

# Sustainable development

Sustainable development is about understanding and being ready for the material issues facing our business that arise from long-term environmental and social trends.



Our 10 sustainable development outcomes are designed to describe in simple language what we must strive to look like as a business if we are to obtain the most value from addressing our material issues. This approach is underpinned by a commitment to transparent good governance.

By embedding the 10 outcomes throughout the company, we are able to focus better on how we can avoid business disruptions, find new ways to create value and enable society to do the same.

# The 10 outcomes we need

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

We want our workforce to be safe and healthy, committed to our success, and to carry out our business with integrity. We want a workplace where diversity is valued and every individual is respected and developed to their full potential.

What we did in 2015 >







#### 2. Products that accelerate more sustainable lifestyles

We want our steel to become the material of choice for the designers and manufacturers of consumer products, because it's strong, durable and innovative, and its robust sustainability credentials over its full lifecycle are widely understood and recognised.

What we did in 2015 >

#### 3. Products that create sustainable infrastructure

We want our steel to become the first-choice material for public bodies who commission and approve construction projects, and the firms that design and build them, because they know that steel is part of the answer for a low-carbon circular economy, and not part of the problem.

What we did in 2015 >





#### 4. Efficient use of resources and high recycling rates

We want to be acknowledged for using resources in the most efficient and effective way, so that we are creating significant value for our customers and shareholders as well as for the environment.

What we did in 2015 >

#### 5. Trusted user of air, land and water

We want our stakeholders to trust us to share the vital resources of air, land and water because we operate responsibly and transparently, demonstrate that we understand and want to improve our environmental impacts and work in collaboration with partners and local communities to protect and enhance the natural resources we all rely on.

What we did in 2015 >





#### 6. Responsible energy user that helps create a lower-carbon future

We want our stakeholders to trust that we are making a positive contribution to a lower-carbon future because we are cutting our energy use and carbon emissions, and developing innovative new products that help our customers and other industries do the same.

What we did in 2015 >

#### 7. Supply chains that our customers trust

We want our customers to trust that we live up to their standards, both in our own steel and mining business, and in our supply chain.

What we did in 2015 >

#### 8. Active and welcomed member of the community

It is important that we are welcomed as good neighbours that actively engage and listen to local stakeholders, and make a positive contribution to more resilient and thriving communities through both our day-to-day operations and through thoughtful, well-targeted investments.

What we did in 2015 >

### 9. Pipeline of talented scientists and engineers for tomorrow

We need to be building a strong pipeline of talented and well-trained engineers, scientists and technicians, both for our own future and to provide the skills that, as a whole, 21<sup>st</sup> century society needs.

What we did in 2015 >



#### sured, shared and valued

We want to be able to show the value of the contribution we make to society, and we need our stakeholders to understand and appreciate it.

What we did in 2015 >

#### All underpinned by transparent good governance









## Creating value for society

In our sustainable development framework, outcome 10 requires us to ensure our contributions to society are measured, shared and valued. Below we present our first attempt to do this at a corporate level by summarising the value we created for society in 2015 in our own adaptation of the integrated reporting framework.

#### Our contributions to society Social Human 205mt CO<sub>2</sub> footprint 84.6mt steel shipped \$46,569m in payments \$10,880m paid in (steel and mining) across automotive, to suppliers and salaries, wages and construction, industrial contractors pensions packaging and other 4.5% reduction in Over 250,000 1m jobs estimated to sectors CO,/tonne steel since be indirectly supported in our supply chain by employee and contractor livelihoods C 2007 - on track to meet 10,000 high-strength our 2020 target of 8% directly supported steel beams used in 57 story building in Changsa, China, built in just 19 days, providing our business 37mt CO, avoided due \$936m paid to 46,258 days lost due to •...• to recycling of scrap governments in income tax, local taxes and injury (employees and contractors) 800 apartments 6mt CO., saved through royalties reuse of slag in ceme 5% improvement in 51 studies on the lifecyle impacts of our products since 2005 1.1 million livelihoods injury frequency rate benefiting from our 1 tonne CO, estimated 58 hours training provided on average lifetime reduction from community each family hatchback car using our high strength steels investments 23.000 tonnes of plate for each employee steel for 350MW offshore wind farm in Reputation surveys 50 PhD students ( )undertaken in 8 Baltic Sea countries confirm the supported by global 29.216GJ exported as importance of our R&D team Best Supplier award positive contributions electricity to local users from PSA Peugeot Citroën for contribution of Fortiform® steels to to stakeholders 60mt dust emissions 424 suppliers from steel production achieving vehicle evaluated on our code for responsible weight savings. 22% fall in dust/tonne sourcing steel since 2010 100 products aimed at a more sustainable automotive industry 0.17mt SOx emissions and 0.11mt NOx emissions 17 automotive O Positive 🔅 Negative products launched med at fuel efficiency 25% fall in SOx/tonne 14% fall in NOx/tonne 5 Air, land and steel since 2010 1 People 10 Impact 3 Infrastructure 9 Scientists and 2 Products 7 Supply chains 1 8 Com 4 Resources -10.0.01 \$19m \$176m \$54m \$227m estment in pe ining and velopment community investments - including science and \$2,707m capital expenditure Our investments

The integrated reporting framework developed by the IIRC includes 6 capitals: human, social, intellectual, natural, menufactured and financial. In this first step towards integrated reporting, ArceiorMittal reports the value we create for society against the four capitals above as a simplified version of the IIRC structure. We report against financial capital elsewhere in our annual review. Unless stated otherwise, dar refers to 2015.