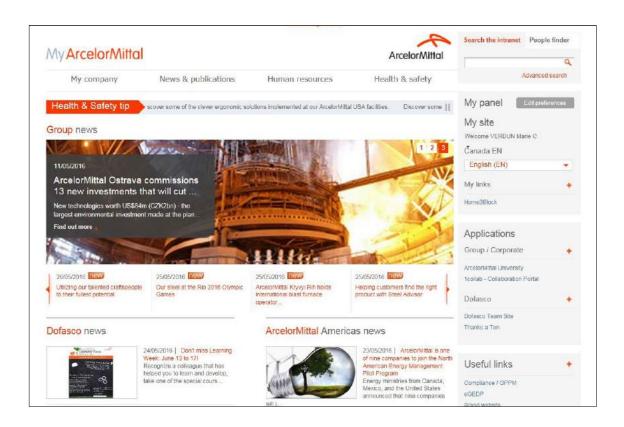
Our strength is people, and we work to create an environment that maximizes our collective energy and efforts.

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 objectives and our operating principle of "safe sustainable steel." These values are also integral to the way in which we work together across seven 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 is valued. Sharing information and gathering feedback are important parts of employee engagement. Through both global and site-specific employee surveys, we actively seek out employee feedback, questions and ideas. Each site in Canada is required to conduct a cascading employee survey after each quarterly financial period, to gauge the effectiveness of our information sharing. Every site is measured, and local results are rolled up to region, country and worldwide results. In Canada in 2015, our Key Performance Indicator for the quarterly cascade surveys met our global target of 75 per cent — a measure against questions about our business and performance, as well as our methods and quality of communication with employees.



In addition, most Canadian sites also publish 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 is here that employees can meet and share information with colleagues, and find policies, news stories and even standard operating procedures.





ArcelorMittal
Tailored Blanks
Americas
Reaches
One-Million
Hours Without
Lost-Time Injury



On June 30, 2015, the Tailored Blanks Americas Division of ArcelorMittal reached a significant milestone on their journey to zero: one-million hours without a lost-time injury. This is a significant achievement for the group, which showed a 92 per cent improvement in its lost-time injury rate from 2010 to 2014. The division, representing 437 employees across Canada, Mexico and the U.S., have clearly demonstrated what can be achieved through establishing a health and safety culture.

Shayne May, Director of Health, Safety and the Environment, says, "This success is the result of an evolving safety culture, where employees are encouraged to report their near-misses and identify ways to improve safety on the job." The importance of health and safety has taken shape over the last five years, starting with the introduction of the "Stop, Think and Act" mentality, which has grown into a detailed system that empowers its employees to actively participate in the health and safety program. For example, in January 2015, a new campaign, "Accountability Starts With Us", encouraged employees to consider how health and safety is the responsibility of every individual in the workplace. This campaign has been a huge success and serves as a daily reminder to every employee that they must continue to be active participants in maintaining a safe and healthy workplace.

Utilizing strong messaging, openness to employee contributions and an unyielding dedication to safety excellence, the group is confident that they can continue down this road of excellence. According to Shayne May, "With the right attitude and our uncompromising approach towards safety, I am confident that we will maintain and improve our safety performance and reach our goal of Journey to Zero."



Boosting Health and Wellness

Health and wellness initiatives are key offerings at all ArcelorMittal sites in Canada.

In October 2015, Arcelor Mittal Dofasco was recognized for its extensive wellness programs and awarded a Canada Award for Excellence, Silver, for Mental Health at Work.

To support employees in their wellness efforts, employees and family members are eligible to utilize an Employee and Family Assistance Program (EFAP). The 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 child care, parenting and elder care, legal, financial and career planning, workplace issues, preretirement and lifestyle issues. In addition, several Canadian sites offer lifestyle wellness programming that provides support for employees to take charge of their health. Programs range from on-site fitness facilities and personal training to health screening, injury prevention, diabetes prevention, and nutrition and weight management.

In November 2015, Arcelor Mittal Dofasco's Integrated Health Department also hosted the company's bi-annual Health and Safety Fair, which saw 78 exhibitors offering 2,460 attendees interactive opportunities to learn about mental health, nutrition and fitness. The theme of this year's fair was helping to end mental health stigma. More

than 580 employees also participated in health screening, 82 had cancer screening and 52 received flu shots

For ArcelorMittal Tubular Products in Woodstock, Ontario, a special initiative was undertaken in 2015 to provide a variety of health and wellness programs to improve our employees' quality of life. The programs encourage employees to live healthy and quality lives by focusing on increased physical activity and healthy eating. Challenges such as Pound Droppers, Fall Back into Fitness and Drinking Water were a great success, with 18 employees losing a combined 96 pounds, and 5 employees logging 150 hours of outdoor exercise and activity.

Workshops with external specialists were also offered as part of Lunch and Learn sessions. Various topics were discussed in these workshops, such as diabetes, money management, infection control, personal safety and identity theft, and transitioning into a healthy retirement.

Since the inception of focused health and wellness programs in 2013, our Woodstock site has recorded a decrease in casual absence of 0.49 per cent. Due to its success, the programming will continue in 2016, with additional opportunities for employees to get active and improve their health.



health, nutrition

and fitness.

Outcome 2

Products that accelerate more sustainable lifestyles

We are committed to manufacturing products that advance sustainable lifestyles. Our steel is an essential component of countless products that Canadians depend on in their daily lives, including automobiles, buildings, appliances and packaging. The role that steel plays in the sustainability strategies of our customers and these products often goes unrecognized. Steel not only allows products to be lighter, which results in reduced carbon emissions, but it is also easily and infinitely recyclable. Additionally, compared to competing materials, steel has a smaller environmental footprint.



Why is this important to us?

We believe steel plays an important role in the circular economy. Steel is a critical component of the products that we rely on in our modern lives. As a leading steel producer in North America, we have a responsibility to demonstrate the sustainable lifecycle of steel and continue to innovate with our current range of steel products.

The Commercial Imperative

What kind of challenges do we face?

We must create products that meet our customers' business and sustainability goals. For example, in the automotive market, car manufacturers in the U.S. and Canada are required to make their cars more fuel-efficient than ever before, often by making them lighter, while maintaining safety standards. Years of successful innovation have put steel at an advantage here and our industry must maintain this leadership.



What do we need to do?

To maintain our market leadership, we regularly invest in continued product innovation. This means continually making stronger and lighter steel that meets our customers' expectations. We also must work with our stakeholders to understand their specific needs and create solutions to meet new sustainability goals. We also have the opportunity to demonstrate how steel's environmental footprint is smaller than competing materials and will continue to drive industry-leading lifecycle analysis.



What is the potential to create value?

Steel is the answer to many environmental challenges. Steel creates societal value in that it is strong, safe and easily and infinitely recyclable. One ton of steel produces less CO₂ than aluminum, magnesium or carbon fiber over its entire lifetime. Recent innovations, such as the high-strength steels developed for the automotive market, have advanced our potential to make cars lighter, reduce air emissions and help customers meet increasingly stringent government regulations.





2015 Highlights

	Our Commitments	Our Progress	Next Steps
Product Innovation	Ensure that our processes and products are at the cutting edge of innovation through targeted investments and initiatives.	ArcelorMittal committed US\$227 million towards global research and development Efforts.	Continue to make strategic investments in research and development efforts throughout the world.
	Ensure our products continue to meet customer needs and goals related to more sustainable lifestyles.	ArcelorMittal developed 195 innovative technical solutions globally that were deployed in 2015.	Continue to develop new solutions both independently and co-engineered with customers.
Lifecycle Analysis	Understand and communicate the lifecycle of steel as a material of choice for the North American automotive industry.	Launched a lifecycle analysis (LCA) study with Steel Market Development Institute (SMDI) and other American steel producers to analyze and report on the lifecycle of steel.	SMDI will launch the results of the LCA study in 2016.



Product Innovation and Design

Steel is one of the most versatile materials in the world. It is 100 per cent recyclable and is critical to making products that accelerate modern lifestyles — such as cars and consumer goods — more environmentally friendly and energy-efficient throughout their lifecycle.

Our customers are choosing materials based on new factors, including the full lifecycle impact of a product. Steel is poised to maintain its competitive advantage by demonstrating its lower environmental footprint. A ton of steel produces less CO_2 than aluminum, magnesium or carbon fiber over its entire lifetime, due to its lower production emissions and infinite recyclability. However, we must continually innovate in order to maintain our competitive advantage. As an industry leader in sustainability, it is our responsibility to actively manage and explore opportunities to further reduce our environmental footprint by creating breakthrough technologies and products to address sustainability challenges. Being at the forefront of innovation and customer collaboration in the industry will put us ahead of our competitors as the material and steel manufacturer of choice for our customers.

Our research and development centres are charged with developing new steel products and solutions, evolving new production processes and evaluating new business models. ArcelorMittal has 12 research and development centres located in Europe, North America and South America. These labs work together to implement the technologies that will drive our industry forward and maintain ArcelorMittal's advantage. Each centre has its own special areas of interest, with other secondary activities. The Canadian research and development centre is located in Hamilton, Ontario, and focuses upon process and technical assistance, automotive, energy, construction and other industry products. In 2015, ArcelorMittal invested US\$227 million in global research and development efforts.



Automotive Steels: Demand Nothing Less

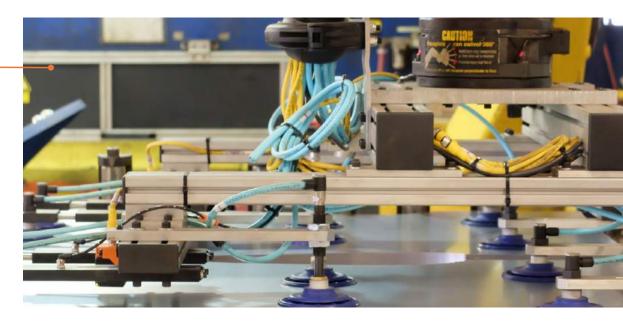
In 2012, the Corporate Average Fuel Economy (CAFE) and greenhouse gas standards were announced in the United States, requiring automotive manufacturers to ensure a doubled fuel economy to 54.5 miles per gallon (MPG) for the 2025 vehicle fleet. This standard is not being met by powertrain improvements alone — manufacturers are looking to decrease vehicle weight to boost fuel economy. ArcelorMittal is currently the leading steel provider by market share to the world's automotive market, with a strong presence in Canada through ArcelorMittal Dofasco. As the automotive industry is one of our major stakeholders, we are dedicated to developing new products and steel solutions that meet the ever-changing needs of the industry.

For example, Arcelor Mittal has collected evidence demonstrating the potential of advanced steel products in helping automakers meet the CAFE standards of 54.5 MPG by 2025. Models have shown that advanced high-strength steels (AHSS) can deliver vehicle light-weighting benefits at a lower cost to the consumer and with less environmental impact than alternative solutions such as aluminum, magnesium or carbon fiber. The weight reduction achieved with current and emerging AHSS products, combined with anticipated improvements in powertrain technologies, can get vehicles to the new 54.5 MPG standards.

The weight reduction offered by AHSS provides one of the largest improvements in fuel economy — and the single-largest improvement in efficiency per dollar spent — than any other known fuel-economy improvement technology. Additionally, most important to the purpose of the CAFE standards, AHSS creates a vehicle with a lower lifecycle carbon footprint than a vehicle manufactured from other, more energy and emissions-intensive alternatives, such as aluminum or carbon fiber. The production of one ton of aluminum requires five times the energy required to make one ton of AHSS. In addition, an aluminum car requires twice the amount of ${\rm CO_2}$ to manufacture than a car made of AHSS, since the body structure accounts for about one third of the curb weight of a typical vehicle.

Some AHSS products have multiplied in strength by almost 10 times over the past 20 years. This is a phenomenal change for the material that is also the most recycled material in the world. Many of our innovations have been the result of our close, long-term partnerships with automotive customers. By understanding and meeting our customers' needs, we create viable new products for the market as a whole. Our advanced and ultra high-strength steels are part of a full range of steel grades available to the automotive industry to help achieve light-weighting goals without compromising safety.

ArcelorMittal
Tailored Blanks
Sustainable
Solutions for
the Automotive
Industry



ArcelorMittal Tailored Blanks, a subsidiary of ArcelorMittal, is a unique supplier to the automotive industry. This business unit, with locations in Canada (Concord and Woodstock, Ontario), the U.S. and Mexico, supplies tailor-welded flat carbon steel of different grades and coatings to the automotive stamping market, providing its customers with the ability to conveniently balance cost, weight and performance in their vehicles. Through the product they supply and the processes they use, ArcelorMittal Tailored Blanks is making some significant impacts on sustainability, both in the industry and general public. "Our entire business is centred on providing sustainable choices to our customers," says the group's president, Todd Baker. With the CAFE standards requiring automakers to reach an average fuel economy of 54.5 MPG by 2025, the industry is actively searching for innovative ways to reduce the weight and improve fuel economy in their vehicles. Tailored blanks are a large part of this equation. Through the group's cost-effective lightweight product, they not only assist their customers in taking significant strides toward meeting the CAFE standards, but also offer opportunities to improve the performance of their parts.

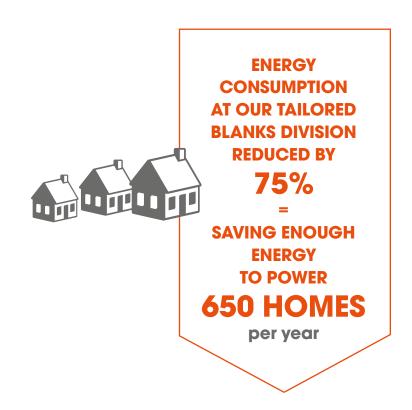
The door ring currently being supplied to Acura for the MDX clearly demonstrates the balance Mr. Baker is discussing. The door ring reduced the weight of the vehicle by 3.5 kilograms and dramatically improved its crash performance, receiving a *TOP SAFETY PICK*+ rating by the Insurance Institute of Highway Safety (IIHS). The group's innovative products are playing a significant role in the sustainability of everyday life, but this focus on the environment does not end there.

Over the past three years, the division has actively undergone technology upgrades to reduce its impact on the environment. By upgrading its older laser technology to new state-of-the-art fiber lasers, Arcelor Mittal Tailored Blanks is noticing a significant impact in its energy usage. These reductions in energy usage are staggering. When combining all current upgrades, the division has reduced its energy consumption by 75 per cent — saving enough energy to power 650 homes per year. In conjunction with retroactively upgrading their older equipment, this technology has been set as a standard across the whole division, ensuring that all new equipment is at the height of energy savings in their industry. "It is imperative that we extend this focus on sustainability past the products we offer our customers and integrate sustainability into our manufacturing processes," explains Mr. Baker. These upgrades represent a significant capital investment that helps the company achieve our goal of producing safe sustainable steel.

Case Study (continued)

The focus on sustainable steel permeates even deeper than technology and products, with 99 per cent of ArcelorMittal Tailored Blanks' waste being recycled material. This high percentage of recycled waste is attributed to two things, the division's raw material and its energy-efficient processes. Steel is 100 per cent recyclable and plays a dramatic role in this achievement, as any waste from cutting, trimming or discarding parts is 100 per cent recycled. It is also clear that the process the division uses to create its value-added products does not contribute significantly to unsustainable waste. Mr. Baker points out, "Although a majority of our waste is recycled, we continually look for innovative ways to understand and improve how we manage and account for our waste." Mr. Baker is referring to the group's internal initiative to separate steel from other sources of waste. This will allow the group to more accurately analyze the one per cent of non-recyclable waste, and find new and innovative ways to drive toward their goal of zero waste.

The ArcelorMittal Tailored Blanks division is a great example of ways that different business units in ArcelorMittal play a significant role in reducing our impact on the environment. Mr. Baker says it best, "We have a significantly high percentage of recycled waste, we have dramatically reduced the amount of energy we use and we create a product that directly impacts the sustainability of everyday life."



Outcome 3

Products that create sustainable infrastructure

The sustainability of every community depends on infrastructure. Serving as a backbone, infrastructure encompasses buildings, transportation and energy systems. Steel is a key to sustainable infrastructure, due to its unmatched strength and longevity combined with the benefits of its environmental footprint.



Why is this important to us?

Canada's future as a country and ours as a company depend upon continued investments in infrastructure. The importance of infrastructure — including roads, bridges, railways, hospitals, schools, offices, energy generation and defence — is indisputable. However, many overlook steel's integral role in the construction of infrastructure. Through continued innovations, steel supports the sustainability of our infrastructure systems. This is critical during a time when many areas are suffering from aging infrastructure.

The Commercial Imperative

What kind of challenges do we face?

The demand for more sustainable materials from our customers continues to increase. Materials are needed to contribute to lighter buildings, longer-lasting transportation solutions and cleaner forms of energy. Steel meets the challenges by proving that its environmental footprint coupled with its strength and availability make it the material of choice for infrastructure solutions.



What do we need to do?

To effectively serve infrastructure sectors, we must communicate steel's current and potential sustainability contributions. We also must continue to build upon our current range of products by working to make our products even more environmentally friendly, longer-lasting and stronger.



What is the potential to create value?

Together with our global colleagues, we are currently meeting much of the need for sustainable infrastructure solutions. These solutions include stronger, safer and more sustainable buildings. That's where innovations in steel are taking us. Steel is strong enough to build skyscrapers, versatile enough to meet any construction challenge, and endlessly recyclable at the end of its useful life. Our current steel innovations are already reducing carbon emissions, energy use and costs for our infrastructure customers.



Energy:
Hydroelectric
Power
Generation and
Steel on the
Romaine River,
Quebec





295 TONNES

of ArcelorMittal reinforcing steel

+ 7,500 PERSON-HOURS

100%

renewable electricity free of GHG emission

350,000 HOMES

powered each year

Steel has a significant role to play in a low-carbon, more sustainable future. It's strong, flexible and durable, can be infinitely recycled with no loss of quality, and is an excellent candidate for use in green-energy generation, as it carries a lower carbon footprint than other comparable materials. In northern Quebec, ArcelorMittal steel is being used for a significant and high-profile energy project — the construction of the Romaine River hydroelectric dam.

The award-winning Romaine-3 temporary diversion project consists of a reinforced concrete structure that will redirect the Romaine River bed until the dam is completed. A total of 295 metric tonnes of ArcelorMittal reinforcing steel was used in the project — and it took 7,500 person-hours to install the rebar. There were many challenges throughout the installation process, including the scale of the dam, the size of its arch, the cold and intense weather, space confinements, and the lengthy distance from steel and concrete manufacturers. After its completion, The Romaine-3 dam will be used in the production of hydroelectric energy. Hydropower is a more sustainable source of electricity, as it is 100 per cent renewable and free of greenhouse gas (GHG) emissions. The newly built dam will have a capacity of 395 megawatts of electricity — enough to power nearly 350,000 homes each year!

While working on this project in the far north was not easy, the Romaine–3 dam is now under construction and commissioning is scheduled to be completed by 2020. Despite the challenges and conditions, ArcelorMittal steel has contributed to the development of greener energy production, while also meeting the stringent requirements of a complex project.

Buildings: Stronger, Safer and more Sustainable



We continue to formulate steel that is lighter, thus improving an already superior strength-to-weight ratio for more efficient and effective structures. Lighter and stronger steel is also making construction easier — requiring less energy to move and assemble, and needing less extensive foundations.

In 2015, the Steel Market Development Institute (SMDI) released the first industry-wide Environmental Product Declaration (EPD) for cold-formed steel studs and track manufactured in North America and the Canadian Sheet Steel Building Institute (CSSBI) published an EPD for roll-formed steel panels manufactured in Canada. The EPDs consider each stage of the product's lifecycle, including the supply of raw materials, transportation, production and the disposal of the product at the end of its life cycle.

ArcelorMittal conducted the lifecycle assessment (LCA) study on behalf of the CSSBI and this made ArcelorMittal the first steel company in the region to obtain third-party certification for such a study. The EPDs which summarize the LCA study results will be available to architects and designers looking to improve the sustainability credentials of their buildings through LEED v4 certification. This latest version of LEED raises the bar significantly in terms of a building's environmental performance. Having completed the LCA study helps us stay ahead of the competition.

New construction solutions continue to be a focus of Arcelor Mittal's research and development efforts. For example, in response to customer interests in zero-energy or even positive energy buildings, we continue to conduct research in this market. Areas in development now include models that directly integrate renewable energy sources into buildings through steel products.

Canada's
Busiest Bridge:
The Champlain
Bridge in
Montreal,
Quebec



ArcelorMittal facilities are doing their part to help rebuild some of the largest and most critical bridges in the U.S. and Canada, one of which is the Champlain Bridge in Montreal, Quebec.

The new \$4.2 billion Champlain Bridge construction project is underway and will replace the existing bridge that opened in 1962. The new bridge will be a stand-alone structure on its own piers, crossing the Saint Lawrence River and connecting the Island of Montreal with the south shore. The 3.4 kilometre bridge will include a three-corridor design and will also include a multiuse path for pedestrians and cyclists. It is expected to have a 125-year design life. Champlain is the busiest bridge in Canada, carrying more than 50-million vehicles a year. Our facility in Contrecoeur, Quebec, along with facilities in Coatesville, Pennsylvania, and Burns Harbor, Indiana, began supplying steel for the project in 2015.

This is a high-profile bridge project in Canada because of the volume it carries and the important link it provides for the city of Montreal. Large projects like the Champlain Bridge require a great deal of coordination and commitment on the part of suppliers, such as Arcelor Mittal, to get customers their products when they need them.

Outcome 4

Efficient use of resources and high recycling rates

Now more than ever, we are focused on understanding the full lifecycle of materials and products. Steel is at a distinct advantage, as it is the most recycled material in the world – more than aluminum, paper, glass, gas, and plastic combined – and can be recycled indefinitely without compromising its quality. As a result, steel plays an important role in the circular economy.



Why is this important to us?

In recent years, a greater emphasis has been placed upon the reuse and recyclability of all materials. Steel is everywhere in our daily lives and we must highlight all of its advantages. As the leading steel provider in Canada, we carry the responsibility of maximizing our efficiency and recyclability.

The Commercial Imperative

What kind of challenges do we face?

Many of our stakeholders are not fully aware of steel's contribution to the circular economy and its inherent lifecycle advantage. As a result, competing materials pose a challenge to our leadership in the market. In addition, we must continue to utilize all of our materials in the most efficient ways possible and find new ways to maximize our reuse or recycling.



What do we need to do?

We must continue to drive process innovation, as it is the key to using our resources in the most efficient ways possible. We must also collaborate with our stakeholders, including our customers, the government and our local communities, to better inform them of steel's lifecycle advantages and to encourage higher end-of-life recycling rates for products made from our steel.



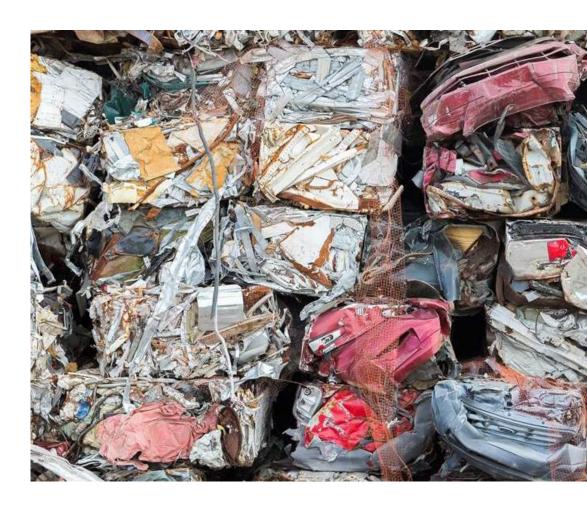
What is the potential to create value?

Steel will always be a leader due to its high recyclability rate. When steel is recycled, we minimize our use of natural resources, decrease our emissions and reduce our overall environmental footprint. We have the opportunity to create additional long-term value through continued innovation and stakeholder collaboration.



2015 Highlights

Recycled Scrap Steel	Our Commitments	Our Progress	Next Steps
	ArcelorMittal is committed to improving recycling rates, translating to reduced CO ₂ emissions during the production process and creating steel products with a lower carbon footprint.	ArcelorMittal Canada recycled 2.66 million metric tonnes of scrap steel in 2015.	Continue to drive recycling rates up and reduce CO ₂ emissions.
Recycling and Reuse of Water	Each year, we work to increase our reused and recycled materials at every level in our process.	77.06 per cent of water used by ArcelorMittal Canada in 2015 was re-used or recycled.	Continue to drive reuse and recycling.





NORTH AMERICA

80 MILLION TONNES

of steel recycled or exported for recycling every year.

1 TONNE

of recycled steel conserves

2,500 POUNDS OF IRON ORE,

1,400 POUNDS OF COAL &

120 POUNDS OF LIMESTONE.

68.04%

of each ArcelorMittal Canada tonne of steel

RECYCLED SCRAP STEEL



Recycling Steel and the Byproducts of the Mining and Steel Processes

Since 1988, more than one billion tonnes of steel have been recycled by the North American steel industry, according to the American Iron and Steel Institute. In North America, more than 80 million tonnes of steel are recycled or exported for recycling annually.

When steel is recycled, 74 per cent of the energy that would be used to create steel purely from raw materials is conserved. In addition, every ton of steel recycled conserves 2,500 pounds of iron ore, 1,400 pounds of coal and 120 pounds of limestone. In total, 68.04 per cent of each ton of steel produced by ArcelorMittal in Canada is from recycled scrap steel.

Beyond the recycling of steel itself, ArcelorMittal also recycles many co-products and byproducts of the mining and steelmaking processes. In fact, nearly all of the byproducts from the steelmaking process are now reused. Some examples are:

- Slag (mainly containing lime, silica and iron oxides) is recovered and can be reused to build roads, create fertilizer and make glass;
- Blast furnace and coke-oven gas are captured and used to create steam and electricity;
- Oxide fines and metalized dust are reused in steelmaking processes;
- Scale is reused in steelmaking or used by cement producers or alloy and metal products manufacturers.
- At our Mining Canada operations waste oil is recycled to heat buildings in Mont-Wright and Port-Cartier, Quebec;
- Waste steel materials from our Mining Canada operations are recycled in our Quebec steelmaking facilities.

Did You Know?

In 2015, approximately 42 per cent of the inputs in steelmaking at ArcelorMittal Dofasco were Total Recycled Material. As a result, ArcelorMittal Dofasco is the largest scrap metal consumer in Ontario. We are keeping 120,000 net tonnes of steel out of landfills each month. Recycling enables us to conserve energy in the production of steel while also conserving the earth's resources — ultimately reducing our production footprint and impact on the environment, while also improving our bottom line.

A Commitment to Reuse: ICI on Recycle at Long Products Canada

ICI on Recycle is a recognition program carried out by the province of Quebec to recognize the efforts of industries, businesses and institutions to improve environmental performance. There are three levels to this program: Level One — Commitment, Level Two — Implementation, and Level Three — Performance. In order to achieve Level Three status, companies must demonstrate performance measures put in place in terms of reduction, reuse, recycling and recovery of residual waste, while also conducting internal awareness campaigns on waste management. In 2015, our Contrecoeur-East, Contrecoeur-West, Longueuil and Saint-Patrick facilities in the province were successful in the renewal of their Level Three Gold Certificates for their high performance in the responsible management of residual materials.



The Value in Byproducts

Our steelmaking facilities in Montreal, Quebec, and Hamilton, Ontario, generate several different byproducts, which are often sold to customers who can utilize them.

At the Contrecoeur reduction plant, iron oxide pellets are delivered from ArcelorMittal Mining Canada and then converted into metallized pellets. Oxide fines are screened from the pellets and used at the ArcelorMittal Burns Harbor steel plant in the U.S. Sludge from the scrubbing process at the reduction plant is utilized for cement, with approximately 17,000 metric tonnes of sludge shipped in 2014 from Long Products Canada. Also at the reduction plant, metallized dust and fragments are compressed into briquettes, which can be used in Long Products Canada's electric arc furnaces. However, a surplus of metallized dust is generated and sent to an outside contractor that binds dust into round briquettes, which are used as raw material for electric arc furnaces. At Contrecoeur, close to 10,000 metric tonnes of metallized dust per year is recycled to make new steel.

In steelmaking operations, slag is a fused layer that floats on top of molten steel. It consists of solids generated from impurities (elements other than iron) present in the direct-reduced iron and scrap melted in the electric arc furnaces. Slag mainly contains lime, silica and iron oxide and is crushed and screened into various grades of steel slag aggregate for the construction industry. Crushed slag can be used to build roads and railway infrastructure, as fill on industrial and commercial properties, or as an additive in some concrete mixes or even for agricultural soil additives. Together, the Contrecoeur–East, Contrecoeur–West and Hamilton steelmaking facilities generate nearly 740,000 tonnes of slag per year and 99 per cent of it is recycled. Scale, a thin layer of iron oxide that forms on the surface of hot steel is used for cement, alloy and metal products manufacturers, and other steel producers.

Ensuring these byproducts, and many more, are reused means that the material is not discarded to landfill, and reduces environmental impact in other sectors that utilize the byproducts.

Outcome 5

Trusted user of air, land and water

The air we breathe, the land we live on and the water that sustains us are all essential components of our ecosystem. Each of these elements is also critical to our business and to the mining and steelmaking processes. We prioritize the responsibility of being a trusted user of these resources in Canada.



Why is this important to us?

Air, land and water are finite natural resources. To be a sustainable company, we must ensure that each of these resources is used in a responsible manner. Our goal is to respect the ecosystems in the communities where our facilities operate. These are also the communities where our stakeholders, including our employees and our local community members, live and work. We must also consider our impact on the larger climate of Canada and the planet.

The Commercial Imperative

What kind of challenges do we face?

The mining and steelmaking processes are dependent upon natural resources. For example, iron ore is mined from the land and air emissions such as carbon dioxide are a byproduct of steel production. In addition, water plays a critical role in the mining and steel production processes, as well as in material transportation.



What do we need to do?

Because steel is central to our everyday lives, we must find ways to manage and minimize our environmental impact. This starts with meeting required environmental regulations and innovating new solutions to continually decrease our environmental footprint. In 2015, all of our Canadian steelmaking facilities maintained their ISO 14001 certification status from the International Standardization Organization. Adhering to this voluntary environmental management framework demonstrates our commitment to minimizing the impact that steelmaking has on the environment. Our facilities are regularly audited by internal and external staff to evaluate regulatory and permitting issues. Our stakeholder relationships are also critical to our success, ensuring that we anticipate issues before they arise and that we are able to work in partnership to address them. Our goal is to build and retain the trust of our stakeholders.



What is the potential to create value?

Our greatest opportunity to create value lies in our strong stakeholder relationships. Our partnerships with groups such as Sustain our Great Lakes illustrate how we are actively involved in meaningful environmental protection initiatives outside our company. Additionally, we create value by ensuring our processes set a best-practice example of environmental performance. We continue to look for opportunities to utilize the byproducts of steelmaking as resources to drive environmental sustainability.



2015 Highlights

Management Systems	Our Commitments	Our Progress	Next Steps
	Maintain ISO 14001 certification for steelmaking facilities in operation.	Maintained ISO 14001 certification for steelmaking facilities in operation.	Continue to maintain ISO 14001 certification for steelmaking facilities in operation and utilize the environmental management information system to make continuous improvements in how we manage our environmental performance.
CO ₂ Emissions	Globally, we are committed to cutting our CO ₂ emissions by eight per cent per ton of steel produced by 2020, based on 2007 baseline figures.	In 2015, we achieved a decrease from 1.16 to 1.08 tonnes of CO ₂ per ton of steel produced; a decrease of CO ₂ per ton of iron ore from16.2 to 15.3 tonnes per kilogram for concentrate and from 113.9 to 100.7 tonnes per kilogram for pellets.	Strive to continuously improve our performance in CO ₂ emissions through process and product.

Air

ArcelorMittal takes its commitment to environmental stewardship very seriously. Our environmental professionals collaborate with operations, technical and maintenance personnel to ensure compliance with environmental permits and address issues immediately when they arise. In addition, we are actively pursuing air emissions reductions through the implementation of energy-efficiency projects and by taking advantage of alternate fuels. Our CO_2 emissions decreased from 1.16 to 1.08 tonnes of CO_2 per ton of steel produced in 2015, and ArcelorMittal Canada's CO_2 emissions continue to be lower than the global industry average — which is 1.8 tonnes of CO_2 per ton of steel produced, as reported by the World Steel Association. Our CO_2 emissions per ton of iron ore also decreased from 16.2 to 15.3 tonnes per kilogram for concentrate and from 113.9 to 100.7 tonnes per kilogram of pellets in 2015. Reducing CO_2 emissions to manage climate change is important to ArcelorMittal and the steel industry as a whole.

Globally, we are committed to cutting our CO_2 emissions by eight per cent per ton of steel produced by 2020, based on 2007 baseline figures. In Canada, we primarily address climate change through energy-efficiency projects at our facilities, and through process and product innovation. Our products are now and will continue to be mitigation enablers in industries that utilize steel in their products. By increasing efficiency, strength and durability in steel products, studies show the use of steel in the automotive, construction and other industries will create significant CO_2 savings, with ArcelorMittal playing a significant role in responding to climate change.

CO₂ EMISSIONS DECREASED FROM

1.16 TO 1.08 TONNES

of CO₂ per tonne of steel produced in 2015.

CO₂ EMISSIONS PER TONNE
OF IRON ORE DECREASED
FROM 16.2 TO 15.3 TONNES
PER KG FOR CONCENTRATE
AND FROM 113.9 TO 100.7
TONNES PER KG
FOR PELLETS IN 2015.





Land

We believe we have a responsibility to protect local biodiversity and ecosystems in the environments where we operate. Four ArcelorMittal facilities in Canada (Hamilton, Ontario, and Longueuil, Contrecoeur and Saint-Patrick in Quebec) sit along the Great Lakes and its watershed, which is recognized as a rich and diverse ecosystem. We work together to identify on-site areas for restoration and preservation, as well as stewardship opportunities in the surrounding communities.

Mining activities can have extensive impacts on land, habitats and biodiversity, and our operations aim to follow International Finance Corporation standards, which set out best practice in land management. This includes the assessment and management of environmental risks and impacts, the conservation of biodiversity and the sustainable management of living natural resources. The main residues that are generated by mining are mineral wastes, such as displaced rock or "overburden" and "tailings." However, in some cases, as in our Mary River joint venture, iron ore deposits are high grade and considered to be direct-shipping ores. There is no upgrade mill or pelletizing required for the iron ore, and thus no tailings ponds required. However, our Quebec mining operations do manage tailings, which are the residues left when the ore is extracted. They are discharged to a storage facility, usually held in water, and held in place by a "dam." It is vital that these dams are managed carefully to ensure they are structurally sound, and do not pose a risk to local people's health and safety, or to the environment. This responsibility extends beyond the life of the mine, and this is why we design comprehensive mine-closure plans for our mining sites, in consultation with local stakeholders.

The *Quebec Mining Act* requires all active mining operations to submit and obtain approvals for mine-closure plans. Accordingly, Arcelor Mittal Mining Canada submits our plans to the Quebec Ministries of Natural Resources and Wildlife, and Sustainable Development, Environment and Parks 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. Arcelor Mittal Mining Canada's mine-closure plan for the period of 2013–2017 received approval.

We also consider the management of mining excesses, which are the unused material in the mining process. In the case of iron ore mining, excesses take the form of silica. Our Canadian mining operations have decreased silica excesses from 147 million metric tonnes in 2014 to 115.86 million metric tonnes in 2015.

In September 2013, Baffinland and the Qikiqtani Inuit Association (QIA) entered into a long-term land tenure lease, which ensures that North Baffin Island beneficiaries are consulted and benefit from the company's operations on Inuit-owned Land (IOL). For operations on Crown land, Baffinland maintains land use permits and a lease in good standing with Indigenous and Northern Affairs Canada. With respect to mine closures, Baffinland is required by law to post reclamation security with the land owners. This estimate, which is developed annually in consultation with the landowners, reflects current site conditions and meets the reclamation objectives outlined in the Mary River Interim Mine Closure and Reclamation Plan.

Water

Water plays a critical role in the mining of iron ore and the production of our steel, as well as in the transport of both raw materials and finished products. Our facilities in Canada have permits for the water we both take in and discharge; the permits dictate the cleanliness and temperature of the water, as well as monitoring and reporting requirements. We work to collaborate with operations personnel to ensure compliance with these permits and immediately address issues when they arise.

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. At our site in Mont-Wright, Quebec, nearly 30 per cent of total material handled is concentrator residues piped to our tailings impoundment. At the site, tailings water is recycled in the concentrator process to minimize the use of fresh water, with nearly 90 per cent of the process water being recycled water.

At our Mont-Wright and Fire Lake Mines, in 2014 we committed to invest \$94 million in environmental structures such as intercepting ditches, basins and water treatment over 5 years. We invested \$10 million in 2015 for these projects, including Port-Cartier.

In general, steel plants require water for cooling and processing, and 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.

In North America, 11 ArcelorMittal facilities are located directly adjacent to the Great Lakes. We have been involved in various public-private partnerships and spearheaded stakeholder engagement to ensure the Great Lakes Region is a global leader in land and water conservation strategies.

Since its inception, ArcelorMittal has been the sole corporate partner with Sustain Our Great Lakes (SOGL), a consortium of key regulatory agencies and government environment services. SOGL is important to ArcelorMittal for many reasons. First and foremost, it invests in protecting and restoring key land and water habitats around the Great Lakes. Since 2008, we have helped to restore more than 33,000 acres of wetland, coastal and upland habitat, and have connected more than 1,600 stream miles.



In 2015, one Canadian project was awarded with a grant via SOGL. The Long Point World Biosphere Reserve received \$200,000 to restore hydrologic connections between the Long Point Bay and the Big Creek Marsh, on Lake Erie.

In 2014, we reported that two Canadian projects received funding from SOGL – the Water Soldier Management and Eradication Project, and the Lower Spencer Creek In-stream Habitat Restoration Project.

The Ontario Federation of Anglers and Hunters was provided with \$45,000 for the Water Soldier Management and Eradication Project, which was completed and closed in 2015. The project team surveyed and identified 150 hectares of water soldier, an invasive aquatic perennial plant. In 2014, 50 hectares were successfully treated for water soldier using an aquatic herbicide, while surveillance in spring of 2015 showed that the herbicide treatment was successful. A pilot control project was conducted with the use of a mechanical harvester, which removed a total of 192 cubic yards of water soldier from the Trent Severn Waterway. An additional 146 hectares of water solider were treated using herbicides in October of 2015. The 2015 Water Soldier Project was the most successful year for the project since the first discovery of water soldier in the Trent River system in 2008.

The Lower Spencer Creek In-stream Habitat Restoration was funded in 2014 and is scheduled to close in July 2016. The scope of this project was reduced and the remaining funding has been allocated to other 2016 projects accordingly. This project will now address wetland habitat and invasive species within this area of Spencer Creek, near Dundas, Ontario. Specifically, the revised project will remove invasive plant species, plant native vegetation, plant trees, and install turtle nesting areas.



OUR GREAT LAKES SINCE 2008, MORE THAN 3,000 ACRES

of wetland, coastal and upland habitat restored

+

1,600 STREAM MILES

connected through our Sustain Our Great Lakes partnership



\$5.6 MILLION
in SOGL since 2008.

=

\$55 MILLION IN GRANTS.

+

\$59 MILLION
IN MATCHED GIVING.

\$113.6 MILLION
IN CONSERVATION INVESTMENTS
in the region.

Two projects funded in 2013 — Restoration of Royal Botanical Gardens (RBG) wetlands and Walpole Island First Nation marsh restoration along the St. Clair River — have both been completed and closed. The RBG's restoration project accomplished several objectives: the restoration of 0.3 miles of creek channels, over 100 hectares of submergent marsh, and 1.4 acres of natural area formerly dominated by Phragmites; the planting of 23,000 native wetland plants; and educating thousands of people on the significance of the wetlands at the RBG's Cootes Paradise Nature Reserve. The grantee well exceeded their riparian, instream and wetland restoration goals.

The Walpole Island First Nation project met all of its objectives for the second phase of the multi-year initiative to restore Swan Lake Marsh. The team engaged the local community and involved them in refining the restoration and management Plan for the site, and also kept them informed throughout the project of different activities and progress. In addition, 2,300 yards of dike impoundment in need of reconstructive work were repaired. Wildlife and fish habitat were enhanced by creating habitat features, such as 24 waterfowl nest boxes, 10 turtle basking sites and native vegetation. The project has and will continue to improve habitat quality on the 171-acre Swan Lake Marsh.

These are just a few projects that exemplify the immense success of ArcelorMittal's partnership with SOGL. ArcelorMittal has invested \$5.6 million in SOGL since 2008, and together with our partners, SOGL has provided nearly \$55 million in grants and leveraged nearly \$59 million in matched giving, totalling more than \$113.6 million in conservation investments in the region. ArcelorMittal will continue its partnership with SOGL as we endeavor to support the improvement of land and water habitats in the Great Lakes area.

Engaging and Educating Children in Water Issues



For the 9th year, ArcelorMittal Dofasco sponsored and participated in the 2015 City of Hamilton Children's Water Festival event, a free annual festival that attracts more than 3,000 Grade 4 students, teachers and parents.

Through 30 interactive and educational activities, children and adults are taught the importance of water conservation, protection and awareness. The ArcelorMittal Dofasco "Filtration Station" activity demonstrates how ArcelorMittal Dofasco manages its water intake from Hamilton Harbour, showing the importance of responsible wastewater treatment in the steelmaking process.

During the activity, students create and treat wastewater, choosing from a variety of pre-made filters to treat their "dirty" water.

The activity illustrates a number of lessons about wastewater treatment at ArcelorMittal Dofasco, including the importance of wastewater treatment, how it works and the value of the treatment process to Hamilton Harbour.

Promoting
Growth of
Forest Species
in Mine Tailing
Sites



Iron ore concentration operations at Mont-Wright, Quebec, result in the disposal of sand in tailings ponds that are designed to contain the solids and mange the water in compliance with environmental regulations. Our team is working to combat the potential for dust when the sand is dried, as well as mitigate the fact that sand tailings do not promote plant growth because they contain no organic matter. In addition, sand tailings are subject to rain-and-wind-induced erosion, which alters the profile of tailings beaches.

ArcelorMittal Mont-Wright has partnered with the Université du Québec à Chicoutimi to examine the survival and growth of forest species in areas consisting primarily of mine tailings. The experimental design evaluates various growth substrates versus three plant species, including green alder, jack pine and hybrid poplar. The goal is to stabilize surface areas, control dust and create carbon stores, while restoring the tailings pond sites to a natural environment. In summer of 2015, 18,000 trees and shrubs were planted, and 35 hectares were subject to direct seeding. Since 2010, more than 15 hectares have been permanently revegetated as herbaceous prairies.

The project contributes to the management of greenhouse gas (GHG) emissions and groundwater pollution. In addition, the research benefits Canada by increasing knowledge of carbon sequestration in a region of the boreal forest and by supporting the development of a protocol for recognizing offset carbon tax credits, which are essential to the Quebec economy.

Outcome 6

Responsible energy user that helps create a lower carbon future

Steelmaking and mining are energy-intensive industries. Energy consumption has a negative impact on the environment, and as a result, our goal is to decrease this impact by monitoring and minimizing our annual energy consumption. We continually work to identify and implement ongoing, innovative solutions to increase the sustainability of our operations, reduce greenhouse gas (GHG) emissions and protect the environment, all while reducing costs.



Why is this important to us?

Energy efficiency results in the reduction of air emissions, as well as our operating costs. Both of these issues are central to our company's long-term sustainability. As a result, we have made energy efficiency a priority throughout our Canadian and U.S. operations to ensure that we are responsible energy consumers.

The Commercial Imperative

What kind of challenges do we face?

We are a major consumer of energy, and exposure to a sometimes volatile energy market has a huge impact on the financial sustainability of our company. Factors ranging from aging infrastructure to extreme weather patterns can have a dramatic impact on energy prices.



What do we need to do?

To address energy challenges, we need to promote efficiency through projects that improve our sustainability. This includes investing in energy-saving technology and utilizing more environmentally friendly energy sources, when possible. In addition, we strive to become a more self-sufficient energy user by working to increase our capacity for self-generated energy.



What is the potential to create value?

Energy efficiency initiatives decrease our environmental impact and costs. Through partnerships such as with the Independent Electricity System Operator in Ontario and the Quebec Ministries of Energy and Natural Resources and Sustainable Development, we are working with our stakeholders to further minimize our energy use.





2015 Highlights

	Our Commitments	Our Progress	Next Steps
Energy Management	Reduce energy consumption year over year.	Attained a 11.6 per cent energy reduction between 2013 and 2015.	Continue to reduce overall energy consumption and energy intensity across Canada in both steel and mining production.

Energy Management

Our energy strategy is led by teams of dedicated professionals in each sector who also meet in person at the annual Americas Energy Roundtable, where sites across the region come together to discuss opportunities and successes. As part of the 2015 roundtable, ArcelorMittal was selected to host specialized training on fanenergy optimization, due to our leadership in the U.S. Department of Energy (DOE) Better Buildings, Better Plants Program. Guests from other Better Plants companies, such as Owens Corning and Dow Chemicals, joined our colleagues from ArcelorMittal sites around the Americas to focus on opportunities related to fan efficiency in all our plants. Our electric energy usage is monitored closely by each facility and operations are adjusted appropriately during peak times and seasons, thereby minimizing the impact on the resource and managing internal costs. Through targeted energy—improvement projects, ArcelorMittal Canada works to improve energy efficiency in order to increase our sustainability performance.

Every facility plays an important role in energy management by identifying new ways to reduce energy use, costs and emissions.

Energy Efficiency

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 such as efficient LED lighting mean brighter, safer work areas that use less electricity.

Through energy conservation efforts like these, our Canadian sites are lowering our demand on Canada's provincial power grids, while contributing to the reduction of Canada's GHG emissions. In 2015, we achieved reductions in energy consumption of 479,178 gigajoules, as a direct result of conservation and efficiency initiatives.

Creating a Lower Carbon Future

There are two priorities for Arcelor Mittal 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 for the steel industry.

We report our GHG emissions and are committed to globally cutting ${\rm CO}_2$ emissions per tonne of steel by 8 per cent by 2020. In the province of Quebec, we work within the cap-and-trade system, which started on January 1, 2013. In 2015, pre-allocated credits to Quebec-based corporations were decreased and our manufacturing operations in the province are working within the new carbon-market structure. For our mining operations the ${\rm CO}_2$ emissions per tonne for both concentrate and pellets decreased (concentrate by 5.6 per cent and pellets by 11.6 per cent).

Among our operations, steelmaking is the largest contributor of GHG emissions. The primary process of making steel from iron ore is highly carbon-intensive, and carbon 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. However, steel can also be produced in an electric arc furnace, using electricity, scrap metal, and pig iron as raw materials. This technology not only emits less carbon, but is in effect a recycling period. ArcelorMittal operates three electric arc furnaces in Canada. One of the ways to reduce 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 2015, we reused more than 2.4 million metric tonnes of scrap steel at our three Canadian steelmaking plants.

ARCELORMITTAL
IS COMMITTED TO
REDUCING GLOBAL
CO₂ EMISSIONS
per tonne of steel by

8%
by 2020

A Portfolio
Approach
to Energy
Conservation
and Efficiency
at ArcelorMittal
Dofasco



AT ARCELORMITTAL DOFASCO, OUR TEAM HAS COMPLETED

15

ENERGY-REDUCTION PROJECTS since 2010 for

ENERGY SAVINGS OF 125,000 MWH

annually since 2015

WE ARE TARGETING AN ADDITIONAL

290,000 MWH/YR

in energy savings by 2020.

The energy management team at our Dofasco facility in Hamilton, Ontario, continuously looks for opportunities to reduce energy consumption, minimize our impact on the environment and remain more competitive. Since 2010, ArcelorMittal Dofasco has initiated 15 energy-reduction projects, working closely with cross-functional teams from Utilities, Engineering, Energy and Environment. The team has realized energy savings of an incredible 125,000 megawatt-hours (MWh) annually since 2015 and is targeting an additional 290,000 MWh/yr in energy savings by 2020.

The projects include upgrades at the water treatment plant (helping to conserve 4,000 MWh/yr); a new compressed air system (reducing costs by \$400K annually); installing variable frequency drives in many areas (reducing costs by \$500K per year); and generating electricity by using by-product fuels (generating 50,000 MWh/yr).

One of the projects is the installation of a turbine generator. With the closure of No.1 Coke Plant in 2015, 21 employees from the Utilities, Engineering, Energy and Environment departments worked together to create value from the fuel that formally fed the coke plant. The team refurbished and installed a 12 megawatt (MW) turbine generator to capture by-product fuels from the blast furnace, generate additional steam in the boiler house and turn that steam into electricity, which is used by the plant.

"When the decision was made to shut down No.1 Coke Plant, we knew we needed to find a way to capture the flared gases that no longer had a home," explains Mike Cortese, Improvement Coach, Utilities. "Successfully completing a project of this magnitude within an 18-month timeframe required a huge team effort. It was a complex operation because we needed to integrate a refurbished turbine-generator into a brownfield site at No. 2 Boiler House. We had to make extensive modifications to the site to locate all of the new equipment. Doing so required excellent teamwork and close coordination from operations, maintenance, technology and engineering to do it safely and efficiently, without disrupting existing operations in the area."



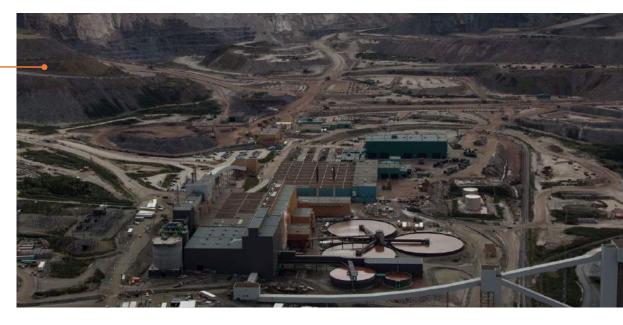
Each team was responsible for a critical part of the effort. Utilities led the process design to ensure that the generator would fit within the existing footprint. Utilities also trained operations staff to use the newly installed equipment. Engineering employees acted as the construction management group. The Energy Management team initiated the project and also worked with the Ontario government's Independent Electricity System Operator (IESO) to successfully apply for a \$10.4 million incentive for the \$15 million project.

The IESO incentive grant is part of Ontario's new energy conservation efforts. Recently, the province moved to a lower carbon-intensive electricity mix by removing coal from its power plants and investing in wind, solar and biomass energy. Energy reduction is also a cost-effective way for Ontario to protect the environment. As such, the IESO provides incentives to encourage local industries such as Arcelor Mittal Dofasco to recycle manufacturing by-products and reduce consumption of energy from the province's electricity grid.

The No.2 Boiler House turbine generator is the second generator to be installed at ArcelorMittal Dofasco. In 2012, a similar 7 MW generator was refurbished and placed at No.1 Boiler House. Together the generators produce almost 22 Mega Watts of power, which is enough to power almost 20,000 households for a year. This recycled energy also prevents 10,000 metric tonnes of greenhouse gases from entering the atmosphere every year and reduces demand on the province's electricity grid, helping both the community and the company.

The turbo generator project is part of an ongoing effort to lower ArcelorMittal's energy consumption, reduce electricity purchases, use our by-product energies effectively, decrease waste and generate our own power.

Reducing Energy Costs and GHG Emissions with New Forms of Energy at ArcelorMittal Mining Canada



In 2012, energy represented 25 per cent of ArcelorMittal Mining Canada's total costs and 50 per cent of total costs at the Port-Cartier pellet plant in Quebec. The company has also been a member of the carbon market since January 2013 and is working toward decreasing its greenhouse gas (GHG) emissions. To that end, the use of alternate forms of energy, natural gas and biomass, in various sectors of the organization has been under study to confirm feasibility.

Since natural gas is not available on the North Shore, the company has played a leadership role in the "Plein gaz au nord" coalition to demonstrate the needs and benefits of supplying natural gas to the North Shore and Northern Quebec. Many discussions have been held with potential developers and suppliers to ensure they understand requirements and develop the best possible solutions.

Despite the difficult economic context and the significant drop in the price of oil, including fuel oil, ArcelorMittal Mining Canada successfully executed a pilot project at the pellet plant, with support from key partners such as Gaz Métro and the Quebec Ministry of Natural Resources and Wildlife. The pilot project will help confirm that partially

replacing fuel oil with natural gas would maintain the plant's performance levels, in terms of both productivity and product quality, while reducing GHG emissions. Another goal of the pilot project is to develop an efficient method for modifying the furnace in a way that would ensure compliance with the furnace maintenance shutdown schedule.

The 12-month pilot project will replace 4.8 million litres of fuel oil and reduce GHG emissions by approximately 5,000 tonnes. The use of natural gas will also reduce other emissions such as sulphur.

Biomass has also shown promise as a new, more sustainable fuel. ArcelorMittal has reached an agreement with a biomass producer and a company that has developed new technology to produce oil from biomass. After the first feasibility test, which involved a limited volume of 10,000 litres, the agreement included conducting an industrial-level trial. The trial involved installing the necessary equipment and consuming 1.4 million litres of pyrolytic oil from January to April 2015.

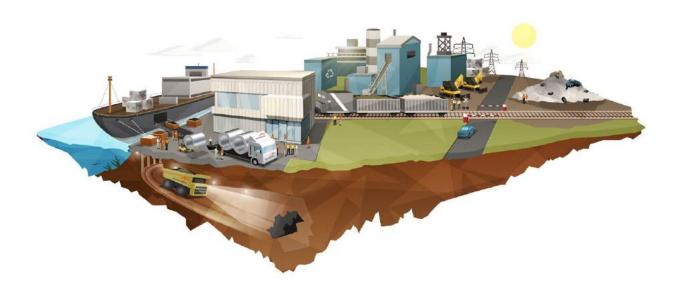
This is a significant development as no other pellet plant in the world has used biomass in its production process. The project involved evaluating the product, predicting its performance, designing and building a supply system, and establishing product evaluation protocols to ensure biomass is an effective and greener alternative to fossil fuels.

The trial results were positive and next steps in the project entail building a plant at Port-Cartier and signing a business agreement to continue exploring the use of biomass in the production of steel.

Outcome 7

Supply chains that our customers trust

As a leading producer of steel, our operations depend upon a vast supply chain. Our supply chain reflects who we are and is integral to the creation of our products. Furthermore, as a supplier to many industries ourselves, we recognize the importance of upholding strong supplier relationships and standards. As we are a vertically integrated business, our customers are dependent on the reliability of our internal supply chain to ensure they can meet their sustainability goals.



Why is this important to us?

We take responsibility for actively managing our supply chain. By incorporating social, ethical and environmental considerations into our sourcing decisions, we are positively contributing to a responsible supply chain that benefits the sustainability of our company and the planet.

The Commercial Imperative

What kind of challenges do we face?

We expect our suppliers to adhere to the same high standards of social, ethical and environmental performance that we require of ourselves. This includes meeting governmental supply chain regulations. Not only do we require this level of transparency ourselves, but our customers are also requesting higher levels of supply chain reporting and transparency. Due to the nature of our industry, we face the added challenge of drawing from a traditionally homogenous supplier base.



What do we need to do?

A global code for responsible sourcing was created in 2010 and we continue to implement its principles into purchasing practices with our suppliers. The Canada procurement and supply chain teams adhere to global sourcing rules and regulations required by ArcelorMittal Group supply chain practices and continue to thoroughly vet new suppliers, while strengthening our current supplier relationships.



What is the potential to create value?

A responsible supply chain is more efficient, competitive and resilient. Our policies help us to reduce risk, and ensure a positive working relationship and mutual success with our valued suppliers.



Product Transportation

Our steel products are shipped by rail, barge, truck and ship to destinations across North America and the world.

Our logistics department works to identify the most efficient, cost-effective, sustainable transportation solutions to deliver products to our customers in a timely and environmentally efficient manner.

Supply Chain Management and Responsible Sourcing

To operate efficiently, effectively and responsibly, ArcelorMittal relies on many other companies throughout the supply chain. Our success is directly linked to our suppliers' ability to provide the goods and services we need to run our mines and mills, and produce a quality product for our customers.

We need to manage this supply chain actively and effectively, so our stakeholders and customers can be confident that our suppliers behave ethically, and work towards upholding robust environmental and social standards. Our global Code for Responsible Sourcing (established in 2010) sets out the same high standards for our suppliers as we expect of our own operations, including adherence to our human rights and anticorruption policies, and compliance with Canadian Border Services Agency and U.S. Customs and Border regulations.

Our Canadian operations continue to work towards meeting the standards set out in the Code and having our supply chain members also agree to the terms of the Code.





Promoting Best Practices in our Supply Chain

Given the large number of contractors who work at ArcelorMittal facilities, we have recognized the importance of implementing a systematic contractor-management system to ensure safe work practices.

Before being selected, contractors must demonstrate commitment and experience in operations similar to ArcelorMittal's. Our goal is to ensure that all employees, including our contractors' employees, work in an environment where everyone is aware and informed of any risks, and that risk-control measures are in place.

To assist in achieving this goal, ArcelorMittal Mining Canada has prepared and deployed a contractor management program. The program integrates all contractor-related Health, Safety and Environment activities, in addition to providing a document management system. It provides clients and contractors with a bi-directional one-stop source of information. The system also allows members to identify the best-performing contractors and suppliers, in terms of health and safety and sustainable development.

Training is provided to ensure all users have a thorough understanding of the process. The management tool is online and accessible to everyone, and helps to protect the well-being of employees and contractors, while also promoting best practices throughout the industry.

Outcome 8

Active and welcomed member of the community

The communities where we operate are far more than just the physical locations of our facilities. These communities are made up of our neighbours and key stakeholders. They are also places where our employees choose to live and raise their families, and where our future workforce is educated and trained. It is important to us to be both an active and welcomed member of our communities.



Why is this important to us?

Our facilities make positive contributions to our local communities in many ways — from economic contributions through employment and taxes, to community investment programming and employee engagement, ArcelorMittal is a contributor to every community in which we operate. However, these towns and cities are also directly impacted by our operations. We are committed to being a responsible and sustainable corporate citizen by understanding and addressing the needs of our communities.

The Commercial Imperative

What kind of challenges do we face?

Our goal is to develop and maintain the trust of our local stakeholders, allowing us to be a welcomed member of each community. While some of our legacy facilities have been a major presence in their respective communities for generations (in some cases over 100 years), ArcelorMittal is a relatively new brand in the mining and steel industry. As a result, we must work even harder to gain and maintain our stakeholders' trust.



What do we need to do?

We must work in partnership with our community stakeholders to address local opportunities and challenges as they arise. We encourage open and transparent dialogue through stakeholder meetings and welcomed contact. We also engage with our stakeholders to affect positive change locally and believe in 360-degree partnerships, including through financial investments and employee volunteerism. We are increasing our focus on grant and volunteer initiatives related to science, technology, engineering and math (STEM) education — an area in which we have expertise.



What is the potential to create value?

As we continue to strive towards being welcomed in our communities, we create value for our stakeholders in a number of ways. Through our partnerships, we are able to remain informed about the expectations of our stakeholders — so that we can respond to their concerns. As a company, we benefit through enhanced trust and a strengthened reputation. Together, we can create shared value that benefits our company and local stakeholders, as we operate and live in stronger and healthier communities.



2015 Highlights

	Our Commitments	Our Progress	Next Steps
Direct Stakeholder Engagement	Ensure all facilities create a comprehensive corporate responsibility/ sustainability plan.	Our sites are working to develop corporate responsibility / sustainability plans for each location.	Through a Canada Sustainability Council, continue to develop site corporate responsibility and sustainable development plans.
Community Investment	Maintain sustainable investment in our communities.	In 2015, we invested \$2,144,519 million in community.	Identify qualified partners and investment opportunities both nationally and locally, with a focus on STEM education.
Employee Activity in the Community	Ensure employees are able to proactively engage in their communities through collaboration with nonprofit organizations on key social issues.	Employees currently volunteer with community organizations, through both company-coordinated programs and on their own.	Quantify employee volunteer hours at each Canadian site.

Community Engagement

In order to act as a responsible neighbour in the communities in which we operate, we must achieve a mutual understanding of the needs and priorities of both the company and the community. In this regard, interactions with our stakeholders are crucial to maintaining an open dialogue. We interact with a range of organizations and groups within each community, and always aim for continuously improving dialogue, understanding and relationships with the local community as one of our critical stakeholders.



In 2015, our engagement programs included open community meetings and smaller interactions with community organizations, as well as a combination of direct newsletters, emails, social media alerts and information posted to our websites about issues of note. Our sites also have documented grievance processes to properly assess any community issues that may arise.

Philanthropy, Corporate Grants and Employee Donations

We coordinate our philanthropic community investments in the same spirit as our community dialogues — not just delivered and measured, but adapted to specific local needs and circumstances, and aligned with our skills and strategy as a business.

In 2015, we provided \$2,144,519 in cash grants to support six key areas: STEM, education, environment, sports and leisure, health and social services, and arts and culture. By focusing our giving on these areas, we are able to create deep partnerships with the people and organizations we support, and to ensure those partnerships create measurable and long-lasting results. Together, these contributions help create robust and vibrant communities.

Our philanthropic offerings don't end with corporate support — our employees also contribute to community well-being through collections and pay-roll deductions. In 2015, each of our ArcelorMittal Canada facilities also participated in their local United Way campaign, resulting in a total donation of \$654,133.

BETWEEN 2007-2015:

400 LAPTOPS DONATED.

IN 2015:

42 LAPTOPS DONATED.



Inspiring and Rewarding Graduates



ArcelorMittal prides itself on being a responsible partner in our local communities and on making an impact beyond providing financial support. We encourage our employees to use their time, talents and leadership skills to make a difference in their communities.

Our employees participate in year-round coordinated volunteer activities with non-profit partners. From picking up trash at community parks to mentoring students in STEM programs, our employee volunteers are enriching the lives of many, and developing their own skills in teamwork and communication.

Our employees and managers can also be found providing their time, expertise and leadership on various community councils, boards and special task force initiatives. We support their efforts and encourage them in their community leadership.



The Graduate Laptop Program was created to support the ongoing education of young men and women in our communities. Inaugurated in 2007, this program offers free laptops to high school graduates from the five North Baffin communities closest to the Mary River mine site. Between 2007 and 2015, Baffinland donated nearly 400 laptops to deserving young students. In 2015, 42 laptops were provided to North Baffin high school graduates.

Improving
Transparency
Through
Collaborating
with
Stakeholders



We recognize the importance of communicating openly and transparently with stakeholders. So, when the Qikiqtani Inuit Association (QIA) approached Baffinland about creating a local consultation group in the closest affected community to the mine, Pond Inlet, Nunavut, we responded with the creation of the Mary River Community Group (MRCG). The group consists of a maximum of nine (9) community delegates comprised of Elders, youth and women, along with representatives from QIA, Hunters and Trappers Organization, The Local Hamlet, and a specialist as invited by the MRCG.

The purpose of the MRCG is to provide a platform for the exchange of ideas related to the Mary River project. Discussion topics include environmental concerns and monitoring, cultural considerations, local economic development, employment, education and training, engagement of youth, public safety, and other socio-economic matters. The MRCG also provides the opportunity for local community members to present their perspectives, ask questions and seek information.

Involving our local community members in the planning and implementation of projects contributes to long-term success. By consulting local stakeholders, we learn more about their needs and concerns, and in doing so, can work towards achieving mutual satisfaction. The MRCG met with the company four times in 2015, and will continue to congregate as the project develops.

Our facility in Hamilton, Ontario, also has a Community Liaison Committee that meets 3 to 4 times per year and whose meetings are open to all community members. The Committee is managed by ArcelorMittal Dofasco, with oversight from the Ontario Ministry of the Environment and Climate Change. It includes members representing a variety of community stakeholders, including education, industry, business and non-governmental organizations.

TO2015 Pan
Am/Para Pan
Am Games –
Bringing the
Competitive Fire



In November 2014, Arcelor Mittal Dofasco was named as an official supplier for the 2015 Pan American/Para Pan American Games. The company worked closely with TO2015, the organizing committee of the Games, to help bring to life the vision for the Games' Cauldron and the People's Cauldron.

For more than a year, we worked with TO2015, specifying and supplying 34 tonnes of made-in-Hamilton Arcelor Mittal steel for the Games' most iconic symbol. We also helped bring to life a second cauldron, The People's Cauldron (replica). The initiation of its design brought together more than 300 people from 30 communities for a collaborative event in Hamilton, in which they could share their love of their communities. Each community group told stories and created small objects of art with pinecones and other various materials. These activities informed the design of the unique scales of the People's Cauldron, as artists from the Toronto-based STEPS initiative interpreted the groups' work to create artwork. These pieces capture the connections to each community's history, physical and environmental landscape, industry, culture, and most importantly, its people.

To commemorate our city's involvement in the TO2015 Pan American/Para Pan American Games, the People's Cauldron will be permanently displayed at Bayfront Park in Hamilton. The waterfront is a destination and gathering place that is undergoing significant change and development. A big part of this evolution is public art and we are pleased that the Cauldron, proudly fabricated from made-in-Hamilton steel, will be part of our beautiful waterfront.

The legacy of TO2015 did not end with the Games — in June 2015, as part of the Toronto 2015 Pan American/Parapan American Play Day for schools in Ontario, ArcelorMittal Dofasco, the City of Hamilton and the Hamilton Athletic Trust announced long-term funding for a new soccer development program.

Sean Donnelly, President and CEO of ArcelorMittal Dofasco, speaks to the importance of sports in the development of communities: "This was a program we felt strongly about. We understand the power of sport — its ability to inspire, build community, build confidence and build leaders. And we know that the Games have brought even more potential to grow sport in our community — through the inspiration of watching world-class athletes and the physical infrastructure of the Games."

The youth program is open to children aged 5 through 13 and teaches basic soccer skills at a world-class soccer venue — the CIBC Hamilton Pan Am Soccer Stadium. Approximately 500 children will be able to enjoy free access to this program.



Inspiring Change with the United Way

In 2015, Arcelor Mittal Canada continued its support of the United Way with a total of \$654,133 donated by the company, employees and retirees.

The 2015 Centraide (United Way) campaign at ArcelorMittal Long Products Canada was a best for our Long Products team with a donation of \$280,000 — \$23,000 more than in 2014. The donation was raised by employees, retirees, unions and management, and was shared by Centraide of Greater Montreal and Centraide Richelieu-Yamaska to meet the needs of the company's host communities. The 2015 campaign pushed ArcelorMittal Long Products Canada's donation to more than \$2 million over 10 years.

In addition to contributing a higher donation total in 2015, the number of donor employees rose from 49 per cent to 55 per cent in one year. "This year, ArcelorMittal and its employees once more demonstrated that they are truly part of their communities' social fabric with this unparalleled generosity," enthuses Gilles Quenneville, Director, Human Resources and Legal Affairs, and co-chair of the ArcelorMittal Long Products Canada 2015 Centraide campaign.

In Greater Montreal, one out of every seven people receives support from an agency in Centraide's network. This makes Centraide a desirable charity for ArcelorMittal Long Products Canada and the United Steelworkers' members, who for decades have relied upon Centraide's expertise to invest the money efficiently with recognized, effective organizations. Centraide focuses on four areas: support for youth success, taking care of the essentials, breaking social isolation, and building caring communities.

Understanding Perspectives on Mining in Quebec



While our business units positively impact the communities in which we operate, we also understand the potential for adverse effects. We aim to involve local populations in decision—making processes where applicable and always aim to improve transparency. In Quebec, a social license to operate for our mining operations is a top priority, which is why we have collaborated with the Quebec Natural and Technological Research Foundation (FRQNT), the Quebec Ministry of Energy and Natural Resources (MERN), and the University of Sherbrooke to examine the social perception of the mining industry and social acceptance of mining projects. Community members want transparency, mutual success, input into the decision—making process, and information about how mining may impact the environment (both land and wildlife) and human health. To help address these expectations, we aim to develop a new approach through this research that will help align interests.

The general objective is to assess different views on new mining projects, while better integrating the concerns of the silent majority. Twelve mining companies with operations in Quebec will provide input and individuals will be invited to express their views in discussion groups. As we continue to collaborate on this project, we hope to gain a better understanding of our stakeholders' needs, so that we can continue to provide economic benefits — while ultimately better serving our communities.

Outcome 9

Pipeline of talented and qualified employees for tomorrow

The future of our company depends on a strong pipeline of talented science, technology, engineering and math (STEM) professionals. We need STEM workers to fill an ever-increasing number of open positions. These employees will also be responsible for driving the product innovations that will lead to a more sustainable future.



Why is this important to us?

The manufacturing industry in Canada is facing a significant workforce challenge. At ArcelorMittal, our aging workforce is retiring and we know that we face a shortage of skilled employees. We are hiring and training skilled employees to continue our mission to provide safe, sustainable mining and steel products.

The Commercial Imperative

What kind of challenges do we face?

As our workforce ages and employees retire, we need to ensure that their expertise is transferred to the next generation. However, while jobs in STEM-related fields are growing at twice the rate of those in non-STEM fields, a lack of trained and qualified STEM workers has created a skills gap that must be narrowed.



What do we need to do?

We aim to invest in the full continuum along the STEM education spectrum to ensure that students have access to STEM opportunities. In our communities, we partner with local non-profit organizations and schools to provide STEM experiences for youth, and support STEM programs in local colleges and universities. To retain and further the development of our current workforce, we provide educational reimbursement and training programs.



What is the potential to create value?

The workforce of tomorrow will have the opportunity to drive our technological innovations. This includes developing more sustainable production processes and developing new ways to use and reuse resources.



2015 Highlights

	Our Commitments	Our Progress	Next Steps	
Community Investment in STEM	Commit a minimum of 40 per cent of total community investments to STEM-related initiatives.	cent of total unity investments W-related We committed 33 per cent of our grant-making in 2015 to support STEM en programming		
Training and Leadership Development	Provide all employees with training and development opportunities.	In 2015, we provided an average of 43.05 hours of training for each Canadian employee.	Further refine our reporting to capture all hours of employee training.	

Training and Development

As a top Canadian employer, Arcelor Mittal invests heavily in training — offering employee development opportunities through local training programs, as well as course curriculum through the ArcelorMittal University. The ArcelorMittal University regional campus is in Hamilton, Ontario, and it provides learning opportunities for ArcelorMittal employees across the Americas. We offer on-the-job, classroom and offsite training to help employees expand the professional and position-specific skills required in today's workforce. Local employees can take job-specific courses at the ArcelorMittal University or they can select from a diverse range of professional, as well as personal development courses available through the in-house learning and development department. There are courses on the basics of steel-making for those not directly involved in production, while those newly elevated to management ranks can hone their skills through courses on decision-making and organizational effectiveness.

We are committed to fostering the development and education of young Canadians. To this end, we granted 47 students pursuing post secondary education with \$99,250 in scholarships.

Applicable employees also participate in the Global Employee Development Program (GEDP), a process that is widely used across the entire ArcelorMittal group, and which sees employees develop and assess against annual performance reviews and learning and development plans. Training our workforce is a critical focus area for our company. In 2015, an average of 43.05 hours was spent on training and development for each of our employees. As the safety of our employees is our number-one priority, we focus on training programs that ensure all of our employees are properly prepared to safely execute their daily tasks. Our employees also participate in both lines of progression training: training to learn higher-level assignments, as well as training to learn how to perform routine tasks.

Future Employees

Our industry has evolved significantly over time. The skills, training and education necessary to create quality mining and steel products are more advanced and the need for innovation is more critical than ever before. An important business priority is to ensure future employees are highly skilled and educated. We must have qualified, work-ready employees in our communities, who are prepared to fill vacancies left by retirees. To address this challenge, in 2015, we both created and expanded several initiatives and partnerships with educational institutions and non-profit partners.

In Canada, we have three initiatives to help in this regard: support for STEM-related initiatives; comprehensive apprenticeship training; and proactive knowledge-transfer programs — to ensure our long-service employees have an opportunity to share their learned knowledge with our newer employees.



Investment in Science, Technology, Engineering and Math (STEM) Education

ArcelorMittal invests in STEM education because we know that it is not only critical to the operation of our business, but also to the communities in which we operate. In order for advanced manufacturing companies to compete in a highly competitive global marketplace, the industry needs an educated workforce with the knowledge and skills required to adapt and change as new technologies are developed in this fast-moving industry. In addition, as the Council of Canadian Academies cited in its 2015 report on STEM Skills and Canada's Economic Productivity, STEM education is critical to Canada's future prosperity: "Given the inherent uncertainty of the future, one of the most proactive and strategic ways to be prepared in the long term is to ensure that Canadians have a strong base of fundamental skills. The fundamental skills that enable STEM literacy are prerequisites for a variety of education and career pathways. Such skills will equip individuals and the economy with the flexibility to take advantage of a number of opportunities, and increase the range of options available. Investments at the pre-primary through to secondary school levels are important to develop a STEM-literate society with strong fundamental skills. This action may be an important step towards improving Canada's poor innovation record."



As a result, ArcelorMittal invests in a continuum along the STEM education spectrum to ensure that students in our communities have access to STEM opportunities. Our goal is to increase student STEM skills, while simultaneously fostering a lifelong love of STEM. We accomplish this through programmatic-based grant-making, employee volunteerism, and mentoring and advocacy at the local and national levels.

In 2015, we invested nearly \$1.092 million in STEM programming across Canada — accounting for 33 per cent of our total community investments. These grants ranged from after-school STEM programs and competitions, to in-school STEM curricula and advocacy initiatives. To enhance our STEM partnerships, our employees serve as program volunteers and mentors.

Case Study



Developing the Leaders of Tomorrow

ArcelorMittal believes in the importance of developing engaged and motivated future workers in STEM fields. As a result, several of our business units have committed to making tangible contributions by supporting various STEM-related collaborative projects.

ArcelorMittal Long Products Canada

Today, very few young women choose engineering as a career — women account for only 19 per cent of the students registered in undergraduate engineering programs in Canada, and only 10 per cent of the practicing engineers in Quebec are women. For this reason, Polytechnique Montréal created a university chair to promote engineering among women. To enable the Marianne–Mareschal Chair to carry out this mission, ArcelorMittal Long Products Canada will contribute a total of \$24,000 by the end of 2018 and become one of the Chair's main partners. By organizing activities and workshops for primary, secondary and college students, the Chair intends to foster interest in engineering among young women. The Chair plans many activities throughout Quebec: a day in a company work environment, mentoring, industry tours, classroom presentations, contests like "Magnifiscience," and an interactive workshop on science and technology.

As part of the partnership with ArcelorMittal Long Products Canada, the Chair is currently working with high schools around Sorel–Tracy to plan activities for local high school students, with a view to expanding the pool of future engineers. So far, the program has been a success, as the Marianne–Mareschal Chair has a direct impact on more than 2,000 young people every year, in addition to the indirect impacts of its interactive online tools that can be accessed by everyone.



ArcelorMittal Dofasco

In October 2015, ArcelorMittal Dofasco partnered with local secondary and post-secondary academic institutions to launch two education programs to help address the shortage in STEM skilled employees. Forty Hamilton-Wentworth Catholic District School Board students in Grades 10 to 12 are participating in the Specialist High Skills Major in Advanced Manufacturing Program. Program graduates receive Specialist High Skills Major Red Seals from the Ontario Ministry of Education and real-world expertise with Mohawk College instructors. ArcelorMittal Dofasco employees shape the course's content and provide mentorship, workplace tours and instruction in our simulation labs.

In addition, The ArcelorMittal Dofasco Advanced Manufacturing Program will be aimed at Grade 10–12 students in the Halton District School Board. Our experts will participate in writing curriculum and also support the M.M. Robinson High School's robotics team, the "Rambotics."

"This will make a real difference in our students' lives and serve as an example to other companies," says David Lewis, Coordinator of Pathways and Technological Education for the Halton Board. "It will also ensure we are delivering what our students need to know in advanced manufacturing."

Outcome 10

Our contribution to society measured, shared and valued

We contribute to society in a variety of ways – through the employment of our workforce, the taxes we pay, the products and services we procure, our support of local economies and through our sustainability initiatives. It is important that we measure and highlight these contributions.



Why is this important to us?

We know that we make vital financial and social contributions to our communities. However, it is easy to overlook these contributions without metrics that demonstrate our substantial impact. As a result, our goal is to promote our current metrics and develop better measurements moving forward, to best demonstrate the value we create.

The Commercial Imperative

What kind of challenges do we face?

Our stakeholder relationships are critical to the operation of our business. These relationships are strengthened by demonstrating the value our company creates for these stakeholders. However, measuring economic and social value for a company of our size and scope can be a challenge.



What do we need to do?

Our corporate responsibility governance structure is critical to monitoring and measuring our impact. In 2016, we will create a Sustainable Development Council (SDC) for Canada, which will help to assign metrics and progress around our 10 sustainable development outcomes. The SDC will continue to lead this work and refine the measurement of our impact. We will also continue to analyze our economic contribution data and highlight this impact with our stakeholders.



What is the potential to create value?

We already know that our contributions are significant. However, our ability to demonstrate these contributions will strengthen our relationships with our stakeholders, thereby strengthening our overall operations.



2015 Highlights

	Our Commitments	Our Progress	Next Steps
Corporate Responsibility Governance	Establish a Canada Sustainable Development Council (SDC) charged with aligning Canadian sustainability commitment and initiatives.	Canadian sites are currently establishing local councils.	Establish the SDC for Canada and continue to refine our measurement and metrics around the 10 sustainable development outcomes.

One of Corporate Knight's Best

In 2015 ArcelorMittal was recognized for the fifth time by media and investment research firm, Corporate Knights, as one of Canada's Top Foreign Corporate Citizens. The award, which is presented to corporations with substantial operations in Canada, recognizes ArcelorMittal Canada for its leadership on social responsibility and corporate citizenship.

A Contribution to Canada

ArcelorMittal Canada employs more than 9,500 Canadians, creating nearly 40,000 additional jobs. Our Canadian operations distributed \$1.367B in direct economic value in 2015 (employee wages and benefits) and made investments of \$2.1M in community. We produced 28.7 million metric tonnes of iron ore and 5.5 million metric tonnes of steel used in the automotive, construction, packaging and energy markets, along with more than 100,000 metric tonnes of tubular steel products for the automotive and energy markets and more than 2.4 million welded blanks used in the automotive market.

Case Study



Contributing to Evidence-Based Policymaking in Canada

On October 1, 2015, ArcelorMittal Dofasco and McMaster University introduced the ArcelorMittal Dofasco Chair in Advanced Manufacturing, held by Dr. Greig Mordue (second from right) — at an event that marked the official kick-off to Manufacturing Month in Canada.

The new Chair is a legacy investment of the company's 100th anniversary in 2012, when it announced plans to establish a Research Chair that would make a significant contribution to the development of manufacturing policy in Canada.

Dr. Mordue took his post on July 1, 2015, and in addition to being Chair, Advanced Manufacturing Policy, he is also Associate Professor at McMaster — jointly appointed to the Department of Economics in the Faculty of Social Sciences, and to the Walter G. Booth School of Engineering Practice in the Faculty of Engineering.

Sean Donnelly, ArcelorMittal Dofasco President and CEO, noted the importance of the Chair and the company's ultimate goal: "Establishing the Chair is a reflection of the priority we place on supporting our supply chain," he said. "Manufacturing is important and the work of the policy chair will influence good evidence-based policy decisions and will also increase collaboration among industry, academia and government. Ultimately, our desire is to ensure Canadian manufacturers are well-positioned to significantly contribute to the economy by improving their competitiveness, boosting productivity and attracting foreign direct investment."

Dr. Mordue, the first to hold a Chair of this kind in Canada said, "ArcelorMittal Dofasco has given McMaster and the Canadian manufacturing community a foundation from which to sustain and build this crucial sector. My goal as Chair is to elevate the importance of manufacturing within Canada and to position McMaster at the centre of advanced manufacturing policy in this country."

Transparent Good Governance

We operate under the highest standards of business ethics and governance. These standards are essential to every aspect of our company and underpin the 10 sustainable development outcomes.



Why is this important to us?

Compliance with ethics regulations and upholding good governance are fundamental to being a responsible business. These principles are also critical to the successful fulfillment of our 10 sustainable development outcomes. Without strong ethics and governance structures, transparency and stakeholder relationships can be compromised.

The Commercial Imperative

What kind of challenges do we face?

As a leading employer in Canada, it is vital that we are clear about the standards of behaviour we expect from our directors, officers, employees and anyone else who acts on our behalf. We need to ensure that these individuals act in accordance with our code of business conduct and policies at all times. Every employee has the ability to either positively or negatively impact the integrity of our business.



What do we need to do?

We must continue to uphold the highest standards of business practice through our policies and employee training. Governance structures, both for the company and for corporate responsibility, are responsible for overseeing this important business function. We also continue to encourage open and transparent relations with our stakeholders to address any concerns and maintain their trust.



What is the potential to create value?

Companies with robust and transparent oversight benefit from stronger relationships with all of their stakeholders, including customers, employees, investors and lenders, local communities, non-governmental organizations, and government and regulators. This results in a lower likelihood for business disruptions and a stronger corporate culture.



2015 Highlights

	Our Commitments	Our Progress	Next Steps
Human Rights	Train all employees on their rights and responsibilities.	93 per cent of employees completed the human rights training.	Continue to conduct human rights policy training for employees in 2016.
Business Ethics	Implement corporate policies and codes that require employees to be trained and abide by those policies in their daily work.	92.5 per cent of obligated employees completed anti-corruption training.	Continue to conduct code of business conduct and anti-corruption training for employees in 2016.

Human Rights

For ArcelorMittal, our employees are our greatest asset. We maintain and enforce a comprehensive, company-wide human rights policy based upon the United Nations Universal Declaration of Human Rights; the International Covenants for Civil and Political Rights, and Economic, Social and Cultural Rights; and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. In Canada, our human rights policy ensures employees are protected and valued, focusing on the areas of workplace harassment and inclusion. ArcelorMittal is an equal opportunity employer and has a zero-tolerance policy for inappropriate conduct, workplace discrimination or harassment of any kind.

In 2015, 93 per cent of salaried employees requiring training on our human rights policy received the training.



Ethics and Integrity

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 2015, 92.5 per cent of employees requiring anti-corruption training received the training.



Whistleblowing

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.

Corporate Responsibility Reporting

This report marks ArcelorMittal Canada's third annual *Sustainable Development Report*. The report provides an overview of ArcelorMittal Canada's sustainability and corporate responsibility activities for 2015. The data that comprises ArcelorMittal Canada's corporate responsibility indicators are collected by individual sites using parameters outlined by either the department's key performance indicators (KPIs) or the related Global Reporting Initiative (GRI) Sustainability Reporting Guidelines' indicator.

Reporting Principles

The 2015 ArcelorMittal Canada Sustainable Development Report is guided by the Global Reporting Initiative (GRI) G4 guidelines.

Inclusivity — engaging with stakeholders to identify and understand issues affecting the business. We consider our stakeholders those who have direct interest in our business and those who have an impact on how we manage our business, due to the wider effort of our actions.

Materiality — determining which issues are important to our stakeholders and to ArcelorMittal Canada. We determine the materiality and importance of issues as they relate to our stakeholders and ArcelorMittal Canada, and work to continuously improve performance in all areas of our business.

Responsiveness — responding to material issues in a comprehensive, balanced and transparent manner. It is our goal to respond on a case-by-case basis to each issue thoughtfully and in a timely manner.

GRI G4

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines and is self-declared to be in accordance with GRI G4 Core Report Guidelines. An index containing GRI indicators utilized in this report can be found at dofasco.arcelormittal.com.

Stakeholders

Globally, our key stakeholder groups are our employees, shareholders, governments and regulators, our customers and the communities in which we work. Lenders, unions, suppliers, NGOs, business multilateral organizations and research institutions are also important. In 2013, ArcelorMittal carried out a review of its stakeholders, bringing in peer group analysis, a review of emerging best practice across the world and an assessment of the company's different stakeholder groups — based on the principles of the AA1000 Stakeholder Engagement Standard 2011. This gave the company renewed confidence that it has identified the most important stakeholders. Understanding and managing their expectations is a fundamental principle of our new sustainable development framework.

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. Arcelor Mittal requires all of its sites around the world to have a detailed stakeholder engagement plan — one that follows the company's stakeholder engagement procedure. In 2015, all Canadian sites either had these plans in place or were in the process of developing them. 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.

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 four times per year, which any member of the community may attend.

Consultation with stakeholders for Baffinland's Mary River Project is focused on the Inuit communities proximate to the mine sites, and includes the public, local and regional Inuit organizations, the Government of Nunavut, and federal agencies with a mandate relevant to the Project.

Baffinland has a network of Baffinland Community Liaison Officers (BCLOs) in the five closest communities.

Baffinland's Impact and Benefits Agreement is implemented under the guidance of a Management Committee and Executive Committee with members from both Baffinland and the QIA.

	Customers	Employees	Government and Regulators	Investors and Lenders	Local Communities	Media	Multilateral and Business Organizations	Non- governmental Organizations	Suppliers
Stakeholders Issues	Quality of products Ethical business practices Safety in products Renewable technologies, lightweight steel products	Worker health and safety Job security Working conditions Remuneration and rewards Career development Operational excellence	Biodiversity conservation Emissions control Attracting investment Employment opportunities Social and economic development	Corporate governance Business performance Employee health and safety Climate change Corporate responsibility management	Community engagement processes and plans Environment and emissions control Social investment Job security	Industry challenges and developments Health and safety Environmental issues	Long-term industry challenges Human rights Water, energy and waste Health and safety Responsible sourcing Climate change	Environmental protection Social and economic development Working conditions Corruption and bribery Health and safety Human rights	Code for responsible sourcing Quality of products Operational excellence Ethical business practices
How We Engage	Site visits Customer- oriented publications and events Partnerships, e.g. our engineering teams in customers' plants	Intranet Meetings Employee surveys Newsletters and publications Training programs Trade union relations	Country-specific steering groups Conferences and speaking engagements 1:1 formal dialogues	Road shows 1:1 meetings, regular conference calls Site visits	Local engagement workshops Local corporate responsibility reporting 1:1 meetings	Site visits Press releases Interviews Internet Twitter	Active involvement in organizations, including WBCSD, CSR Europe, World Steel Association, EITI and UN Global Compact	Partnership Formal meetings Correspondence and events 1:1 meetings	Dialogue through account management relationships Regular engagement with our local management on-site
Our Relationship	Provide innovative partnerships for sustainable growth Provide quality products at good value	Central to the success of our business by demonstrating productivity, quality and leadership Provide a safe and enriching work experience	Generate economic growth through revenues, taxes, fees and product innovation Key to providing fair and transparent competitive trading conditions	Generate sustainable growth and shareholder returns Improve our shareholder capital and boost financial performance	Provide support for local economic development Build trust with local communities	Provide industry trends as well as social, environmental and economic information Build and protect and raise awareness of our products and operations	Add to the collective understanding of responsible business practices Build capacity within our organization and understand and drive peer approaches	Provide an insight into the needs of society and the environment Monitor our performance in meeting the needs of stakeholders, vulnerable groups and society	Secure delivery of good value and quality products and services Meet responsible sourcing requirements Provide fair access to business opportunities and appropriate payment conditions

Performance at a glance

Data

Outcome 1. Safe, healthy, quality working lives for our people

Indicator	Topic	Description (Value)	2015	2014	2013	
LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Description of benefits provided to full-time employees that are not provided to temporary or part-time employees	See foo	See footnote #2 on page 90		
LA3	Parental leave	Return to work and retention rates after parental leave	See foo	tnote #3 on page	90	
LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Percentage of the total workforce represented in formal joint management—worker health and safety committees	100%	100%	100%	
	Restricted work, Medical aid, and Work- related fatalities for the total workforce	Restricted work frequency (restricted work/million hours worked)	3.44	3.03	N/A	
LA6		Medical aid frequency (medical aid/million hours worked)	11.06	6.96	N/A	
		Work-related fatalities	1	0	N/A	
ta est	Lost time injury frequency rate percent change (per million hours worked)	Lost time injury frequency rate, per million hours worked	0.61	0.61	0.73	
		Percent change over the previous year	0%	-16.7%	-65.6%	
LA9	Average hours of training per year per employee ^a	Average number of hours of training per year per employee	53.12	66.5	31.8	
	Percentage of employees receiving regular performance and career development review, by employee category ^b	Percentage of management employees receiving regular performance and career development review	100%	100%	N/A	
LA11		Percentage of workforce receiving regular performance and career development review	99%	92.43%	N/A	
Oucom	e 4. Efficient use of resources and high	h recycling rates				
Indicator	Торіс	Description (Value)	2015	2014	2013	
EN2	Percentage of materials used that are recycled input materials ^c	The weight or volume of recycled input materials as a percentage of the total input materials used	38.38%	39.78%	N/A	
ම	Mining excesses	Tonnes of tailings and waste rock	115.86MT (45.48MT of tailings; 70.38MT of waste rock)	147 MT (44 MT of tailings; 103 MT of waste rock)	64.47 MT	

Outcome 5. Trusted user of air, land and water

Indicator	Topic	Description (Value)	2015	2014	2013
EN8	Total water withdrawal ^{a,g}	Million cubic metres of water withdrawn surface water, ground water, rainwater, waste water and municipal water supplies	335.3	307.7	293.3
EN10	Water recycled or reused ^{6, d, h}	Percentage of water recycled or reused	77.06%	77.37%	N/A
EN21	Air emissions ^{7, i}	Air emissions of: NO _x , SO _x , Particulate Manner (PM or Stack Dust) and Volatile organic compounds (VOC), in KT	10.373 KT of NO _x (as NO ₂); 10.374 KT of SO ₂ ; 1.622 KT of PM (Stack Dust); and, 0.436 KT of VOC	11.793 KT of NO _x (as NO ₂); 14.340 KT of SO ₂ ; 1.559 of PM (Stack Dust); and, 0.209 KT of VOC.	11.793 KT of NO _x (as NO ₂); 14.340 KT of SO ₂ ; 1.559 of PM (Stack Dust); and, 0.209 KT of VOC.
EN22	Total water discharge ^{8, i}	Total water discharge by quality and destination, in cubic metres	473,999,731	266,375,000	N/A
Outcon	ne 6. Responsible energy user	that helps create a lower carbon future			
Indicator	Topic	Description (Value)	2015	2014	2013
<u>ම</u>	Primary energy consumption	Primary energy consumption in PJ	105.5	125.85	119.39
EN6	Reduction of energy consumption ^d	Reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in GJ	479,178	1,233,482	N/A
	Reductions in energy requirements of products ⁵	Percentage change in energy intensity per tonne of steel compared to the previous year	-2.78%	4.33%	2.46%
		Percentage change in energy intensity per tonne of concentrate compared to the previous year	-7.63%	-7.51%	N/A
EN7		Percentage change in energy intensity per tonne of iron ore pellets compared to the previous year	5.82%	-2.08%	N/A
		Energy consumption per tonne of steel produced, in GJ	16.2	16.6	20.8
		Energy consumption per tonne of steel products for concentrate (mining), in GJ/t	0.33	0.357	0.386
		Energy consumption per tonne of steel products for pellets (mining), in GJ/t	1	0.94	0.96
EN19	Reduction of greenhouse gas emissions	Amount of GHG emissions reductions achieved as a direct result of initiatives to reduce emissions, in million metric tonnes (MT) of ${\rm CO_2}$ equivalent	0.015	1.074	0.083
		CO_2 emissions per tonne of steel produced, in tonnes of CO_2 equivalent	1.08	1.16	1.26
<u></u>	Total CO ₂ emissions	$\mathrm{CO_2}$ emissions per tonne (mining), in tonnes of $\mathrm{CO_2}$ equivalent	15.3 kg/t for concentrate, 100.7 kg/t for pellets	16.2 kg/t for concentrate, 113.9 kg/t for pellets	18.8 kg/t for concentrate, 96.3 kg/t for pellets
Outcon	ne 7. Supply chains that our cu	stomers trust			
Indicator	Topic	Description (Value)	2015	2014	2013
<u>ම</u>	Operations certified to ISO 14001	Percentage of operations certified to ISO 14001	81%	93%	100%

Outcome 8. Active and welcomed member of the community

Indicator	Торіс	Description (Value)	2015	2014	2013
EN29	Monetary value of significant fines for non-compliance with environmental laws and regulations	Dollar value of significant fines	\$19,600	\$585,088	-
504	Direct economic value generated and distributed ^d	Direct economic value distributed: employee wages and benefits, in billion \$	\$1.367	\$1.143	\$1.2
EC1		Direct economic value distributed: community investments in \$	\$2,144,519	\$2,898,480	\$3,260,000
<u></u>	Social dialogue interactions	Number of social dialogue interactions	14	5	12
HR2	Employee training on human rights policies or procedures	Percentage of employees trained on human rights policies or procedures concerning aspects of human rights that are relevant to operations	93.0%	94.0%	90.5%
®	Percentage of employees compliant with internal anti-corruption training requirements	Percentage of obligated employees who are required to receive anti-corruption training who had completed it by year end	92.5%	94.8%	91.5%
Outcom	e 10. Our contribution to socie	ty measured, shared and valued			
Indicator	Торіс	Description (Value)	2015	2014	2013
	Total number and rates of new employee hires and employee turnover	Number of new employees hired ¹	705	1,044	N/A
LA1		Rate of new employee hires as a proportion of total employees	7.29%	10.15%	N/A
LAI		Number of employee separations	962	621	N/A
		Employee turnover (separations as a percentage of total employees)	9.94%	6.04%	N/A
564	Direct economic value generated and distributed ^d	Direct economic value distributed: employee wages and benefits, in billion \$	\$1.367	\$1.143	\$1.2
EC1		Direct economic value distributed: community investments in \$	\$2,144,519	\$2,898,480	\$3,260,000
560	Proportion of spending on local suppliers at significant location of operations	Proportion of procurement budget spent on suppliers within the province where the operations are located (Steel)°	50.42%	60%	N/A
EC9		Proportion of procurement budget spent on suppliers within the province/territory where the operations are located (Mining) ^f	71%	80%	N/A
LA13	Ratio of basic salary and remuneration of women to men	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	See note # 4 on page 90		
®	Unionized workforce	Percentage of employees that are unionized	36.23%	34.91%	35.20%

- 1 We practice employment equity, which also applies to our hiring practices.
- 2 Part-time or temporary employees do not get access to pension plans and health care/income protection programs that are offered to full-time employees.
- 3 All employees are entitled to parental leave and all come back to work.
- 4 ArcelorMittal complies with pay equity legislation in Quebec and Ontario.
- 5 Figures included in ArcelorMittal Canada's 2014 Corporate Responsibility report are being restated to only include primary energy (cokemaking, ironmaking and steelmaking) instead of total energy.
- 6 Arcelor Mittal Mining Canada's concentrator reuses 80% of its water. However, in periods of extreme cold, the water cannot be recirculated.
- 7 Figures stated for 2013 only included NO $_{_{\rm X}}$ and SO $_{^{\rm Z}}$ figures for a limited number of production locations.
- 8 All process water is treated before discharge. Treatment may include metal/sediment removal, organics removal, pH control, oil removal etc. Treatment is dependent on water use. Water not re-used by other organizations.

Data for 2015 includes all Canadian operations unless noted here. Unless otherwise specified, data for 2014 excludes Tailored Banks and data for 2013 excludes Tubular Products and Baffinland Iron Mines.

- a Data for 2014 excludes Tubular Products.
- b Data for 2015 for percentage of workforce receiving regular performance review only includes Flat Carbon, Long Products and Tubular Products units. Data for 2014 only covers Flat Carbon unit and Baffinland Iron Mines.
- c Data for 2014 only includes Flat Carbon and Long Products units.
- d Data for 2015 only includes Flat Carbon, Long Products, Mining Canada and Tubular products. Data for 2014 only includes Flat Carbon, Long Products and Mining Canada units. e Data for 2015 only includes Flat Carbon and Long Products units. Data for 2014 only includes Flat Carbon unit.
- f Data for 2015 only includes Mining Canada and Infrastructure Canada units. Data for 2014 only includes Mining Canada unit.
- g Data for 2015 excludes Tailored Blanks unit.
- h Data for 2015 excludes infrastructure Canada. Data for 2014 only includes Flat Carbon, Long Products and Mining Canada units.
- i Data for 2015 excludes Tailored Blanks unit.

Resources and Memberships

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
- Arcelor Mittal Dofasco dofasco.arcelormittal.com
- ArcelorMittal Infrastructure Canada G.P. www.transformerlayenir.com
- ArcelorMittal Long Products Canada long-canada.arcelormittal.com
- ArcelorMittal Mining Canada G.P. www.transformerlavenir.com
- ArcelorMittal Tailored Blanks www.automotive.arcelormittal.com
- Baffinland Iron Mines www.baffinland.com
- S-in motion www.arcelormittal.com/automotive
- Sustain Our Great Lakes www.sustainourgreatlakes.org

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

Arcelor Mittal 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

- · Quebec Mining Association
- · The Mining Association of Canada
- · Mining Industry Sectoral Workforce Committee
- · Quebec Business Council on the Environment
- COREM (Consortium of applied research for the processing and transformation of mineral substances)
- · Quebec Employers Council (CPQ)
- Joint Association for Occupational Health and Safety in the Mining Sector (APSM)
- Technological Institute Industrial Maintenance (ITMI)

ArcelorMittal Long Products Canada

- · 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

Baffinland Iron Mines

- · Mining Association of Canada (MAC)
- NWT & Nunavut Chamber of Mines
- · Northern Mine Safety Forum (NMSF)



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